

**Ethniki Holdings S.à r.l.**  
**Group Solvency & Financial**  
**Condition Report**  
**2024**

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## Disclosure Framework

In this report, Ethniki Holdings S.à r.l. is defined as the "Participant" and the following companies

- "THE ETHNIKI" Hellenic General Insurance Company S.A., (hereinafter: "Ethniki Insurance" or "the Company") with its registered seat in Greece,
- Garanta Asigurari S.A. ( hereinafter: "Garanta"), with its registered seat in Romania,
- Ethniki Insurance (Cyprus) Ltd. (hereinafter: "Ethniki Cyprus Life Insurance"), with its registered seat in Cyprus,
- Ethniki General Insurance (Cyprus) Ltd. (hereinafter: "Ethniki Cyprus Non-Life Insurance"), with its registered seat in Cyprus.

are each individually also defined as the "related undertakings".

The Group of Companies headed by the Participant is defined as the "Ethniki Holdings S.à r.l. Group" or "the Group".

The content of the Group Solvency and Financial Condition Report ("the Report") is determined in Executive Committee Act 77/12.2.2016 of the Bank of Greece (hereinafter "BoG"), which is the Group Regulator, and Articles 359 through 364 of the Delegated Regulation (EU) 2015/35. The structure of the Report is determined by Annex XX of the Delegated Regulation (EU) 2015/35 and is depicted in Chapters 1 through 5.

The Executive Summary forms an integral part of this Report and is published along with it.

Annex I of this Report includes the templates included in Article 5 of the European Commission Implementing Regulation (EU) 2015/2452 of 02.12.2015. Quantitative template S.05.02.01 "Premiums, claims and expenses by country" is not submitted since in year 2022 more than 90% of Group's gross premiums were written in Greece. Quantitative templates S.25.02.22 and S.25.03.22 specifying information on Solvency Capital Requirement are not submitted given that the former is applicable for groups using standard formula and a partial internal model, whereas the latter is applicable for groups using a full internal model.

Amounts in the Report Tables are presented in thousands of Euros, whereas amounts outside of the Tables are presented in millions of Euros, unless otherwise stated.

For the calculation of Group Solvency, the Participant consolidates Ethniki Insurance by applying method 1 ("full consolidation method").

The Participant consolidates Garanta, Ethniki Cyprus Life and Ethniki Cyprus Non-Life by applying method 2 ("deduction and aggregation method"), which is stipulated in Article 191 of Law 4364/2016, in accordance with the decision No. 184/4/25.04.2016 of the Credit and Insurance Committee ("CIC") of the BoG.

In accordance with Decision No. 269/5/09.05.2018 of the Committee of Credit and Insurance Issues ("CIIC") of BoG, Ethniki Insurance applied the reduction of the transitional measure on technical provisions, in accordance with the provisions of Article 275 of Greek Law 4364/2016.

Ethniki Cyprus Life Insurance as of 01.01.2019 calculates its technical provisions, by using the risk free curve. Ethniki Cyprus Life Insurance holds 100% of Ethniki Cyprus Non-Life Insurance, which has used the risk free curve for the calculation of its technical provisions.

Garanta calculates its technical provisions by using the risk free curve.

The BoG, as Supervisory Authority, in accordance with Article 41 of Greek Law 4364/2016 and Article 54 of EC 138/2009, may request a modification or revision of the Group published reports or disclosure of any additional information, as well as any other actions to be taken by Management.

The Report for the year ended 31 December 2024 has been approved by the Participant's Board of Directors ("BoD") on 15 May 2025.

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## Summary

Set out below is the executive summary of the Group's Report, which includes key figures and information on the Business and Performance, System of Governance, Risk Profile, Valuation for solvency purposes, Capital Management and Sale Process.

## Key Figures

The following table depicts the key Solvency II figures of the Group for the financial years 2024 and 2023:

| Solvency II Key Figures                       | 31.12.2024       | 31.12.2023<br>Restated | Adjustments     | 31.12.2023<br>As reported in<br>2023 Group<br>SFCR | % Change<br>2024 vs 2023<br>Restated |
|-----------------------------------------------|------------------|------------------------|-----------------|----------------------------------------------------|--------------------------------------|
| <b>(€ in thousands)</b>                       |                  |                        |                 |                                                    |                                      |
| Investments                                   | 3.368.922        | 3.428.041              | -               | 3.428.041                                          | -1,7%                                |
| Other Assets                                  | 702.377          | 628.839                | 71.982          | 556.857                                            | 11,7%                                |
| <b>Total Assets</b>                           | <b>4.071.299</b> | <b>4.056.880</b>       | <b>71.982</b>   | <b>3.984.897</b>                                   | <b>0,4%</b>                          |
| Technical provisions                          | 3.034.318        | 2.987.675              | 27.626          | 2.960.049                                          | 1,6%                                 |
| Other liabilities                             | 579.037          | 570.774                | 88.932          | 481.841                                            | 1,4%                                 |
| <b>Excess of assets over liabilities</b>      | <b>457.944</b>   | <b>498.431</b>         | <b>(44.576)</b> | <b>543.007</b>                                     | <b>-8,1%</b>                         |
| <b>Subordinated liabilities</b>               | <b>177.128</b>   | <b>177.171</b>         | <b>-</b>        | <b>177.171</b>                                     | <b>0,0%</b>                          |
| <b>Total Own Funds</b>                        | <b>635.072</b>   | <b>675.602</b>         | <b>(44.576)</b> | <b>720.179</b>                                     | <b>-6,0%</b>                         |
| <b>Eligible own funds to meet SCR</b>         |                  |                        |                 |                                                    |                                      |
| Tier 1                                        | 351.878          | 405.088                | (42.665)        | 447.753                                            | -13,1%                               |
| Tier 2                                        | 129.099          | 129.147                | -               | 129.147                                            | 0,0%                                 |
| Tier 3                                        | 28.212           | 24.167                 | 1.158           | 23.009                                             | 16,7%                                |
| <b>Total Eligible Own Funds to meet SCR</b>   | <b>509.190</b>   | <b>558.402</b>         | <b>(41.507)</b> | <b>599.909</b>                                     | <b>-8,8%</b>                         |
| <b>Capital Requirement</b>                    |                  |                        |                 |                                                    |                                      |
| <b>Solvency Capital Requirement (SCR)</b>     | <b>314.623</b>   | <b>306.627</b>         | <b>2.316</b>    | <b>304.312</b>                                     | <b>2,6%</b>                          |
| <b>Solvency Ratio (SCR Coverage Ratio)[1]</b> | <b>162%</b>      | <b>182%</b>            | <b>-15%</b>     | <b>197%</b>                                        | <b>-21 pp</b>                        |
| <b>Minimum Capital Requirement (MCR)</b>      |                  |                        |                 |                                                    |                                      |
| <b>Minimum Capital Requirement (MCR)</b>      | <b>107.467</b>   | <b>106.265</b>         | <b>(1.702)</b>  | <b>107.966</b>                                     | <b>1,1%</b>                          |
| <b>Eligible own funds to meet MCR</b>         |                  |                        |                 |                                                    |                                      |
| Tier 1                                        | 351.878          | 405.088                | (42.665)        | 447.753                                            | -13,1%                               |
| Tier 2                                        | 21.493           | 21.253                 | (340)           | 21.593                                             | 1,1%                                 |
| <b>Total eligible own funds to meet MCR</b>   | <b>373.372</b>   | <b>426.341</b>         | <b>(43.005)</b> | <b>469.346</b>                                     | <b>-12,4%</b>                        |
| <b>Solvency Ratio (MCR Coverage Ratio)[2]</b> | <b>347%</b>      | <b>401%</b>            | <b>-34%</b>     | <b>435%</b>                                        | <b>-54 pp</b>                        |

[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)

In 2024, following a regulatory request, the Ethniki Insurance resubmitted its 2023 SFCR, restating EOF and SCR for all transactions reported in its financial statements and adjusting post-balance sheet events in line with Solvency II.

A Group-level resubmission was not required; however, 2023 comparative figures in the 2024 Group SFCR have been restated, as shown in the table above, to reflect the Greek entity's adjustments.

Key restatements include:

- Dividend & income tax: (49,9m €)
- Other adjustments: primarily related to claims and reinsurance recoverables, finalization of employee benefit liabilities (IAS 19), and other minor items

As indicated in the above Table, as at 31.12.2024 the Group's eligible own funds exceed both the Solvency Capital Requirement ("SCR") and the Minimum Capital Requirement ("MCR").

## Business and Performance

The Group, apart from Luxembourg, is also present in Greece through Ethniki Insurance, in Cyprus through Ethniki Cyprus Life Insurance, Ethniki Cyprus Non-Life Insurance, and in Romania through Garanta.

In 2024, the Group's Net Insurance Service Result amounted to €26,2m 2024, recovering from a loss making 2023. Total production for 2024 in terms of GWP and related income reached €902,8m, stemming mainly from Life business €648,9m, and strong performance in Property €122m, Motor €83,2m and Other Non-Life €48,6m.

The Group maintains a strong capital base that allows insurance participating undertakings to offer efficient services and a wide product base to their policyholders.

## System of Governance

The Participant has recently taken steps to strengthen its governance framework by formalizing a service agreement with Ethniki Insurance. Under this agreement, Ethniki Insurance staff with adequate expertise will be responsible for preparing the Participant's reports, including Quarterly QRTs, Annual QRTs, SFCR, RSR, and ORSA. This arrangement establishes a formal framework to ensure the effective management and preparation of these reports, enhancing the Participant's governance and operational integrity in these key areas.

For the purposes of chapter 2 and 3 only, Ethniki Insurance, Ethniki Cyprus Life Insurance, Ethniki Cyprus Non-Life Insurance and Garanta are defined as the "Ethniki Insurance" sub-Group or the "Sub-Group".

The BoD of Ethniki Insurance, supported by the BoD Committees, is responsible for setting the strategic direction, supervising the operations carried and exercising adequate control of the Sub-Group, aiming at the maximization of its long-term value, the advocacy of general corporate and Sub-Group interest and the promotion of internal affairs, in accordance with the legal and regulatory framework.

The Sub-Group's System of Governance includes:

1. Policies and Procedures, approved by the BoDs of Ethniki Insurance and its related undertakings, such as the Compliance Policy, the Fit & Proper Policy, the Remuneration Policy and the Outsourcing Policy.
2. An Internal Control System ("ICS") aiming at ensuring, to the extent possible, that internal control mechanisms are implemented as designed, are adequate and promote the consistent implementation of business strategy, the timely identification and effective

risk management, and the provision of reliable financial management information. In this context, ICS includes, inter alia, allocating responsibilities to Staff, establishing and recording procedures and safeguards, carrying out regular and ad hoc audits by the competent Units,

3. A Risk management system, aiming at the timely identification, adequate assessment and effective monitoring, management and reporting of existing and emerging risks, throughout the range of the Sub-Group business activities. 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 Compliance function, which operate on the basis of approved Charters are supervised by the Committees of the BoD or / and directly by the BoD.

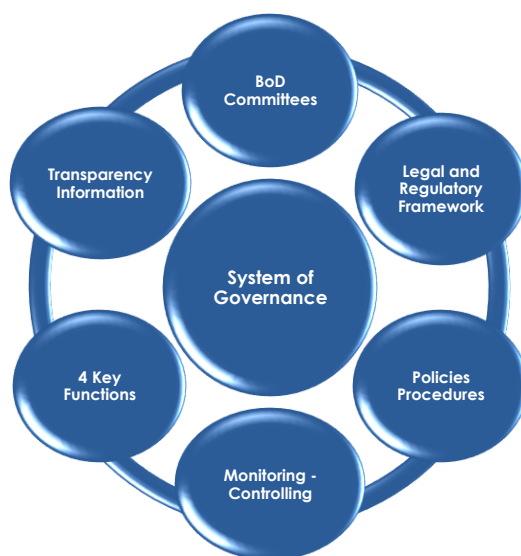


Diagram: Illustration of System of Governance

## Risk Profile

The risk profile is monitored through coordinated procedures for the identification, evaluation, management and reporting of the risks undertaken.

In this framework, the following risks have been identified and managed through the development of policies and respective procedures at Ethniki Insurance sub-Group level:



The macroeconomic landscape slightly improved compared to the year 2023 with lower inflation rate and broadly stable economic growth for Greece. Nevertheless, the fragile macroeconomic

conditions still remain due to the ongoing global geopolitical tensions and the fear of rising protectionism.

Due to the current conditions in Greece and globally, the main strategic risks that affected the Group's activities are those stemming from the unstable financial and operating business environment (macroeconomic risks at Global, European and Greek level).

For the calculation of Group Solvency, for Ethniki Insurance the full consolidation method is followed and for the Ethniki Cyprus Life Insurance, Ethniki Cyprus Non-Life Insurance and Garanta the alternative method is followed ("deduction and aggregation method") and is based on the following:

- i. The use of transitional measures and volatility adjustment to the relevant risk free interest rate term structure ("adjusted curve") for Ethniki Insurance
- ii. The use of risk free curve for Ethniki Cyprus Life Insurance
- iii. The use of risk free curve for Ethniki Cyprus Non-Life Insurance
- iv. The use of risk free curve for Garanta

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 Group's risk profile, has been evaluated within the framework of the annual ORSA.

The solvency capital requirements of the Participant as well as its related undertakings are presented in the following tables:

#### Solvency Capital Requirements as at 31.12.2024:

| Solvency Capital Requirements<br>(€ thousands) 31.12.2024 | Companies<br>consolidated<br>under method<br>1 <sup>(1)</sup> | Ethniki<br>Cyprus Life<br>Insurance <sup>(2)</sup> | Ethniki<br>Cyprus<br>Non-Life<br>Insurance <sup>(2)</sup> | Garanta <sup>(2)</sup> |
|-----------------------------------------------------------|---------------------------------------------------------------|----------------------------------------------------|-----------------------------------------------------------|------------------------|
| Market Risk                                               | 151.507                                                       | 5.842                                              | 2.906                                                     | 1.650                  |
| Credit Risk                                               | 23.634                                                        | 605                                                | 1.695                                                     | 1.395                  |
| Life underwriting risk                                    | 67.915                                                        | 8.481                                              | -                                                         | 421                    |
| Health underwriting risk                                  | 92.209                                                        | 1.381                                              | 1.714                                                     | 503                    |
| Non-Life underwriting risk                                | 69.177                                                        | -                                                  | 3.284                                                     | 4.249                  |
| Diversification                                           | (145.150)                                                     | (4.154)                                            | (3.135)                                                   | (2.281)                |
| <b>BSCR</b>                                               | <b>259.292</b>                                                | <b>12.155</b>                                      | <b>6.464</b>                                              | <b>5.938</b>           |
| Operational Risk                                          | 29.523                                                        | 640                                                | 678                                                       | 332                    |
| LAC                                                       | -                                                             | -                                                  | -                                                         | (400)                  |
| <b>Solvency Capital Requirements (method 1)</b>           | <b>288.815</b>                                                | <b>12.795</b>                                      | <b>7.143</b>                                              | <b>5.871</b>           |
| <b>Solvency Capital Requirements (method 2)</b>           | <b>25.808</b>                                                 |                                                    |                                                           |                        |
| <b>Group Solvency Capital Requirements</b>                | <b>314.623</b>                                                |                                                    |                                                           |                        |

(1): The Participant and Ethniki Insurance

(2): Consolidated under method 2

For related undertakings consolidated under method 2, the SCR and individual risks correspond to the indirect stake of the Participant in each related undertaking.

The Solvency Capital Requirement as at 31.12.2024, 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 ("transitional measures"), amounts to €314,6m compared to €306,6m as at 31.12.2023.

There was change to the Group's Risk Profile, compared to the previous reporting period. Total capital requirements increased by 2,6%. The increase came mainly from market risk, and health underwriting risk and operational risk (by 2,4%, 9% and 12% respectively). As an offset, counterparty default risk was decreased by 14,3%.

The Group has performed a sensitivity analysis, in order to estimate the effect of changes in risk factors on its own funds as at 31.12.2024. The sensitivity analysis was performed with:

- The use of transitional measures and adjusted curve for Ethniki Insurance.
- The use of risk free curve of the part of Ethniki Cyprus Life Insurance.
- The use of risk free curve of the part of Ethniki Cyprus Non-Life Insurance.
- The use of risk free curve of the part of Garanta.

The results of the sensitivity analysis are summarized in the table below:

| Scenarios                      | Value   | Change<br>(amounts in €<br>thousands):<br>Own Funds | Capital<br>Adequacy ratio |
|--------------------------------|---------|-----------------------------------------------------|---------------------------|
| Change in interest rates       | 0.50%   | (12.465)                                            | 158%                      |
| Change in interest rates       | -0.50%  | 7.169                                               | 164%                      |
| Change in bonds credit spreads | 50 bps  | (105.031)                                           | 128%                      |
| Change in bonds credit spreads | -50 bps | 120.287                                             | 200%                      |
| Change in equity prices        | 25%     | 28.872                                              | 171%                      |
| Change in equity prices        | -25%    | (28.771)                                            | 153%                      |
| Change in property values      | 25%     | 55.536                                              | 179%                      |
| Change in property values      | -25%    | (55.339)                                            | 144%                      |

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

## Valuation for Solvency Purposes

The Group measures assets and liabilities and calculate technical provisions in accordance with Chapter VI, section 1 and 2 of Directive 2009/138/EC of the European Parliament and of the Council.

For the calculation of Group Solvency, the Participant consolidates Ethniki Insurance by applying method 1 ("full consolidation method").

The Participant consolidates Garanta, Ethniki Cyprus Life and Ethniki Cyprus Non-Life by applying method 2 ("deduction and aggregation method"), which is stipulated in Article 191 of Law 4364/2016, in accordance with the decision No. 184/4/25.04.2016 of the Credit and Insurance Committee ("CIC") of the BoG.

## Capital Management

Through capital management, the Group aims to optimize the balance between risk and return, while ensuring that its funds are adequate to cover capital requirements.

Ethniki Insurance, as the main driving undertaking of capital and solvency capital requirements of the Group, has established a Capital Management Policy, which is in line with the risk appetite and strategy.

Capital position and capital adequacy limits on the Solvency ratio are set out in this policy.

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 on technical provisions for Ethniki Insurance 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 31.12.2024 the unamortized value of the transitional measure on technical provisions amounting to €102,9m (i.e. 8/16 of the initial amount of the transitional measure of €205,8m) and for 2025 will amount to €90,0m (i.e. 7/16 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 162% as at 31.12.2024, compared to 182% as at 31.12.2023 and the eligible own funds to cover the SCR reached €509,2m as opposed to €558,4m as at 31.12.2023.

The Solvency Capital Requirement coverage ratio excluding the use of the transitional measure but using the volatility adjustment amounts to 129% as at 31.12.2024, compared to 144% as at 31.12.2023 and the eligible own funds to cover SCR reached €406,3m as opposed to €442,7m as at 31.12.2023.

The Solvency Capital Requirement coverage ratio with the use of the risk free yield curve, amounts to 115% as at 31.12.2024, compared to 132% as at 31.12.2023 and the eligible own funds to cover SCR reached €362,9m as opposed to €410,9m as at 31.12.2023.

| Solvency Ratio<br>(€ thousands)    | With transitional measures |                     | Without the use of transitional measures on technical provisions |                     | Risk-free yield curve |                     |
|------------------------------------|----------------------------|---------------------|------------------------------------------------------------------|---------------------|-----------------------|---------------------|
|                                    | 31.12.2024                 | 31.12.2023 Restated | 31.12.2024                                                       | 31.12.2023 Restated | 31.12.2024            | 31.12.2023 Restated |
| Eligible own funds to meet the SCR | 509.190                    | 558.402             | 406.251                                                          | 442.659             | 362.893               | 410.892             |
| SCR                                | 314.623                    | 306.627             | 315.086                                                          | 306.627             | 316.930               | 312.056             |
| Solvency Ratio                     | 162%                       | 182%                | 129%                                                             | 144%                | 115%                  | 132%                |

On 1 January 2024 the transitional measure on technical provisions was amortized by €12,9m.

### Sale process

On March 12, 2025, the Participant's majority shareholder entered into a share purchase agreement for the sale of the 90.01% of the share capital of the Participant to Piraeus Bank S.A. The total consideration is €600m, on a 100% basis. The closing of the transaction is subject to the approvals of the competent regulatory bodies

### Subsidiary held for sale

On 14.04.2025, Ethniki Insurance announced that it has entered into a Share Purchase Agreement (hereinafter "SPA") to sell 100% stake in its subsidiary Ethniki Cyprus (the "Transaction") to the Bank of Cyprus Holdings Public Limited Company.

The Transaction is subject to the approvals of the competent regulatory bodies.

# 1 . Business & Performance

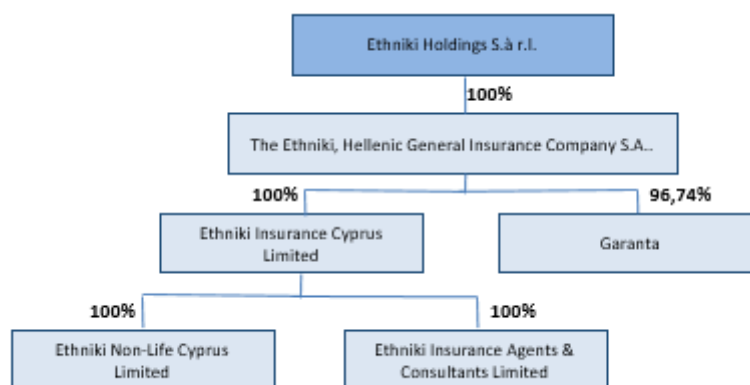
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## 1.1. Activity

### 1.1.1. The Group

The Group comprises of the Participant and its related undertakings: Ethniki Insurance in Greece, Ethniki Cyprus Life Insurance and Ethniki Cyprus Non-Life Insurance in Cyprus and Garanta in Romania.

