Solvency and Financial Condition Report

Colonnade Finance S.àr.l

As at 31 December 2022

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2022
Solvency and Financial Condition Report

Introduction

The Solvency and Financial Condition Report ("SFCR") of the "Group of Colonnade Finance S.àr.l" (hereinafter the "Group") has been prepared in accordance with Article 211 of Law 4364/2016, which adapted Greek legislation to Directive 2009/138/EC of the European Parliament and of the Council of 25 November 2009 (Solvency II). The SFCR includes the information referred to in Articles 292 to 298 and Article 359 of the Delegated Regulation (EU) 2015/35 and the templates referred to in Article 5 of the Implementing Regulation (EU) 2015/2452.The SFCR follows the structure set out in Annex XX of the Delegated Regulation (EU) 2015/35 and the guidelines set out in Act of the Executive Committee of the Bank of Greece No. 77/12.02.2016.

The quantitative information set out is consistent with the relevant information provided to the Authority in the context of the submission of the Quantitative Models.

The Report covers the financial year ended 31 December 2022 and has been approved by the Board of Managers of Colonnade Finance S.à r.l. The purpose of the Report is to present the Group's activity, its results and the main components of its financial position and corporate governance. It also describes the risk profile, the qualitative composition of the Group's own funds, the Group's capital requirements and the ratios used to cover them.

The Bank of Greece, as the Supervisory Authority, may require the amendment or reformulation of the report or the publication of additional information or other actions to be taken by the Group.

The summary that accompanies this report provides key figures and information contained in it, highlighting the main changes from last year's Group results.

Unless otherwise stated, all amounts in this report are presented in thousand euros (€ th), with Euro being the functional currency of Group.

The SFCR has been prepared by and is under the sole responsibility of the Group's management.

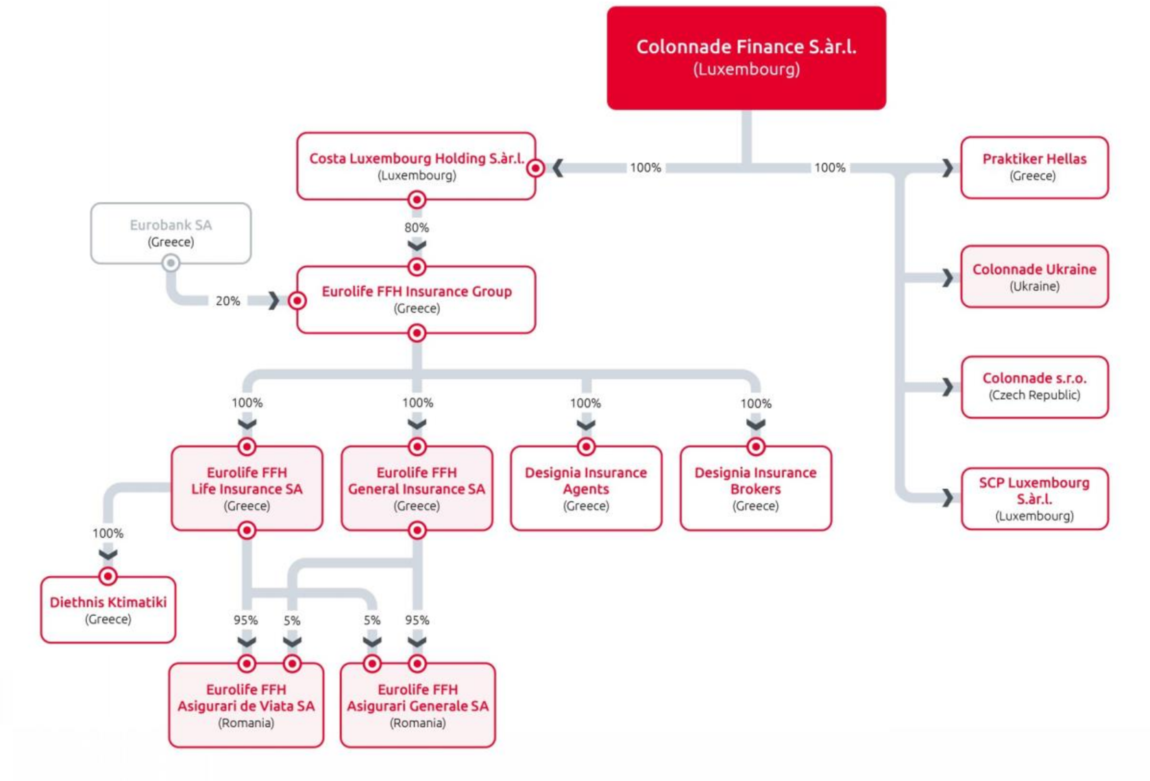
The Board of Managers initially approved the SFCR for year 2022, on May 19, 2023. Subsequently, it was identified that the eligible own funds were underestimated in the report by €63 mio, and on June 16,2023, the current version of the SFCR was approved.

Summary

Group Structure

A summary of the Group's Solvency and Financial Condition Report is set out below

The structure of the Group as at 31 December 2022 was as follows:



Own Funds - Key Shareholders

Colonnade Finance S.à r.l. (the "Company") has share capital with attached share premium totaling USD 222,4 million and is wholly owned by Fairfax (Barbados) Inc.

On 14 July 2021, Colonnade Finance S.à r.l., (member of the Fairfax Group), exercised its option to acquire the remaining shares in Costa Luxembourg Holding S.à r.l ("Costa") from OPG Commercial Holdings (Lux) S.à r.l. and Costa is now wholly controlled by the Company. Costa currently holds 80% of Eurolife FFH Insurance Group Holding S.A. (the “Holding”) share capital. The Holding under the discreet title “Eurolife FFH Insurance Group” is domiciled in Greece and holds five (5) subsidiaries in Greece and two (2) in Romania as presented in the diagram above (hereafter, the Holding and its subsidiaries are referred to as “Eurolife Group”).

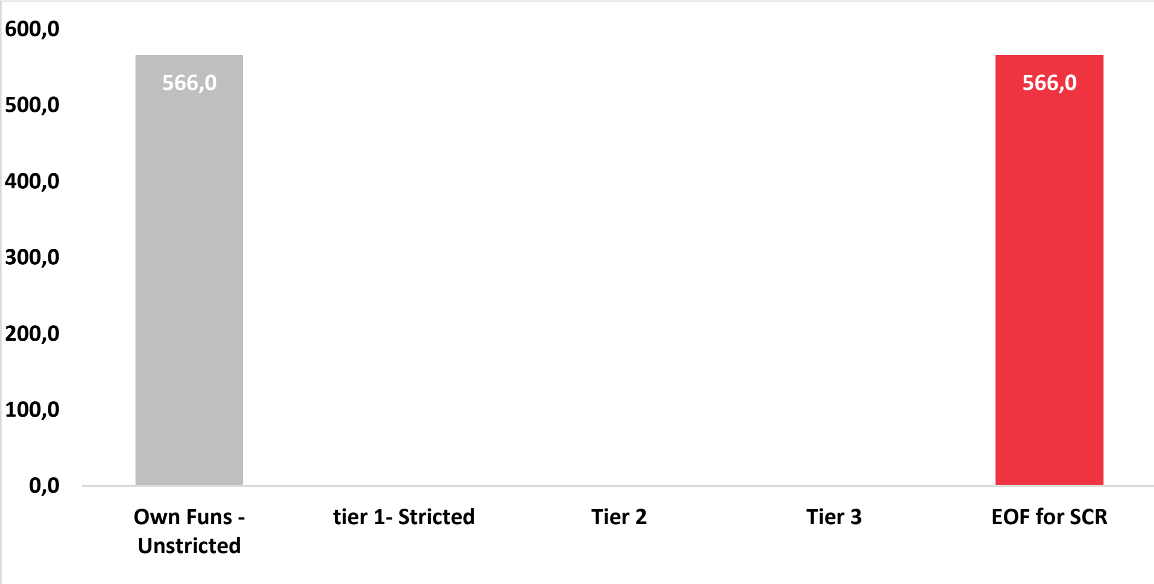
The remaining 20% of the share capital of the Holding is held by the bank Eurobank SA ("Eurobank"), which is a related party.

Analysis of the Solvency II Ratio as at 31 December 2022

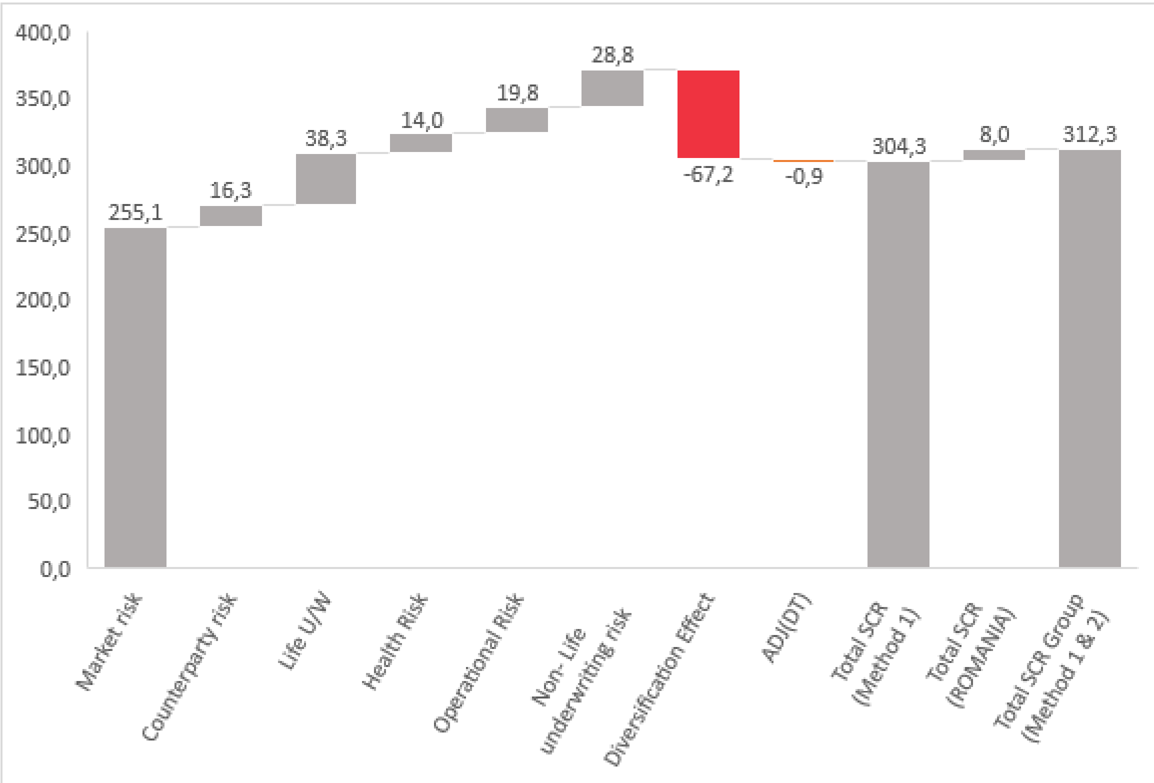
The Solvency II ratio, based on the standardized method, was 181% , after deducting the planned dividend distribution of €34.6m, resulting from the Eligible Own Funds (EOF) ratio of €566.0 m to the Solvency Capital Requirement (SCR) of €312.3m. The Group does not apply the matching adjustment of Article 54 of Law 4364/2016, nor the transitional measures described in Articles 274 and 275 of Law 4364/2016. In the calculation of capital requirements, the adjustment for volatility in the relative time structure of risk-free interest rates is applied in accordance with article 56 of Law 4364/2016.

The following charts show the main elements of the Group's capital requirements, reflecting the classification of the EOF into tiers, the composition of the SCR by risk module and the reconciliation of the capital between the IFRS and Solvency II EOF.

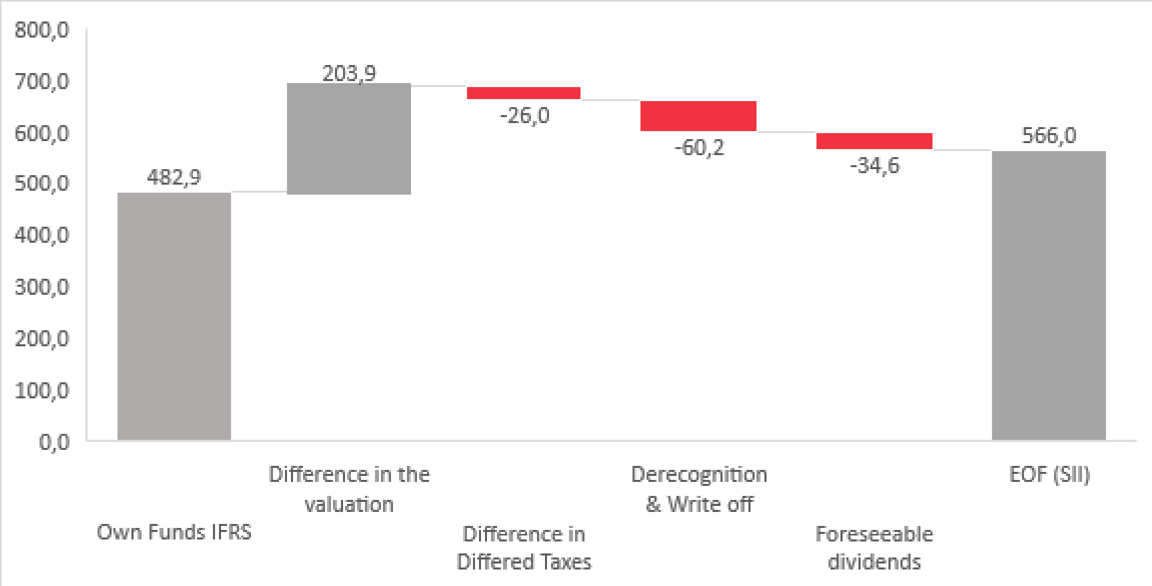
Classification of the EOF (Methods 1 and 2) for the coverage of the SCR as at 31 December 2022 (in millions of €)



Composition of SCR by risk module as at 31 December 2022 (in € million)



Differences between IFRS Own Funds and EOF Solvency II as at 31 December 2022 (in € million)



A detailed explanation of the above reconciliation is set out in Section E.