The Group structure is depicted in the diagram below.



The Table below provides information on the Group's insurance undertakings, regarding the country of activity, Participant's shareholding and the Competent Supervisory Authority:

| 31.12.2024            |             |                   |                                              |                                              |                                        |
|-----------------------|-------------|-------------------|----------------------------------------------|----------------------------------------------|----------------------------------------|
|                       | Participant | Ethniki Insurance | Ethniki Cyprus Life Insurance                | Ethniki Cyprus Non-Life Insurance            | Garanta                                |
| Country of activity   | Luxembourg  | Greece            | Cyprus                                       | Cyprus                                       | Romania                                |
| Shareholding %        | -           | 100%              | 100%                                         | 100%                                         | 96,74%                                 |
| Supervisory Authority | BoG         | BoG               | Insurance Companies Control Service (Cyprus) | Insurance Companies Control Service (Cyprus) | Autoritatea de Supraveghere Financiara |

### 1.1.2. The Participant

The Participant was incorporated on 8 December 2020 as a Société à responsabilité limitée for an unlimited period, as a wholly owned subsidiary of Ethniki Holdings Ltd, with its registered seat in Jersey. The ultimate shareholders of the Participant are limited partnerships with CVC Capital Partners VII Limited acting as General Partner. The Participant has its registered address at 29, Avenue de la Porte-Neuve, L-2227 Luxembourg, and is registered at the Luxembourg Commercial Register under number B 250223, website: [www.ethniki-holdings-sarl.com](http://www.ethniki-holdings-sarl.com).

The object of the Participant is the holding of participations, in any form whatsoever, in Luxembourg and outside of Luxembourg, the acquisition by purchase, subscription, or in any other manner as well as the transfer by sale, exchange or otherwise of stocks, bonds, debentures, notes and other securities of any kind, and the ownership, administration, development and management of its portfolio.

The Participant may also hold interests in partnerships and act as general partner of such partnerships. The Participant may borrow in any form and proceed to the issuance of bonds (by private placement or to the public), which may be convertible and to the issuance of debentures. The Participant may also enter into any guarantee, pledge or any other form of

security for the performance of any contracts or obligations of the Participant or of group companies.

In general, it may grant assistance to affiliated companies, take any controlling and supervisory measures and carry out any operation, which it may deem useful in the accomplishment and development of its purposes. The Participant may further carry out any commercial, industrial or financial operations, as well as any transactions on real estate or on movable property.

On 26 March 2021, the Participant entered into a share purchase agreement as purchaser together with the National Bank of Greece ("NBG"), as seller, in order to acquire 196.017.480 shares in Ethniki Insurance, comprising the 100% of the issued share capital of the company.

The transaction included the purchase by the NBG of 9,99% of the share capital of the Participant. The above transfer followed the approval of the European Commission on February 24, 2022, as well as the supervisory authorities of the countries in which the Group operates.

The transaction was closed on 31 March 2022.

### 1.1.3. The Related undertakings

#### Insurance Companies

##### **Ethniki Insurance (Greece)**

Ethniki Insurance is the oldest insurance undertaking in Greece and conducts business continuously for over 133 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-asfaltiki.gr](http://www.ethniki-asfaltiki.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 "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. Ethniki Insurance offers a full range of retail and business insurance services.

Ethniki Insurance conducts its business throughout Greece via its Sales Network, which comprises 129 Sales Offices with 1.649 Tied Agents, 1.149 Insurance Agents and 136 Brokers. The network is supported by 6 branches located in Athens, Corinth, Patras, Chania, Rhodes and Thessaloniki. The Company's products are also available via the extensive network of NBG Branches, as well as through online selling.

##### **Ethniki Cyprus Life Insurance and Ethniki Cyprus Non-Life Insurance (Cyprus)**

The two companies offer a full range of Life insurance, as well as Non-life insurance in all lines of business. The distribution network is supported by 7 branches and 2 Sales Offices, located in all major cities of Cyprus (Nicosia, Limassol, Larnaca, Paphos, **Famagusta**), 120 Insurance Agents and 50 cooperating Insurance Brokers.

On 14.04.2025, Ethniki Insurance announced that it has entered into a Share Purchase Agreement (hereinafter "SPA") to sell 100% stake in its subsidiary Ethniki Cyprus (the "Transaction") to the Bank of Cyprus Holdings Public Limited Company.

The Transaction is subject to the approvals of the competent regulatory bodies.

The sale consideration is expected to approximate the value of the related undertaking in the Group's Solvency II Balance Sheet.

## Garanta (Romania)

Garanta 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 137 Insurance Brokers, 3 Insurance Agents, whereas its insurance products are also available via Bancassurance channel through Alpha Bank Romania, EXIM BANK ROMANEASCA and First Bank Romania

Garanta was founded in October 1997, with a goal to invest in the Romanian Insurance Market, with Ethniki Insurance as its majority equity holder with an equity stake of 94.96%.

On 01.11.2024 Ethniki, announced the signing of a Share Purchase Agreement (SPA) with SIGNAL IDUNA Asigurare Reasigurare S.A. ("SIGNAL IDUNA"), the subsidiary of SIGNAL IDUNA's Group in Romania, for the sale of its 96.74% stake in Garanta Asigurari S.A. ("Garanta").

The transaction is subject to approval by the relevant regulatory authorities

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 €9.3m since the investment in the said undertaking has been impaired based on non-binding offers received.

The sale consideration is expected to be lower than the value of the related undertaking in the Group's Solvency II Balance Sheet.

## Other Companies

The Participant on 31.12.2024 held a stake through its related undertakings (Ethniki Insurance, Ethniki Cyprus Life Insurance, Ethniki Cyprus Non-Life Insurance) in the following company:

### National Insurance Agents and Consultants Ltd

National Insurance Agents and Consultants Ltd is a subsidiary of Ethniki Cyprus Life Insurance which holds 100% of its share capital. The purpose of the company is to carry out insurance broker services. The company has ceased its operations.

Both Cypriot and Romania subsidiaries are shown as "held for sale" in the Group's IFRS financial statements for 2024.

## 1.1.4. BoD Members

The Boards of Directors of the Participant and its related undertakings in the consolidation are the following:

### Participant's Board of Directors

The Board of Directors of the Participant on 31.12.2024 consisted of the following members:

Carmen André

Alexandros Fotakidis

Georgia Oikonomitsiou

Stavros Karagrigoriou

## Ethniki Insurance BoD

The Board of Directors of Ethniki Insurance on 31.12.2024 consisted of the following members:

|                                                    |                                         |
|----------------------------------------------------|-----------------------------------------|
| Athanasios Zarkalis, son of Spyridon               | Chair, Independent Non-Executive Member |
| Dimitrios Mazarakis, son of Evangelos              | CEO, Executive Member (from 08.07.2024) |
| 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                    |
| Stuart Jeffrey Davies, son of Thomas               | Independent Non-Executive Member        |
| Vassileios Mastrokalos, son of Gerasimos-Anargyros | Independent Non-Executive Member        |

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.

At the BoD meeting No. 2339/13.02.2024, the BoD Member Mr. T. L. Anastasiou announced his stepping down from the BoD as of 13 February 2024.

At the BoD meeting No. 2345/10.05.2024, the Board examined and approved unanimously the consensual termination of ex CEO's agreement, Mr. Robert Constantin Gauci, with effect from July 7, 2024.

At the same BoD meeting – following the Fit and Proper assessment and the relevant recommendation of the Remuneration and Nomination Committee – the Board elected unanimously as new Member of the Board and CEO Mr. Dimitrios Mazarakis, with effect from July 8, 2024.

On May 9, 2025 Christina Theofilidi resigned from the BoD. Following her resignation, Panagiotis Dasmanoglou was appointed as a non-executive member to the BoD, effective May 12, 2025, to fill the resulting vacancy.

## Ethniki Cyprus Life Insurance and Ethniki Cyprus Non-Life Insurance BoD

The Board of Directors of Ethniki Cyprus Life Insurance and Ethniki Cyprus Non-Life Insurance on 31.12.2024 consisted of the following members:

|                         |                                  |
|-------------------------|----------------------------------|
| Robert Constantin Gauci | Chair, Non – Executive           |
| Eleftherios Vasiliou    | CEO                              |
| Stavros Karagrigoriou   | Non-Executive Member             |
| Christos Christodoulou  | Non-Executive Member             |
| Andreas Theophanous     | Independent Non-Executive Member |
| Christoforos Loutsios   | Independent Non-Executive Member |

## Garanta BoD

The Board of Directors of Garanta on 31.12.2024 consisted of the following members

|                       |                                                             |
|-----------------------|-------------------------------------------------------------|
| Paul Mitroi           | Chair                                                       |
| Petru Rares           | Vice Chair                                                  |
| Elena Petculescu      | Non-Executive Member                                        |
| Sotiris Sofopoulos    | Non-Executive Member                                        |
| Ioannis Kougionas     | Independent Non-Executive Member                            |
| Marian – Ionel Baches | Executive Member – approved by the Supervisor on 17.12.2024 |

### 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 of the Group.

The Group Statutory Auditor for the Participant is: PwC Société Coopérative, 2 rue Gerhard Mercator, 2182 Luxembourg with tel: +352 4948481.

For the purposes of this Report, Price Waterhouse Coopers SA with registered office at Kifisias Avenue, 65, Marousi, tel.: +30 210 68 74 400, website: <http://www.pwc.com/gr>, who is the statutory auditor of Ethniki Insurance, has been engaged to audit the Group SFCR for submission to the BoG.

## 1.2. Insurance Activity Results

### 1.2.1. Production

The Group's Insurance Gross Written Premium (GWP) by line of business for 2024 and 2023 are presented in the following table:

| GWP (€ thousands) | 31.12.2024     | 31.12.2023     | Difference     |
|-------------------|----------------|----------------|----------------|
| Life Insurance    | 648.860        | 547.839        | 101.021        |
| Motor             | 83.241         | 75.284         | 7.957          |
| Property          | 121.937        | 99.566         | 22.371         |
| Other Non-Life    | 48.546         | 50.526         | (1.981)        |
| <b>Total GWP</b>  | <b>902.584</b> | <b>773.215</b> | <b>129.369</b> |

Total GWP production for 2024 amounted to €902,6m, an increase of 16,7% compared to 2023.

The €101m or 18,4% annual growth in Life & Health Insurance premiums was primarily driven by a €68m increase in New Unit Linked Single Premium contracts of Ethniki Insurance, alongside contributions from Individual and Group contracts premium growth.

Similarly, Non-Life business GWP saw a €28,3m or a 12,6% year-over-year increase, predominantly driven by increased production in the Property sector, particularly fronting contracts of Ethniki Insurance.

The above figures reflect all relevant undertakings production, including those held for sale.

### 1.2.2. Financial Performance

The insurance service result net of reinsurance in 2024 amounts to €26,2m profit, as depicted in the following table:

| (€ thousands)                                                     | 2024           |               |               | 2023            |                 |                 |
|-------------------------------------------------------------------|----------------|---------------|---------------|-----------------|-----------------|-----------------|
|                                                                   | Life           | Non-Life      | Total         | Life            | Non-Life        | Total           |
| Insurance Revenue                                                 | 234.218        | 404.298       | 638.516       | 369.740         | 267.441         | 637.181         |
| Insurance Service Expense                                         | (244.030)      | (309.133)     | (553.162)     | (405.114)       | (304.032)       | (709.146)       |
| <b>Insurance Service Result before reinsurance contracts held</b> | <b>(9.812)</b> | <b>95.165</b> | <b>85.353</b> | <b>(35.374)</b> | <b>(36.591)</b> | <b>(71.965)</b> |
| Net expense from reinsurance contracts held                       | 3.278          | (62.444)      | (59.166)      | (1.495)         | 61.058          | 59.563          |
| <b>Net insurance Service result before Non-Recurring</b>          | <b>(6.533)</b> | <b>32.721</b> | <b>26.187</b> | <b>(36.869)</b> | <b>24.467</b>   | <b>(12.402)</b> |

The Group for 2024 posted profitable results, recovering from the loss-making year 2023, which was mainly affected by the revision of health assumptions in the Life and Health LoB.

The insurance service result increase by (€38,6m) is mainly attributed to Non – Life, mainly Property and other non life, as well as lower losses arising from Life.

### Investment Income

Investment income of the Group is summarized in the following table.

| Investment Income (€ thousands) | 31.12.2024    | 31.12.2023     | Difference      |
|---------------------------------|---------------|----------------|-----------------|
| Coupon Income on Bonds          | 38.055        | 41.226         | (3.171)         |
| Realized gain/loss on disposal  | 2.407         | 23.921         | (21.514)        |
| Gain/Loss FVTPL                 | 12.727        | 30.010         | (17.283)        |
| Unit Linked                     | 33.467        | 32.453         | 1.014           |
| Other                           | (265)         | (1.455)        | 1.190           |
| Non-ALM                         | 17.135        | 14.308         | 2.827           |
| Interest Expense on Loans       | (14.244)      | (13.977)       | (267)           |
| <b>Investment Income</b>        | <b>89.282</b> | <b>126.486</b> | <b>(37.204)</b> |

2024 Investment Income was €37,2m lower than 2023 mainly due to the following:

- (€21,5m) in 2024 vs 2023 is attributed to lower realized gains on disposal, as in 2023 the 2nd phase of the bond portfolio de-risking was taking place, leaving room for realizing periphery bonds gains. In 2024 there was no de-risking effect.
- (€17,3m) in 2024 vs 2023 is attributed to lower unrealized gains in 2024, as in 2023 the IFRS 9 transition took place resulting in €30m unrealized gains from bonds and Mutual Funds classified as FVTPL.

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 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, to reduce total investment risk while maintaining adequate liquidity to cover liabilities. Interest expenses from subordinated loans amounted to €14,2m in 2024, compared to €14,0m in 2023.

### 1.3. Operating Expenses

The breakdown of the Group's operating expenses for 2024 and 2023 is provided in the table below:

| Operating Expenses (€ thousands)                     | 31.12.2024       | 31.12.2023       | Difference      |
|------------------------------------------------------|------------------|------------------|-----------------|
| Personnel costs                                      | (52.728)         | (53.390)         | 662             |
| General and administrative expenses                  | (34.658)         | (27.903)         | (6.755)         |
| Depreciation & impairments of assets                 | (14.460)         | (9.491)          | (4.969)         |
| Financial expenses                                   | (2.175)          | (2.206)          | 31              |
| Provision for non-performing receivables             | (2.246)          | 168              | (2.414)         |
| <b>Total expenses excluding transformation costs</b> | <b>(106.267)</b> | <b>(92.822)</b>  | <b>(13.445)</b> |
| Transformation expenses                              | (13.417)         | (25.945)         | 12.528          |
| Voluntary exit scheme                                | (11.258)         | (14.209)         | 2.951           |
| <b>Total Operating expenses</b>                      | <b>(130.942)</b> | <b>(132.976)</b> | <b>2.034</b>    |

Operating Expenses excluding transformation costs amounted to €106,3m in 2024 compared to €92,8m in 2023, increased by €13,4m. This increase is primarily the result of company's need to strengthen its workforce by adding new talents and specialized skills as well as IT department's needs for acquiring new applications, licenses, and specialized tools.

As part of its transformation process, the company has also incurred expenses of €24,7m in 2024 and €40,1m in 2023, which include, among other costs, the expense of the voluntary employee exit program amounting to €11,3m for 2024 and €14,2m for 2023.

The Ethniki Insurance Board of Directors, at its meeting on August 12th, 2024, approved the provision of incentives for the voluntary departure of employees from the Ethniki Insurance, provided that they are 35 years old, and they have completed at least 15 full years of service with the Company. The number of participants amounted to 77 individuals.

### 1.4. Other Information

#### Participation in the Subsidiary in Romania - Garanta Asigurari

As of 31.12.2024 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 96,7428%.

The size of this specific subsidiary is relatively small compared to the size of the company.

On 01.11.2024 Ethniki, announced the signing of a Share Purchase Agreement (SPA) with SIGNAL IDUNA Asigurare Reasigurare S.A. ("SIGNAL IDUNA"), the subsidiary of SIGNAL IDUNA's Group in Romania, for the sale of its 96.74% stake in Garanta Asigurari S.A. ("Garanta").

The transaction is subject to approval by the relevant regulatory authorities.

The sale consideration is expected to be lower than 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 €8,2m since the investment in the said undertaking has been impaired based on offers received.

### Participation in the Subsidiary in Cyprus - Ethniki Cyprus Life Insurance and Ethniki Cyprus Non-Life Insurance (Cyprus)

On 14.04.2025, Ethniki Insurance announced that it has entered into a Share Purchase Agreement (hereinafter "SPA") to sell 100% stake in its subsidiary Ethniki Cyprus (the "Transaction") to the Bank of Cyprus Holdings Public Limited Company.

The Transaction is subject to the approvals of the competent regulatory bodies.

### Sale Process

On March 12, 2025, the Participant's majority shareholder entered into a share purchase agreement for the sale of the 90.01% of the share capital of the Participant to Piraeus Bank S.A.. The total consideration is €600m, on a 100% basis. The closing of the transaction is subject to the approvals of the competent regulatory bodies.

## 2. System of Governance

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## General information about the System of Governance

For the purposes of this chapter only, Ethniki Insurance, Ethniki Cyprus Life Insurance, Ethniki Cyprus Non-Life Insurance and Garanta are defined as the "Ethniki Insurance" sub-Group or the "Sub-Group".

The Participant has recently taken steps to strengthen its governance framework by formalizing a service agreement with Ethniki Insurance. Under this agreement, Ethniki Insurance staff will be responsible for preparing the Participant's reports, including Quarterly QRTs, Annual QRTs, SFCR, RSR, and ORSA. This arrangement establishes a formal framework to ensure the effective management and preparation of these reports, enhancing the Participant's governance and operational integrity in these key areas.

The core principles of the Sub-Group's System of Governance are defined in their Corporate Governance Code.

The Corporate Governance 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 Codes make special reference to the required qualifications and the independence of the BoD members.

The following Codes – Policies concerning Ethniki Insurance are part of its System of Governance framework:

1. Conflict of Interest Prevention Policy
2. Code of Ethics
3. Fit and Proper Policy
4. Outsourcing Policy
5. Remuneration Policy
6. Compliance Policy
7. Product Oversight and Governance Policy
8. Responsible Investment Policy
9. Anti-Violence and Harassment Policy
10. Complaint Management Policy
11. Anti-Money Laundering and Countering the Financing of Terrorism Policy
12. Whistleblowing Policy
13. Anti-Fraud Policy
14. Personal Data Management Policy
15. Sustainability Policy
16. Sustainable Procurement Policy

The following Codes – Policies concerning Ethniki Cyprus are part of its System of Governance framework:

1. Conflict of Interest Prevention Policy
2. Code of Ethics
3. Fit and Proper Policy
4. Outsourcing Policy

5. Remuneration Policy
6. Compliance Policy
7. Product Oversight and Governance Policy
8. Anti-Money Laundering and Countering the Financing of Terrorism Policy
9. Whistleblowing Policy
10. Personal Data Management Policy

The following Codes – Policies concerning Garanta are part of its System of Governance framework:

1. Conflict of Interest Prevention Policy
2. Code of Ethics
3. Fit and Proper Policy
4. Outsourcing Policy
5. Remuneration Policy
6. Compliance Policy
7. Product Oversight and Governance Policy
8. Investment Policy
9. Harassment Policy
10. Complaint Management Policy
11. Anti-Money Laundering and Countering the Financing of Terrorism Policy
12. Whistleblowing Policy
13. Anti-Fraud Policy
14. Personal Data Management Policy
15. Sustainability Policy

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

### 2.1.1. Main Duties of BoD – Management Body

The board of Directors of the Participant, the BoDs of the of Ethniki Insurance and Sub-Group level, with the support of their competent Committees where applicable, have the following main indicative duties in their own area of responsibility and taking into consideration the principle of proportionality:

1. the general responsibility for their operations, including the system of governance and the corporate values,
2. approval of their strategic objectives,
3. ensuring the effectiveness of their Risk Management systems,
4. ensuring that the composition, organization and the Policies , where appropriate of the BoDs fully meet their legal and regulatory framework,
5. review and approval of their respective regulatory reports
6. ensuring the effectiveness of their Internal Control Systems, including the financial audit as well as ensuring the evaluation of their Internal Control Systems and ensuring the independence and effectiveness of four key functions, where applicable.
7. ensuring the efficient operation of their System of Governance, with a clear allocation and appropriate segregation of duties and an effective mechanism for the transmission of information, where applicable.
8. the approval, updating and supervision of the implementation of Corporate Governance Policies , at Sub-Group level.

The abovementioned BoD - Management Body duties apply mutatis mutandis, depending on the size and the organization, as well as on the nature, scale and complexity of their business activities.

### 2.1.2. Responsibilities of BoD – Management Body

Each BoD/Management Body of the Group manages its respective company, represents it at all times and before all and is competent to resolve on any matter concerning its operations, except for those which, according to law and / or the Articles of Association, fall within the exclusive competence of the General Meeting of Shareholders.

However, each BoD/Management Body of the Group has delegated specific responsibilities to the respective CEO and Senior Management.

As there is no CEO at Ethniki Holdings S.à r.l. level, the Participant is bound by the joint signature of two directors (gérants).

### 2.1.3. Structure of the BoD – Management Body

The directors of the Participant is comprised of 4 administrators (gerants).

Ethniki's Insurance & Ethniki Cyprus BoD are comprised of at least seven members, with a maximum of fifteen. In Garanta Asigurari SA, the BoD is comprised of at least 5 (five) members. At least two-thirds of the BoDs of the Sub-Group are non-executive members.

The composition of BoDs/Management Body, on 31.12.2024, is analyzed in Chapter 1.1.4.

### 2.1.4. BoD Committees

At Participant level, no Committee has been established considering the nature of its operations.

At Sub- Group level, the BoD Committees have defined responsibilities, allocated to them by the BoDs. The Committees are supported , when necessary by the Management and Executives of Ethniki Insurance and the Sub- Group and / or external advisors with specialized knowledge in the issues under consideration. The Committees carry out assessments and monitoring activities and then make relevant suggestions to their respective BoDs. They also supervise, on a case-by-case basis, the implementation of these decisions.

In particular, BoDs of the Sub – Group have established and are supported in their operations by the following Committees:

1. Audit Committee
2. Remuneration and Nomination Committee/ Human Resources and Corporate Governance Committee for the Ethniki Insurance subsidiaries
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 BoD of each related undertaking is supported by the following Committees: (a) Audit Committee, (b) Risk Management Committee, (c) Remuneration and Nomination Committee/ Human Resources and Corporate Governance Committee for the Ethniki Insurance subsidiaries. The Charters of the above Committees are governed by principles similar to those governing the Sub-Group's Charters.

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 of Ethniki Insurance and its related undertakings 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 Ethniki's Insurance 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/Human Resources, Remuneration & Corporate Governance Committee

#### **Ethniki Insurance:**

##### Remuneration & Nomination Committee

The purpose of the Remuneration & Nomination Committee of the Ethniki Insurance and its related undertakings is to assist the Company's Board of Directors 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, Ethniki's Insurance Policies and the Committee Charter.

In exercising its powers, the Committee expresses its authoritative and independent opinion, taking into account the Company's strategy, the shareholders' long-term interests, the values and the sustainability of the Company. In particular, as regards remuneration, the Committee attaches particular importance to the impact of its resolutions on the Company's risk profile and management.

#### **Ethniki Cyprus:**

##### Human Resources, Remuneration and Corporate Governance Committee

The purpose of the Human Resources, Remuneration & Corporate Governance Committee of Ethniki Cyprus is to assist the company's Board of Directors in the following areas of responsibility:

- Corporate governance system, specifically to ensure that the composition, structure, policies, operations, and procedures of the Board are in full compliance with the legal and regulatory framework governing the company and aligned with the governance system of the parent company.

- Human resources management, specifically in fulfilling the Board's duties regarding the attraction, retention, and development of personnel with high professional standards and integrity; the development of a merit-based framework for objective evaluation and fair compensation of executive performance; the creation and maintenance of a cohesive system of values and incentives aimed at the development of the company's human resources; and the oversight of the development and implementation of the Remuneration Policy.

In exercising its powers, the Committee expresses its authoritative and independent opinion, taking into account the company's strategy, the shareholders' long-term interests, and the company's values. In particular, as regards remuneration, the Committee attaches particular importance to the impact of its resolutions on the company's risk profile and management.

### **Garanta Asigurari SA:**

#### Human Resources and Corporate Governance Committee

The purpose of the Human Resources and Corporate Governance Committee of Garanta Asigurari SA is to assist the company's Board of Directors in fulfilling its duties as regards, staffing – composition, and identification of the right persons to be BoD Members and Senior Executives, in accordance with the applicable legislation, Garanta's Insurance Policies and the Committee Charter.

In exercising its powers, the Committee expresses its authoritative and independent opinion, taking into account the company's strategy, the shareholders' long-term interests, the values and the sustainability of the company. In particular, The Committee attaches particular importance to the impact of its resolutions on the company's risk profile and management.

Also, the Committee is aiming at supporting and assisting the BoD in respect of the corporate governance system, and more specifically, to ensure that the composition, structure, policies, operation and procedures of the BoD are in full compliance with the legal and regulatory framework governing the company and in line with the governance system Ethniki Insurance.

### **3. Board Risk Committee**

The respective Committee of Ethniki Insurance and its related undertakings assists the BoD in the performance of its duties related to risk management for all the activities of Ethniki Insurance, which is in line with the relevant legal and regulatory framework.

The main objectives of the Committee are to:

1. draw up an integrated risk-taking and capital management strategy, which covers all types of risks, is aligned with the strategy of the Company and its Subsidiaries and reflects the adequacy of available technical and human resources,
2. develop an appropriate risk management framework, which includes strategies, policies, procedures, methods, systems and reports, ensuring that efficient mechanisms are in place to identify, assess and effectively manage all types of risks arising from the operation of the Company and its Subsidiaries,
3. reinforce the risk management culture across the Company and its Subsidiaries,
4. to align and coordinate all Subsidiaries with the requirements of the Company's risk management framework through the Subsidiaries' Board Risk Committees.

More information about the Risk Committee can be found in Chapter 2.3.3. Operational Framework – Risk Governance Framework.

### 2.1.5. Remuneration Policy & Practices

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 Ethniki Insurance & Garanta Asigurari SA Policies 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 Ethniki Insurance, the risk profile, objectives, risk management practices and long-term interests and performance of Ethniki Insurance overall and includes measures aiming at avoiding conflicts of interest,
- iii. The total variable remuneration should neither limit the ability of Ethniki Insurance and / or its Sub-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 general principles of Ethniki Cyprus Policy are the following

- The Policy contributes to the business strategy, the long-term interests of stakeholders, the values, and the sustainability of the company by:
- preventing the undertaking of excessive risks, including sustainability-related risks, and helping to ensure capital adequacy,
- adopting measures aimed at avoiding situations of conflict of interest or undue influence that could compromise the sound, prudent, and proper management of the risks assumed by the company,
- attracting, retaining, and utilizing executives and staff of high professional standards and integrity,
- promoting and supporting a culture in which individuals are rewarded for consistently achieving objectives, considering the company's strategic goals and the creation of long-term value.

In 2024, the Participant paid performance related variable remuneration as defined in the Remuneration Policy, to eligible employees. In 2024, a review of this Policy was launched to include further improvements, rules and principles.

In 2025, a complete review of the Policy is expected to integrate specific requirements received by the Bank of Greece. Once the new Policy is validated by the Board of Directors in 2025, the policy will be communicated to all related undertakings for implementation.

### 2.1.6. Key Functions

At Participant level, no Key Functions were appointed during the reporting period. However, during Q4.2024, communications were launched with the Bank of Greece in order to appoint specific experts for preparing the Participant's reports, including Quarterly QRTs, Annual QRTs, SFCR, RSR, and ORSA. It was convened that a service agreement between the Participant and Ethniki Insurance would be signed until end of S1.2025 to cover this topic.

Within the Sub-Group Risk Management, Compliance, Actuarial, and Internal Audit Key Functions Holder have been appointed, whose responsibilities are defined in their respective approved Charters and job descriptions.

The Charters of the four key functions 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 Related Parties can be summarized as follows:

| <b>Transactions with Legal Entities</b> |                    |                    |               |                 |                    |                    |               |                 |   |
|-----------------------------------------|--------------------|--------------------|---------------|-----------------|--------------------|--------------------|---------------|-----------------|---|
| <b>(€ in thousands)</b>                 |                    |                    |               |                 |                    |                    |               |                 |   |
|                                         | <b>31.12.2024</b>  |                    |               |                 | <b>31.12.2023</b>  |                    |               |                 |   |
|                                         | <b>Receivables</b> | <b>Liabilities</b> | <b>Income</b> | <b>Expenses</b> | <b>Receivables</b> | <b>Liabilities</b> | <b>Income</b> | <b>Expenses</b> |   |
| <b>Companies affiliated with CVC</b>    | 1.827              | 4                  | 4.334         | 15              | 568                | 14                 | 3.796         | 405             |   |
| -Insurance contracts                    | 1.827              | 4                  | 4.334         | 15              | 568                | 14                 | 3.796         | 401             |   |
| -Other transactions                     | -                  | -                  | -             | -               | -                  | -                  | -             | -               | 4 |
| <b>Total</b>                            | <b>1.827</b>       | <b>4</b>           | <b>4.334</b>  | <b>15</b>       | <b>568</b>         | <b>14</b>          | <b>3.796</b>  | <b>405</b>      |   |

Transactions with companies affiliated with CVC, which holds an indirect interest in the Participant, relate to the period 31.12.2024.

Payments to hospitals which relate to claims payments to the Group'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.

Members of the BoD of both the Participant and Ethniki Insurance, the largest insurance company in the Group, members of the Management team of Ethniki Insurance, as well as their immediate family members or entities controlled or jointly controlled by those persons, have been considered as related parties. The composition of the Participant's and related undertakings' BoD is presented under Chapter 1.1.4. "BoD Members".

As at 31.12.2024, receivables and payables amounted to €1th and €301th respectively (2023: €0th and €265th), while in 2024 premiums and claims amounted to €28th and €(115th) respectively (2023: €22th and €(17)th).

Total compensation in 2024 amounted to €2,708th (2023: €2,765th), including short-term benefits of €2,645th (2023: €2,719th) and post-retirement benefits of €63th (2023: €37th). Provision for compensation in case of retirement amounted to €52th (2023: €28th) and termination of employment benefits amounting to €1,036th.(2023: €447th)

To secure the obligations related to the potential deferred considerations to be paid by the Participant to NBG on the fifth anniversary of the date that the shares of Ethniki Insurance were transferred to the Participant (see chapter 4.3.9), the Participant entered on 31 March 2022 into a Luxembourg law governed share pledge agreement between Ethniki Holdings Ltd as pledgor, NBG as pledgee and the Participant as the company whose shares are pledged.

As at 31.12.2024, neither the Participant nor the related undertakings 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.

## 2.2. Fit & Proper requirements

The Fit & Proper Policy of the Sub- Group aims at acquiring and retaining competent persons who will ensure the exercise of sound and efficient management for the benefit of the Sub-Group

and all stakeholders. The BoD Members, the General / Deputy General Managers, the Heads of the four Key Functions and the Executives of the Sub-Group whose competencies are laid down in the legal framework fall within the scope of the Policy.

This Policy defines, inter alia:

1. the Persons who fall under the scope of this policy (covered Persons,);
2. the fit & proper criteria of the aforementioned Persons,
3. 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,
4. cases in which the continuation of the fulfillment of the fit and proper criteria is reviewed, on an ad hoc basis,
5. Sub- Group's Bodies that are responsible for the implementation of the relevant procedures.

### 2.2.1. Fit & Proper criteria

The fit & proper criteria established in the Sub- Group 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). More specifically, 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 each Sub-Group 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.

Similar Fit & Proper criteria apply to Ethniki Holdings S.à r.l., mutatis mutandis, depending on the size and the organization, as well as on the nature, scale and complexity of their business activities.

### 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 each Sub-Group 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.

Ethniki Insurance has adopted and implement 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.

Important Note: It is important to highlight that Ethniki Insurance has implemented significant measures starting from Q4 2024 to enhance the content of its policies and strengthen its internal

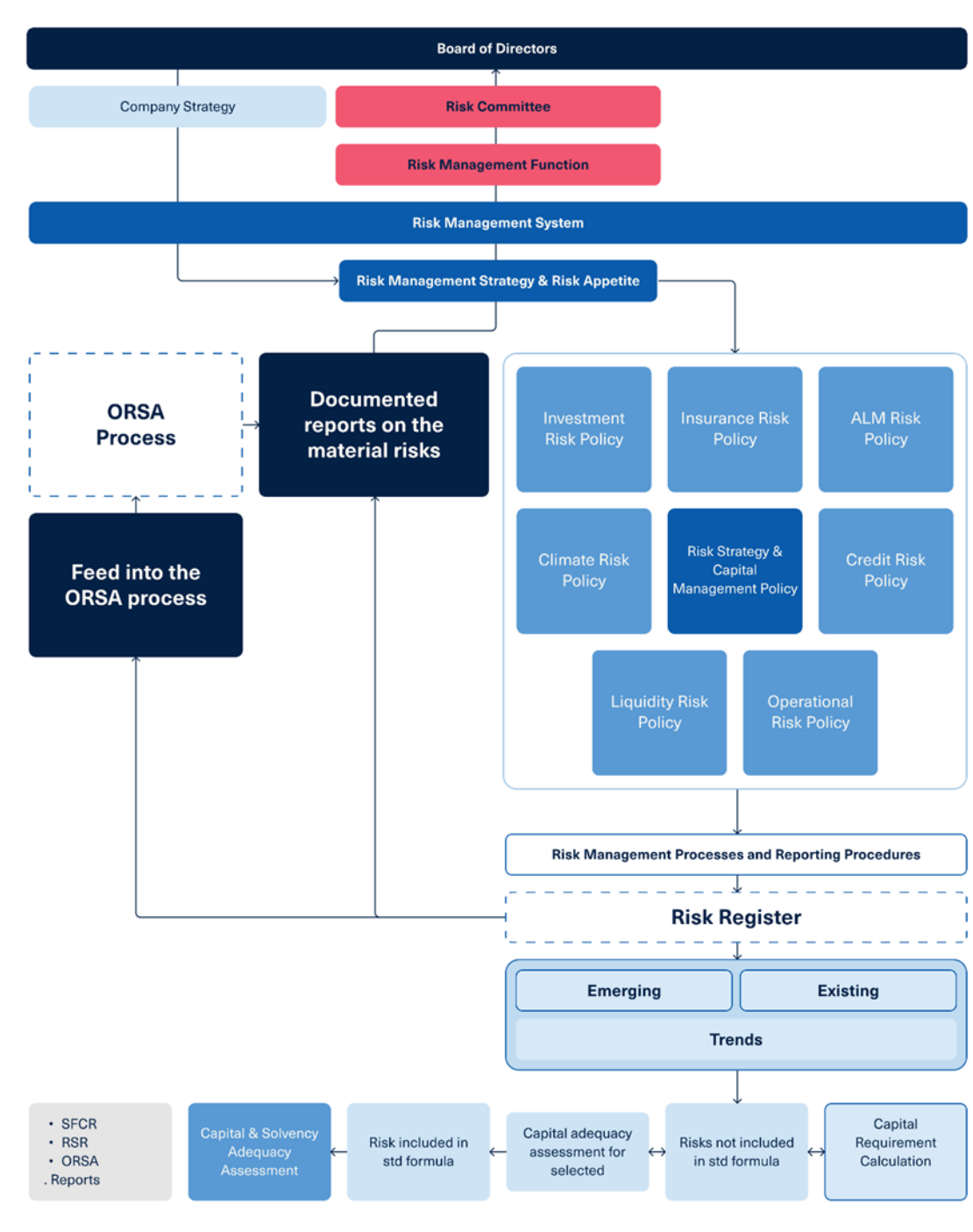
governance framework. This initiative is expected to be completed by the end of S1 2025. The revised policies will be communicated to all related undertakings for timely implementation.

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

The Group, acknowledging its exposure to risks and the need for their effective management, has developed a risk management system at Ethniki Insurance sub-Group level, 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. The system and the risk governance framework are briefly presented below.

### 2.3.1. Description of the Risk Management System

Ethniki's Insurance sub-Group risk managements 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 overall 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 supports BoD and Management in setting up and operating an effective risk management system.

4. The risk management strategy sets 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. The 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 the decision making. The identification, evaluation, management and monitoring of risks are supported by the creation and regular update of a risk register.
7. The ORSA procedure, which is an integral part of the risk management system, is directly connected with the strategy and business planning.

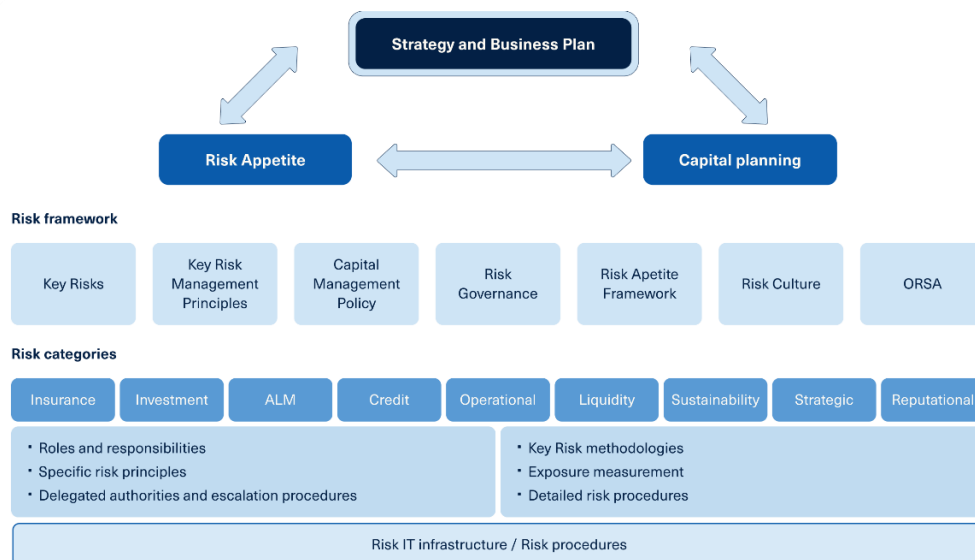
The risk management system is strengthened by the existence of an appropriate “risk culture”.

#### «Risk Culture»

Risk culture is defined as the set of behaviours of individuals and groups within an organisation which define the collective ability to identify, understand, discuss and act upon risks faced by the company. Risk culture affects the decisions of Management and staff during the day-to-day operation. As such, risk culture is considered a significant contributor of an effective risk management system.

#### 2.3.2. Strategy and Risk Management Policies

The risk management strategy, as part of the risk management framework, describes the overall risk appetite, the risk governance framework, the key risk categories and policies. The Company's risk management strategy, as illustrated below, is an embedded part of the business and fully interacts with the strategic planning and the capital management process through the ORSA process. The strategy is the basis for the development of risk management policies for the individual risk categories, where risk management principles and procedures and the roles of those involved in risk management processes are specified. The risk management framework is summarized in the diagram below.



### Risk Management Policies

Risk management policies are developed and implemented, in line with the risk management strategy. These describe the fundamental principles, methodologies and procedures for managing (identifying, assessing, controlling - managing, monitoring and reporting) the individual risks. They aim to ensure that all involved parties managed risks within a standardized framework, aligned with the business objectives, the risk management strategy and the risk appetite.

### Risk reports

Management of the Ethniki Insurance sub-Group 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 BoD through the Board Risk Committee.

The frequency and timeliness of internal risk reporting is appropriate to the nature, scale and complexity of each company's activities involved and the requirements of the recipient. Appropriate escalation procedures exist in the event of deviation from the risk appetite and tolerance limits.

### 2.3.3 Operational Framework – Risk Governance Framework

The Risk Governance Framework forms an integral part of the Risk Management Framework and is organised in a way that ensures the establishment of clear responsibility boundaries over risks, the proper segregation of duties and the avoidance of conflicts of interest at all levels.

The risk governance framework is based on the "Three lines of defense model" and includes several components. Specifically, risk management activities undertaken by the "1st Line of Defense" Units are supported and controlled by the "2nd Line of Defense" Units (e.g. RMD, Compliance, Actuarial). The work of the "Lines of Defense" is guided and supervised by Committees. The risk governance framework is complemented by the Internal Audit function. Specifically:

1st Line of Defense - the Units responsible for assessing and minimizing risks for a given level of expected performance, within the set risk appetite limits. Under the "1st Line of Defense, Management has ownership, responsibility and accountability for directly assessing, controlling and mitigating risks.

2nd Line of Defense - the Units that support Management in risk management. They assist the "1st Line of Defense" Units by providing appropriate risk management methodologies and tools, review and propose risk mitigation measures. To this direction, the RMD cooperates with other specialized Units, such as Actuarial, Compliance.

3rd Line of Defense - the Internal Audit Unit whose role is to act as control body that independently assesses the degree of compliance with the applicable risk management framework and evaluate its effectiveness and reports to the BoD through the Audit Committee.

### Board Risk Committee (BRC)

The Board Risk Committee supports the BoD task and aims at the establishment, preservation, periodical evaluation and improvement of the risk management.

More specific targets of the Committee are:

1. The development of a suitable risk management framework, that encompasses strategies, policies, procedures, systems, and reports, so as to ensure that efficient mechanisms are in place to identify, assess and effectively manage risks of any type that result from the operations.
2. The supervision of compliance with the established risk management framework and proposal of its revision to the BoD, when necessary.
3. The coordination of the necessary actions for the effective operation of the risk management framework, considering necessary and available technical and human resources.
4. The reinforcement of the "risk culture".