Insurance activity & results

The Group strategically operates within the dynamic Greek insurance market, which serves as its primary market. The Greek insurance market demonstrated robust performance, with positive growth rates. Premium production(1) reached €4.8 billion, increasing by 4.2% compared to 2021.

In more detail, according to available data, the total premium production in the Greek insurance market for the year 2022 amounts to €4,836.0 billion (2021: €4,264.0 billion), of which €2,410.5 billion (2021: €2,263.5 billion) relates to general insurance and €2,425.4 billion (2021: €2,000.5 billion) to life insurance. Specifically, general insurance increased by 6.1% (2021: 5.7%), while life insurance increased by 2.4% (2021: 10.0%). Among the non-motor insurance classes, insurance classes except for motor third-party liability recorded an increase of 8.7% compared to 2021, while the motor insurance class recorded an increase of 0.7%. Among life insurance classes, investment-linked life insurance showed a decrease of -5.6%, while the management of collective pension funds increased by 15.8% and traditional life insurance recorded an increase of 5.2%. In terms of capitalization, the Greek insurance market remains strong.

From a capital perspective, the Greek insurance market remains strong. The Own Funds of insurance companies has more than doubled since 2012, exceeding €3 billion.

[1]Source: (http://www1.eaee.gr/paragogi-asfalistron)

Furthermore, the adoption of two new financial reporting standards, IFRS 17 "Insurance Contracts" (IFRS 17) and IFRS 9 "Financial Instruments" (IFRS 9), will play an important role with effect from 1/1/2023. In particular, the transition to IFRS 17 will be one of the most significant changes for insurance company in the last 20 years, as it will require a complete overhaul of financial statements. Given the magnitude of the change, companies are already evaluating the impact that the adoption of IFRS 9 and IFRS 17 will have on their financial results and are considering both staffing and infrastructure issues to support these new standards.

The requirements are significantly different from the existing ones, with direct effects on the following:

- Change in the way profitability is recognized
- Increasing complexity of valuation methods and assumptions
- Increase in the volume of data required and its processing.

The changes brought about by the standards are expected to affect the Group as a whole and the impact will need to be communicated to a wide range of internal and external stakeholders.

2022 was another successful year for Eurolife Group. The Eurolife Group's profit before tax amounted to € 98.3 million in 2022 compared to € 86.9 million in 2021.

In FY 2022, the Eurolife Group's total premium production reached € 617.3 million, an increase of 2% compared to FY 2021. The increase is primarily driven by the increase of investment income attributable to shareholders

The Group is convinced that it can achieve its vision of being the "insurance group of choice" for its customers by putting their interests at the heart of its activities. This is the goal that the Group's employees are called upon to achieve by performing their job duties on a daily basis.

A foreseeable Group dividend distribution of € 34.6 million will be made to shareholders for the year 2023.

Eligible Capital Requirements & Capital Adequacy

The tables below summarise the Group's Solvency Capital Requirements and capital adequacy compared to the previous financial year.

Group Solvency Capital Requirements (in € million)

Risk Module Analyis	Group 31.12.2022	Group 31.12.2021	Change%
Market risk	255.1	201.2	27%
Default risk	16.3	27.1	-40%
Life U/W risk	38.3	99.2	-61%
Health risk	14.0	11.3	23%
Non- Life underwriting risk	28.8	25.9	11%
Total	**352.5**	**364.8**	**-3%**
Diversification Effect	-67.2	-98.2	**-32%**
Operational risk	19.8	13.9	43%
ADJ(DT)	-0.9	-0.8	15%
Total SCR Group (Method 1)	**304.3**	**279.7**	**9%**
Total SCR ROMANIA	8.0	7.4	8%
Total SCR Group (Method 1 & 2)	**312.3**	**287.1**	**9%**

Group Capital Adequacy (in € million)

Capital Requirements – SCR and MCR Ratio	Group 31.12.2022	Group 31.12.2021	Change%
Basic Own Funds	566.0	435.3	30%
Tier – 1	566.0	435.3	30%
Tier – 2	-	-	
Tier – 3	-	-	
Solvency capital requirement (SCR)	312.3	287.1	9%
Eligible funds (SCR)	566.0	435.3	30%
SCR Ratio	**181%**	**152%**	**20%**
Minimum capital requirement (MCR)	76.1	87.1	-13%
Eligible funds (MCR)	554.8	425.7	30%
MCR ratio	**729%**	**489%**	**240%**

Governance system

The organizational structure of Colonnade Finance is simple. To effectively handle the inherent complexities of insurance operations and risks, the insurance subsidiaries within of the Eurolife FFH Holding have developed a robust System of Governance. As a result, the Board of Managers at Colonnade Finance confidently relies on the existing System of Governance, implemented by the insurance undertakings of Eurolife FFH Holding. This System ensures the right to prudent administration, promotes continuity, consistency, and proper insurance operation.

During the reporting period, there were no significant changes in the governance system of the Holding's subsidiaries.

Risk profile

Risk management is an integral part of the Eurolife Group's day-to-day business activities. The Eurolife Group's subsidiaries apply an integrated approach to risk management in order to ensure the achievement of their strategic objectives. This approach ensures that value is created by identifying the best balance between the risk assumed and the expected return, while ensuring that obligations to all parties involved are met.

The Risk Management Division supports the organization in identifying, measuring, managing, monitoring and reporting risks to ensure that appropriate decisions and/or actions are taken promptly whenever changes in the Eurolife Group's risk profile occur.

In this context, the following risks have been identified and managed through the establishment of management policies and procedures:

- Insurance risk
- Market risk
- Credit risk
- Liquidity risk
- Operational risk
- Asset-liability mismatch risk (ALM Risk)
- Concentration risk
- Reputational risk
- Strategic risk

A Business and performance

A.1 Business

A.1.1 Name and legal form of the Group

The "Colonnade Finance S.àr.l," (the "Company") which is a member of the Fairfax Financial Holdings Limited group, is established in Luxembourg, having its registered office in Grand Duchy of Luxembourg, 1 rue Jean Piret Str., Postal Code L-2350 (Luxembourg Trade and Companies Register is RCS Luxembourg B181305), tel:(+35) 281156200. The key insurance activity of the Group is performed by the subsideries of the Holding. The other enterprises/participations of the Group do not belong to the insurance industry expect of Colonnade Ukraine, which is a Ukrainian insurance company and Colonnade S.R.O. which is an insurance agent registered in Czech.

The insurance subsidiaries of the Eurolife Group operate in Greece and Romania. Eurolife FFH Life Insurance Single Member Société Anonyme ("Eurolife FFH Life Insurance S.A.") and Eurolife FFH General Insurance Single Member Société Anonyme ("Eurolife FFH General Insurance S.A.") established and operating in Greece and Eurolife FFH Asigurari De Viata S.A. and Eurolife FFH Asigurari Generale S.A. established and operating in Romania, provide insurance services relating to a wide range of life and non-life insurance products. In addition, Eurolife Group provides insurance brokerage and insurance agents services through the subsidiaries Designia Insurance Brokers and Designia Insurance Agents.

A.1.2 Name of the Supervisory Authority responsible for the financial supervision

The Group is supervised by the Bank of Greece, the Department of Private Insurance Supervision.

The Supervisory Authority can be contacted at:

Bank of Greece

Department of Private Insurance Supervision

21 El. Venizelou Str.

10250 Athens

A.1.3 External auditor

The independent auditors are:

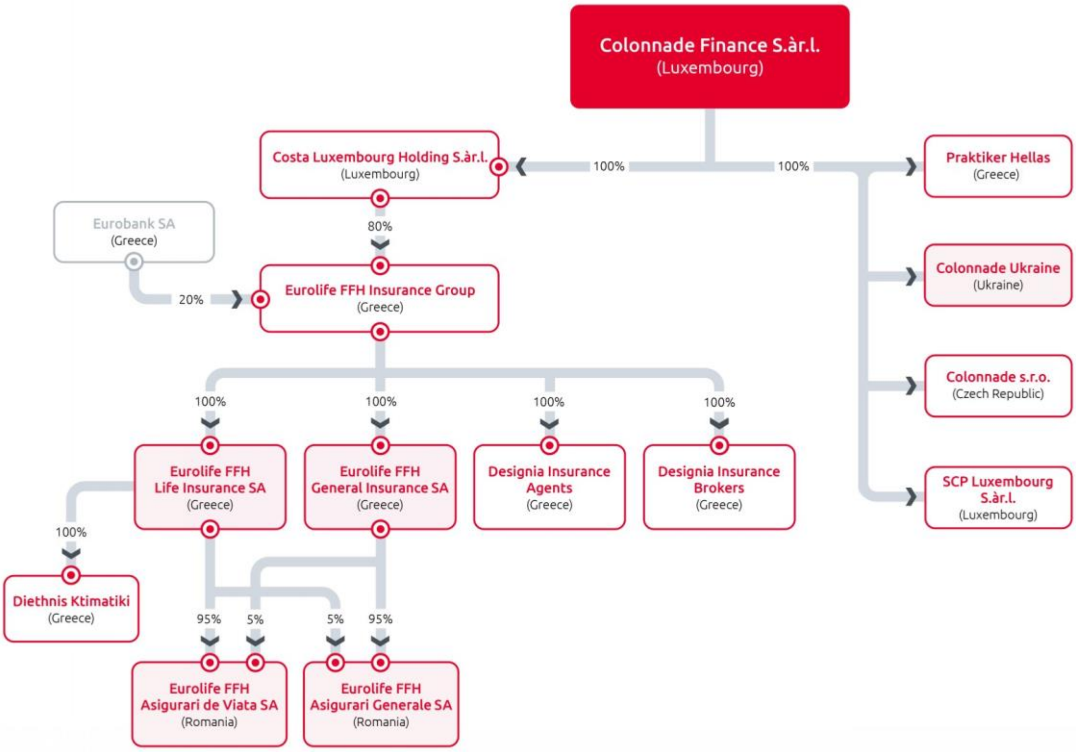
PricewaterhouseCoopers S.A.

268 Kifissias Avenue

GR-15232 Halandri

A.1.4 Legal structure of the Group

The legal structure of the Group and the proportion of the shareholding interest held in the participating undertaking is presented below.


Colonnade Finance S.àr.l.
(Luxembourg)
100%
100%
Costa Luxembourg Holding S.àr.l.
(Luxembourg)
80%
Eurobank SA
(Greece)
20%
Eurolife FFH Insurance Group
(Greece)
Praktiker Hellas
(Greece)
Colonnade Ukraine
(Ukraine)
Colonnade s.r.o.
(Czech Republic)
SCP Luxembourg S.àr.l.
(Luxembourg)
100%
100%
100%
100%
Eurolife FFH Life Insurance SA
(Greece)
Eurolife FFH General Insurance SA
(Greece)
Designia Insurance Agents
(Greece)
Designia Insurance Brokers
(Greece)
100%
Diethnis Ktimatiki
(Greece)
95%
5%
5%
95%
Eurolife FFH Asigurari de Viata SA
(Romania)
Eurolife FFH Asigurari Generale SA
(Romania)

A.1.5 Material lines of business and geographical areas

The Group operates in the following classes of insurance activities and geographical regions:

Insurance class	Greece	Romania
Life Insurance		
I. Life insurance: **I.1 assurance on survival to a stipulated age, assurance on death, assurance on survival to a stipulated age or on earlier death, life insurance with premium refund;** **I.2 annuities;** **I.3 supplementary insurance underwritten in addition to life insurance, in particular, insurance against personal injury including incapacity for employment, insurance against death resulting from an accident, insurance against disability resulting from an accident or sickness.**	✓	✓
III. Life insurance linked to investments (including classes I1 and I2 described above)	✓	✓
VII. Administration of group pension funds	✓	N/A
Non-Life Insurance		
1. Accidents	✓	✓
2. Sickness	✓	✓
3. Land vehicles (other than railway rolling stock)	✓	N/A
5. Aircraft	✓	N/A
6. Ships	✓	✓
7. Goods in transit	✓	✓
8. Fire and natural forces	✓	✓
9. Other damage to property	✓	✓
10. Motor vehicle liability	✓	N/A
11. Aircraft liability	✓	N/A
12. Liability for ships	✓	N/A
13. General liability	✓	✓
14. Credits	✓	✓
15. Guarantees	✓	N/A
16. Miscellaneous financial loss	✓	✓
17. Legal expenses	✓	N/A
18. Assistance	✓	✓

The Group also operates in the Ukrainian market through its subsidiary Colonnade Ukraine which provides non-life insurance products.

A.2 **Underwriting performance**

A.2.1 Financial performance

The Group strategically operates within the dynamic Greek insurance market, which serves as its primary market. With continued high profitability for 2021, the Eurolife Group confirms its leading position in Greek insurance market.

The tables below set out the IFRS key financial figures of the Group for the year ended 31 December 2022.