### Risk Management Function

The Participant has recently taken steps to strengthen its governance framework by formalizing a service agreement with Ethniki Insurance. The completion of the agreement is expected by the end of S1.2025 at the latest. Under this agreement, Ethniki Insurance staff will be responsible for preparing the Participant's reports, including Quarterly QRTs, Annual QRTs, SFCR, RSR, and ORSA. This arrangement establishes a formal framework to ensure the effective management and preparation of these reports, enhancing the Participant's governance and operational integrity in these key areas.

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 Group's Management. The Risk Management Unit supports the Management in this task.

Ethniki's Insurance Risk Management Unit is 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 of Ethniki Insurance.

The Risk Management Division's responsibilities include:

1. Support BoD and Management in the establishment and operation of an effective risk management system that includes the risk management strategy, policies and procedures for the effective identification, assessment, control-management, monitoring and reporting of risks.
2. Support BoD and Management in the integration of risk management in the decision-making process.
3. Monitor the operation of the risk management system to ensure undertaken risks are within the set risk appetite and promptly update BoD, through the BRC, of any identified deviation. Propose revision of the risk management framework, if deemed necessary.
4. Cooperate with Management in setting up corrective action, for the restoration of the risks undertaken within the acceptable limits.
5. Validate the solvency capital requirement calculation and the eligibility of own funds.
6. Coordinate and perform stress tests and similar techniques.
7. Coordinate the regular and non-regular ORSA.

The Risk Management Division submits:

1. Quarterly reports regarding the solvency capital position and the risk profile of the Company, compared to the risk appetite limits.
2. Reports regarding the regular and non-regular ORSA, if applicable, including the material risks the Company faces.
3. Annual report of the Risk Management Unit's activities and plan.

4. Ad-hoc, special reports, if considered necessary, for issues such as the adequacy of the methods and systems for the identification, measurement and management of risks.

### 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 Group'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 implementation of any corrective action that resulted from the ORSA procedure is monitored by the BoD.

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

1. The development 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 development 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 business,
  - 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 Group is conducted annually. Apart from the regular assessment, non-regular assessments can also be conducted in case of a significant internal or external development, not previously anticipated and assessed in the last ORSA, such as:

1. A major change in the business plan, (e.g. termination of an existing LoB),
2. A major change in the risk profile,
3. A major change in the financial and regulatory environment (e.g. new legislation).

The ad-hoc ORSA may concern a full assessment or a partial assessment.

## 2.4. Internal Control System

The Sub-Group 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 Ethniki Insurance and its related undertakings.

#### 2.4.1. Description of Internal Control System

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

1. preparation and approval by the Ethniki's Insurance BoD of the 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 for the Company,
4. recording and posting on 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 Divisions of Ethniki Insurance to determine the degree of implementation of rules and procedures.

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

1. preparation and approval by the Company's BoD of the 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 for each Sub-Group Company,
4. consulting involvement of key functions in critical activities,
5. carrying out regular and ad hoc audits by the Internal Audit and Compliance Units Divisions of Ethniki Insurance and its related undertakings to determine the degree of implementation of rules and procedures.

Among the basic procedures of ICS of Garanta Asigurari SA, the following are mentioned:

1. preparation and approval by the Garanta Asigurari SA BoD of the multi-annual Business Plan on an annual basis,
2. establishment and documentation of controls, the implementation of which ensures, to the extent possible, compliance with the recorded procedures. Such controls include carrying out regular and ad hoc audits to determine the degree of implementation of rules and procedures. Such controls include: carrying out regular and ad hoc audits to determine the degree of implementation of rules and procedures.

Similar procedures apply to Ethniki Holdings S.à r.l., mutatis mutandis, depending on the size and the organization, as well as on the nature, scale and complexity of their business activities.

## 2.4.2. Description of Compliance Function

At Sub- Group level the Compliance Function is an independent function.

Ethniki's Insurance Compliance and Corporate Governance Division:

1. Is responsible for the supervision and the coordination of the Compliance Function in Ethniki Insurance and its related undertakings,
2. reports administratively to the CEO and through the Audit Committee to the BoD of Ethniki Insurance,
3. has access to all documents and files of its Sub-Group.

Priority of the Sub-Group Compliance Functions is to ensure Companies Insurance good reputation and credibility vis-a-vis its customers, Supervisory and other Independent Regulatory Authorities, as well as other stakeholders through:

1. the timely adaptation 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 Sub-Group Compliance Functions include:

1. identifying and regularly assessing compliance risk,
2. establishing and implementing appropriate procedures to timely achieve full and continuous compliance with the current regulatory framework,
3. addressing any kind of consequences as a result of the failure of the failure to comply with the regulatory framework in force and the Codes of Ethics,
4. carrying out sample audits in the context of monitoring the implementation of the institutional framework to prevent any violations of the provisions of the institutional framework in force,
5. communicating with and representing the Sub-Group companies before the Supervisory and other Independent Regulatory Authorities regarding 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 any activity related to the obligations to a) prevent and suppress money laundering and terrorism financing,
8. shaping a regulatory compliance culture in the Sub-Group's Staff as a model of corporate behaviour and a measure to strengthen corporate and Sub-Group identity.

Each Sub-Group Company's Compliance Function 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 compliance risk, including the method and results of compliance risk assessment, actions of the Company and the Compliance Function to manage the risk,
2. ad hoc reports, whenever significant issues arise.

In addition, the Compliance Functions of the related undertakings submit quarterly reports / information to the respective Unit of Ethniki Insurance.

## 2.5. Internal Audit Function

The Internal Audit Function is an independent and objective assurance and consulting activity, designed to serve as the third line of defense within the Group. The on-site Internal Audit Units (IAUs) are responsible for implementing the Internal Audit Function across the Group Companies. Under the supervision and coordination of the Participant's Internal Audit Division (IAD), the IAUs support the Group in enhancing its business operations and achieving its strategic objectives by systematically evaluating the adequacy and effectiveness of internal control systems, risk management, and corporate governance processes.

In accordance with their Charters, the IAUs, as administrative Units:

1. Operate independently from the audited activities and are not involved in the selection, implementation, or operation of specific internal control procedures or measures.
2. Carry out their assignments on their own initiative, across all areas and activities of the Group, free from any interference during audit planning, execution, and reporting. Their independence remains intact even when they provide advisory services on risk management or internal control matters at Management's request, provided they do not assume any management responsibilities.
3. Are staffed exclusively with full-time personnel who have no executive, operational, or management duties outside the scope of the IAUs.

The Heads of the IAUs:

1. Are appointed or dismissed exclusively by the Group Companies' Boards of Directors, following a relevant proposal by the Audit Committees, in cooperation with the CEOs and the Head of the IAD.
2. Report functionally to the Boards of Directors through the Audit Committees and administratively directly to the Companies' CEOs.
3. Are not authorized to:
  - i. Perform any operational duties within the Group;
  - ii. Execute or approve accounting entries;
  - iii. Supervise employees who are not part of the Internal Audit Function, except for those specifically assigned to them, to audit teams, or those who contribute in some way to the operations of the Internal Audit Function.

To provide independent and objective information to Group Company Management and Boards of Directors, the IAUs are responsible for:

1. Communicating audit results to the Heads of the audited Units and to other competent Group bodies, via audit reports that include findings, recommendations, and a timeline for corrective action plans.
2. Reporting to the Boards of Directors, through the Audit Committees, on a quarterly basis or upon request, regarding:
  - i. The execution of the Annual Audit Plan, based on a risk assessment methodology;
  - ii. Key findings and recommendations from regular audits and special or fraud investigations;
  - iii. Significant unresolved audit issues. When necessary and with the approval of the Heads of the IAUs, relevant report excerpts may be shared with the appropriate Group Executives and bodies.
3. Submitting to the Audit Committees an annual status report on the activity of the Internal Audit Function, along with the Annual Audit Plan detailing the audit schedule at the Group Company level.

4. Periodically reporting to the Boards of Directors, via the Audit Committees, on the adequacy and effectiveness of the Internal Control System across the Group Companies.
5. Submitting additional periodic reports to the Audit Committees, Boards of Directors, other relevant Group bodies, or national, European, or other supervisory authorities, as required by applicable regulatory frameworks.

The IAUs operate in accordance with the International Professional Practices Framework (IPPF) issued by the Institute of Internal Auditors (IIA) and uphold the IIA's Code of Ethics. Additionally, they consider and apply, as appropriate, the IIA's Practice Advisories, Practice Guides, and Position Papers, as well as international best practices in internal auditing, as published by globally recognized institutions and supervisory authorities.

## 2.6. Actuarial Function

The Participant has recently taken steps to strengthen its governance framework by formalizing a service agreement with Ethniki Insurance. The completion of the agreement is expected by the end of S1.2025 at the latest. Under this agreement, Ethniki Insurance staff will be responsible for preparing the Participant's reports, including Quarterly QRTs, Annual QRTs, SFCR, RSR, and ORSA. This arrangement establishes a formal framework to ensure the effective management and preparation of these reports, enhancing the Participant's governance and operational integrity in these key areas.

At Sub- Group level, the Actuarial Function of the Sub-Group 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 Group 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 Sub-Group 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 Sub-Group,
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

The Participant has not outsourced any crucial or significant functions or activities to service providers.

The Sub-Group applies an Outsourcing Policy, in line with the Solvency II framework, in order to establish general outsourcing principles for all its operational functions or activities and more specific provisions on outsourcing critical or important functions or activities to service providers.

Critical or important functions or activities are those, a defect or failure in the performance of which would materially impair Ethniki Insurance or its related undertakings' 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 or activities 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 or activities to third parties, the Sub-Group 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 Sub-Group'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 or activities,
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 Ethniki Insurance 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,
8. some key regulations on outsourcing to cloud service providers.

The following is a list of critical activities outsourced by Ethniki Insurance to third service providers and their country of jurisdiction.

| Service Provider                                                      | Provided Service                                                                                                                                                                                                                                      | Country of jurisdiction |
|-----------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|
| <b>National Bank of Greece S.A. (NBG)</b>                             | Provision of Information Systems Operation and Support Services (Disaster Recovery Plan)                                                                                                                                                              | Greece                  |
| <b>AWP P&amp;C S.A. (Mondial Assistance)</b>                          | Coverage of risk of loss of use of vehicle due to total theft and fire, of accident care, coverage of road assistance and of road assistance of heavy-duty vehicles, coverage of local towing of vehicles due to accident                             | France                  |
| <b>AXA France (Greek Branch) - Credit &amp; Lifestyle Protection.</b> | Payment Protection of NBG's Debtors (claims management)                                                                                                                                                                                               | France                  |
| <b>BlackRock (Netherlands) B.V.</b>                                   | Investment Grade Corporate Bond Portfolio Management                                                                                                                                                                                                  | Netherlands             |
| <b>KYNDRYL ΕΛΛΑΣ Μ.Α.Ε</b>                                            | Rights to use the necessary hardware and software of the Mainframe (IBM zOS) environment used for the operation of the operating environments of the central systems of the Life and Health, Motor and Other General Insurance insurance applications | Greece                  |

Garanta has outsourced to service providers the following critical or important activities, within the meaning of Solvency II:

| Service Provider                                      | Provided Service                                         | Country of jurisdiction |
|-------------------------------------------------------|----------------------------------------------------------|-------------------------|
| <b>Law Office Iordache</b>                            | AML/CFT Services*                                        | Romania                 |
| <b>Ms. Adriana Ceausescu INFOSHARE CONSULTING SRL</b> | Information Systems Security Services (CISO) ), CRO, DPO | Romania                 |

\*Moreover, in accordance with the regulatory framework of the related undertaking, the head of Garanta's Regulatory Compliance Function has been appointed as the Competent Executive AML/CFT Officer.

Ethniki Cyprus Life Insurance has not outsourced critical or important functions or activities.

Important Note: It is important to highlight that Ethniki Insurance has implemented significant measures starting from Q4 2024 to enhance the content of its policies and strengthen its internal governance framework. This initiative is expected to be completed by the end of S1 2025. The revised policies will be communicated to all related undertakings for timely implementation.

## 3. Risk Profile

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Risk management is an integral part of the Group's business operations. More specifically, risk management and control are a prerequisite for the Group 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 following risks have been identified and are managed, through the development and implementation of risk management policies and procedures:



Ethniki Insurance sub- Group, 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 of the Ethniki's Insurance sub-Group undertakings. The undertakings indicatively:

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

### Significant Risks

Significant risks to the Group's operation are monitored to assess their potential negative impact and take mitigating measures if necessary. These risks are summarized into the following:

Market volatility due to the following factors:

- Investment and reinvestment risks due to fluctuations in market interest rates, particularly those influenced by the European Central Bank (ECB).
- Additionally, market volatility stemming from changes in bond and equity prices affects the valuation of the asset portfolio.

Given that a significant portion of investments is exposed to fixed income instruments, the portfolio is sensitive to interest rate changes, market volatility, and asset price fluctuations. Most of the Group's investments are traded on regulated markets, allowing for continuous market value valuation monitoring and real-time risk assessment.

To mitigate market volatility risks, a comprehensive risk management framework is employed by the sub-Group, with structured risk metrics and limits that are regularly monitored, scenario analyses, liquidity monitoring, and solvency adequacy stress testing to mitigate potential adverse impacts. Asset-liability management (ALM) practices are employed that focus on aligning the duration of asset and liability portfolios, reducing interest rate sensitivity through targeted bond transactions.

Liquidity is actively managed and high-quality liquid asset (HQLA) reserves are maintained to ensure the ability to meet the sub-Group companies' obligations even under adverse conditions.

This proactive approach ensures regulatory compliance, capital adequacy, and financial resilience amid market fluctuations.

Regulatory risks due to changes in health insurance premium indexation affecting the main Group's company, Ethniki Insurance Greece.

The recent regulatory changes in health insurance premium indexation, as outlined in "January 20, 2025, Law 5170/2025, Provisions for the Adjustment of Health Insurance Premium," introduce new guidelines for premium adjustments. The introduction of the Yearly Long-Term Health Insurance Adjustment Index (EDA) marks a significant regulatory shift with implications for Ethniki's financial outlook. Starting January 1, 2026, ELSTAT will publish the index, which will serve as the legal basis for premium adjustments on all long-term health insurance contracts, except for those with either no indexation clauses or with a fixed indexation.

This new framework aims to provide a consistent and legally robust basis for premium increases, particularly for the legacy health portfolio under Solvency II and IFRS 17. The government has recommended that all insurance companies limit premium increases to single-digit levels for 2025, which will have minimal impact on the P&L or Solvency II balance sheet. The EDA will assist in aligning premium adjustments with actual medical inflation, thereby ensuring financial stability.

Ethniki insurance Greece is taking proactive steps to adapt to these changes, including halting premium adjustments based on the IOBE index for the old legacy health portfolio, enhancing monitoring of key risk indicators such as lapse rates, solvency ratio, and claims inflation, intensifying claims cost control, and engaging with regulators to shape a transparent, actuarially sound EDA.

Transparent communication with policyholders will be crucial to maintaining market confidence during the transition period.

By implementing these measures, the Company aims to protect its financial stability, maintain compliance, and sustain market confidence amid evolving regulations.

#### Solvency Capital Requirement

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

For the calculation of Group Solvency, for Ethniki Insurance the full consolidation method is followed and for the Ethniki Cyprus Life Insurance, Ethniki Cyprus Non-Life Insurance and Garanta the alternative method is followed ("deduction and aggregation method") and is based on the following:

- i. the use of transitional measure and adjusted curve for Ethniki Insurance
- ii. the use of risk free curve for Ethniki Cyprus Life Insurance
- iii. the use of risk free curve for Ethniki Cyprus Non-Life Insurance
- iv. the use of risk free curve for Garanta

The Group Solvency Capital Requirement as at 31.12.2024, amounts to €314,6m. The solvency capital requirements consolidated at Group level, are presented in the following figures:

| Solvency Capital Requirements<br>(€ thousands) 31.12.2024 | Companies<br>consolidated<br>under method<br>1 <sup>(1)</sup> | Ethniki Cyprus<br>Life<br>Insurance <sup>(2)</sup> | Ethniki Cyprus<br>Non-Life<br>Insurance <sup>(2)</sup> | Garanta <sup>(2)</sup> |
|-----------------------------------------------------------|---------------------------------------------------------------|----------------------------------------------------|--------------------------------------------------------|------------------------|
| Market Risk                                               | 151.507                                                       | 5.842                                              | 2.906                                                  | 1.650                  |
| Credit Risk                                               | 23.634                                                        | 605                                                | 1.695                                                  | 1.395                  |
| Life underwriting risk                                    | 67.915                                                        | 8.481                                              | -                                                      | 421                    |
| Health underwriting risk                                  | 92.209                                                        | 1.381                                              | 1.714                                                  | 503                    |
| Non-Life underwriting risk                                | 69.177                                                        | -                                                  | 3.284                                                  | 4.249                  |
| Diversification                                           | (145.135)                                                     | (4.154)                                            | (3.135)                                                | (2.281)                |
| <b>BSCR</b>                                               | <b>259.275</b>                                                | <b>12.155</b>                                      | <b>6.464</b>                                           | <b>5.938</b>           |
| Operational Risk                                          | 29.523                                                        | 640                                                | 678                                                    | 332                    |
| LAC                                                       | -                                                             | -                                                  | -                                                      | (400)                  |
| <b>Solvency Capital Requirements (method 1)</b>           | <b>288.815</b>                                                | <b>12.795</b>                                      | <b>7.143</b>                                           | <b>5.871</b>           |
| <b>Solvency Capital Requirements (method 2)</b>           | <b>25.808</b>                                                 |                                                    |                                                        |                        |
| <b>Group Solvency Capital Requirements</b>                | <b>314.623</b>                                                |                                                    |                                                        |                        |

(1): The Participant and Ethniki Insurance

(2): Consolidated under method 2

For related undertakings consolidated under method 2, the SCR and individual risks correspond to the indirect stake of the Participant in each related undertaking.

### Sensitivity Analyses

The Group has performed sensitivity analyses, in order to determine the sensitivity of changes in significant risk factors on its solvency ratio as at 31.12.2024. The sensitivity analysis was performed with:

- a. The use of transitional measures and adjusted curve for Ethniki Insurance,
- b. The use of risk free curve of the part of Ethniki Cyprus Life Insurance,
- c. The use of risk free curve of the part of Ethniki Cyprus Non-Life Insurance,
- d. The use of risk free curve of the part of Garanta.

During the sensitivity analyses, in order to determine their overall effect on the solvency ratio, the effect on the Group's Own funds was estimated.

The results of the performed sensitivity analyses are summarized in the table below:

| Scenarios                      | Value   | Change<br>(amounts in €<br>thousands):<br>Own Funds | Capital<br>Adequacy ratio |
|--------------------------------|---------|-----------------------------------------------------|---------------------------|
| Change in interest rates       | 0.50%   | (12.465)                                            | 158%                      |
| Change in interest rates       | -0.50%  | 7.169                                               | 164%                      |
| Change in bonds credit spreads | 50 bps  | (105.031)                                           | 128%                      |
| Change in bonds credit spreads | -50 bps | 120.287                                             | 200%                      |
| Change in equity prices        | 25%     | 28.872                                              | 171%                      |
| Change in equity prices        | -25%    | (28.771)                                            | 153%                      |
| Change in property values      | 25%     | 55.536                                              | 179%                      |
| Change in property values      | -25%    | (55.339)                                            | 144%                      |

Based on the above results, it is observed that the greater negative impact on the Group's solvency ratio comes from the scenario of the increase in credit spreads. This scenario would result in a reduction in the solvency ratio by 34 percentage points.

Subsequently, significant impact on the Group's solvency ratio comes from the scenario of the fall of property values. This scenario shows a decrease in the solvency ratio by 18 percentage points.

### Explanation of the Sensitivity Analysis Parameters

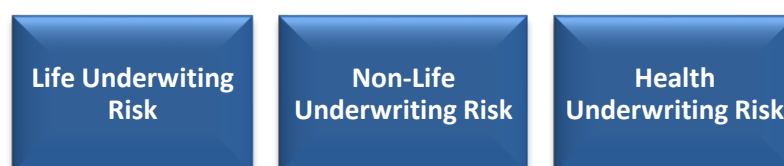
The following table shows the parameters on the basis on which the sensitivity analyses listed in the previous paragraph were performed.

| Parameters                     | Value   | Explanation                                                                 |
|--------------------------------|---------|-----------------------------------------------------------------------------|
| Change in interest rates       | 0.50%   | Impact of a parallel rise in the risk-free interest rate curve              |
| Change in interest rates       | -0.50%  | Impact of a parallel downward movement of the risk-free interest rate curve |
| Change in bonds credit spreads | 50 bps  | Impact of an increase in the credit spreads of all bonds                    |
| Change in bonds credit spreads | -50 bps | Impact of a decrease in the credit spreads of all bonds                     |
| Change in equity prices        | 25%     | Impact of an increase in equity prices                                      |
| Change in equity prices        | -25%    | Impact of a decrease in equity prices                                       |
| Change in property values      | 25%     | Impact of an increase in property prices                                    |
| Change in property values      | -25%    | Impact of a decrease in property prices                                     |

## 3.1. Insurance Risk

Insurance risk is defined as the existing or future risk for profits and capital arising from losses or adverse changes in the value of insurance liabilities due to non-suitable assumptions in pricing and reserving. This category includes Non-Life, Life and Health insurance risks.

The following risks are included in insurance 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.

## Insurance Risk Management

Ethniki Insurance sub-Group in order to effectively manage and reduce its exposure to insurance risk takes measures such as:

1. Establishment of policies 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. 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).

## 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.

## 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.

## 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.

## 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.

## 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.

## 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.

### 3.1.2. 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 Group 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.

#### 3.1.2.1. 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 Group calculates their liabilities in the long-term.

#### 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.

#### 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.

#### 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.

#### 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.

#### 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.

### 3.1.2.2. 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.

### 3.1.2.3. 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.

### 3.1.3. 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.

#### 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.

#### 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.

## 3.2. Market Risk

Market risk is defined as the existing or future risk for profits and capital arising, directly or indirectly, from fluctuations in the level and in the volatility of market prices of assets, liabilities and financial instruments.

The following risks are included in market risk:



### Market Risk Management

Ethniki Insurance sub-Group 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") and exposure 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 Board Risk 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.

Ethniki Insurance sub-Group 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 Group uses the look through approach, where applicable, for investments in undertakings for collective investment in transferrable securities ("UCITS") and other investment funds.

#### 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.

#### Sensitivity Analysis

The Group 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 31.12.2024 was calculated using the transitional measures.

| Scenarios                  | Change (€ thousands):<br>Own Capital | Capital Adequacy ratio |
|----------------------------|--------------------------------------|------------------------|
| Increase of interest rates | (12.465)                             | 158%                   |
| Decrease of interest rates | 7.169                                | 164%                   |

The scenario of increasing interest rates would result in the reduction of the solvency ratio by 4 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 Group'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.

#### Sensitivity Analysis

The Group 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 31.12.2024 was calculated using the transitional measures.

| Scenario                  | Change (€ thousands): | Capital Adequacy ratio |
|---------------------------|-----------------------|------------------------|
|                           | Own Capital           |                        |
| Increase of equity prices | 28.872                | 171%                   |
| Decrease of equity prices | (28.771)              | 153%                   |

The scenario of the decrease of the equity prices would result in the reduction of the solvency ratio by 9 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 Group's own funds was taken into account.

### 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.

#### Sensitivity Analyses

The Group 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 31.12.2024 was calculated using the transitional measures.

| Scenario                   | Change (€ thousands):<br>Own Capital | Capital Adequacy ratio |
|----------------------------|--------------------------------------|------------------------|
| Increase in property value | 55.536                               | 179%                   |
| Decrease in property value | (55.339)                             | 144%                   |

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 Group's own funds was taken into account.

### 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.

#### Sensitivity Analysis

The Group 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 31.12.2024 was calculated using the transitional measures.

| Scenarios                  | Change (€ thousands): |                        |
|----------------------------|-----------------------|------------------------|
|                            | Own Capital           | Capital Adequacy ratio |
| Increase of credit spreads | (105.031)             | 128%                   |
| Decrease of credit spreads | 120.287               | 200%                   |

The scenario of change of risk factors according to the values described above, would result in the reduction of the solvency ratio by 34 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 Group's own funds and the solvency capital requirements were taken into account.

### 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.

### 3.2.1.6. Market Concentration Risk

Market concentration risk is the risk arising from low dispersion, i.e. high concentration of assets or liabilities in individual assets or liabilities such as an economy sector, industry, geographical area, counterparty or group of connected counterparties.

### 3.3. Credit Risk

Credit risk is defined as the existing or future risk for profits and capital arising from fluctuations in the credit standing of counterparties and debtors to whom the Group is exposed to, or the failure of counterparties and debtors to fulfill the agreed terms.

#### Credit Risk Management

Ethniki Insurance sub-Group, 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 and incorporation of terms (downgrade clause) on the agreements which ensures the limits on the credit rating of the reinsurers
3. Examination and formal approval of reinsurers which are not situated in a country whose solvency regime is deemed equivalent or temporarily equivalent
4. Insert a maximum affordable period for the settlement of reinsurance recoverables from the date the Company submits a valid recoverable claim.
5. Introduction of guarantees on the provision of financial facilities to the Company's staff or to the intermediaries via the deduction of the salary or via the set off commissions respectively.
6. acceptance of collaterals and guarantees with strong characteristics which based on high quality assets, high liquidity capacity with legally enforceability and regularly assessment
7. Establishment of investment limits that vary according to the credit rating of the counterparties and limits per credit institution in order to eliminate concentration risk
8. Acceptance of credit ratings from specific rating agencies for the issuers of financial instruments, as well as for the reinsurers,
9. 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.

### 3.4. Liquidity Risk

Liquidity risk is defined as the existing or future risk for profits and capital arising from the company's inability to meet its obligations, when these become due.

#### Liquidity Risk Management

Ethniki Insurance sub-Group 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. Forecasts of short and medium term liquidity needs, 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. Ability to sell assets in various markets (especially in unfavorable conditions) and to secure borrowing, with small losses and at a reasonable cost respectively
6. Development of plans for confronting extreme liquidity situations.

### 3.5. Operational Risk

Operational risk is defined as the existing or future risk for profits and capital arising from inappropriate or inadequate internal procedures, human resources and operating systems, 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.                                                                                                  |

#### Policies and procedures

The revised from 2023 Operational Risk Appetite for Ethniki Insurance Greece has been enriched in 2024, for uniformity reasons with the other risk types, being part of the developed risk appetite framework. The overall risk appetite statement remained unchanged, with acceptance over reasonable and calculated operational risk exposure related to new products, services, technology and outsourcing, as defined in each category of risk through risk appetite statements, indicators and limits, to support its strategic vision and targets. The metrics were expanded by a. covering the sub-category of Information & Communication Technology Risk

and by b. setting first measurements on Processing and Controlling Risks and specifically in the procurement area.

The operational risk methodology and in particular the risk matrix adopted for the measurement and plot of identified risks magnitude has been modified, reducing the severity and keeping the rating of the components at the same levels (impact and probability).

The operational risk incidents are collected, even those with zero financial or qualitative effect, in order to enable the Ethniki Insurance Greece and its subsidiaries to record the maximum potential experience on a continuous basis. Beyond their recording, the identification of the causes that resulted to the occurrence of the incident and also the corrective actions, as well as those elements that will prevent its reoccurrence, are the main goal of the procedure.

### 3.6. Other Risks

#### 3.6.1. Asset – Liability Mismatch Risk

Asset – liability mismatch risk is defined as the existing or future risk for profits and capital arising 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

Ethniki Insurance sub-Group in order to effectively manage the asset – liability mismatch risk take measures such as:

1. Establishment of measurement methodologies and monitoring procedures, together with risk limits to preserve the exposure in asset – liability mismatch risk within acceptable 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. Assets – liabilities management considers the specificities of the insurance portfolio and considers concentrations, liquidity and dependencies between assets and liabilities,
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 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 existing or future risk for profits and capital arising from the low dispersion, thus the concentration of assets or insurance liabilities in individual items of assets or liabilities, taken into account the economic sector or geographical area, the counterparty or a group of affiliated 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 existing or future risk for profits or capital arising from the formation of a negative public perception for the Group among clients, counterparties, shareholders, investors or supervisory authorities.

#### Reputation Risk Management

Ethniki Insurance sub-Group 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. Reputation risk is assessed in the strategy setting, and ORSA processes to ensure that it is thoroughly understood and risks are identified promptly and controlled/mitigated satisfactorily,
2. Assesses beforehand potential reputational impact of all new business activities including new product initiatives, new marketing campaigns, changes in strategy,
3. 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,
4. Specially examines the reputation risk in the applied by it operational and compliance risk framework,
5. Applies a wide modern system of handling claims, complaints and requests of its clients as well as of its partners,
6. Develops a cyber security framework and actively manages risk related to data leakage, data privacy and misuse of customer data,
7. 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. Strategic Risks

The strategic risk is the existing or future risk for profits and capital arising from changes in the business environment and ineffective response to these changes, poor business decisions, or inadequate implementation of these decisions.

The Group has developed and follows robust strategic planning processes. It constantly assesses developments in its business environment and manages the strategic risk as part of its strategic planning procedures, including risk appetite setting, capital management and ORSA processes, to ensure that it is thoroughly understood and risks to the strategy are identified and assessed properly, controlled and monitored satisfactorily.

Actual performance is regularly monitored against the annual budget and corrective actions are taken, if necessary. Stress tests and sensitivity analyses are carried out to examine, among other issues, the effect of changes in business environment parameters to the Company's solvency and to the ability of achieving its business plans.

### 3.5.5 Sustainability Risk

Sustainability risks are defined as the risks arising from events or circumstances in the environmental or social field, or in the Group's governance which, if materialized, could have an actual or potentially material adverse effect on the value of the assets, liabilities, the reputation and, consequently, the financial robustness of the Group.

Sustainability risks interact with other risk categories and are managed under risk manuals and procedures applicable to insurance, investment and operational risks.

Ethniki Insurance sub-Group assesses sustainability risks, monitors the relevant regulatory developments, and develops an integrated "ESG" risk management framework.

### 3.7. Other information

#### 3.7.1. Reinsurance Policy

The Group, 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.

## 4. Valuation for Solvency Purposes

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The Group values assets and liabilities and estimates technical provisions in accordance with Chapter VI, section 1 and 2 of Directive 2009/138/EC of the European Parliament and of the Council.

The table below sets out the reclassifications and adjustments between the consolidated Balance Sheet of the Group in accordance with IFRS 17 and Solvency II. The nature of each reclassification and adjustment is analyzed subsequently in this chapter.

| Balance Sheet 31.12.2024<br>(€ in thousands)                                    | Note   | Financial<br>Statements<br>(IFRS) | Reclassifications | Adjustments      | Solvency II<br>value |
|---------------------------------------------------------------------------------|--------|-----------------------------------|-------------------|------------------|----------------------|
| <b>Assets</b>                                                                   |        |                                   |                   |                  |                      |
| Intangible assets                                                               | 4.1.1  | 104.488                           | -                 | (104.488)        | -                    |
| Deferred tax assets                                                             | 4.1.2  | 123.121                           | -                 | 30.975           | 154.095              |
| Property, plant & equipment held for own use                                    | 4.1.3  | 127.432                           | 7.684             | 13.511           | 148.627              |
| Investments (other than assets held for index-linked and unit-linked contracts) |        | 2.820.168                         | 75.511            | (51.885)         | 2.843.794            |
| Property (other than for own use)                                               | 4.1.4  | 34.601                            | 4.826             | 12.453           | 51.879               |
| Holdings in related undertakings, including participations                      | 4.1.5  | -                                 | 26.473            | 13.012           | 39.485               |
| Equities                                                                        | 4.1.6  | 72.860                            | -                 | -                | 72.860               |
| Bonds                                                                           | 4.1.7  | 2.319.069                         | 27.109            | (77.366)         | 2.268.812            |
| Collective Investments Undertakings                                             | 4.1.8  | 393.113                           | -                 | -                | 393.113              |
| Derivatives                                                                     | 4.1.9  | 525                               | -                 | -                | 525                  |
| Deposits other than cash equivalents                                            | 4.1.10 | -                                 | 17.104            | 16               | 17.120               |
| Assets held for index-linked and unit-linked contracts                          | 4.1.11 | 525.128                           | -                 | -                | 525.128              |
| Loans and Mortgages                                                             | 4.1.12 | 20.428                            | 2.223             | 325              | 22.976               |
| Reinsurance recoverables:                                                       | 4.1.13 | 284.495                           | 27.723            | (39.766)         | 272.451              |
| Deposits to cedants                                                             | 4.1.13 | -                                 | 70                | -                | 70                   |
| Insurance and intermediaries receivables                                        | 4.1.15 | 33.669                            | 45.392            | (23.596)         | 55.465               |
| Reinsurance receivables                                                         | 4.1.14 | -                                 | 11.002            | -                | 11.002               |
| Receivables (trade, not insurance)                                              | 4.1.16 | 12.086                            | 3.896             | -                | 15.982               |
| Cash and cash equivalents                                                       | 4.1.17 | 29.941                            | (17.069)          | -                | 12.872               |
| Any other assets, not elsewhere shown                                           | 4.1.18 | 178.979                           | (170.142)         | -                | 8.837                |
| <b>Total Assets</b>                                                             |        | <b>4.259.933</b>                  | <b>(13.711)</b>   | <b>(174.924)</b> | <b>4.071.299</b>     |

| Balance Sheet 31.12.2024<br>(€ in thousands)                                          | Note  | Financial<br>Statements<br>(IFRS) | Reclassifications | Adjustments      | Solvency II<br>value |
|---------------------------------------------------------------------------------------|-------|-----------------------------------|-------------------|------------------|----------------------|
| <b>Liabilities</b>                                                                    |       |                                   |                   |                  |                      |
| Technical provisions – non-life                                                       | 4.2   | 571.996                           | 14.637            | 88.944           | 675.577              |
| Technical provisions – non-life<br>(excluding health)                                 | 4.2   | 492.271                           | 16.392            | (443)            | 508.221              |
| Technical provisions - health<br>(similar to non-life)                                | 4.2   | 79.725                            | (1.755)           | 89.387           | 167.356              |
| Technical provisions - life<br>(excluding index-linked and unit-<br>linked)           | 4.2   | 2.119.742                         | (37.537)          | (286.473)        | 1.795.732            |
| Technical provisions - health<br>(similar to life)                                    | 4.2   | 637.267                           | (25.952)          | (366.169)        | 245.146              |
| Technical provisions – life<br>(excluding health and index-linked<br>and unit-linked) | 4.2   | 1.482.475                         | (11.585)          | 79.696           | 1.550.586            |
| Technical provisions – index-linked<br>and unit-linked                                |       | 587.831                           | (51.536)          | 26.715           | 563.009              |
| Contingent liabilities                                                                | 4.3.1 | -                                 | -                 | -                | -                    |
| Pension benefit obligations                                                           | 4.3.2 | 99.641                            | -                 | -                | 99.641               |
| Deposits from reinsurers                                                              | 4.3.3 | -                                 | 7.442             | -                | 7.442                |
| Financial liabilities excluding<br>liabilities to credit institutions                 |       | 1.606                             | -                 | -                | 1.606                |
| Insurance & intermediaries<br>payables                                                | 4.3.4 | 8.997                             | 20.291            | -                | 29.288               |
| Reinsurance payables                                                                  | 4.3.5 | 4.038                             | 28.962            | -                | 32.999               |
| Payables (trade, not insurance)                                                       | 4.3.6 | 3.880                             | 5.610             | -                | 9.490                |
| Subordinated liabilities                                                              | 4.3.7 | 177.128                           | -                 | -                | 177.128              |
| Any other liabilities, not elsewhere<br>shown                                         | 4.3.8 | 223.022                           | (1.580)           | -                | 221.442              |
| <b>Total liabilities</b>                                                              |       | <b>3.797.880</b>                  | <b>(13.711)</b>   | <b>(170.814)</b> | <b>3.613.355</b>     |
| <b>Excess of assets over liabilities</b>                                              |       |                                   |                   |                  |                      |
|                                                                                       |       | <b>462.054</b>                    | <b>-</b>          | <b>(4.110)</b>   | <b>457.944</b>       |

Since the Group has not prepared its 2024 annual IFRS financial statements, the 2024 IFRS figures presented in this document are based on the actual 2024 IFRS financial figures of Ethniki Insurance Solo. These figures have been adjusted using budgeted figures for IFRS 17 and budget consolidation adjustments. They offer a draft view of the Group's IFRS financial position as of December 31, 2024, and are not subject to audit.

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.

The Participant did not make any changes or adjustments to the valuation methods used, compared to the previous reporting year.

It should be noted that the Group IFRS financial statements included in this SFCR have been prepared using IFRS financial statements of the Cypriot subsidiaries that have not been adjusted for the Purchase Price Allocation but the effect is considered immaterial.

The deferred purchase price payable to the seller is included within "Any other liabilities, not elsewhere shown" and is subject to remeasurement at each balance sheet date on a fair value basis.

## 4.1. Assets

### 4.1.1. Intangible Assets

| (€ thousands)     | IFRS    | Reclassifications | Adjustments | Solvency II value |
|-------------------|---------|-------------------|-------------|-------------------|
| Intangible assets | 104.488 | -                 | (104.488)   | -                 |

Intangible assets are measured at amortized cost (depreciation method on a straight-line basis over their estimated useful lives) per IFRS, and amount to €104,5m, whereas according to Solvency II they are not recognized, as they cannot be evaluated separately, since there is no price in active markets for these or similar intangible assets.

Participations are subsequently adjusted to the Participant's share in the Eligible Own Funds of the said related undertakings.

### 4.1.2. Deferred tax assets

| (€ thousands)       | IFRS    | Reclassifications | Adjustments | Solvency II value |
|---------------------|---------|-------------------|-------------|-------------------|
| Deferred tax assets | 123.121 |                   | - 30.975    | 154.095           |

Deferred tax asset per IFRS amount to €123,1m, and are 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 laws and regulations.

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 assessment of the recoverability of the deferred tax asset is based on the business plan of each related undertaking.

### 4.1.3. Property, plant & equipment held for own use

| (€ thousands)                                | IFRS    | Reclassifications | Adjustments | Solvency II value |
|----------------------------------------------|---------|-------------------|-------------|-------------------|
| Property, plant & equipment held for own use | 127.432 | 7.684             | 13.511      | 148.627           |

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 IFRS, acquisition cost less accumulated depreciation and impairment.

In addition, the book value of €1,6m of the right-of-use assets and vehicles (IFRS 16) is included.

The IFRS book value of property held for own use amounts to €127,4m and is adjusted by €13,5m to €148,6m in the Solvency II balance sheet.

The reclassification of €7,7m relating to

- Assets held for sale: €7,7m, excluding the related entities in Cyprus held for sale.

The fair value of land and buildings was determined by independent authorized appraisers.

The remaining 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.

#### 4.1.4. Property – other than own use

| (€ thousands)                   | IFRS   | Reclassifications | Adjustments | Solvency II value |
|---------------------------------|--------|-------------------|-------------|-------------------|
| Property-other than for own use | 34.601 | 4.826             | 12.453      | 51.879            |

In the IFRS accounts, investment property is measured at amortized cost and amounts to €34,6m for Solvency II it is adjusted by €12,5m to a fair value of €51,8m.

The reclassification of €4,8m concerns the book value of assets held for sale excluding the related entities in Cyprus held for sale.

The fair value of land and buildings was determined by independent authorized appraisers.

#### 4.1.5 Holdings in related undertakings, including participations

| (€ thousands)                                              | IFRS | Reclassifications | Adjustments | Solvency II value |
|------------------------------------------------------------|------|-------------------|-------------|-------------------|
| Holdings in related undertakings, including participations | -    | 26.473            | 13.012      | 39.485            |

Holdings in related undertakings, including participations, include investments by the Group amounting to €26,5m in Group IFRS (on an individual basis) i.e. at cost less any impairments, and are adjusted by €13,0m to a fair value of €39,5m i.e. their Solvency II value.

The value of participations in Cyprus and Romania, is measured as the share held by the Participant in their Solvency II eligible own funds.

Reclassifications concern the related entities in Cyprus, as all their assets and liabilities are reclassified to Any other assets, not elsewhere shown (Assets Held for Sale) and to Any other liabilities, not elsewhere shown (Liabilities Related to Assets Held for Sale) due to the use of method 2 (deduction and aggregation). Participations are subsequently adjusted to the Participant's share in the Eligible Own Funds of the said related undertakings.

#### 4.1.6 Equities

| (€ thousands)       | IFRS          | Reclassifications | Adjustments | Solvency II value |
|---------------------|---------------|-------------------|-------------|-------------------|
| Equities – Listed   | 34.074        | -                 | -           | 34.074            |
| Equities – Unlisted | 38.786        | -                 | -           | 38.786            |
| <b>Total</b>        | <b>72.860</b> | <b>-</b>          | <b>-</b>    | <b>72.860</b>     |

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's financial statements.

It should be noted that the Group holds 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 / Infrastructure Equity Funds" and are valued based on the level of participation of the Company in the Equity fund. The valuation method of private equity funds is based on their Balance sheet prepared in accordance with the principles of International Financial Reporting Standards and is accompanied by a Statutory Auditor Certificate.

Investments in "Private Credit Funds" are described in note 4.1.8

#### 4.1.7 Bonds

| (€ thousands)    | IFRS             | Reclassifications | Adjustments     | Solvency II value |
|------------------|------------------|-------------------|-----------------|-------------------|
| Government bonds | 1.820.518        | 20.542            | (74.314)        | 1.766.747         |
| Corporate bonds  | 498.550          | 6.567             | (3.052)         | 502.065           |
| <b>Total</b>     | <b>2.319.069</b> | <b>27.109</b>     | <b>(77.366)</b> | <b>2.268.812</b>  |

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 Group:

- a. "Securities at amortized cost" amounting to €848,6m which according to IFRS are measured at book value and are re-adjusted for Solvency II purposes by €(74,3m), in order to be measured at fair value.
- b. "Securities at fair value through OCI" amounting to €972,3m which according to IFRS are measured at fair value. No adjustment is required for Solvency II.

The re-classification of the amount of €20,5m relates to the transfer of accrued interest from "Other assets" to Government bonds.