Key financial figures (in € th) *(Based on IFRS accounting principles, presented in Management Accounts format)*	**Group 31.12.2022**
Gross Written Premium	628,899
Net Insurance Provisions and Claims	-277,384
Net Acquisition Cost	-38,049
Other Operating Expenses	-53,127
Underwriting profit before tax	77,078
Non insurance revenue	179,352
Non insurance expenses	-178,904
Total Investment Income (net of investment expenses)	60,713
Profit Before Tax	**98,346**

Gross Written Premium (Per Region) (in € th)	**Group 31.12.2022**	**Group 31.12.2021**	**Δ%**
Greece			
✓ Life insurance	537,473	541,528	-1%
✓ Non Life insurance	69,966	60,244	16%
Romania			
✓ Life insurance	3,794	3,033	25%
✓ Non Life insurance	6,099	1,978	208%
Ukraine			
✓ Non Life insurance	11,567	12,444	-7%
Total	**628,899**	**619,228**	**2%**

*Colonnade Finance S. à.r.l. obtained control of Eurolife Group on July 14th, 2021

The table below sets out the IFRS key financial figures of the Eurolife Group for the year ended 31 December 2022 and 2021:

Key financial figures (in € th) *(Based on IFRS accounting principles, presented in Management Accounts format)*	**Eurolife Group 31.12.2022**	**Eurolife Group 31.12.2021**	**Δ%**
Gross Written Premium	617,332	606,784	2%
Net Insurance Provisions and Claims	-272,489	-155,020	76%
Net Acquisition Cost	-35,695	-37,655	-5%
Other Operating Expenses	-51,549	-48,388	7%
Underwriting profit before tax	75,698	79,672	-5%
Total Investment Income (net of investment expenses)	76,308	88,372	-14%
Profit Before Tax	**112.112**	**86.917**	**29%**

Gross Written Premium by line of business (in € th)	**Eurolife Group 31.12.2022**	**Eurolife Group 31.12.2021**	**Δ%**
Life insurance	312,269	160,218	95%
Life insurance linked to investments	208,268	358,669	-42%
Administration of group pension funds	20,730	25,675	-19%
Motor	30,241	29,077	4%
Property	32,190	25,825	25%
Other non – life	13,634	7,320	86%
Total	**617,332**	**606,784**	**2%**

- Eurolife Group's profit before Tax amounted to € 112.112 million in 2022 compared to € 86.917 million in 2021. The increase is primarily driven by the increase of investment income attributable to shareholders .
- Insurance Profit before Taxes amounted to € 75.7 million in 2022. The decrease compared to 2021 is mainly driven by the increase in incurred claims (vs 2021) related to non-life Greece.
- Eurolife Group's written premiums amounted to €617.3 million, an increase of 2% compared to 2021. The main reason for the increase was due to increased sales of non-life insurance products. Eurolife Group continues to maintain the momentum developed in previous financial years as a new member of the Fairfax International Investment Group which is reflected by the high market share position in 2021, confirming its leading position as well as its growth trajectory.
- Investment Income decreased by 14%, mainly due to the lower recognition of gains on sale of bonds compared to 2021.
- The Solvency II ratio of Group remains strong at 181%.

A.3 Investment performance

The Group invests in bonds, treasury bills, equities, investment funds, property, cash & cash-equivalents and also executed derivative transactions for hedging purposes. As of December of 2022, the investment portfolio stood at € 2,665.3 million, and generated total income for the year equal to € -128.6 million.

A.3.1 Allocation of investment assets portfolio

The table below sets out the investment assets of the undertakings consolidated with Method 1 and 2 per asset class for the year ended 31 December 2022 and 2021:

Solvency II value (amount in th €)		Group 31.12.2022		Group 31.12.2021
	Amount	contribution	Amount	Contribution
Equities	133,964	5.0%	115,070	3.9%
Bonds & treasury bills	1,819,769	68.3%	1,965,010	66.6%
Commercial Mortgage Loans	40,361	1.5%	40,243	1.4%
Deposits other than Cash & cash equivalents	87,083	3.3%	192,420	6.5%
Cash & cash equivalents	174,656	6.6%	259,983	8.8%
Derivatives	0	0.0%	0	0.0%
Investment funds	188,902	7.1%	252,158	8.5%
Property (other than for own use)	1,007	0.0%	985	0.0%
Participations	219,5912	8.2%	125,662	4.3%
TOTAL	**2,665,337**	**100.0%**	**2,951,531**	**100.0%**

* Including exchange rate gains and losses

Bonds & treasury bills constitute 68.3% of the total investment portfolio, commercial mortgages 1.5%, mutual funds 7.1%, equities and participations in other companies 5% and 8.2% respectively and the remaining 9.9% represent deposits, cash & cash equivalents and real estate investments.

Exposure to fixed income securities (bonds & treasury bills) decreased during the year by € 145.240 million, while exposure to commercial mortgages increased by € 118 thousands. The Group decreased its investments in mutual funds by € 63 million and total cash and cash equivalents by € 85 million. Finally, exposure to equities increased by € 18.9 million due to the revaluation of the equity investment portfolio in the year 2022.

No open positions in derivatives at 31 December 2022 for currency hedging.

A.3.2 Year-to-date performance from investment activities

The following table sets out the performance of investments assets per asset class as at 31 December 2022 and 2021:

Investment Income * (amount in th€)	31.12.2022	31.12.2021**
Eurolife Group		
Equities	14,908	34,014
Bonds & treasury bills	-148,045	14,235
Commercial Mortgage Loans	988	261
Deposits other than Cash & cash equivalents	1,659	233
Cash & cash equivalents	1,088	644
Derivatives	31	-6
Investment funds	12,482	14,866
Property (other than for own use)	1	2
Participations	-8,810	2,424
Non Eurolife Group		
Cash & cash equivalents	-2,934	-343
TOTAL	**-128,632**	**66,328**

*The presentation is based on IFRS principles as presented to management.

**Colonnade Finance S. à.r.l. obtained control of Eurolife Group on July 14th, 2021. For comparative purposes, the figures disclosed in 2021 have been adjusted. In particular, the investment income of Eurolife Group that has been reported refers to the whole year of 2021. In addition, the following results have not been included in the above table: i) the gain recognized by the Group from the consolidation of Eurolife Group, iii) the participation of the Group in the profit of Eurolife Group for the period up to July 13th 2021 where it was recognized as investment in associate and iii) the realised gains by the exercise of the call option with OPG Commercial Holdings (Lux) S.à r.l.

Overall, total return from investments reached € -128,632 thousand at end of 2022, versus € 66,328 thousand at end of 2021.

Total return from bond & treasury bill portfolio amounted to € -148,045 thousand, mainly attributed to unrealized losses.

Bank deposits (other than Cash & cash equivalents) and Cash & cash equivalents generated a net gains of € 1,659 thousand and € -1,845 thousand, respectively.

Return from equities and investment funds was positive equal to € 14,908 thousand and € 12,482 thousand respectively. The investment income from participations was negative equal to € 8,810 thousand.

There was no significant income from investments in property, and income from derivatives was immaterial as at 31 December 2022.

A.3.3 Analysis of investment activities performance

The tables below analyses the gains/losses by investment category which have been recognized through Equity (other comprehensive income) and/or through the Income Statement for the year 2022 and 2021.

Investment Income 2022 (amount in th €)	Through P&L	Through Equity (OCI)	Total
Eurolife Group			
Equities	-6,683	21,591	14,908
Bonds & treasury bills	81,575	-229,621	-148,045
Commercial Mortgage Loans	988	0	988
Deposits other than Cash & cash equivalents ***	1,659	0	1,659
Cash & cash equivalents ***	1,088	0	1,088
Derivatives	31	0	31
Investment funds	15,326	-2,844	12,482
Property (other than for own use)	1	0	1
Participations	-8,810	0	-8,810
Non Eurolife Group			
Cash & cash equivalents ***	-2,935		-2,935
TOTAL	**82,241**	**-210,873**	**-128,632**

* The "Statement of Profit and Loss" includes investment income (interest and dividends), realized gains/losses of financial assets and unrealized gains/losses from the valuation of financial assets at fair value.
** "Equity"(OCI) includes unrealized gains/losses from the valuation of financial assets at fair value.
*** Includes foreign exchange gains and losses.

A.3.4 Year-to-date Investment expenses

Investment expenses relating to custody, brokerage and advisory fees amounted to €8.9 million for the year 2022.

A.3.5 Securitized investments

The Group had no securitized investments and no derivative positions as of 31 December 2022.

A.4 Performance of other activities

The Group has no other investment activities.

A.5 Any other information

Macroeconomic Environment

The Group strategically operates within the dynamic Greek insurance market, which serves as its primary market. The Greek economy, after a significant recovery of 8.4% in 2021, which covered almost all of the losses in 2020 and amid an adverse international environment, managed to maintain its growth momentum in 2022. Despite the uncertain economic conditions that prevailed in 2022, mainly due to the war in Ukraine, the energy crisis and the acceleration of inflation, the Greek economy showed remarkable resilience with growth estimated at 5.9% for 2022. The growth rate of the Greek economy remains among the highest in the euro zone in 2022. The high performance was supported by a significant recovery in tourism, additional fiscal support due to high energy prices, rising private consumption and a decline in unemployment.

Strong inflationary pressures have been a key feature of 2022, both in the international market and in Greece, with inflation in the Greek economy estimated at 9.2% overall for 2022. Inflationary pressures are no longer solely due to the increase in energy commodity prices, but also to the disruptions that this increase has caused in supply chains and its effects on the production costs of other goods and services. However, inflation from the second half of 2022 has started to slow down (after reaching a 40-year high of 9.1% last June 2022) and inflationary pressures are expected to ease further following the European Central Bank's interest rate increase. In addition, a relative normalization occurred in energy prices in Q4 2022, despite high prices level, continuing to generate a reduction in the purchasing power of households and businesses.

A significant boost to growth in Greece is expected to be provided by European Union (EU) funding, mainly under the European Commission's "Next Generation EU" (NGEU) and the EU's Multiannual Financial Framework. Greece will receive from the EU more than €30.5 billion (€17.8 billion in grants and €12.7 billion in loans) by 2026 from the Recovery and Resilience Facility (RRF) to finance projects and actions outlined in the National Recovery and Resilience Plan (NRP), entitled "Greece 2.0". To date, the Greek economy has received an advance of €3.96 billion from the RRF, disbursed in August 2021, as well as the first and second tranches in April 2022 and January 2023, respectively, amounting to €3.6 billion each.

Another important development was the country's exit from the enhanced surveillance regime as of 21 August 2022, which was decided at the Eurogroup of 16 June 2022. Consequently, the monitoring of the country's economic, fiscal and financial situation is now part of the simple post-programmed surveillance, and an assessment of its progress will be made every six months (instead of every three months as was previously the case). However, the Greek economy will need to remain constantly vigilant, as especially for highly indebted economies such as Greece, there is a risk that an excessively rapid increase in the cost of money could undermine overall growth prospects.

Impact of pandemic COVID-19

The COVID-19 pandemic, which started in early 2020, negatively affected the global and the Greek economy, with the consequence that economic activity in Greece recorded a significant recession of -9%. The economic impact of the pandemic was widespread, leading to a significant reduction in household incomes and consumption, a contraction in investment and limited external demand for Greek goods and services. However, 2021 was characterized by a recovery of the global economy and Greece in particular, as there was a large degree of adjustment to the data of the Covid-19 pandemic, while in 2022 the Greek economy maintained its growth momentum. As of the second half of 2021, all traffic/activity lockdown measures throughout the country have ended, economic activities that had been suspended have reopened and Greece has reopened its borders to international tourism.

However, a relative risk regarding the pandemic and the potential impact of new, more infectious variants of COVID-19 remains. This risk is reinforced by the fact that the pandemic booster vaccination program at international level has lost momentum. In addition, disruptions may occur in the global supply chain due to the lockdown measures in China.

The Eurolife Group will continue to assess the relevant conditions so that it can reflect in a timely manner any changes arising from uncertainty about the macroeconomic outlook.

B System of Governance

B.1 General Information on the system of governance

The key insurance activity of Colonnade Finance (the "Company") is performed by the subsidiaries of the Eurolife Group. The other enterprises/participations of the Group do not belong to the insurance industry except for Colonnade Ukraine, which is a Ukrainian insurance company and Colonnade S.R.O. which is an insurance agent registered in Czech. The Colonnade Finance's organizational structure has a simplistic nature. Colonnade Finance is driven by the Board of Managers in which Jean Cloutier acts as Chairman. The inherent complexity of insurance operations and risks are managed by the robust System of Governance developed by the Holding. In turn, the Colonnade Finance's Board of Managers deems sufficient to rely and take assurance by the current System of Governance which is in place by the Holding.

The system of goverance of each insurance undertaking in Greece and Romania is presented in detail in the standalone Solvency and Financial Condition Reports (SFCR). With respect to:

1. Role and responsibilities of the Administrative, management or supervisory body and key functions.
2. Material changes in the system of governance that have taken place over the reporting period.

for avoidance of repetition, the reader is recommended to refer to each insurance undertaking's SFCR documentation. The exact points of reference follow below:

Greek Companies

Life Company

- Solvency and Financial Condition Reports (SFCR) of Eurolife FFH Life Insurance S.A., pages 19-25.

Non-Life Company

- Solvency and Financial Condition Reports (SFCR) of Eurolife FFH General Insurance S.A., pages 20-26.

Romanian Companies

Life Company

- Solvency and Financial Condition Reports (SFCR) Eurolife FFH Asigurari De Viata S.A., pages 17-24.

Non-Life Company

- Solvency and Financial Condition Reports (SFCR) Eurolife FFH Asigurari Generale S.A., pages 17-24.

B.1.3 Remuneration report

The remuneration policy and the Eurolife Group´s general incentive structures reflect the Group's objectives for good corporate governance, protection of the interests of its customers and sustained and long-term value creation for shareholders. In addition, it ensures that:

- the Group is able to attract, develop and retain high-performing and motivated employees;
- employees are offered a competitive and market aligned remuneration package making fixed salaries a significant remuneration component;
- employees feel encouraged to create sustainable results and there is alignment of interests among all stakeholders.

For more details regarding Eurolife Group in respect of:

- Remuneration Components
- General principles for performance-related pay
- Units managing significant risks and control units

the reader is recommended to refer to each insurance undertaking's SFCR documentation.
The exact points of reference follow below:

Greek Companies

Life Company

- Solvency and Financial Condition Reports (SFCR) of Eurolife FFH Life Insurance S.A., pages 25-28.

Non-Life Company

- Solvency and Financial Condition Reports (SFCR) of Eurolife FFH General Insurance S.A., pages 26-28.

Romanian Companies

Life Company

- Solvency and Financial Condition Reports (SFCR) Eurolife FFH Asigurari De Viata S.A., pages 25.

Non-Life Company

- Solvency and Financial Condition Reports (SFCR) Eurolife FFH Asigurari Generale S.A., pages 25.

B.1.4 Related-party transactions and transactions with shareholder

Related-party transactions

Related parties of the Holding includes:

(a) an entity that has control over the Holding and entities that are controlled, jointly controlled or significantly influenced by this entity, as well as members of its key management personnel and their close family members;
(b) members of key management personnel of the Holding, their close family members and entities controlled or jointly controlled by the above mentioned persons;
(c) associates and joint ventures; and
(d) related entities.