#### Corporate Bonds

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

- a. "Securities at amortized cost" amounting to €140,1m, which according to IFRS are measured at book value and are re-adjusted for Solvency II purposes by €(3,1m), in order to be measured at fair value.
- b. "Securities at fair value through OCI" amounting to €257,7m which according to IFRS are measured at fair value. No adjustment is required for Solvency II.

- c. "Securities at fair value through Profit & Loss" amounting to €100,6m which according to IFRS are measured at fair value. No adjustment is required for Solvency II.

The reclassification of the amount of €6,6m relates to the transfer of the accrued interest from "Other Assets" to the corporate bonds as shown in the table below:

| (€ in thousands)   | Government Bonds | Corporate Bonds | Any other assets, not elsewhere shown |
|--------------------|------------------|-----------------|---------------------------------------|
| Reclassification 1 | 20.542           | -               | (20.542)                              |
| Reclassification 2 | -                | 6.567           | (6.567)                               |
| <b>Total</b>       | <b>20.542</b>    | <b>6.567</b>    | <b>(27.109)</b>                       |

#### 4.1.8. Collective investment undertakings

| (€ in thousands)                    | IFRS    | Reclassifications | Adjustments | Solvency II value |
|-------------------------------------|---------|-------------------|-------------|-------------------|
| Collective Investments Undertakings | 393.113 | -                 | -           | 393.113           |

Investments in Collective Undertakings include:

- mutual funds that 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 and
- investments in "Private Credit Funds" amounting to € 64,9m that are valued based on the level of participation of the Company in the Equity fund. The valuation method of private equity funds is based on their Balance sheet prepared in accordance with the principles of International Financial Reporting Standards and is accompanied by a Statutory Auditor Certificate.

#### 4.1.9. Derivatives

| (€ thousands) | IFRS | Reclassifications | Adjustments | Solvency II value |
|---------------|------|-------------------|-------------|-------------------|
| Derivatives   | 525  | -                 | -           | 525               |

According to IFRS, derivatives are measured at fair value and so no further adjustment is required for Solvency II.

The Group owns warrants of Greek Government Bonds that resulted from the PSI and were adjusted at fair value based on their market value.

#### 4.1.10. Deposits other than cash equivalents

| (€ thousands)                        | IFRS | Reclassifications | Adjustments | Solvency II value |
|--------------------------------------|------|-------------------|-------------|-------------------|
| Deposits other than cash equivalents | -    | 17.104            | 16          | 17.120            |

The time deposits amounting to €17,1m are held in NBG as well as in other Greek banks, with duration of up to three months as at 31.12.2024.

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.

From the total reclassification, €35k relates to the transfer of accrued interest from “other assets” to “time deposits”.

#### 4.1.11. Assets held for Unit-Linked contracts

| (€ thousands)                         | IFRS    | Reclassifications | Adjustments | Solvency II value |
|---------------------------------------|---------|-------------------|-------------|-------------------|
| Assets held for Unit-Linked contracts | 525.128 | -                 | -           | 525.128           |

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

#### 4.1.12. Loans and Mortgages

| (€ thousands)       | IFRS   | Reclassifications | Adjustments | Solvency II value |
|---------------------|--------|-------------------|-------------|-------------------|
| Loans and mortgages | 20.428 | 2.223             | 325         | 22.976            |

Mortgage and consumer loans to employees, agents, life policy holders and corporate bond issuers, are measured at amortised cost less provision for impairment loss. Reclassification of €2,2m relates loans to policyholders, which under IFRS 17 are presented as deductions from insurance liabilities.

#### 4.1.13. Reinsurance Recoverables

| (€ thousands)                                    | IFRS           | Reclassifications | Adjustments     | Solvency II value |
|--------------------------------------------------|----------------|-------------------|-----------------|-------------------|
| <b>Non-life and Health (similar to non-life)</b> | <b>282.924</b> | <b>25.856</b>     | <b>(39.164)</b> | <b>269.616</b>    |
| Non-life excluding health                        | 282.825        | 25.840            | (39.946)        | 268.718           |
| Health similar to non-life                       | 99             | 16                | 782             | 897               |
| <b>Life excluding health and Unit-Linked</b>     | <b>1.571</b>   | <b>1.867</b>      | <b>(602)</b>    | <b>2.835</b>      |
| <b>Total</b>                                     | <b>284.495</b> | <b>27.723</b>     | <b>(39.766)</b> | <b>272.451</b>    |

Reinsurance assets are measured in accordance with IFRS as the ceded unearned premium reserve and discounted present value of cash flows from incurred claims plus risk adjustment.

In accordance with IFRS 17, ceded Reinsurance assets include receivables and payables from current accounts, deposits to and from Reinsurers and are classified as:

- reinsurance contracts held, that are in an asset position and are presented in the Company's assets (caption 4.1.13: €284,5m)
- reinsurance contracts held, that are in a liability position and are presented in the Company's Liabilities (caption 4.3.5: €4,1m)

As a result of the above, reclassifications are required to identify assets and liabilities as prescribed by Solvency II framework.

For Solvency II, Reinsurance Recoverables are valued in accordance with the provisions of Section 2 of Chapter VI of Directive 2009/138/EC.

An amount of €7,4m corresponds to withheld reserves which are included in deposits from reinsurers under Solvency II, whereas under IFRS they are netted off from reinsurance recoverables.

Adjustments of (€39,8m) are due to the different valuation methodologies (expected claims and expenses in Solvency II compared to ceded UPR in IFRS – PAA method per IFRS 17), the use of a different discount curve and the different confidence level used for the calculation of the Risk Margin and Risk Adjustment (99,5% in Solvency II compared to 80% in IFRS respectively).

## 4.1.14. Reinsurance receivables and deposits to cedants

| (€ thousands)           | IFRS     | Reclassifications | Adjustments | Solvency II value |
|-------------------------|----------|-------------------|-------------|-------------------|
| Deposits to cedants     | -        | 70                | -           | 70                |
| Reinsurance receivables | -        | 11.002            | -           | 11.002            |
| <b>Total</b>            | <b>-</b> | <b>11.072</b>     | <b>-</b>    | <b>11.072</b>     |

Deposits to cedants is linked to reinsurers' reserves in the Group's share, which is conventionally deducted from reinsurers and are valued according to the terms of the reinsurance contract.

In accordance with IFRS 17, this item is included in insurance contracts assets or liabilities, thus, a reclassification is required for it to appear in accordance with Solvency II framework.

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

## 4.1.15. Insurance and intermediaries receivables

| (€ thousands)                            | IFRS   | Reclassifications | Adjustments | Solvency II value |
|------------------------------------------|--------|-------------------|-------------|-------------------|
| Insurance and intermediaries receivables | 33.669 | 45.392            | (23.596)    | 55.465            |

In accordance with IFRS 17, insurance liabilities include receivables from premiums and payables from commissions, premium tax liabilities, etc and are classified as:

- insurance contracts issued, that are in an asset position and are presented in the Group's assets
- insurance contracts issued, that are in a liability position and are presented in the Group's Liabilities (caption 4.2)

As a result of the above, reclassifications are required to identify assets and liabilities as prescribed by Solvency II framework.

Insurance and Intermediaries receivables are valued according to the assessment of the collectability of the relevant amounts. An assessment of the premium receivables is conducted based on the aging of the balances, on an individual as well as on a group basis.

In the balance sheet, according to Solvency II, the reclassifications of €45,4m are broken down as follows:

- a. €43,9m, relates to premiums receivable which are included withing insurance contracts issued that are in an asset or liability positions (captions 4.1.15 and 4.2)
- b. €1,5m relates to reinsurance receivables from inward reinsurance activities which are included withing insurance contracts issued that are in an asset or liability position, that for Solvency II reasons, it is reclassified and presented seperately in the fund "reinsurance receivables".

The adjustments of €23,5m relate to pre-issues of policies.

## 4.1.16. Receivables (trade, not insurance)

| (€ thousands)                      | IFRS   | Reclassifications | Adjustments | Solvency II value |
|------------------------------------|--------|-------------------|-------------|-------------------|
| Receivables (trade, not insurance) | 12.086 | 3.896             | -           | 15.982            |

Receivables not related to insurance operations of the Group.

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 is required.

## 4.1.17. Cash and cash equivalents

| (€ thousands)             | IFRS   | Reclassifications | Adjustments | Solvency II value |
|---------------------------|--------|-------------------|-------------|-------------------|
| Cash and cash equivalents | 29,941 | (17,069)          | -           | 12,872            |

For IFRS purposes, cash equivalents include demand deposits, as well as time deposits up to three months long.

For Solvency II purposes only demand deposits are included, thus, time deposits are reclassified to the line item "Deposits other than Cash equivalents".

## 4.1.18. Any other assets, not elsewhere shown

| (€ thousands)                         | IFRS    | Reclassifications | Adjustments | Solvency II value |
|---------------------------------------|---------|-------------------|-------------|-------------------|
| Any other assets, not elsewhere shown | 178,979 | (170,142)         | -           | 8,837             |

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.

Furthermore, for 2024 in IFRS amount of Any Other Assets, the total assets related to entities in Cyprus have been depicted, as are considered "held for sale". The amount of those assets is €127,2m and has been reclassified to Participations for Solvency II reporting purposes.

The reclassification of €26,7m relates to the transfer, for Solvency II purposes, of the accrued interest to the assets from which they arise, as mentioned above, and is broken down as follows:

| (€ thousands)    |               |
|------------------|---------------|
| Government Bonds | 20,542        |
| Corporate Bonds  | 6,567         |
| Other            | (365)         |
| <b>Total</b>     | <b>26,744</b> |

The reclassification amount of €12,5m relates to properties held for sale, from "Any other asset, not elsewhere shown" to "Property, plant & equipment held for own use" and "Property - other than for own use" (Notes 4.1.3 and 4.1.4).

The remaining reclassifications relate to debit and credit balances proper classification.

## 4.2. Technical Provisions

| (€ in thousands)                                               | IFRS             | Reclassifications | Adjustments      | Solvency II value |
|----------------------------------------------------------------|------------------|-------------------|------------------|-------------------|
| <b>Technical provisions – Non-Life</b>                         | <b>571.996</b>   | <b>14.637</b>     | <b>88.944</b>    | <b>675.577</b>    |
| Technical provisions – non-life (excluding health)             | 492.271          | 16.392            | (443)            | 508.221           |
| Best Estimate                                                  | -                | -                 | -                | 482.649           |
| Risk margin                                                    | -                | -                 | -                | 25.572            |
| Technical provisions - health (similar to non-life)            | 79.725           | (1.755)           | 89.387           | 167.356           |
| Best Estimate                                                  | -                | -                 | -                | 142.444           |
| Risk margin                                                    | -                | -                 | -                | 24.912            |
| <b>Technical provisions - Life (excluding Unit-Linked)</b>     | <b>2.119.742</b> | <b>(37.537)</b>   | <b>(286.473)</b> | <b>1.795.732</b>  |
| Technical provisions - health (similar to life)                | 637.267          | (25.952)          | (366.169)        | 245.146           |
| Best Estimate                                                  | -                | -                 | -                | 193.898           |
| Risk margin                                                    | -                | -                 | -                | 51.248            |
| Technical provisions – Life (excluding health and Unit-Linked) | 1.482.475        | (11.585)          | 79.696           | 1.550.586         |
| Best Estimate                                                  | -                | -                 | -                | 1.511.761         |
| Risk margin                                                    | -                | -                 | -                | 38.825            |
| <b>Technical provisions – Unit-Linked</b>                      | <b>587.831</b>   | <b>(51.536)</b>   | <b>26.715</b>    | <b>563.009</b>    |
| Best Estimate                                                  | -                | -                 | -                | 558.176           |
| Risk margin                                                    | -                | -                 | -                | 4.833             |
| <b>Other technical provisions</b>                              | <b>-</b>         | <b>-</b>          | <b>-</b>         | <b>-</b>          |

In accordance with IFRS, “Insurance Contracts” should be valued as:

- For the remaining coverage (Liability for Remaining Coverage):
  - Present value of Future Cash Flows adjusted with Risk Adjustment, and
  - Future Profit Margin (Contractual Service Margin).
- For Incurred Claims (Liability for Incurred Claims):
  - Present value of Future Cash Flows adjusted with Risk Adjustment.

Especially for those contracts with contractual duration less than one year, the approximation method of Premium Provision is used (Premium Allocation Approach – Unearned Premium Provision adjusted with Deferred Acquisition Cost) for the Liability of Remaining Coverage.

For Solvency II, Reinsurance Recoverables are valued in accordance with the provisions of Section 2 of Chapter VI of Directive 2009/138/EC.

The reclassifications are required due to separate receivables and payables that per IFRS 17 are included in the Insurance contract assets and Insurance contract liabilities but per Solvency II framework are to presented in separate lines of the Solvency II Balance Sheet.

Technical provisions, in “Financial Statements (IFRS)” column include liabilities from contracts that have been classified as investment contracts as well as the deposit components of insurance contracts, that have been separated according to IFRS 17, as follows:

- Technical provisions – Life (excluding health and Unit-Linked): €1.050,6m
- Technical provisions – Unit-Linked: €2,4m

#### 4.2.1. Technical provisions Non-Life (including health)

The technical provisions in the financial statements are based on IFRS 17, taking into account proper demographic and economic assumptions for the estimation of future cash flows of the portfolio and their discounting.

The adjustment of €88,9m is due to

- the different valuation methodologies (expected claims and expenses in Solvency II compared to UPR net of DAC in IFRS),
- the use of a different discount curve and
- the different confidence level used for the calculation of the Risk Margin and Risk Adjustment (99,5% in Solvency II compared to 80% in IFRS respectively).

#### 4.2.2. Technical provisions - Health (similar to Non-Life)

The adjustment of €89,4m is due mainly to the different confidence level used for the calculation of the Risk Margin and Risk Adjustment (99,5% in Solvency II compared to 80% in IFRS respectively) and to a lesser extent to the use of a different discount curve, as well as different grouping of coverages between IFRS 17 and Solvency II framework.

#### 4.2.3. Technical provisions Health similar to Life

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 31.12.2024 the unamortized value of the transitional measure on technical provisions amounting to €102,9m (i.e. 8/16 of the initial amount of the transitional measure of €205,8m) and for 2025 will amount to €90,0m (i.e. 7/16 of €205,8m).

The adjustment of (€366,2m) is mainly due to the use of transitional measures in SII amounting to €102,9m, to the recognition of a CSM (Contractual Service Margin) in certain portfolios of contracts, to the inclusion of the host contract liability in the technical provision in accordance with IFRS, where the lowest unit of account is the contract, as opposed to Solvency II where only the liability relating to the Health cover is recognized. To a lesser extent, the adjustment is due to the use of a different discounting curve.

#### 4.2.4 Technical provisions – Life other than Unit-Linked

The adjustment of €79,7m is due mainly to the fact that under IFRS, liabilities of contracts that host a health coverage have been included in the Health Similar to Life category, as the lowest unit of account is the contract, as opposed to Solvency II, where the Life coverage of a contract with both a life and health coverage are included in this category. To a lesser extent the adjustment is due to the use of a different discount curve.

#### 4.2.5 Technical provisions – Unit-Linked

The adjustment of €26,7m is due mainly to the fact that under IFRS, liabilities of contracts that host a health coverage have been included in the Health Similar to Life category, as the lowest unit of account is the contract, as opposed to Solvency II, where the unit linked element of a contract with both a unit linked and health coverage are included in this category. To a lesser extent the adjustment is due to the use of a different discount curve on guaranteed unit linked contracts.

## 4.3. Other Liabilities

### 4.3.1. Contingent liabilities

The possibility that third party claims against the Group are successful is 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)               | IFRS   | Reclassifications | Adjustments | Solvency II value |
|-----------------------------|--------|-------------------|-------------|-------------------|
| Pension benefit obligations | 99.641 | -                 | -           | 99.641            |

The above line item includes group contract liabilities for defined benefits and contributions plans towards the Company's personnel, as well as provision for Staff Leaving Indemnity.

DAF contracts, of a defined benefit and/or contribution plan, a lump-sum benefit/pension is paid to each employee upon leaving the Company, unless he / she has or will receive in the future a relevant benefit for his / her disability from 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)            | IFRS | Reclassifications | Adjustments | Solvency II value |
|--------------------------|------|-------------------|-------------|-------------------|
| Deposits from reinsurers | -    | 7.442             | -           | 7.442             |

For balance sheet purposes based on Solvency II, deposits from reinsurers appear separately, while in the financial statements they are offset against "Receivables from Reinsurers". The reclassification of €7,4m corresponds to the transfer of reinsurance share from reinsurer receivables (line item "reinsurers recoverables") to liabilities (line item "Deposits from reinsurers").

### 4.3.4. Insurance and intermediaries payables

| (€ thousands)                       | IFRS  | Reclassifications | Adjustments | Solvency II value |
|-------------------------------------|-------|-------------------|-------------|-------------------|
| Insurance & intermediaries payables | 8.997 | 20.291            | -           | 29.288            |

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 is made.

The reclassifications relate to liabilities for commissions and other fees payable to intermediaries that for IFRS purposes are included in Insurance contract assets or Liabilities.

Adjustments relate to commissions from policies pre-issues.

#### 4.3.5. Reinsurance payables

| (€ thousands)        | IFRS  | Reclassifications | Adjustments | Solvency II value |
|----------------------|-------|-------------------|-------------|-------------------|
| Reinsurance payables | 4.038 | 28.962            | -           | 32.999            |

The reclassification relates to the separation of current accounts from reinsurance contract assets and liabilities for Solvency II purposes.

#### 4.3.6. Payables (trade, not insurance)

| (€ thousands)                   | IFRS  | Reclassifications | Adjustments | Solvency II value |
|---------------------------------|-------|-------------------|-------------|-------------------|
| Payables (trade, not insurance) | 3.880 | 5.610             | -           | 9.490             |

This line item includes liabilities connected to matters unrelated to the insurance activities of the Group. 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.

#### 4.3.7. Subordinated liabilities in basic own funds

| (€ thousands)                                   | IFRS           | Reclassifications | Adjustments | Solvency II value |
|-------------------------------------------------|----------------|-------------------|-------------|-------------------|
| Subordinated liabilities not in Basic Own Funds | 177.128        | (177.128)         | -           | -                 |
| Subordinated liabilities in Basic Own Funds     | -              | 177.128           | -           | 177.128           |
| <b>Total</b>                                    | <b>177.128</b> | <b>-</b>          | <b>-</b>    | <b>177.128</b>    |

Subordinated liabilities in BOF are measured at cost, plus interest, which approximates fair value, without taking into account the credit risk.

They include a) €50m (includes interest €0,03m) in "Tier 1 – Restricted" of the basic own funds and b) €125m (includes interest €2,1m) 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.

The interest rate of the €50m loan is equal to the 6-month EURIBOR plus a margin of 800 basis points, while the interest rate of the €125m loan is fixed at 650 basis points (6,50%) during its whole term.

#### 4.3.8. Any other liabilities, not elsewhere shown

| (€ thousands)                              | IFRS    | Reclassifications | Adjustments | Solvency II value |
|--------------------------------------------|---------|-------------------|-------------|-------------------|
| Any other liabilities, not elsewhere shown | 223.022 | (1.580)           | -           | 221.442           |

The reclassification of "Other Liabilities" amounting to €99,1m regard €81,7m claims that have been settled, but have not been received by the beneficiaries, and €17,4m premium tax liabilities that are included in the insurance contract liabilities/assets in the financial statements, whereas in the balance sheet according to Solvency II, they are included in "Other liabilities".

Furthermore, for 2024 in IFRS amount of Any Other Liabilities, the total liabilities related to entities in Cyprus have been depicted, as are considered "held for sale". The amount of those liabilities is (€100,7m) and has been reclassified to Participations for Solvency II reporting purposes.

"Other Liabilities not elsewhere shown" includes an amount of €57,7m representing the fair value as at 31.12.2024 of the additional deferred consideration that the Participant may pay to NBG on the fifth anniversary of date that the shares of Ethniki Insurance were transferred to the Participant. The deferred consideration is subject to the future performance of Ethniki Insurance.

#### 4.4. Other valuation methods

The Group does not use alternative valuation methods.

#### 4.5. Other information

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

## 5. Capital Management

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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 Group aims at:



To effectively monitor the capital position, capital adequacy limits on the solvency ratio are set in a Capital Management Policy that has been established by Ethniki Insurance, which is the main driving undertaking of the Group's capital and solvency capital requirements.

The Solvency Ratio as at 31.12.2024 is 162%, using the adjusted curve and the transitional measures, compared to 182% as at 31.12.2023. Without using the transitional measures on technical provisions, but with the transitional measures for equity and the volatility adjusted curve amounts to 129% compared to 144% at 31.12.2024 and 31.12.2023, respectively.

| Solvency Ratio<br>(€ thousands)    | With transitional measures |                     | Without the use of transitional measures on technical provisions |                     | Risk-free yield curve |                     |
|------------------------------------|----------------------------|---------------------|------------------------------------------------------------------|---------------------|-----------------------|---------------------|
|                                    | 31.12.2024                 | 31.12.2023 Restated | 31.12.2024                                                       | 31.12.2023 Restated | 31.12.2024            | 31.12.2023 Restated |
| Eligible own funds to meet the SCR | 509.190                    | 558.402             | 406.251                                                          | 442.659             | 362.893               | 410.892             |
| SCR                                | 314.623                    | 306.627             | 315.086                                                          | 306.627             | 316.930               | 312.056             |
| Solvency Ratio                     | 162%                       | 182%                | 129%                                                             | 144%                | 115%                  | 132%                |

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 €43,4m at 31.12.2024.