All transactions with related parties are conducted in the normal course of business and on arm's length basis. The volume of the transactions with the related parties and the balances at year end are shown in the tables below, in which, due to materiality, transactions with Eurobank are presented separately:

Eurobank SA 31.12.2022 (in € th)	**Receivables**	**Payables**	**Revenues**	**Expenses**
Deposits on demand & Time Deposits	85,657	-	223	6
Insurance operations	3,305	8,123	23,572	21,939
Other transactions	23	-	64	1,675
Total	**88,985**	**8,123**	**23,860**	**23,620**

Other Related parties 31.12.2022 (in € th)	**Receivables**	**Payables**	**Revenues**	**Expenses**
Deposits on demand & Time Deposits	340	-	-	-
Insurance operations	239	53	1,744	353
Investment operations	1,307	-	4,705	6,661
Other transactions	-	149	14	140
Total	**1,886**	**202**	**6,463**	**7,154**

Key management transactions 31.12.2022 (in € th)	**Receivables**	**Payables**	**Revenues**	**Expenses**
Key management transactions	2	283	136	207
Key management remuneration and employee benefits	-	-	-	7,336

Eurobank SA 31.12.2021 (in € th)	**Receivables**	**Payables**	**Revenues**	**Expenses**
Deposits on demand & Time Deposits	42,982	-	368	7
Insurance operations	2,021	10,352	30,442	24,109
Investment operations	-	-	250	-
Other transactions	11	-	76	1,694
Total	**45,014**	**10,352**	**31,135**	**25,810**

Other Related parties 31.12.2021 (in € th)	**Receivables**	**Payables**	**Revenues**	**Expenses**
Deposits on demand & Time Deposits	331	-	-	-
Insurance operations	66	32	1,776	377
Investment operations	1,327	-	3,729	6,682
Other transactions	-	20	-	116
Total	**1,723**	**52**	**5,505**	**7,175**

Key management transactions 31.12.2021 (in € th)	Receivables	Payables	Revenues	Expenses
Key management transactions	2	387	146	228
Key management remuneration and employee benefits	-	-	-	4,968

The above table does not include the transactions with shareholders regarding dividends payment of years 2022 and 2021.

On December 31, 2022 there were no loans to the Holding's management. (December 31, 2021: € 0).

Moreover, the Holding holds investments in bonds, mutual funds and equities issued by related parties. More specifically on 31 December 2022 the fair value of these bonds amounted to € 109,654 thousand (31 December 2021: € 11,775 thousand), of these mutual funds amounted to € 184,676 thousand (31 December 2021: € 242,531 thousand) and of these equities amounted to € 67,560 thousand (31 December 2021: € 57,200 thousand).

Transactions with shareholder

On October 5, 2021, the Extraordinary General Meeting of the Holding's shareholders decided to distribute a dividend of a total amount of € 85.500 thousand to the shareholders of Costa Luxembourg Holding S.àrl (with a participation percentage of 80%) and Eurobank (with a participation percentage of 20%).

On November 29, 2021, the Board of Managers of Costa Luxembourg Holding S.à r.l. decided to distribute an interim dividend of a total amount of € 89.200 thousand to its sole shareholder Colonnade Finance S.à r.l..

On December 7, 2021, the Company's Board of Managers decided to distribute an interim dividend of a total amount of US $ 63.800 thousand (equivalent to € 56.681 thousand) to its sole shareholder Fairfax (Barbados) International Corp.

On October 27, 2022, the Extraordinary General Meeting of the Holding's shareholders decided to distribute a dividend of a total amount of € 70,000 thousand to the shareholders of Costa Luxembourg Holding S.à r.l. (with a participation percentage of 80%) and Eurobank (with a participation percentage of 20%).
On November 30, 2022, the Board of Managers of Costa Luxembourg Holding S.à r.l. decided to distribute an interim dividend of a total amount of € 55,600 thousand to its sole shareholder Colonnade Finance S.à r.l..

On December 12, 2022, the Company's Board of Managers decided to distribute an interim dividend of a total amount of US $ 54,000 thousand (equivalent to € 51,127 thousand) to its sole shareholder Fairfax (Barbados) International Corp.

On December 31, 2022 there were no loans to the Group's management. (December 31, 2021: € 0).

Moreover, the Holding holds investments in bonds, mutual funds and equities issued by related parties. More specifically on 31 December 2022 the fair value of these bonds amounted to € 109,654 thousand (31 December 2021: € 11,775 thousand), of these mutual funds amounted to € 184,676 thousand (31 December 2021: € 242,531 thousand) and of these equities amounted to € 67,560 thousand (31 December 2021: € 57,200 thousand).

B.2 Fit and proper requirements

The Group has adopted a Fit and Proper Policy establishing the framework within which the suitability of persons who effectively run it and its insurance subsidiaries and hold key functions and critical positions is assessed, while taking into account the activities and the operations of the companies, their organizational and management structure. As persons who effectively run the companies are considered at least the individuals who assume roles within the BoD and the Executive Committee or other administrative bodies within the companies. The Fit and Proper

Policy has been developed by the Remuneration and Nomination Committee and has been adopted by the subsidiaries proportionately to their corporate structure and the capacity and powers assigned to the persons referred above

The Group relies on its Eurolife Group Fit and Proper Policy, which serves as a framework for assessing the suitability of individuals who effectively run each subsidiary and hold key functions and critical positions.

For more details regarding Eurolife Group in respect of:

- Competence requirements for Board members.
- Fit requirements for individuals Eurolife Group key functions
- Proper requirements
- Assessment process

the reader is recommended to refer to each insurance undertaking's SFCR documentation.
The exact points of reference follow below:

Greek Companies

Life Company

- Solvency and Financial Condition Reports (SFCR) of Eurolife FFH Life Insurance S.A., pages 30-33.

Non-Life Company

- Solvency and Financial Condition Reports (SFCR) of Eurolife FFH General Insurance S.A., pages 31-34.

Romanian Companies

Life Company

- Solvency and Financial Condition Reports (SFCR) Eurolife FFH Asigurari De Viata S.A., pages 26-30.

Non-Life Company

- Solvency and Financial Condition Reports (SFCR) Eurolife FFH Asigurari Generale S.A., pages 26-30.

B.3 Risk Management System including the Own Risk and Solvency Assessment

B.3.1 Risk Management System

To achieve its business strategy and objectives, the Group undertakes insurance, market, credit and operational risks due to the products offered and the investments performed by the Eurolife Group. These risk types, among others, represent Eurolife Group's risk profile. The **risk strategy** presents the principles that underpin the Group's approach to managing risk arising from its business objectives. It must be aligned with business strategy and intends to:

- protect financial strength by ensuring that liabilities to customers can be met
- protect shareholders' interests
- strengthen competitiveness based on a well-organized internal control and governance system
- safeguard Group's reputation

The principles followed regarding risk strategy are:

- All risks assumed have a corresponding expected reward
- Risks are undertaken only if they are consistent with the execution of business strategy
- Risks are retained only if they are within the approved risk appetite that is consistent

with the Eurolife Group's objectives

- Risks are managed/monitored via a limit framework

The risk strategy consists of the following components:

- A description of roles and responsibilities of the parties involved in the risk management process.
- A description of the approach followed in order for the Group to identify, evaluate, monitor, control, mitigate and report its risks.
- The determination of Eurolife Group's insurance subsidiaries risk appetite, based on the available and the required capital.

The risk strategy is reviewed at least on an annual basis or more frequently when significant changes occur, especially in occasions where the Group examines the possibility of entering in new business classes, of selling new products that differentiate its profile, of changes in the regulatory framework or in the insurance market.

The Board of Managers decides on the desired ratio between Own Funds and the Pillar I SCR calculations, based on the Group's risk appetite. **Risk appetite** can be defined as the total impact of risk an organisation is prepared to accept in the pursuit of its objectives.

The Greek Insurance subsidiaries' risk appetite has been set in the range of 120% to 150% of Solvency II coverage ratio that is determined as Own Funds / SCR. The respective range for the Romanian Insurance subsidiaries is set to 120% to 150%. The Risk Management Division of each insurance subsidiary monitors on a regular basis the solvency position in line with the established risk appetite statement and informs accordingly Senior Management. The above desired thresholds have been approved by the Board of Directors of the Eurolife Group's insurance subsidiaries.

In order to effectively manage its risk exposures, the Group has set the following targets:

- Maintenance of capital surplus, exceeding the SCR figure at any case, for the coverage of all risks assumed and depicted in its risk profile;
- Acceptance of losses arising per risk category up to a specific percentage of the overall SCR. The established limits are monitored on Eurolife Group's insurance entity level and are updated, if necessary;
- Maintenance of stable profitability;
- Maintenance, for each subsidiary of the Eurolife Group, of the capability for dividend payments, according to the relevant policy and business plan;
- Maintenance of Group's brand and reputation;
- Maintenance of Group's immediate response in customer needs;
- Maintenance of appropriate compliance with applicable laws, no tolerance for criminal or fraudster stakeholders (including employees) and maintenance of data security to protect customer information.

The risk appetite is being determined both quantitatively and qualitatively. It is further been allocated in risk factors, through a limit system. These limits act as control mechanisms, which ensure the implementation of the business and risk strategy within the approved limits. Violations of the approved limits are communicated to the Risk, Asset – Liability and Investment Management Committee (applicable for the insurance subsidiaries of the Eurolife Group).

The established risk appetite limits may be violated for a predetermined time period, as result of certain business decisions. Each Eurolife Group's insurance subsidiary Senior Management is informed of any deviations and will proceed to implementation of actions in order to sustain an adequate SII ratio.

The Eurolife Group has adopted a risk management framework supported by principles integrated into the decision making process across the Organization. To support this framework the Group's entities' have developed a comprehensive set of mandates, policies, and guidelines to ensure that adequate /necessary processes and controls are in place in order to manage all risk exposures. These documents are aligned with the regulatory requirements.

The Eurolife Group has adopted a "three lines of defense" model, according to which the organizational units and decision making bodies being involved in the risk management process (e.g. BoD, Risk, Asset-Liability & Investment Management Committee, Actuarial Function, Compliance Function, Investments, Finance, etc.) are defined. Furthermore, the Eurolife Group's organizational structure ensures an adequate segregation of duties.

1st Line of Defense – Business Management. The First Line of Defense is business units, which perform day-to-day risk management activities, implement the risk management policies, proactively manage risks and ensure the existence of a relevant control environment.

2nd Line of Defense – Oversight. The Second Line of Defense includes the oversight functions i.e. the Risk Management, the Compliance and the Actuarial Function. The core responsibility of the 2nd line of defense is to provide risk oversight and challenge to the First Line of Defense. Among others, the functions are responsible for drafting policies as well as providing guidance and directions for their implementation. They also monitor the adherence to the guidelines established in the policies.

3rd Line of Defense – Assurance. The internal audit function, the third line of defense, is an independent and objective assurance and consulting function designed to add value and improve the operations of the Eurolife Group. It helps the organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

The implementation of risk management process at operational level for the Eurolife Group's entities, embraces the identification, assessment, measurement, monitoring and reporting of the Eurolife Group's risks. The adopted process includes a series of steps set out below:

Risk identification is the first step in the risk management process. It is the process of identifying and documenting all (material) risk exposures arising from Eurolife Group's activities. Business planning is valuable input for this step. Internal and external factors are taken into consideration in order to identify all possible sources of risk that can have impact on the Group's risk position and threaten stakeholders' value. Internal factors may include changes in infrastructure, processes and technology, whereas external factors may refer to changes in economic/market conditions, environmental and regulatory requirements. The process is performed for both existing and emerging risks and the output is the Eurolife Group's insurance subsidiaries 's Risk profile.

Risk assessment and measurement. Once risks have been identified, an assessment is being performed qualitatively and quantitatively, taking into account their materiality. For each risk type the proper assessment method is used.

The qualitative one, which is applied to risk categories where the quantification is not possible, such as the reputational and strategic risks. The quantitative approach is applied to risk categories for which there are sufficient historic data for statistical analysis and risk capital calculations, such as market and credit risks. Quantification techniques include Pillar I SCR calculations under the standard formula. Risk mitigation techniques are taken into account in the assessment and measurement process.

Additionally, stress testing and scenario analysis are also used as measurement techniques:

- to estimate the impact on the Eurolife Group's solvency position, under adverse events or in line with changes in the environment in which the Group operates (for Greek Insurance Companies)
- and for the quantification of risk exposures not covered under Pillar I (for Greek Insurance Companies).

Risk & Control Self-Assessment (RCSA) process is used for identification, description, assessment, and limitation of the Eurolife Group's operational risks. RCSA methodology provides for aggregation of quantitative and qualitative data such as: effectiveness assessments of applied controls, risk owners' estimations, loss events, KRIs'observations, understanding of the nature and source of each risk (cause analysis) and scenario analysis results. The examination of any existing legal or compliance risks is also provided for. In order to assess and quantify residual operational risk, the probable occurrence frequency, either presently or in the near future, and the potential magnitude impact or severity of the risks in case it occurs, are taken into consideration.

Along with RCSA process, also a number of specialized assessments methodologies are used aiming to ensure that the Eurolife Group's operational risks exposures are managed in an appropriate manner. Iindicatively: fraud risk assessment (FRA), conduct risk assessment, materiality assessments, outsourcing risk assessments, cloud providers' risk assessment, business environment assessment (BEA).

Following risk identification and measurement, risks are assessed in terms of materiality aiming to determine which risks should be further examined by either considering additional capital or implementing management actions to reduce the level of exposure.

The risks profiles (the essential ones) are reviewed annually so that changes in existing as well as emerging risks are also taken into account. For example, when launching new products, the Group may be confronted with risks which previously bore little or no significance.

The full assessment of the Eurolife Group's risk profile is also performed as part of the annual Own Risk and Solvency Assessment ("ORSA") process.

Risk Response & Control. After risk quantification, an effective response process is performed, including mitigation, acceptance, avoidance and transfer. Through these responses, it is ensured that risks remain within the established limits. The risk takers (1st line of defense) are responsible for implementing appropriate measures together with the Risk Management General Division.

The Eurolife Group manages its risks among others through underwriting guidelines, reinsurance program, investment limits, limits established in risk management policies and through the establishment of processes related to the launch of new products. Also all counterparties selected for risk transfer are of high credit quality.