### 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 on technical provisions for Ethniki Insurance 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 31.12.2024 the unamortized value of the transitional measure on technical provisions amounting to €102,9m (i.e. 8/16 of the initial amount of the transitional measure of €205,8m) and for 2025 will amount to €90,0m (i.e. 7/16 of €205,8m).

## 5.1. Own Funds

To secure the obligations related to the potential deferred considerations to be paid by the Participant to NBG on the fifth anniversary of the date that the shares of Ethniki Insurance were transferred to the Participant (see chapter 4.3.8), the Participant entered on 31 March 2022 into a Luxembourg law governed share pledge agreement between Ethniki Holdings Ltd as pledger, NBG as pledgee and the Participant as the company whose shares are pledged.

Tier I capital consists of paid-up share capital not subject to the pledge agreement mentioned above, share premium, reconciliation reserve and the subordinated loan of €50m that Ethniki Insurance has issued to NBG.

Tier II capital consists of the share capital of the Participant that is not subject to the pledge agreement mentioned above and the subordinated loan of € 127,1m that Ethniki Insurance has issued to NBG.

Tier III capital comprises of net deferred tax assets.

The tables below present the structure of own funds per tier and its respective eligibility as at 31.12.2024 and 31.12.2023.

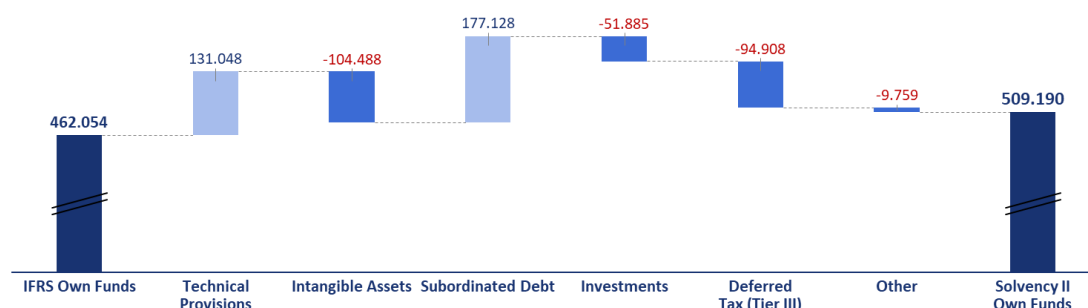
| 31.12.2024               | Tier 1         |                | Tier 2         |                | Tier 3         |               | Total          |                |
|--------------------------|----------------|----------------|----------------|----------------|----------------|---------------|----------------|----------------|
| (€ thousands)            | Available      | Eligible       | Available      | Eligible       | Available      | Eligible      | Available      | Eligible       |
| Paid-up share capital    | -              | -              | 2.000          | 2.000          | -              | -             | 2.000          | 2.000          |
| Share Premium            | 145.620        | 145.620        | -              | -              | -              | -             | 145.620        | 145.620        |
| Surplus Funds            | -              | -              | -              | -              | -              | -             | -              | -              |
| Reconciliation reserve   | 156.229        | 156.229        | -              | -              | -              | -             | 156.229        | 156.229        |
| Subordinated liabilities | 50.029         | 50.029         | 127.099        | 127.099        | -              | -             | 177.128        | 177.128        |
| Net deferred tax assets  | -              | -              | -              | -              | 154.095        | 28.212        | 154.095        | 28.212         |
| <b>Total</b>             | <b>351.878</b> | <b>351.878</b> | <b>129.099</b> | <b>129.099</b> | <b>154.095</b> | <b>28.212</b> | <b>635.072</b> | <b>509.190</b> |

| 31.12.2023                | Tier 1         |                | Tier 2         |                | Tier 3         |               | Total          |                |
|---------------------------|----------------|----------------|----------------|----------------|----------------|---------------|----------------|----------------|
| Restated<br>(€ thousands) | Available      | Eligible       | Available      | Eligible       | Available      | Eligible      | Available      | Eligible       |
| Paid-up share capital     | 225            | 225            | 2.025          | 2.025          | -              | -             | 2.250          | 2.250          |
| Share Premium             | 183.870        | 183.870        | -              | -              | -              | -             | 183.870        | 183.870        |
| Surplus Funds             | -              | -              | -              | -              | -              | -             | -              | -              |
| Reconciliation reserve    | 170.943        | 170.943        | -              | -              | -              | -             | 170.943        | 170.943        |
| Subordinated liabilities  | 50.050         | 50.050         | 127.122        | 127.122        | -              | -             | 177.171        | 177.171        |
| Net deferred tax assets   | -              | -              | -              | -              | 141.368        | 24.167        | 141.368        | 24.167         |
| <b>Total</b>              | <b>405.088</b> | <b>405.088</b> | <b>129.147</b> | <b>129.147</b> | <b>141.368</b> | <b>24.167</b> | <b>675.602</b> | <b>558.402</b> |

As observed, the available own funds at 31.12.2024 amounted to €635,1m, compared to the eligible own funds of €675,6m 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).

### 5.1.1. IFRS & Solvency II Own Funds as at 31.12.2024

The diagram below depicts the comparison of assets and liabilities between IFRS and Solvency II at 31.12.2024. Detailed information is provided in section 4 “Valuation for Solvency Purposes”.

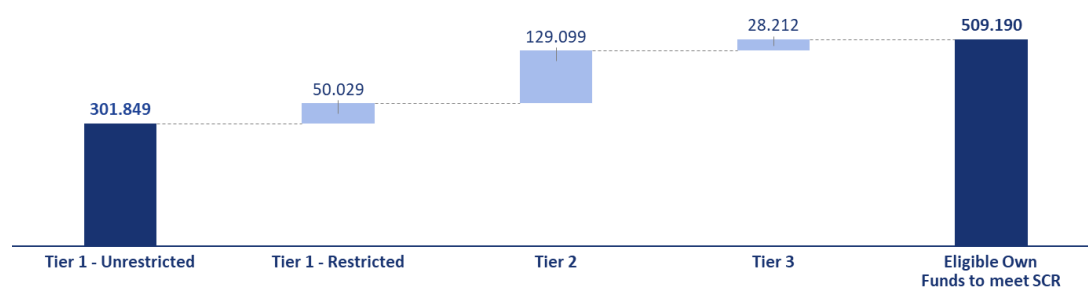


The main differences between own funds according to IFRS and own funds according to Solvency II valuation principles, are the following:

- Measurement of investment and property at fair value, due to valuation at fair value of the overall investment portfolio (decrease in IFRS Own Funds by €51,9m,
- Difference in technical provisions by €131m due mainly to applying transitional measures under Solvency II and recognizing a CSM under IFRS,
- Decrease of the deferred tax asset due to adjustments between IFRS and Solvency II valuation by €94,9m,
- Recognition of subordinated debt loans in own funds (increase in Own Funds by €177,1m),
- De-recognition of intangible assets of €104,5m.

### 5.1.2. Eligible Own Funds to meet the SCR as at 31.12.2024

The categorization of eligible own funds to meet the SCR at 31.12.2024 is presented in the following diagram:



In 2021, Ethniki Insurance entered into a 10-year subordinated bond loan, amounting to € 125m, with NBG. The loan balance including accrued interest of €2,1m, meets the criteria for inclusion in Tier 2.

Also, Ethniki Insurance has issued subordinated debt loan of infinite duration amounting to €50,0m. The loan balance including accrued interest of €0,05m, meets the criteria for recognition under Tier 1 of own funds.

### 5.1.3. Eligible Own Funds to meet MCR as at 31.12.2024

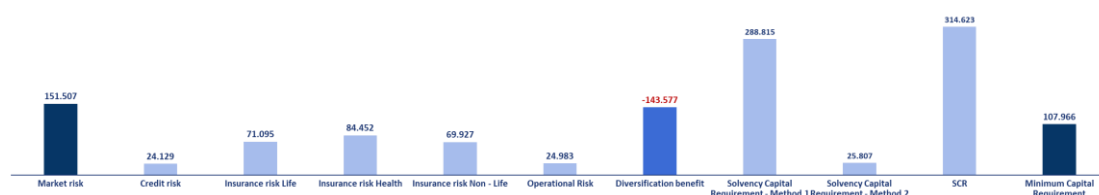
The categorization of eligible own funds to meet the SCR are presented in the following diagram:



## 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. In addition, the Group uses the adjusted curve and the transitional measures.

The diagram below shows the SCR and the MCR as at 31.12.2024.



The main Risk module in the formulation of the SCR as at 31.12.2024 was the Market Risk accounting for 34% 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. Health underwriting risk, consisting of 20%,
- ii. Life insurance risk, consisting of 16%,
- iii. Non-life insurance risk, consisting of 16%.

The Minimum Capital Requirement was 34% of the Solvency Capital Requirement.

BoG as Supervisory Authority, in accordance with Article 41 of Greek Law 4364/2016 and Article 54 of EC 138/2009, may 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.

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

The Group 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 Group uses the Standard Formula. The Group 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 Group complies fully with the overall MCR as well as SCR for 2024.

## 5.6. Other information

### 5.6.1. Business Plan and Capital Management Program

The Group prepares a business plan annually. For its preparation estimates relating to the evolution of macro-economic figures, the strategic objectives of the Group, 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 Group for the next three years, and the strategy to achieve them.

### 5.6.2. Dividend payment policy

The Group has formulated a Dividend policy according to its current strategy.

Ethniki Insurance General Assembly No. 181/ 26-08-2024 approved the distribution of a total amount of €38,9m, deriving from prior year earnings, from the financial years 2021 and 2022. The distribution was completed in Q3 2024. The dividend distribution impact has been depicted in 2023 restated figures.

The BoD of the Participant did not propose a dividend payment for financial results of year 2024.

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## Annex I – Annual Quantitative Templates (QRTs)

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The current annex includes the Group's annual quantitative templates («QRTs»)<sup>1</sup>:

| 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 |
| S.22.01.22 | Impact of long-term guarantees measures and transitionals                  | Information on the impact of the long-term guarantee and transitional measures                   |
| S.23.01.22 | Own funds                                                                  | Information on own funds, including basic own funds and ancillary own funds                      |
| S.25.01.22 | Basic Solvency Capital Requirement — for firms as standard formula is used | Information on the Solvency Capital Requirement calculated using the standard formula            |
| S.32.01.22 | Undertakings in the scope of the group                                     | Information on the undertakings in the scope of the Group                                        |

<sup>1</sup> 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             |
| <b>Assets</b>                                                                          |                   |
| Goodwill                                                                               | R0010             |
| Deferred acquisition costs                                                             | R0020             |
| Intangible assets                                                                      | R0030 -           |
| Deferred tax assets                                                                    | R0040 154.095     |
| Pension benefit surplus                                                                | R0050 -           |
| Property, plant & equipment held for own use                                           | R0060 148.627     |
| Investments (other than assets held for index-linked and unit-linked contracts)        | R0070 2.843.794   |
| Property (other than for own use)                                                      | R0080 51.879      |
| Holdings in related undertakings, including participations                             | R0090 39.485      |
| Equities                                                                               | R0100 72.860      |
| Equities - listed                                                                      | R0110 34.074      |
| Equities - unlisted                                                                    | R0120 38.786      |
| Bonds                                                                                  | R0130 2.268.812   |
| Government Bonds                                                                       | R0140 1.766.747   |
| Corporate Bonds                                                                        | R0150 502.065     |
| Structured notes                                                                       | R0160 -           |
| Collateralised securities                                                              | R0170 -           |
| Collective Investments Undertakings                                                    | R0180 393.113     |
| Derivatives                                                                            | R0190 525         |
| Deposits other than cash equivalents                                                   | R0200 17.120      |
| Other investments                                                                      | R0210 -           |
| Assets held for index-linked and unit-linked contracts                                 | R0220 525.128     |
| Loans and mortgages                                                                    | R0230 22.976      |
| Loans on policies                                                                      | R0240 2.226       |
| Loans and mortgages to individuals                                                     | R0250 -           |
| Other loans and mortgages                                                              | R0260 20.751      |
| Reinsurance recoverables from:                                                         | R0270 272.451     |
| Non-life and health similar to non-life                                                | R0280 269.616     |
| Non-life excluding health                                                              | R0290 268.718     |
| Health similar to non-life                                                             | R0300 897         |
| Life and health similar to life, excluding health and index-linked and unit-linked     | R0310 2.835       |
| Health similar to life                                                                 | R0320 -           |
| Life excluding health and index-linked and unit-linked                                 | R0330 2.835       |
| Life index-linked and unit-linked                                                      | R0340 -           |
| Deposits to cedants                                                                    | R0350 70          |
| Insurance and intermediaries receivables                                               | R0360 55.465      |
| Reinsurance receivables                                                                | R0370 11.002      |
| Receivables (trade, not insurance)                                                     | R0380 15.982      |
| Own shares (held directly)                                                             | R0390 -           |
| Amounts due in respect of own fund items or initial fund called up but not yet paid in | R0400 -           |
| Cash and cash equivalents                                                              | R0410 12.872      |
| Any other assets, not elsewhere shown                                                  | R0420 8.837       |
| <b>Total assets</b>                                                                    | R0500 4.071.299   |
|                                                                                        | Solvency II value |
|                                                                                        | C0010             |
| <b>Liabilities</b>                                                                     |                   |
| Technical provisions – non-life                                                        | R0510 675.577     |
| Technical provisions – non-life (excluding health)                                     | R0520 508.221     |
| Technical provisions calculated as a whole                                             | R0530 -           |
| Best Estimate                                                                          | R0540 482.649     |
| Risk margin                                                                            | R0550 25.572      |
| Technical provisions - health (similar to non-life)                                    | R0560 167.356     |
| Technical provisions calculated as a whole                                             | R0570 -           |
| Best Estimate                                                                          | R0580 142.444     |
| Risk margin                                                                            | R0590 24.912      |
| Technical provisions - life (excluding index-linked and unit-linked)                   | R0600 1.795.732   |
| Technical provisions - health (similar to life)                                        | R0610 245.146     |
| Technical provisions calculated as a whole                                             | R0620 -           |
| Best Estimate                                                                          | R0630 193.898     |
| Risk margin                                                                            | R0640 51.248      |
| Technical provisions – life (excluding health and index-linked and unit-linked)        | R0650 1.550.586   |
| Technical provisions calculated as a whole                                             | R0660 -           |
| Best Estimate                                                                          | R0670 1.511.761   |
| Risk margin                                                                            | R0680 38.825      |
| Technical provisions – index-linked and unit-linked                                    | R0690 563.009     |
| Technical provisions calculated as a whole                                             | R0700 -           |
| Best Estimate                                                                          | R0710 558.176     |
| Risk margin                                                                            | R0720 4.833       |
| Other technical provisions                                                             | R0730 0           |
| Contingent liabilities                                                                 | R0740 -           |
| Provisions other than technical provisions                                             | R0750 -           |
| Pension benefit obligations                                                            | R0760 99.641      |
| Deposits from reinsurers                                                               | R0770 7.442       |
| Deferred tax liabilities                                                               | R0780 -           |
| Derivatives                                                                            | R0790 -           |
| Debts owed to credit institutions                                                      | R0800 -           |
| Financial liabilities other than debts owed to credit institutions                     | R0810 1.606       |
| Insurance & intermediaries payables                                                    | R0820 29.288      |
| Reinsurance payables                                                                   | R0830 32.999      |
| Payables (trade, not insurance)                                                        | R0840 9.490       |
| Subordinated liabilities                                                               | R0850 177.128     |
| Subordinated liabilities not in Basic Own Funds                                        | R0860 -           |
| Subordinated liabilities in Basic Own Funds                                            | R0870 177.128     |
| Any other liabilities, not elsewhere shown                                             | R0880 221.442     |
| <b>Total liabilities</b>                                                               | R0900 3.613.355   |
| <b>Excess of assets over liabilities</b>                                               | R1000 457.944     |

## 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 | 99.347                                                                                                                       | 1.069                       | -                               | 51.509                            | 24.395                | 3.381                                    | 121.799                                     | 26.294                      | 6                               |
| Gross - Proportional reinsurance accepted     | R0120 | -                                                                                                                            | -                           | -                               | -                                 | -                     | -                                        | 139                                         | 10                          | -                               |
| Gross - Non-proportional reinsurance accepted | R0130 | -                                                                                                                            | -                           | -                               | -                                 | -                     | -                                        | -                                           | -                           | -                               |
| Reinsurers' share                             | R0140 | 154                                                                                                                          | 182                         | -                               | 1.518                             | 2.439                 | 1.097                                    | 82.976                                      | 12.007                      | -                               |
| Net                                           | R0200 | 99.193                                                                                                                       | 887                         | -                               | 49.991                            | 21.956                | 2.285                                    | 38.961                                      | 14.297                      | 6                               |
| Premiums earned                               |       |                                                                                                                              |                             |                                 |                                   |                       |                                          |                                             |                             |                                 |
| Gross - Direct Business                       | R0210 | 95.217                                                                                                                       | 1.064                       | -                               | 49.410                            | 23.066                | 3.265                                    | 111.299                                     | 24.554                      | 6                               |
| Gross - Proportional reinsurance accepted     | R0220 | -                                                                                                                            | -                           | -                               | -                                 | -                     | 1                                        | 109                                         | 9                           | -                               |
| Gross - Non-proportional reinsurance accepted | R0230 | -                                                                                                                            | -                           | -                               | -                                 | -                     | -                                        | -                                           | -                           | -                               |
| Reinsurers' share                             | R0240 | 154                                                                                                                          | 180                         | -                               | 1.510                             | 2.394                 | 1.053                                    | 74.966                                      | 11.069                      | -                               |
| Net                                           | R0300 | 95.063                                                                                                                       | 884                         | -                               | 47.900                            | 20.672                | 2.214                                    | 36.442                                      | 13.493                      | 6                               |
| Claims incurred                               |       |                                                                                                                              |                             |                                 |                                   |                       |                                          |                                             |                             |                                 |
| Gross - Direct Business                       | R0310 | 52.130                                                                                                                       | 29                          | -                               | 32.043                            | 8.315                 | 1.108                                    | 161.134                                     | 11.708                      | -                               |
| Gross - Proportional reinsurance accepted     | R0320 | -                                                                                                                            | -                           | -                               | -                                 | -                     | -                                        | -1                                          | -                           | -1                              |
| Gross - Non-proportional reinsurance accepted | R0330 | -                                                                                                                            | -                           | -                               | -                                 | -                     | -                                        | -                                           | -                           | -                               |
| Reinsurers' share                             | R0340 | 1.061                                                                                                                        | 26                          | -                               | 44                                | 921                   | -190                                     | 160.877                                     | 5.216                       | -30                             |
| Net                                           | R0400 | 51.069                                                                                                                       | 3                           | -                               | 31.999                            | 7.394                 | 1.298                                    | 256                                         | 6.493                       | 29                              |
| Expenses incurred                             | R0550 | 32.920                                                                                                                       | 432                         | -                               | 25.816                            | 8.017                 | 1.452                                    | 19.094                                      | 8.917                       | 40                              |
| Balance - other technical expenses/income     | R1210 |                                                                                                                              |                             |                                 |                                   |                       |                                          |                                             |                             |                                 |
| Total expenses                                | R1300 |                                                                                                                              |                             |                                 |                                   |                       |                                          |                                             |                             |                                 |