Investments are managed based on a holistic approach taking into account both assets and liabilities.

Risk Monitoring and Reporting. Risk monitoring comes to ensure continuous monitoring and reporting of all risks, both internally and externally. This is done both on a regular basis as well as on an ad hoc basis.

Risk monitoring focuses on the monitoring of risk profile, through established indicators and metrics. Part of the results of the monitoring process, based on their materiality, are communicated to RALIMCo, on predefined meetings or upon request.

In general, risk information is cascaded to all relevant Bodies, ensuring that they are aware of Eurolife Group's current risk profile.

B.3.2 Implementation of the Risk Management System

The business activities of each Eurolife Group insurance Subsidiary that are incorporated into the risk management system (as described in the previous section) are conducted from the first line of defense with the Risk Management Function establishing the risk management framework, of which it is the custodian. Although the BoD is responsible for making the most important decisions across the Eurolife Group, it nevertheless delegates some of its decision-making responsibilities to its Committees. The results of the implementation of the risk management system are reviewed by the relevant decision-making Committees (Executive Committee and the Risk, Asset-Liability and Investment Management Committees) and the most important of these are presented to the BoD for evaluation and/or approval. This process ensures that the results of risk management process are effectively integrated into the decision-making process.

B.3.3 Own Risk Solvency Assessment (ORSA) process

The Group relies on the Eurolife Group's activities to carry out the ORSA process. The ORSA process, is reviewed and approved at least annually by the Board of Managers. It is conducted throughout the year to facilitate integration with decision making. The process has to be repeated if factors such as market conditions, global economy and insurance market conditions or significant changes in the business plan occur.

ORSA process is designed on a forward looking approach in order to identify risks inherent to the Eurolife Group's business plan and enables the Eurolife Group to evaluate, monitor, manage and mitigate them. Within this process, appropriate quantifications of the relevant capital charges are performed in order to evaluate, on a projected basis, the capital adequacy based on the Eurolife Group's risk profile. More specifically, based on each subsidiary (i) Budget Balance Sheet projections (ii) Assets Portfolio projections, (iii) P&L projections (iv) cash flows of Liabilities for the planning period, the projected SII Balance Sheets and solvency capital requirements are estimated for the next 3 years.

Risk Management Function of each Eurolife Group insurance subsidiary – responsible for the preparation /drafting of the ORSA Report -coordinates the process and prepares all the relevant information for the Risk, Asset-Liability & Investment Management Committee and the BoD. Specific parties are involved in the ORSA process either to provide input (base data calculations, assumptions etc.) or to understand and use ORSA results.

The Actuarial Function, Financial Services, Strategic Planning & Management Information Systems G. Division and Investments Division are also directly involved in the process. Finally, Internal Audit Function contributes to the ORSA by reporting on the robustness of the control system of processes and procedures followed.

The Eurolife Group follows the steps below to implement its ORSA exercise:

- ***Definition of driving factors before ORSA calculations.*** – Identify the factors which affect Eurolife Group's overall solvency needs and relate to Eurolife Group's specific risk profile.
- ***Identification and classification of risks.*** – The Eurolife Group identifies its material risks, including those not considered or not adequately captured by the standard formula. Then, an assessment is performed, taking into account the impact and probability of risk occurrence.
- ***Assessment and measurement of material risks -*** The Eurolife Group quantifies and assesses its risks mainly using the Standard Formula, in line with the approved risk appetite statement. Stress tests results are also taken into account, in order to assess possible impact of different scenarios in Eurolife Group's solvency position. Subsequently, the Eurolife Group examines possible management actions, if adverse scenarios are about to materialize.
- ***Capital planning for the next 3 years*** – ORSA uses the Business Plan's projections for the next 3 years. The Business Plan is based on Eurolife Group's strategic objectives, financial projections and assumptions on future economic conditions.
- ***Communication and documentation of results*** – The Risk Management General Division, coordinates the process, prepares the ORSA report and the CRO presents the outcome to the Executive Committee, the Risk, Asset - Liability and Investment Management Committee, and finally to the BoD for approval.
- ***Confirmation that the ORSA process is embedded in the decision making process***- The Eurolife Group confirms that the above procedure is directly connected with the "business as usual' process.

The Eurolife Group conducts stress testing and scenario analysis at the level of its insurance subsidiaries at least annually to evaluate its sensitivity to potential future events that could have adverse effects on its performance, achievement of strategic goals, liquidity, and solvency. The assumptions adopted and the results of stress testing are documented as part of the ORSA process and presented in the ORSA Report. The Risk Management Department, in collaboration with the relevant business units, identifies the key risk factors to be used in executing the aforementioned scenarios. Possible changes in the existing and/or future business plan, as well as external factors such as economic conditions, are taken into account when selecting the scenarios.

B.4 Internal control system

The Group relies on its subsidiaries to carry out a system of internal controls that aims to provide reasonable assurance regarding the achievement of objectives in the following categories:

- efficient and effective operations;
- reliability and completeness of financial and management information;

- compliance with applicable laws and regulations.

For more details regarding Greek and Romanian companies in respect of:

1. Description of Internal control system
2. Implementation of the compliance function

For avoidance of repetition, the reader is recommended to refer to each insurance undertaking's SFCR documentation. The exact points of reference follow below:

Greek Companies

Life Company

- Solvency and Financial Condition Reports (SFCR) of Eurolife FFH Life Insurance S.A., pages 41-42.

Non-Life Company

- Solvency and Financial Condition Reports (SFCR) of Eurolife FFH General Insurance S.A., pages 43-44.

Romanian Companies

Life Company

- Solvency and Financial Condition Reports (SFCR) Eurolife FFH Asigurari De Viata S.A., pages 38-39.

Non-Life Company

- Solvency and Financial Condition Reports (SFCR) Eurolife FFH Asigurari Generale S.A., pages 34-39.

B.5 Internal audit function

The Group relies on its subsidiaries to carry out the internal audit function.

For avoidance of repetition, the reader is recommended to refer to each insurance undertaking's SFCR documentation. The exact points of reference follow below:

Greek Companies

Life Company

- Solvency and Financial Condition Reports (SFCR) of Eurolife FFH Life Insurance S.A., pages 42-43

Non-Life Company

- Solvency and Financial Condition Reports (SFCR) of Eurolife FFH General Insurance S.A., pages 44-45.

Romanian Companies

Life Company

- Solvency and Financial Condition Reports (SFCR) Eurolife FFH Asigurari De Viata S.A., pages 39-41.

Non-Life Company

- Solvency and Financial Condition Reports (SFCR) Eurolife FFH Asigurari Generale S.A., pages 39-40.

B.6 Actuarial function

The Group relies on its subsidiaries to carry out the actuarial function.

For avoidance of repetition, the reader is recommended to refer to each insurance undertaking's SFCR documentation. The exact points of reference follow below:

Greek Companies

Life Company

- Solvency and Financial Condition Reports (SFCR) of Eurolife FFH Life Insurance S.A., pages 43-44.

Non-Life Company

- Solvency and Financial Condition Reports (SFCR) of Eurolife FFH General Insurance S.A., pages 45-46.

Romanian Companies

Life Company

- Solvency and Financial Condition Reports (SFCR) Eurolife FFH Asigurari De Viata S.A., pages 41.

Non-Life Company

- Solvency and Financial Condition Reports (SFCR) Eurolife FFH Asigurari Generale S.A., pages 40.

B.7 Outsourcing

The Eurolife Group, relying on its subsidiaries, has outsourced certain operational functions/activities to support its internal audit function. However, the Eurolife Group remains fully responsible and accountable for these functions/activities and the power of influence remains with it. Solid risk management, governance and monitoring processes are essential to effectively manage outsourced functions/activities. To this end, the Eurolife Group has established and followed a comprehensive outsourcing framework based on its business needs, best practices, and regulatory requirements. The overall outsourcing framework is determined in the relevant Policies approved by the Board of Directors and further specialized in the related processes. According to them, the Eurolife Group follows the following steps:

Outsourcing Suitability Assessment. During the phase of investigating the appropriateness of outsourcing a function/activity, consideration is given to how it supports Eurolife Group's strategic objectives, the way it fits into its structure as well as whether it affects its ability to meet regulatory obligations. Subsequently, the Operational Risk Mgmt Unit adequately documents that the outsourcing function/activity falls within the definition of outsourcing, performs outsourcing function/activity's materiality assessment, assesses all associated risks (e.g. Eurolife Group's exit strategy, provider's BCP, Outsourcing Unit's ability (capabilities and resources) to monitor external provider's performance and deliverables. In cases of cloud computing services' agreement, the specific risks associated with this type of services are also examined.

Service Provider Selection. A tender process is conducted by the Outsourcing Unit in collaboration with the Procurement Unit. In case of outsourcing of critical or important functions/activities, due diligence is conducted on the candidate providers to assess their financial viability, possible conflicts of interest issues, their personnel's capabilities, the measures they apply regarding information security and personal data protection, business continuity and disaster recovery plans. regulatory permissions etc.

Contractual Requirements. Outsourcing relationships are established with a set of written agreements that set out the expectations and obligations of each party (e.g. the agreement's subject, duties and responsibilities of each party, guarantees and indemnities, regulatory compliance, GDPR compliance, change mgmt. process, reporting of material developments, in cases of critical outsourcing right to access and right to audit (for both Regulator and Eurolife Group), termination, confidentiality etc.).

Outsourcing Agreements' Approval. Once a written agreement has been agreed between each party, internal approval must be sought in line with Outsourcing Policy requirements. Where critical or important functions/activities have been outsourced, final approval must be sought from either the Board of Managers or Executive Committee and where relevant, the Regulator must be notified accordingly.

Outsourcing Relationship's Monitoring. The Eurolife Group follows procedures for the regular monitoring and evaluation of all providers' performance (including an annual review of financial and legal due diligence) entrusted with both critical or important functions/activities and cloud computing services. Moreover, the Operational Risk Management Unit coordinates (annually) related assessments and informs management team through relevant reports.

Providers' Contingency Plans & Eurolife Group's Exit Strategies. The Eurolife Group demands from its external providers to maintain appropriate contingency plans to mitigate the risk of business disruption (especially those related to outsourcing agreement's services). In addition, for all critical outsourcing agreements, the Eurolife Group should maintain suitable exit strategies to mitigate the risk of significant failure by critical external providers. These plans are reviewed regularly.

The Eurolife Group has outsourced to external service providers the execution of several critical or important functions/activities. Details about them as well as the jurisdiction in which the related providers operate in are presented below:

Description of function/activity	Provider's country	Eurolife Group's subsidiary	Intra-group outsourcing
Management of claims for policyholders of health / hospital insurance programs. Outsourcing involves a) call center services, b) medical expense checks in contracted hospitals and c) claims' settlement.	**Greece**	Eurolife FFH Life Insurance S.A /Eurolife FFH Asigurari Generale S.A.	NO
Outsourcing of the procurement, storage, organizing and delivery to a physical mail carrier of the Company's communication documents with its customers (including premium payments notices).	**Greece**	Eurolife FFH Life Insurance S.A / Eurolife FFH General Insurance S.A	NO
Outsourcing of the procurement, filing and management of the Company's physical archive.	**Greece**	Eurolife FFH Life Insurance S.A / Eurolife FFH General Insurance S.A	NO
Provision of CLOUD services and respective hosting for several applications through a SaaS agreement (Software as a Service).	**Ireland**	Eurolife FFH Life Insurance S.A / Eurolife FFH General Insurance S.A	NO
Provision of CLOUD services and respective hosting for a number of applications through a IaaS agreement (Infrastructure as a Service).	**Ireland**	Eurolife FFH Life Insurance S.A / Eurolife FFH General Insurance S.A	NO

Procurement, installment, customization and hosting of a platform designed to support the key processes of Sales Training and Administrative Support, through a SaaS agreement (Software as a Service).	**Holland**	Eurolife FFH Life Insurance S.A / Eurolife FFH General Insurance S.A	NO
Management of promotional and bulk sending messages to customers via an online Cloud platform through a SaaS agreement (Software as a Service).	**Holland**	Eurolife FFH Life Insurance S.A / Eurolife FFH General Insurance S.A	NO
Claims handling for legal protection coverage	**Greece**	Eurolife FFH General Insurance S.A	NO
Provision of an online cloud - based Customer Relationship Management System under a SaaS agreement (Software as a Service).	**Ireland**	Eurolife FFH Life Insurance S.A / Eurolife FFH General Insurance S.A	NO
Reporting & claims management support from a call center that will operate 24/7/365. Specialized claims handling for the Cyber SME Insurance product, including IT customer support in case of an incident. Legal support services	**Greece**	Eurolife FFH General Insurance S.A	NO
Claims handling of legal protection insurance cover embedded to cyber insurance product offered to individuals	**Greece**	Eurolife FFH General Insurance S.A	NO
Reception of claims announcement, claims handling & settlement as well as technical support related to cyber insurance product offered to individuals	**Greece**	Eurolife FFH General Insurance S.A	NO
Infrastructure as a service, administration, operation and security services related with Eurolife's IT Operation and Security areas (Managed Infrastructure Services)	**Greece**	Eurolife FFH Life Insurance S.A / Eurolife FFH General Insurance S.A	NO

B.8 Any other information

Other material information about the system of governance does not apply.

C Risk profile

The Eurolife Group is exposed to the following types of risks: underwriting (insurance) risk, market risk, credit risk, liquidity risk, operational risk, concentration risk, strategic risk and reputational risk. The Group applies an integrated approach in managing risks, securing that the Group's strategic goals are maintained.

Risk management is an integral part of the Group's daily business activities. The Eurolife Group's insurance Subsidiaries apply an integrated approach in managing risks in order to ensure the achievement of their strategic objectives. This approach ensures that value is created for the Group by recognising the optimal balance between the risks assumed and the expected return alongside meeting obligations to all stakeholders.

The Risk Management Division supports the Organization in identifying, measuring, managing, monitoring and reporting risks in order to ensure that appropriate decisions and/or measures are taken promptly whenever changes in the Group's risk profile occur.

The Eurolife Group's risk profile is affected also by external factors such as changes on the macroeconomic, political and financial conditions mainly in Greece (applicable for the Eurolife Group), changes in the regulatory framework and volatilities in global financial markets. The aforementioned factors can materially affect Eurolife Group's operations, i.e. the nature and type of insurance products offered and therefore can result in variations in its risk profile.

Summary of business written:

1. LIFE Companies' products:

Eurolife FFH Life Insurance Company:

The Company's market share as of 31 December 2022 amounted to 22.2% of life insurance, confirming its leading position and its growth trend.

The Company offers a wide range of life insurance products tailored to the specific needs of its customers through multiple distribution channels (bank and non-bank). The products are divided into two main categories: protection and savings.

Protection product offerings comprise:

Whole life: Whole life insurance provides the policy beneficiaries with payment in the event of **death** of the insured at any time. The premium is paid by the customer either over the lifetime of the insured or during a fixed period.

Term: Term insurance is alternative to whole life products, by covering the risk of **death** of the insured for a specific duration. Customers have the choice of a fixed or decreasing benefit over the course of the term. Term covers are offered both on an individual and group level.

Personal Accident: Personal accident insurance provides coverage against the risk of **accidental death** or **disability** (permanent or temporary) on a sum assured basis. Personal accident insurance is provided as a rider to certain basic life insurance products.

Health: Health insurance provides benefits for both primary and secondary **health care**, **covering medical expenses** (indemnity), in- and out-of-hospital treatment and medical exams, hospital allowance, surgical and medical allowance for the cost of treating critical illness. Health insurance is provided as a rider ancillary to certain life insurance products (i.e. term assurance).

Since 2013 the Company offers only annually renewable health insurance products. There are rider covers offered both on individual and group level. In general health insurance is offered both on individual and group level.

Disability: Disability insurance provides an allowance for income loss in the event of **disability** (temporary or permanent) caused by accident or sickness. Disability insurance is provided as a rider to specific basic products of periodic premium. Customers have the option of receiving benefits on a periodic or lump-sum basis.

Credit Life: Credit life insurance provides coverage if the insured becomes unable to pay off existing indebtedness as a result of **death** or **disability**. The Company offers credit life insurance classified as group business on a periodic premium basis. The main volume of credit life products is linked to retail banking customers of Eurobank regarding mortgages, credit cards, consumer loans.

Savings product offerings comprise:

- annuities,
- unit-linked products,
- endowments and
- Deposit Administration Fund (DAF)

Annuities: The Company offers a range of annuity products, including single or regular premium, immediate or deferred whole life (increasing) annuity, or annuities with limited annuity periods.

Unit - linked. In 2004, the Company launched through bancassurance channel single premium unit-linked products, which are linked to investment vehicles. The Company was the first insurer to launch high volume campaigns for single premium unit-linked products in Greece, setting the benchmark for the local insurance market. The Company offers also periodic premium unit-linked products of periodic premium.

There are no insurance guarantees in the Company's unit-linked products other than those embedded in the traditional insurance element of the product (death and survival benefits). The benefits offered under unit-linked products are either determined by units of internal variable funds established and managed by the Company (under the control of supervisory authorities) or by the value of units linked to the value of mutual fund units established and managed by third parties.

Endowment and Pure Endowment with Premium Refund: The Company provides two types of endowment products. The first provides a **fixed sum assured benefit** in case of **death** during the policy duration or survival at maturity. The second provides a sum assured benefit upon survival at maturity and a premium refund in the event of death during the policy duration. Both products are offered to customers on a single or periodic premium basis.

Deposit Administration Funds (DAF): The Company provides a group defined contribution scheme pension program to its employees of Eurobank Group with guaranteed technical rate. Similar product is offered to Company's customers, for which the Company has right to modify the technical rate after a certain time period i.e. a 3 year period after policy issuance.

Eurolife Life Romanian Company is present on the Romanian insurance market, starting from 2007, it is held entirely by Eurolife FFH Insurance Group Holdings Societe Anonyme. The Company's products cover the following risks: death (due to any cause or accident), survival, permanent disability, unemployment, temporary work incapacity due to illness or accident, fractures, burns, gypsum immobilization, convalescence, critical illness, medical services (including surgery due to accident or illness and hospitalization due to accident or illness, cancer screening and telemedicine).

2. Non- LIFE Companies' products

Eurolife FFH General Insurance Company

The Company operates almost in all insurance sectors. The main activity comes from Fire insurance sector, Motor Liability, Land Vehicle and other losses. The Company's market share as at 31.12.2022 was approximately 2.9%. The Company offers a range of products organized into three insurance product lines: property, motor and other non – life insurance products:

- **Property**

Various household and small commercial coverage packages as well as, tailor made coverage for large commercial and industrial risks. One of the main drivers of Company's property insurance revenue is property being used as collateral for mortgages sold by Eurobank. The property insurance packages range from basic fire coverage to comprehensive multi risk coverage (e.g. natural catastrophes damage, broken pipes, short circuit damage, burglary, theft, malicious damages, terrorism acts, earthquake, debris removal expenses, civil liability, translocation expenses and loss of rent). Moreover, the Company offers business interruption coverage and, on small photovoltaic plants, property insurance and machinery breakdown coverage.
The Company's commercial risk portfolio includes, among others, hotels, office buildings and hospitals.

- **Motor**

The Company offers a number of packaged motor insurance products, ranging from mandatory third party liability to partial and full comprehensive products. Partial comprehensive products consist of fire and theft plus mandatory coverage while full comprehensive products additionally include collision and total loss.
Partial insurance products include, inter alia, fire and theft cover in addition to the compulsory cover, while full insurance products include additional own damage and total loss cover.

- **Other non-life**

This type includes products such as: (i) public (general third party) liability insurance and employers' liability insurance; (ii) cargo insurance; (iii) personal accident insurance; (iv) yachts liability insurance;(v) professional liability to certain categories of professionals, (vi) miscellaneous financial losses and (vii) cyber risks insurance.
Apart from being a primary insurer, the Company also selectively accepts small volumes of inwards reinsurance from peers, mostly in the property business line.

Eurolife Non-Life Romanian Company is present on the Romanian insurance market; starting from 2007, it is held entirely by Eurolife FFH Insurance Group Holdings Societe Anonyme. The Company offers a range of products belonging to the following business lines: fire and other damage to property, income protection, general liability, medical expenses, assistance and miscellaneous financial loss

Summary of investments:

The Greek Insurance Companies maintain a liquid asset portfolio, by investing in equities, corporate bonds, mutual funds and government bonds.

Additionally, cash equivalents to support any extraordinary cash outflows arising from the insurance contracts are available at any time. The Companies operate under a clearly defined and controlled investment framework.

The Greek Insurance Companies' asset portfolio with further details is presented in section A.3, of the respective SFCR reports issued for 2022.

Background information affecting Risk Profile

The Greek Life Insurance Company, by year end 2022, achieved an investment return of 2.91% for DAF portfolio (2021: 19.68%) and 3.02% for the traditional portfolio (2021: 3.30%). The guaranteed rate provided for insurance contracts of traditional portfolio is 2.18% (2021: 2.22%).

For International Financial Reporting Standards ("IFRS") purposes, the technical provisions of Group's Insurance Entities as consolidated with Method 1 at 31.12.2022 were € 2,685 mio (31.12.2021: € 2,735.2 mio). The respective figure under Solvency II with Volatility Adjustment ("VA") at 31.12.2022 were € 2,525.7 mio (31.12.2021: € 2,922.1 mio).

The value of Eurolife Group's investment portfolio at 31.12.2022 was € 2.625.5 mio (31.12.2021: € 2,918.4 mio).

The value of the Romanian Entities investment portfolio at 31.12.2022 was € 22.7 mio (31.12.2021: € 20.8 mio).

The Group realises the largest part of its sales through Bancassurance. At the same time it places a large number of agreements with independent sales partners, complementing the Bancassurance channel in terms of market offering aiming at an optimal distribution mix. Greek Companies also sell their products directly through the Customer Development Unit which is a proprietary distribution channel, unique for the Greek insurance market, providing specialised advice.

The Group is committed to controlling the costs of its operations at all levels and through a wide range of actions aiming to deliver top class operations at the lowest possible cost.

During 2022 , the Group's risk profile was affected by the following:

- The concentration of the asset portfolio in instruments issued by the Greek Government (GGBs and Greek T-bills), both short and medium term (applicable for the Greek insurance subsidiaries).
- The market prices of Greek Government bonds have been stabilized, reflecting a general normalization of market conditions.
- The prospects for growth for the Greek economy remained strong, indicating a reduction in the country's risk.
- The increased yield rates (Risk- Free curve), positively affected the Greek Life Insurance Company's solvency position.
- The UL business has been increased in 2022 compared to 2021 (Greek Life Insurance Company).
- The guaranteed technical rate of traditional business was decreased to 2.18 % compared to 2.22 %of 2021, following the market environment of lower yields (Greek Life Insurance Company).
- Gross written premiums reached € 537.7 mio, decreased by 1% compared to 2021. Sales of single premium policies have a significant share in this production. In total for 2022 these sales amounted to €309 million, compared to €321.5 million in 2021 (Greek Life Insurance Company).

Information on Risk Sensitivity

In order to assess the impact on significant measures of the Eurolife Group insurance subsidiaries and evaluate its resilience to potential variations in significant risk factors (based on the risk profile), the Eurolife Group conducted a series of sensitivity tests for its existing condition as of December 31, 2022, the results of which are analyzed below.

On a daily basis, the impact on the Best Estimate is monitored due to a 20 basis points decrease in the risk-free interest rate curve. Towards the end of 2022, the impact on the Best Estimate per 10 basis points change in the curve ranged around €15 million.

For Market Risk, and in order to assess the impact on the market value of assets from potential variations in economic conditions, the Eurolife Group examined indicatively:

- The impact of a parallel shift of the yield curve of Greek government bonds by +/-100 & +/-150 basis points.

- The impact of a parallel shift of the yield curve of South African government bonds by +/-150 basis points.

- The impact of a parallel shift of the yield curve of Brazilian government bonds by +/-400 basis points.

- The impact of a +/-40% change in the prices of listed equities.

- The impact of a 25% change in the exchange rate EUR/ZAR.

- The impact of a 40% change in the exchange rate EUR/BRL.

It should be noted that as of December 31, 2022, the Eurolife Group insurance subsidiaries had a significant exposure to Greek government bonds.

• For the increase in the yield curve of Greek government bonds by 100 bps, the market value of Greek bonds on 31.12.2022 decreased by €44.58 million. This results in a decrease in Eligible Own Funds by €34.78 million and a decrease in the SCR (Solvency Capital Requirement) ratio by 13 percentage points.

• For the increase in the yield curve of Greek government bonds by 150 bps, the market value of Greek bonds on 31.12.2022 decreased by €65.08 million. This results in a decrease in Eligible Own Funds by €50.76 million and a decrease in the SCR ratio by 19 percentage points.

• For the decrease in the yield curve of Greek government bonds by 100 bps, the market value of Greek bonds on 31.12.2022 increased by €49.99 million. This results in an increase in Eligible Own Funds by €38.99 million and an increase in the SCR ratio by 14 percentage points.

• For the decrease in the yield curve of Greek government bonds by 150 bps, the market value of Greek bonds on 31.12.2022 increased by €77.28 million. This results in an increase in Eligible Own Funds by €60.28 million and an increase in the SCR ratio by 22 percentage points.

• For the increase in the yield curve of South African government bonds by 150 bps, the market value of South African bonds on 31.12.2022 decreased by €7.40 million. This results in a decrease in Eligible Own Funds by €5.77 million and a decrease in the SCR ratio by 2 percentage points.

• For the decrease in the yield curve of South African government bonds by 150 bps, the market value of South African bonds on 31.12.2022 increased by €9.00 million. This results in an increase in Eligible Own Funds by €7.02 million and an increase in the SCR ratio by 3 percentage points.

• For the increase in the yield curve of Brazilian government bonds by 400 bps, the market value of Brazilian bonds on 31.12.2022 decreased by €6.58 million. This results in a decrease in Eligible Own Funds by €5.13 million and a decrease in the SCR ratio by 2 percentage points.

• For the decrease in the yield curve of Brazilian government bonds by 400 bps, the market value of Brazilian bonds on 31.12.2022 increased by €7.22 million. This results in an increase in Eligible Own Funds by €5.63 million and an increase in the SCR ratio by 2 percentage points.

• For the increase in the price of listed stocks by 40%, the market value of listed stocks on 31.12.2022 increased by €89.58 million. This results in an increase in Eligible Own Funds by €69.87 million and an increase in the SCR ratio by 26 percentage points.

• For the decrease in the price of listed stocks by 40%, the market value of listed stocks on 31.12.2022 decreased by €89.58 million. This results in a decrease in Eligible Own Funds by €69.87 million and a decrease in the SCR ratio by 26 percentage points.

• Increase / Decrease in the exchange rate EUR/ZAR by 25%: The increase in the exchange rate resulted in a decrease in Own Funds by €14.64 million, and the SCR ratio decreased by 5 percentage points. The corresponding decrease in the exchange rate resulted in an increase in Own Funds by €14.64 million and an increase in the SCR ratio by 5 percentage points.

• Increase / Decrease in the exchange rate EUR/BRL by 40%: The increase in the exchange rate resulted in a decrease in Own Funds by €32.07 million and a decrease in the SCR ratio by 12 percentage points. The corresponding decrease in the exchange rate resulted in an increase in Own Funds by €32.07 million and an increase in the SCR ratio by 12 percentage points.

It is noted that the above sensitivities have been performed on the Greek Life Insurance Company figures.

C.1 Underwriting (Insurance) Risk

Underwriting (Insurance) risk is the risk under insurance contracts related to the possibility that the insured event occurs as well as the uncertainty of the resulting claim. It represents the Group's second (2^{nd}) major risk exposure, as reflected in SCR calculations with reference date as of 31.12.2022 compared with the other components of SCR.

More detailed analysis is included in section E.2.2.

C.1.1 LIFE underwriting and Reserve (Insurance) Risk

- ✓ Key Life Underwriting (Insurance) risks

Mortality risk refers to the risk that the Group has to pay more mortality benefits than expected (as assumed in the pricing process of the product). The Group's most significant exposure to mortality is in its term life, whole life and endowment policies, which are written as part of the individual life insurance and credit life business.