|                                               |       | Line of Business for: non-life insurance and reinsurance obligations (direct business and accepted proportional reinsurance) |            |                              | Line of Business for: accepted non-proportional reinsurance |          |                             |          | Total   |
|-----------------------------------------------|-------|------------------------------------------------------------------------------------------------------------------------------|------------|------------------------------|-------------------------------------------------------------|----------|-----------------------------|----------|---------|
|                                               |       | Legal expenses insurance                                                                                                     | Assistance | Miscellaneous financial loss | Health                                                      | Casualty | Marine, aviation, transport | Property |         |
|                                               |       | C0100                                                                                                                        | C0110      | C0120                        | C0130                                                       | C0140    | C0150                       | C0160    | C0200   |
| Premiums written                              |       |                                                                                                                              |            |                              |                                                             |          |                             |          |         |
| Gross - Direct Business                       | R0110 | 1.318                                                                                                                        | 6.019      | 17.769                       |                                                             |          |                             |          | 352.906 |
| Gross - Proportional reinsurance accepted     | R0120 | -                                                                                                                            | -          | 17                           |                                                             |          |                             |          | 166     |
| Gross - Non-proportional reinsurance accepted | R0130 | -                                                                                                                            | -          | -                            | -                                                           | -        | -                           | -        | -       |
| Reinsurers' share                             | R0140 | -                                                                                                                            | 3.424      | 13.462                       | -                                                           | -        | -                           | -        | 117.260 |
| Net                                           | R0200 | 1.318                                                                                                                        | 2.595      | 4.324                        | -                                                           | -        | -                           | -        | 235.812 |
| Premiums earned                               |       |                                                                                                                              |            |                              |                                                             |          |                             |          |         |
| Gross - Direct Business                       | R0210 | 1.293                                                                                                                        | 5.683      | 14.403                       |                                                             |          |                             |          | 329.260 |
| Gross - Proportional reinsurance accepted     | R0220 | -                                                                                                                            | -          | 17                           |                                                             |          |                             |          | 136     |
| Gross - Non-proportional reinsurance accepted | R0230 | -                                                                                                                            | -          | -                            | -                                                           | -        | -                           | -        | -       |
| Reinsurers' share                             | R0240 | -                                                                                                                            | 3.232      | 11.095                       | -                                                           | -        | -                           | -        | 105.652 |
| Net                                           | R0300 | 1.293                                                                                                                        | 2.451      | 3.326                        | -                                                           | -        | -                           | -        | 223.744 |
| Claims incurred                               |       |                                                                                                                              |            |                              |                                                             |          |                             |          |         |
| Gross - Direct Business                       | R0310 | 64                                                                                                                           | -          | 27.610                       |                                                             |          |                             |          | 294.143 |
| Gross - Proportional reinsurance accepted     | R0320 | -                                                                                                                            | -          | -                            |                                                             |          |                             |          | -       |
| Gross - Non-proportional reinsurance accepted | R0330 | -                                                                                                                            | -          | -                            | -                                                           | -        | -                           | -        | -       |
| Reinsurers' share                             | R0340 | -                                                                                                                            | -          | 27.245                       | -                                                           | -        | -                           | -        | 195.170 |
| Net                                           | R0400 | 64                                                                                                                           | -          | 366                          | -                                                           | -        | -                           | -        | 98.971  |
| Expenses incurred                             | R0550 | 426                                                                                                                          | 1.136      | 2.907                        | -                                                           | -        | -                           | -        | 101.158 |
| Balance - other technical expenses/income     | R1210 |                                                                                                                              |            |                              |                                                             |          |                             |          | -352    |
| Total expenses                                | R1300 |                                                                                                                              |            |                              |                                                             |          |                             |          | 100.806 |

|                                           |       | Line of Business for: life insurance obligations |                                     |                                        |                      |                                                                                       |                                                                      | Life reinsurance obligations |                  | Total   |
|-------------------------------------------|-------|--------------------------------------------------|-------------------------------------|----------------------------------------|----------------------|---------------------------------------------------------------------------------------|----------------------------------------------------------------------|------------------------------|------------------|---------|
|                                           |       | Health insurance                                 | Insurance with profit participation | Index-linked and unit-linked insurance | Other life insurance | Annuities stemming from non-life insurance contracts and relating to health insurance | Annuities stemming from non-life insurance contracts and relating to | Health reinsurance           | Life reinsurance |         |
|                                           |       | C0210                                            | C0220                               | C0230                                  | C0240                | C0250                                                                                 | C0260                                                                | C0270                        | C0280            | C0300   |
| Premiums written                          |       |                                                  |                                     |                                        |                      |                                                                                       |                                                                      |                              |                  |         |
| Gross                                     | R1410 | 128.165                                          | 76.224                              | 167.039                                | 178.085              | -                                                                                     | -                                                                    | -                            | -                | 549.513 |
| Reinsurers' share                         | R1420 | 842                                              | 623                                 | 345                                    | 9.802                | -                                                                                     | -                                                                    | -                            | -                | 11.611  |
| Net                                       | R1500 | 127.323                                          | 75.601                              | 166.695                                | 168.283              | -                                                                                     | -                                                                    | -                            | -                | 537.901 |
| Premiums earned                           |       |                                                  |                                     |                                        |                      |                                                                                       |                                                                      |                              |                  |         |
| Gross                                     | R1510 | 125.581                                          | 76.232                              | 167.409                                | 175.999              | -                                                                                     | -                                                                    | -                            | -                | 545.222 |
| Reinsurers' share                         | R1520 | 842                                              | 616                                 | 345                                    | 9.311                | -                                                                                     | -                                                                    | -                            | -                | 11.114  |
| Net                                       | R1600 | 124.739                                          | 75.617                              | 167.064                                | 166.688              | -                                                                                     | -                                                                    | -                            | -                | 534.108 |
| Claims incurred                           |       |                                                  |                                     |                                        |                      |                                                                                       |                                                                      |                              |                  |         |
| Gross                                     | R1610 | 111.573                                          | 167.988                             | 233.156                                | 118.819              | -                                                                                     | -                                                                    | -                            | -                | 631.537 |
| Reinsurers' share                         | R1620 | 181                                              | -5                                  | 60                                     | -538                 | -                                                                                     | -                                                                    | -                            | -                | -303    |
| Net                                       | R1700 | 111.392                                          | 167.993                             | 233.097                                | 119.357              | -                                                                                     | -                                                                    | -                            | -                | 631.840 |
| Expenses incurred                         | R1900 | 44.140                                           | 25.986                              | 12.093                                 | 23.986               | -                                                                                     | -                                                                    | -                            | -                | 106.205 |
| Balance - other technical expenses/income | R1210 |                                                  |                                     |                                        |                      |                                                                                       |                                                                      |                              |                  | -33     |
| Total expenses                            | R2600 |                                                  |                                     |                                        |                      |                                                                                       |                                                                      |                              |                  | 106.172 |
| Total amount of surrenders                | R2700 | -                                                | 44.228                              | 27.541                                 | 46.529               | -                                                                                     | -                                                                    | -                            | -                | 118.298 |

## S.22.01.21

Impact of long term guarantees measures and transitionals

|                                                            |       | Amount with Long Term<br>Guarantee measures and<br>transitionals | Impact of transitional on<br>technical provisions | Impact of transitional on<br>interest rate | Impact of volatility<br>adjustment set to zero | Impact of matching<br>adjustment set to zero |
|------------------------------------------------------------|-------|------------------------------------------------------------------|---------------------------------------------------|--------------------------------------------|------------------------------------------------|----------------------------------------------|
|                                                            |       | C0010                                                            | C0030                                             | C0050                                      | C0070                                          | C0090                                        |
| Technical provisions                                       | R0010 | 3.034.318                                                        | 102.882                                           | -                                          | 43.742                                         | -                                            |
| Basic own funds                                            | R0020 | 635.072                                                          | -80.248                                           | -                                          | -26.238                                        | -                                            |
| Eligible own funds to meet<br>Solvency Capital Requirement | R0050 | 509.190                                                          | -102.938                                          | -                                          | -43.359                                        | -                                            |
| Solvency Capital Requirement                               | R0090 | 314.623                                                          | 463                                               | -                                          | 1.845                                          | -                                            |
| Eligible own funds to meet<br>Minimum Capital Requirement  | R0100 | 373.372                                                          | -102.738                                          | -                                          | -44.034                                        | -                                            |
| Minimum Capital Requirement                                | R0110 | 107.467                                                          | 2.161                                             | -                                          | 1.233                                          | -                                            |

**S.23.01.22****Own funds****Basic own funds before deduction for participations in other financial sector**

Ordinary share capital (gross of own shares)  
 Non-available called but not paid in ordinary share capital at group level  
 Share premium account related to ordinary share capital  
 Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings  
 Subordinated mutual member accounts  
 Non-available subordinated mutual member accounts at group level  
 Surplus funds  
 Non-available surplus funds at group level  
 Preference shares  
 Non-available preference shares at group level  
 Share premium account related to preference shares  
 Non-available share premium account related to preference shares at group level  
 Reconciliation reserve  
 Subordinated liabilities  
 Non-available subordinated liabilities at group level  
 An amount equal to the value of net deferred tax assets  
 The amount equal to the value of net deferred tax assets not available at the group level  
 Other items approved by supervisory authority as basic own funds not specified above  
 Non available own funds related to other own funds items approved by supervisory authority

Minority interests (if not reported as part of a specific own fund item)

Non-available minority interests at group level

**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

**Deductions**

Deductions for participations in other financial undertakings, including non-regulated undertakings carrying out financial activities  
 whereof deducted according to art 228 of the Directive 2009/138/EC  
 Deductions for participations where there is non-availability of information (Article 229)  
 Deduction for participations included by using D&A when a combination of methods is used

Total of non-available own fund items

**Total deductions****Total basic own funds after deductions****Ancillary own funds**

Unpaid and uncalled ordinary share capital callable on demand  
 Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand  
 Unpaid and uncalled preference shares callable on demand  
 A legally binding commitment to subscribe and pay for subordinated liabilities on demand  
 Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC  
 Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC

Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC

Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC

Non available ancillary own funds at group level

Other ancillary own funds

**Total ancillary own funds****S.23.01.22****Own funds****Own funds of other financial sectors**

Credit institutions, investment firms, financial institutions, alternative investment fund managers, UCITS management companies – total  
 Institutions for occupational retirement provision  
 Non regulated entities carrying out financial activities  
 Total own funds of other financial sectors

**Own funds when using the D&A, exclusively or in combination of method 1**

Own funds aggregated when using the D&A and combination of method

Own funds aggregated when using the D&A and combination of method net of IGT

Total available own funds to meet the consolidated group SCR (excluding own funds from other financial sector and from the undertakings included via D&A)

Total available own funds to meet the minimum consolidated group SCR

Total eligible own funds to meet the consolidated group SCR (excluding own funds from other financial sector and from the undertakings included via D&A)

Total eligible own funds to meet the minimum consolidated group SCR

**Minimum consolidated Group SCR****Ratio of Eligible own funds to Minimum Consolidated Group SCR**

**Total eligible own funds to meet the group SCR (including own funds from other financial sector and from the undertakings included via D&A)**

**Group SCR**

**Ratio of Eligible own funds to group SCR including other financial sectors and the undertakings included via D&A**

**Reconciliation reserve**

Excess of assets over liabilities

Own shares (held directly and indirectly)

Foreseeable dividends, distributions and charges

Other basic own fund items

Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds

Other non available own funds

**Reconciliation reserve****Expected profits**

Expected profits included in future premiums (EPIFP) - Life business

Expected profits included in future premiums (EPIFP) - Non-life business

**Total Expected profits included in future premiums (EPIFP)**

| Total | Tier 1 - unrestricted | Tier 1 - restricted | Tier 2  | Tier 3  |
|-------|-----------------------|---------------------|---------|---------|
| C0010 | C0020                 | C0030               | C0040   | C0050   |
| R0010 | 2.000                 | -                   | 2.000   | -       |
| R0020 | -                     | -                   | -       | -       |
| R0030 | 145.620               | 145.620             | -       | -       |
| R0040 | -                     | -                   | -       | -       |
| R0050 | -                     | -                   | -       | -       |
| R0060 | -                     | -                   | -       | -       |
| R0070 | -                     | -                   | -       | -       |
| R0080 | -                     | -                   | -       | -       |
| R0090 | -                     | -                   | -       | -       |
| R0100 | -                     | -                   | -       | -       |
| R0110 | -                     | -                   | -       | -       |
| R0120 | -                     | -                   | -       | -       |
| R0130 | 156.229               | 156.229             | -       | -       |
| R0140 | 177.128               | 50.029              | 127.099 | -       |
| R0150 | -                     | -                   | -       | -       |
| R0160 | 154.095               | -                   | -       | 154.095 |
| R0170 | -                     | -                   | -       | -       |
| R0180 | -                     | -                   | -       | -       |
| R0190 | -                     | -                   | -       | -       |
| R0200 | -                     | -                   | -       | -       |
| R0210 | -                     | -                   | -       | -       |
| R0220 | -                     | -                   | -       | -       |
| R0230 | -                     | -                   | -       | -       |
| R0240 | -                     | -                   | -       | -       |
| R0250 | -                     | -                   | -       | -       |
| R0260 | -                     | -                   | -       | -       |
| R0270 | -                     | -                   | -       | -       |
| R0280 | -                     | -                   | -       | -       |
| R0290 | 635.072               | 301.849             | 50.029  | 129.099 |
| R0300 | -                     | -                   | -       | -       |
| R0310 | -                     | -                   | -       | -       |
| R0320 | -                     | -                   | -       | -       |
| R0330 | -                     | -                   | -       | -       |
| R0340 | -                     | -                   | -       | -       |
| R0350 | -                     | -                   | -       | -       |
| R0360 | -                     | -                   | -       | -       |
| R0370 | -                     | -                   | -       | -       |
| R0380 | -                     | -                   | -       | -       |
| R0390 | -                     | -                   | -       | -       |
| R0400 | -                     | -                   | -       | -       |

| Total | Tier 1 - unrestricted | Tier 1 - restricted | Tier 2 | Tier 3  |
|-------|-----------------------|---------------------|--------|---------|
| C0010 | C0020                 | C0030               | C0040  | C0050   |
| R0410 | -                     | -                   | -      | -       |
| R0420 | -                     | -                   | -      | -       |
| R0430 | -                     | -                   | -      | -       |
| R0440 | -                     | -                   | -      | -       |
| R0450 | -                     | -                   | -      | -       |
| R0460 | -                     | -                   | -      | -       |
| R0520 | 635.072               | 301.849             | 50.029 | 129.099 |
| R0530 | 480.977               | 301.849             | 50.029 | 129.099 |
| R0560 | 496.286               | 301.849             | 50.029 | 15.309  |
| R0570 | 373.372               | 301.849             | 50.029 | 21.493  |
| R0610 | 107.467               | -                   | -      | -       |
| R0650 | 3,47                  | -                   | -      | -       |
| R0660 | 509.190               | 301.849             | 50.029 | 28.212  |
| R0680 | 314.622,82            | -                   | -      | -       |
| R0690 | 1,62                  | -                   | -      | -       |

| C0060 |         |   |   |   |
|-------|---------|---|---|---|
| R0700 | 457.944 | - | - | - |
| R0710 | -       | - | - | - |
| R0720 | -       | - | - | - |
| R0730 | 301.715 | - | - | - |
| R0740 | -       | - | - | - |
| R0750 | -       | - | - | - |
| R0760 | 156.229 | - | - | - |
| R0770 | 53.417  | - | - | - |
| R0780 | -       | - | - | - |
| R0790 | 53.417  | - | - | - |

## S.25.01.22.01

## Basic Solvency Capital Requirement

|                                           |              | Gross solvency capital requirement | Simplifications |
|-------------------------------------------|--------------|------------------------------------|-----------------|
|                                           |              | C0110                              | C0120           |
| Market risk                               | R0010        | 151.507                            |                 |
| Counterparty default risk                 | R0020        | 23.634                             |                 |
| Life underwriting risk                    | R0030        | 67.915                             |                 |
| Health underwriting risk                  | R0040        | 92.209                             |                 |
| Non-life underwriting risk                | R0050        | 69.177                             |                 |
| Diversification                           | R0060        | -145.150                           |                 |
| Intangible asset risk                     | R0070        | -                                  |                 |
| <b>Basic Solvency Capital Requirement</b> | <b>R0100</b> | <b>259.292</b>                     |                 |

|                                                                                                                                                                                                                            |       | Value          |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------|----------------|
|                                                                                                                                                                                                                            |       | C0100          |
| Operational risk                                                                                                                                                                                                           | R0130 | 29.523         |
| Loss-absorbing capacity of technical provisions                                                                                                                                                                            | R0140 | -              |
| Loss-absorbing capacity of deferred taxes                                                                                                                                                                                  | R0150 | -              |
| Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC                                                                                                                                | R0160 | -              |
| Solvency Capital Requirement excluding capital add-on                                                                                                                                                                      | R0200 | <b>288.815</b> |
| Capital add-ons already set                                                                                                                                                                                                | R0210 | -              |
| Solvency capital requirement for undertakings under consolidated method                                                                                                                                                    | R0220 | <b>288.815</b> |
| <b>Other information on SCR</b>                                                                                                                                                                                            |       |                |
| Capital requirement for duration-based equity risk sub-module                                                                                                                                                              | R0400 | -              |
| Total amount of Notional Solvency Capital Requirements for remaining part                                                                                                                                                  | R0410 | -              |
| Total amount of Notional Solvency Capital Requirements for ring fenced funds                                                                                                                                               | R0420 | -              |
| Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios                                                                                                                                  | R0430 | -              |
| Diversification effects due to RFF nSCR aggregation for article 304                                                                                                                                                        | R0440 | -              |
| Minimum consolidated group solvency capital requirement                                                                                                                                                                    | R0470 | 107.467        |
| <b>Information on other entities</b>                                                                                                                                                                                       |       |                |
| Capital requirement for other financial sectors (Non-insurance capital requirements)                                                                                                                                       | R0500 | -              |
| Capital requirement for other financial sectors (Non-insurance capital requirements) - Credit institutions, investment firms and financial institutions, alternative investment funds managers, UCITS management companies | R0510 | -              |
| Capital requirement for other financial sectors (Non-insurance capital requirements) - Institutions for occupational retirement provisions                                                                                 | R0520 | -              |
| Capital requirement for other financial sectors (Non-insurance capital requirements) - Capital requirement for non-regulated entities carrying out financial activities                                                    | R0530 | -              |
| Capital requirement for non-controlled participation requirements                                                                                                                                                          | R0540 | -              |
| Capital requirement for residual undertakings                                                                                                                                                                              | R0550 | -              |
| <b>Overall SCR</b>                                                                                                                                                                                                         |       |                |
| SCR for undertakings included via D and A                                                                                                                                                                                  | R0560 | 25.807         |
| Solvency capital requirement                                                                                                                                                                                               | R0570 | <b>314.623</b> |

## 5.32.01.22

Undertakings in the scope of the group

| Country   | Identification code of the undertaking | Identification type of code of the undertaking | Legal Name of the undertaking                       | Type of undertaking                                                            | Legal form                        | Category (mutual/non mutual) | Supervisory Authority                        |
|-----------|----------------------------------------|------------------------------------------------|-----------------------------------------------------|--------------------------------------------------------------------------------|-----------------------------------|------------------------------|----------------------------------------------|
| C0010     | C0020                                  | C0030                                          | C0040                                               | C0050                                                                          | C0060                             | C0070                        | C0080                                        |
| LUXEMBURG | LEI/549300016CDJTW5CRG14               | LEI                                            | Ethiniki Holdings S.à r.l.                          | Insurance holding company as defined in Art. 2125 (f) of Directive 2009/138/EC | Société à responsabilité limitée  | Non-mutual                   |                                              |
| GREECE    | LEI/549300KEWDUFHSXE9274               | LEI                                            | The Ethniki Hellenic General Insurance Company S.A. | Composite Insurer                                                              | Societe Anonyme                   | Non-mutual                   | Bank of Greece                               |
| ROMANIA   | LEI/549300BLM6IEMSOORW56               | LEI                                            | Garanta Asigurari S.A.                              | Composite Insurer                                                              | Joint-Stock Company               | Non-mutual                   | Autoritatea de Supraveghere Financiara       |
| CYPRUS    | LEI/5493007ZRLWEW5V2G603               | LEI                                            | Ethiniki Insurance (Cyprus) Ltd.                    | Life Insurer                                                                   | Private Company Limited by Shares | Non-mutual                   | Insurance Companies Control Service (Cyprus) |
| CYPRUS    | LEI/549300FVF8DP60DVL683               | LEI                                            | Ethiniki General Insurance (Cyprus) Ltd.            | Non-life Insurer                                                               | Private Company Limited by Shares | Non-mutual                   | Insurance Companies Control Service (Cyprus) |

| Criteria of influence |                                                       |                 |                |                    |                                                        | Inclusion in the scope of Group supervision |                                         | Group solvency calculation                                   |
|-----------------------|-------------------------------------------------------|-----------------|----------------|--------------------|--------------------------------------------------------|---------------------------------------------|-----------------------------------------|--------------------------------------------------------------|
| % capital share       | % used for the establishment of consolidated accounts | % voting rights | Other criteria | Level of influence | Proportional share used for group solvency calculation | Yes/No                                      | Date of decision if art. 214 is applied | Method used and under method 1, treatment of the undertaking |
| C0180                 | C0190                                                 | C0200           | C0210          | C0220              | C0230                                                  | C0240                                       | C0250                                   | C0260                                                        |
|                       |                                                       |                 |                | Dominant           |                                                        | Yes                                         |                                         | Method 1: Full consolidation                                 |
| 100,00%               | 100,00%                                               | 100,00%         |                | Dominant           | 100,00%                                                | Yes                                         |                                         | Method 1: Full consolidation                                 |
| 94,96%                | 100,00%                                               | 96,74%          |                | Dominant           | 96,74%                                                 | Yes                                         |                                         | Method 2: Solvency II                                        |
| 100,00%               | 100,00%                                               | 100,00%         |                | Dominant           | 100,00%                                                | Yes                                         |                                         | Method 2: Solvency II                                        |
| 100,00%               | 100,00%                                               | 100,00%         |                | Dominant           | 100,00%                                                | Yes                                         |                                         | Method 2: Solvency II                                        |

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## Annex II – Solvency II Definitions

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**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](http://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 Group and its results, the basic components of the financial situation and its corporate governance. The Risk Profile of the Group, 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 Group 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 Group'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 Group 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 Group.

**Internal Audit System:** It is also part of the Group'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 Group. 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 Group, i.e. the risk of penalties / fines or damage or loss of reputation to which the Group 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 Group (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 Group 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 Group.

**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 Group continued to operate. For this reason, it is provided that if this capital limit is not met, then the operating license of the insurance Group is revoked by a decision of the Supervisory Authority (BoG).

**Diversification:** A mechanism that practically offsets (reduces) the Risk Profile of the insurance Group, 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 Funds 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 Group 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 Group 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.*