Longevity risk relates to future claims and benefit payments, which may be different from the actual benefit payments that will become due in the future, if policyholders live longer than expected. The Company's most significant exposure to longevity risk is in the deferred annuity portfolio (i.e. the pension products).

Lapse/cancellation risk arises from the uncertainty related to the behavior of policyholders. The long-term life insurance contracts are affected by the policyholder's right to pay reduced or no future premiums and terminate the contract completely. As a result, future claims payment patterns may be impacted. Policyholder behaviors can be affected by many factors external to business operations such as economic and financial market conditions. Lapse and surrenders percentages are estimated per group of similar products, taking into account the Group's experience during the last ten years. The study for lapses and cancellations is updated, at least annually.

Morbidity/ disability risk refers to the risk that the Group has to pay more disability or morbidity benefits (due to disability, sickness or medical inflation) than expected in terms of increasing frequency and severity of the claims. This risk relates to the riders' portfolio. Riders relate to indemnities covering medical expenses, hospital allowance, surgery allowance, death by accident and disability.

Expense risk arises from the fact that the timing and / or the amount of expenses incurred differs from those expected at the timing of pricing. Expenses estimated include renewals and administrative expenses. Expense risk affects all Greek Life Insurance Company's products.

Catastrophe risk is realized when a low frequency, high severity event leads to a significant deviation in actual benefits and payments from the total expected. Unpredictable events may affect multiple insured risks. The extent of losses from catastrophic events is a function of the frequency and severity of each individual event. Both frequency and severity are inherently unpredictable.

C.1.2 Assessment and risk mitigation techniques used for insurance risks

The Greek Life Insurance Company, in order to monitor and manage underwriting risk, uses the following methods / controls / principles, including:

- Use of reinsurance to reduce exposure to mortality, morbidity and catastrophe risks;
- Risks accepted follow specific principles and underwriting rules;
- The assumptions used in Bel and SCR are, at least, reviewed on an annual basis;
- The Underwriting process ensures that only insurable risks are accepted and that premiums reflect the unique circumstances of each risk;
- The SCR per underwriting risk module and the trend across the submission quarters are monitored. Also on a monthly basis, an estimation for SCR life u/w risk is being performed in order to take into account the most recent available data;
- Movements in BEL assumptions from year to year are monitored;
- As part of the ORSA exercise specific stresses are conducted aiming to assess the Company's underwriting risk profile across the business planning horizon;
- Regarding the calculation of reserves and the level of their adequacy, rules, methodologies and principles are developed by the Actuarial Function;
- Before launching a new product, several Divisions are involved in a review cycle, where among others, the profitability of each product, technical characteristics and main assumptions used are assessed;
- In order to properly manage its expense risks, the Company has adopted an expense analysis model, which takes into account all categories of expenses and then based on specific factors, it allocates the expenses in a consistent way through the years;

The Greek Life Insurance Company makes use of reinsurance to reduce exposure to mortality, morbidity and catastrophe risks.

It's reinsurance program, specifically concerning mortality and disability risks, provides cover on a quota share basis with a maximum retention per life and is split among a number of different reinsurance counterparties depending on the type of cover. Especially for Hospitalization covers, an excess of loss per risk treaty on a yearly basis has also been secured. The appropriateness of the reinsurance program is assessed at annually.

It is worth noting that the main contributor to Eurolife Group's underwriting risk exposure comes from the Greek Life Insurance Company due to its significant figures compared to the respective figures of Romanian Entities.

The Eurolife Group's underwriting risk exposure (the residual one) is evaluated as high mostly due to the impact of lapse risk in the total SCR figure and also because underwriting activity is the Eurolife Group's main activity.

It is noted that the SCR for life underwriting risk at 31 December 2022 decreased significantly compared to 31 December 2021, following the decrease in lapse risk. Both the higher interest rate curves and the changes on the portfolio, contributed to this decrease.

C.1.3 Key Non-Life Insurance risks

Insurance risk in non-life insurance consists of the sub-modules of premium and technical provisions risk, catastrophe risk and lapse risk.

Main insurance risks of general insurance products

Premium and reserve risk reflects the risk of loss, or of adverse change in the value of insurance liabilities, resulting from fluctuations in the timing, frequency and severity of insured events, and in the timing and amount of claim settlements.

Catastrophe risk is the risk of loss, or of adverse change in the value of insurance liabilities, resulting from significant uncertainty of pricing and provisioning assumptions related to extreme or exceptional events. Extreme or exceptional events are described by low frequency and high severity, such as natural catastrophes.

Lapse risk is the risk of loss, or of adverse change in the value of insurance liabilities, resulting from changes in the level or volatility of the rates of policy lapses. Lapse risk arises from the uncertainty of the underwriting profits recognised in the economic balance sheet within the premium provisions.

Assessment and risk mitigation techniques used for insurance risks

In **motor liability insurance**, the Group performs strong portfolio monitoring on a monthly basis. The risk premium is affected by many parameters such as the age of the driver and the license, the characteristics of the vehicle. The Group has developed a sophisticated pricing technique through the use of multi-parametric models. Additionally, reinsurance arrangements included on an excess of loss basis with a maximum underwriting limit for the Greek General Insurance Company in Motor TPL per incident/ event are in place.
The Group follows a series of measures to manage insurance risks, such as:

- Establishing the optimal product portfolio
- Monitoring of the loss ratio, expense ratio and combined ratio for motor business and acting accordingly
- Establishing internal underwriting limits and authorizations aiming to ensure that a high level of creditworthiness is maintained at underwriting
- Performing motor insurance pricing adequacy tests
- Maintaining reinsurance treaties with credible reinsurers and
- Adopting a conservative reserve policy

In **property insurance** and regarding the large commercial and industrial risks, the Group offers comprehensive multi-risk coverage on a tailor-made basis. Appropriate underwriting procedures are in place, taking into consideration criteria such as nature of risk, fire and theft protection measures, geographical location, earthquake accumulation, building construction type and construction year, deductibles, sub-limits for certain categories of covers, loss history.
The frequency and the amount of claims are partly affected by the underwriting rules. The implementation of deductibles in specific perils assists to the mitigation of mainly frequency and secondly severity.

In case of catastrophic losses, i.e. events which may affect a significant number of insurance contracts such as earthquake, the Group analyses the portfolio in order to evaluate the annual cost and decides the amount to be ceded through the reinsurance treaties and the amount of premium to be charged.

The Eurolife Group monitors the loss ratio, expense ratio and combined ratio for the property business on monthly basis. Also the Eurolife Group, has enriched the controls environment in place, regarding data entries in production systems.

Management of insurance risks also includes adherence of a maximum level of risk accumulation (accumulated TSI) and a maximum level of loss per risk or incident (maximum TSI per identifiable risk). Any excess amounts are, in the case of per risk TSI's, subject to SPA or facultative cessions. The Group carefully assesses accumulation, purchases required reinsurance cover and calculates different premium per earthquake zone.

The Eurolife Group maintains reinsurance treaties to mitigate catastrophe risks with creditworthy reinsurers. The majority of non-life reinsurance treaties protecting the majority of the Eurolife Group's portfolio are on an excess of loss ("XoL") basis. The Eurolife Group focuses on modifying both the capacity and its retention by re-evaluating the relevant portfolios each and every year. The risk of a catastrophic loss, which relates almost exclusively to the potentiality of an earthquake or other natural phenomenal events, is protected with a XoL treaty. The protection level is chosen after taking into consideration the results of catastrophe modeling of all different models, including especially the standard EIOPA model, which is calculated both internally and by reinsurance intermediaries, and evaluating the possible return periods.
In some instances, there is further protection (for smaller LoB, mainly on per risk basis) via proportional reinsurance treaties. There are also instances of mid-term re-evaluation in the event of a significant change to the Eurolife Group's portfolio, followed up with changes if and when deemed necessary.

Moreover, claims' management is also a significant process related to underwriting risks. The estimated cost of claims also includes the cost of claims handling. In this context, the Eurolife Group has also put in place adequate claims' management procedures in order to cover the overall cycle of claims.

Finally rules, methodologies and principles are developed by the Actuarial Function, regarding the calculation of reserves and the level of their adequacy.

From quantitative perspective, the Eurolife Group is monitoring the underwriting risk ongoing by measures defined in the respective risk management policy.

Taking into consideration the qualitative analysis and the quantitative results, the non-life underwriting risk exposure (the residual one) is evaluated as low, mostly due to its impact in the total SCR figure.

It is noted that the SCR for non - life underwriting risk at 31 December 2022 remained on the same level with increasing trend, compared to the respective calculation at 31 December 2021.

C.2. Market risk

Market (investment) risk is the risk of loss or of adverse change in the financial situation resulting, directly or indirectly, from fluctuations in the level and volatility of market prices of assets and liabilities. In general, investments are mainly made in fixed income assets and the asset portfolio is of high liquidity aiming to capture any needs for payments. It represents the Group's major risk exposure, as reflected in SCR calculations with reference date of 31.12.2022 compared with the other components of SCR.

A more detailed analysis is included in section E.2.2.

C.2.1 Material market risks

The Group's exposure per market risk sub – module is the following:

Interest rate risk: The Group is exposed to this risk, since its portfolio of fixed income assets is subject to fluctuations in interest rates. Fluctuations in interest rates can increase/ reduce the value of fixed income investments. The Group's exposure is generated by its positions in sovereign and corporate bonds and term deposits. The Group holds large positions in sovereign debt securities of different maturities, for matching of its long term insurance liabilities (applicable for the Greek Life Insurance Company). The asset – liability mismatch risk is also captured under this SCR module.

Currency risk: The Group during 2022 has slightly increased its positions in foreign exchange currencies, compared to 2021. The Group’s exposure to investments in foreign currencies, for 2022, is characterized as moderate. In general, the major part of Group’s portfolio of assets in currencies other than EUR, is in BRL. The Group's portfolio of liabilities is primarily denominated in EUR, with only a really small/immaterial portion of liabilities denominated in USD.

Equity risk: The Group’s investment portfolio, is exposed to fluctuations in equity markets through its placements in equities and mutual funds. As a principle, the equity portfolio consists mainly of equities listed and traded in European exchanges of the EEA.

During 2022, the Eurolife Group increased its positions in equities. As a result, the Eurolife Group’s and the Group’s appetite for equity risk, is characterized as high.

Spread risk: According to standard formula, the Group is exposed to spread risk, through its placements in corporate bonds, government bonds in other than EUR currencies, time deposits and mortgage loans. These placements are subject to certain limits set in the established framework of the Eurolife Group insurance subsidiaries, regarding the credit ratings of issuers, the maximum acceptable exposures and the concentration per issuer. Compared to 2021, the Group’s exposure towards spread risk is increased.

Market risk concentration: The Group is exposed to this risk by its investments (time deposits, bonds-loans, shares) issued of single name issuers.

The SCR results indicated that the Group has increased its exposures to specific single name issuers, for 2022 compared to 2021.

Property risk: According to the Standard Formula calculations within 2022, the Eurolife Group’s exposure to property risk, through investments in real estate is small (mainly through leased assets - property for own use). As a result, this exposure for 2022, is considered low and it is on the same level as in 2021.

C.2.2 Investment according to the "prudent person principle"

Short-term investments in immediately liquidatable securities are a result of the Eurolife Group's strategy for prudent investments, taking into account liquidity needs, the nature, and the timing of insurance obligations.

To achieve its investment objectives, the Eurolife Group follows the principles of a "prudent person" and specifically ensures that:

- all investment are decided taking into account the size, nature and timing of the Group's liabilities, as well as its overall risk appetite and the required solvency levels
- the return on investment should be such as to cover at least the guaranteed technical interest rates resulting from the insurance policies (for the Greek Life Insurance Company),
- the Eurolife’s Group investment strategy is aligned with its core policies on investment risk management, asset-liability management (ALM) and liquidity management. In particular, the Eurolife’s Group aims to hold appropriate assets and maintain sufficient liquidity to cover all its liabilities and in any event to enable the payment of claims when required
- investments must be such that policyholders are not exposed to excessive risk
- the use of financial derivative instruments is possible only if they allow for risk reduction or facilitate efficient portfolio management,
- all investments must comply with the relevant legal and regulatory provisions.
- investment positions in unregulated markets are maintained at reasonable levels.

C.2.3 Assessment and risk mitigation techniques used for market risks

From quantitative perspective, the Group is monitoring market risk and quantifies its exposures through: a) the value of SCR market risk module and its sub – modules and b) the weight of the SCR market risk in the total SCR and c) VaR weight in the total market value of the investment portfolio on Greek Companies' level. In particular, the Group has established:

- An Investment Policy on each Greek Insurance and Romanian Entity level, which governs the investment activities. The Policy is consistent with the objectives of investment strategy which are described in the Investment Policy, Objectives & Guidelines.
- A system of limits which is being developed so as to ensure that the acceptable investment risk profile of the Eurolife Group insurance subsidiaries remains within the approved risk appetite level.

In order to manage and measure market risks, the Greek Entities estimate the Probable Maximum Loss through VaR metric and perform stress testing in order to calculate potential losses under abnormal market conditions. More specifically sensitivities on the major risk factors taking into account the asset portfolio structure and market environment at any time, are performed on a regular basis.

VaR *is a methodology used in measuring financial risk by estimating the potential negative change in the market value of a portfolio at a given confidence level and over a specified time horizon, if positions remain unchanged for the chosen Eurolife Group period. The VaR that the Eurolife Group Insurance subsidiaries measures and uses for internal purposes (risk measurement and control), is based on a 99.0 % confidence level and a 10 days Eurolife Group period using the Monte Carlo simulation method (full repricing). VaR models are designed to measure market risk under normal market conditions.*

The Group's market risk exposure (the residual one) is evaluated as high mostly due to the impact of this risk in the total SCR figure, as well as, due to the high volatile market conditions. The capital charge for market risk at 31.12.2022, is being significantly increased compared to 31.12.2021 calculations, as a result of the increased exposure in equity risk and concentration risk which constitute the main drivers of market risk.

C.3 Credit risk

The Group's credit risk relates to the possibility of a counterparty to breach its financial contractual obligations, and therefore results in a financial loss for the Group. The Group is exposed to credit risk through the writing of insurance and reinsurance, premium collections, as well as through investments in securities. Within the scope of Solvency II Directive and standard formula calculations, credit risk is expressed in the form of: **counterparty default risk, spread risk** and **market risk concentrations**.

Under Solvency II, the following credit risk sub-categories are recognised: counterparty default risk, spread risk and concentration risk. The Eurolife Group calculates the SCR for each sub-module in accordance with the standardised methodology.

Counterparty default risk is the fifth largest risk faced by the Group, as reflected in the SCR calculations as at 31 December 2022 compared to the other risks to which the Group is exposed.

More detailed analysis is included in section E.2.2.

C.3.1 Material credit risks

The Group is continuously exposed to credit risk, through the writing of insurance and reinsurance premium collections as well as through investments in securities. In detail, credit risk is related to debt securities-loans, reinsurance assets, premium receivables, time deposits, cash and cash equivalents.

In **debt securities,** credit risk is related to the inability of the issuer to meet its obligation to repay the face value of the bond-loan at its maturity and settlement. The Group maintains large positions in sovereign debt and monitors their valuation on a regular basis.

As far as credit risk related with **reinsurers** (captured under the scope of counterparty default risk type 1), the Group has placed several types of reinsurance arrangements, with various reinsurers, and as result is exposed to credit risk. While these agreements mitigate insurance risk, the receivables from reinsurers expose the Group to credit risk.

Regarding credit risk related to **premium receivables** (captured under the scope of counterparty default risk type 2),

- **Greek Life Company** has established an automated process for cancellation of uncollected premiums. As a result there are not great amounts of balances being uncollected from Company's partners and customers.
- **Greek Non-Life Company** has established specific processes per line of business. In general, its intermediaries are divided between those with a right to collect premiums and those who do not have the right of premium collection.

Another element that can expose the Greek Insurance Companies to credit risk is the financing given to its intermediaries. Currently these amounts are too small and covered by their commissions.

Both Greek Insurance Companies make provisions for the bad debts, following their policies.

Finally, placements in **time deposits** (captured under the scope of market risk concentrations) expose the Group to concentration of credit risk. However Group's time deposits are placed in different bank accounts, aiming to reduce concentration risk. Furthermore, concerning the placements in **cash and cash equivalents** (captured under the scope of counterparty default risk type 1), the Group has different bank accounts and for the amount of cash placed, the current external rating of counterparty, is considered

C.3.2 Investment according to the "prudent person principle"

Counterparties are selected taking into account their creditworthiness and reputation. Credit ratings are used as a way of appropriately identifying and managing the risk associated with counterparties and ensuring that counterparties with high credit quality are selected.

C.3.3 Assessment and risk mitigation techniques used for credit risk

Counterparties are selected by taking into account the credit rating, reputation and solvency position. Credit ratings are used as a way of properly identifying and managing the risk attached to a counterparty and the Group ensures that only counterparties with a high credit rating are used.

The Group does not routinely make its own assessment of credit risk of counterparties other than to use ratings provided by rating agencies.

The Group reviews its reinsurance arrangements in order to ensure an adequate level of protection and support of contracts by creditworthy reinsurers. In this context, strict principles have been set up for selection of reinsurers, who should be highly evaluated by recognized rating agencies under any circumstances. Based on the Group's reinsurance business strategy, an appropriate mix of reinsurers has been selected, in order to ensure adequate level of reinsurance coverage.

To mitigate the risk of reinsurer counterparty default, the Eurolife Group applies the minimum acceptable rating levels on its reinsurers supporting the reinsurance contracts. As a result, reinsurers should be rated of A- by Standard & Poor's or equivalently by other rating agencies (AM Best, Fitch) . Temporary exception to this rule could be made following special assessment or for reinsurers with whom the Greek Insurance Companies have a long successful cooperation and while they were assigned an A- or higher credit rating at the inception of the reinsurance contract, they were downgraded during the term of the contract. Additionally, credit ratings of reinsurance counterparties are reviewed at least every quarter. Due to the high credit rating and the recognized solvency of these reinsurance companies, the Group's management does not expect any losses from credit defaults. No derivatives are employed to manage credit risk in the Greek Insurance subsidiaries.

On Greek Insurance subsidiary level, credit risk is monitored through: the value of SCR for counterparty default risk and the rating of its counterparties.

The Group's credit risk exposure (the residual one) is evaluated as low, taking into account the SCR results of counterparty default risk as of 31.12.2022. Additionally, it is noted that, the counterparty default risk at 31.12.2022 is being significantly decreased versus 31.12.2021 calculations, as a result of the decrease in type 1 exposures.

C.4 Liquidity risk

Liquidity risk is the risk arising when the insurance undertakings are unable to realize investments and other assets in order to settle their financial obligations as they become due.

C.4.1 Material liquidity risks

The Eurolife Group maintains a portfolio of liquid assets, where along with its cash and cash equivalents ensure the coverage of customer requests for claims. In this context, it is worth noting that the Eurolife Group maintains significant position of fixed income assets and cash equivalents and therefore considers its liquidity risk exposure as non-material.

Factors such as a financial crisis or energy crisis, as a result of a pandemic, war, or high inflation, that affects policyholders' behavior can result in lack of liquidity. In such cases, customers may proceed with the surrender of their policies, resulting in large cash outflows for the Eurolife Group. In order to address the above issues, the Eurolife Group retain liquid assets and reinsurance treaties covering among others catastrophic risks. Therefore, the Eurolife Group does not expect material impact of liquidity risk materialization.

The liquidity position on Greek insurance subsidiary level is closely monitored on a daily basis. The correlation between assets and liabilities and their matching on cash flow and duration level, is also monitored.

C.4.2 Prudent person principle in relation to liquidity risks

The Group invests in a prudent manner taking into account liquidity needs, the nature and timing of insurance liabilities.

C.4.3 Assessment and risk mitigation techniques used for liquidity risks

The Eurolife Group manages its exposures to liquidity risks through the close co -operation of Investment Division and Financial Services Unit of its insurance subsidiaries, both of which implement top line management decisions. There is also the Investment Framework in place, reflecting the liquidity characteristics of the asset portfolio. Additionally, all liquidity issues are addressed before entering into a new investment placement.

The Group's liquidity risk exposure (the residual one) is evaluated as low, mostly due to the structure of the asset portfolio and its prior experience in cases of liquidity needs where acting proactively, resulted in safeguarding Group's funds.

C.5 Operational risk

The Group, through its Eurolife Group, is exposed to operational risk, which is defined as the risk of loss arising from inadequate or failed internal processes, personnel or systems, or from external events. It includes legal risks and excludes risks arising from strategic decisions as well as reputational risks. Operational risk represents the Group 4th major risk exposure, as reflected in the SCR calculations with reference date as of 31.12.2022.

C.5.1. Material operational risks

Key operational risk exposures include:

Information & Communication Technology Risks

The Eurolife Group uses production systems without built-in supportive workflows and maker/checker functionalities. As a result, there is extensive use of manual controls and supporting applications (excel, access etc.), leading to inefficiencies and risk exposures such as human errors and internal fraud. Eurolife Group's response includes installation of an integrated CRM system, a reinsurance and a pricing s/w, a modern s/w regarding medical group policies mgmt. and the development of systemic workflows supporting core processes (e.g. u/w and claims). In addition, its main systems modernization project is being gradually implemented so the smaller will follow. Additionally, regarding the implementation of a comprehensive IT Service Mgmt (ITSM) framework, supported by appropriate tools and services, the related project is in progress. The establishment of such an ITSM will ensure the proper governance of IT development & infrastructure, the consistent application of controls and will finally limit exposures to internal fraud & human error. The strategic cooperation with KYNDRYL & IBM aims precisely to limit most of the ICT risks as the IT services are provided by additional resources with appropriate expertise. However, concerning some specific risks related to this critical outsourcing agreement such as Eurolife Group's exit strategy, are being monitoring in a continuous basis.

Information Security Risk

Eurolife Group's Information Security Program is in an average mature state so that security processes and systems are poised to handle traditional threats and vulnerabilities although there is still room for improvement. Regulatory and standards requirements are followed but not completely satisfied. A culture of continuous improvement is cultivated. Most of the capabilities to detect, respond, protect, and recover are outsourced which enables broad capabilities, but introduces challenges in aspects of supply chain auditing and establishing more mature detection and response capabilities. There are areas for improvement in enhancing the capabilities (protection, detection, response, recovery) of the Information Security function to address the growing demands arising from regulatory and technology requirements.

3rd Party Risk Management (Outsourcing)

Eurolife Group's decision to significantly expand its partnerships with 3rd parties (e.g. cooperation with KYNDRYL & IBM covering critical IT services) in order to achieve its strategic objectives places outsourcing to its top operational risks. Demanding regulatory environment combined with the increased concern of the Supervisory Authority on outsourcing relationships, further increase the need for continuous risk exposure's mgmt. Current control environment including mechanisms such as written cooperation agreements, materiality assessment process, cloud providers' risk assessment process, critical providers' post-evaluation due diligence process, high-level monitoring of outsourced activities and an annual assessment of critical relationships, requires further enhancement. Initiatives undertaken by the Operational Risk Mgmt. Division aiming toward both boosting Eurolife Group's 3rd parties' risk mgmt. culture and effective adoption of all new regulations (e.g. cloud computing services' agreement). Emphasis is given on evaluations to be performed before and during assignments, along with respective documentation.

Conduct Risk

Conduct risk arises from the way the Eurolife Group structures, drives and manages its business (incl. relationships with other entities in the value-chain) as well as its overall interaction with clients during products' lifecycle stages (i.e. product development/design, pricing, market targeting, marketing, distribution, sales, product monitoring/review, claims and complaints handling). Misconduct manifestations often trigger risks such as mis-selling, market abuse and fraud that may lead to lawsuits and regulatory penalties and therefore conduct risk overlaps considerably with many other operational risks. Existing control activities include product development framework (Product Committee, Business Cases & PI&BRs reviews), enhancement of a solid sales culture (training, certifications & performance monitoring of sales network) and complaints monitoring. Furthermore, current regulatory requirements dictate the management of certain conduct risk aspects (e.g. IDD, PRIIPs II, GDPR). Aiming to identify drivers of conduct risk within Eurolife Group's structure and processes and the implications of these in the emergence of customer harm, Operational Risk Mgmt. Division has established conduct risk assessment and management framework. Based on the assessment outcomes (3 assessment cycles have already been completed), respective Units should design and implement appropriate action plans towards mitigation of conduct risk exposure. Over and above, conduct risk assessments seek to initiate and maintain a continuous debate among Eurolife Group's executives regarding the main conduct risk drivers towards an improved level of risk awareness, throughout the Organization.

Risk Awareness & Ownership

The "1st line of defense" risk awareness level of maturity creates some issues regarding the timely identification and escalation of issues that involve risk and affect Eurolife Group's main activities and objectives. Continuous involvement of "1st line of defense" personnel in managing their own risks alongside operational risk awareness are the necessary measures. The continuous involvement of the 1st line of defense personnel into their own operational risks management in parallel with risk awareness enhancing initiatives is essential.

External Fraud

It is an inherent risk in insurance market mainly in claims and U/W processes. Installment of anti-fraud software towards detection of fraud events in Eurolife FFH General Insurance S.A has been completed and core process in Eurolife FFH Life Insurance S.A such as claims handling and U/W is likely to follow. Events such as both fraudulent "claim" and/or UW declaration, supplier overcharging, AML issues by clients, cyber-attacks against employees or customers are possible to occur. Eurolife Group's defense includes strict application of current controls aiming not only to detect but also to prevent fraud from occurring (anti-fraud software usage is included) and performing an awareness program. Moreover, in Eurolife FFH Life Insurance S.A the implementation of a comprehensive Fraud Risk Detection Program focusing into 3rd party's charges and service quality (e.g. MED-NET, hospitals etc.) based on internal efforts and collaborations with external business experts, is in progress.

Data quality

Establishment of a robust Data Governance Model is essential to ensure data quality (accuracy, completeness and availability), classified users' access and user-friendliness. To this end, a data-governance assessment project is in progress, coordinated by a specialized external provider that will lead to a design of a comprehensive response plan. Currently, in both Greek Insurance Companies Data Quality Governance Policies regarding Reserving Calculations and an MIS reporting tool that presents P&L data in an automatic and standardized manner are in place. In addition, Eurolife Group and its main insurance distributor (Eurobank Ergasias SA) have established a mixed working group (consisting of both Legal Entities' experts) aiming to exploit the opportunities that arise from their cooperation through advanced data usage. The Team's mandate is to improve the management reporting and the decision-making processes through establishment of both KPIs & Performance Monitoring and Campaigning & Advanced Analytics tools.

Digital Transformation

Eurolife Group's strategic decision for digital transformation results in major changes to its operational model. Those changes, since they concern key areas of the Organization (establishment of online multi-channel customer experience, simpler product offering, and use of advanced analytics and automation of processes) substantially affect its operational risk profile. In summary, the underlying risks relate to the successful, timely and budget-based completion of individual projects. Respective owners are responsible for managing those risks while Top Management closely monitors each stage of the project in cooperation with involved owners and takes mitigating measures against non-acceptable results where necessary.

Regulatory changes

Eurolife Group continues effort to comply with the wider demanding regulatory requirements, which affect it deeply at an operational level (IDD, PRIIPs II, IFRS-17, IFRS-9, EIOPA Guidelines regarding cloud services outsourcing & ICT, SOX, ESG, DORA etc.). The obligations are treated as separate projects assigned to specific owners.

Talents to support the new era

Talent risks related to the possible difficulties that Eurolife Group faces (or will face in the near future) to attract and retain the best and brightest personnel in the midst of competition from other insurance companies and/or other sectors such as technology. This risk includes also issues such as key personnel dependencies, as well as staff's adequacy to support business activities and possess all necessary capabilities (hard and soft skills) to cope with changing business needs etc. The HR Unit works on it in order to cope with all the above-mentioned challenges.

C.5.2. Assessment methods, measurement & mitigation techniques used for management of operational risks

Eurolife Group's strategy, regarding long-term and short-term management of operational risk, includes:

1) Establishment of an Operational Risk Framework, defining a clear structure of roles, duties and responsibilities of Management and Personnel.
2) Performance of the following activities:
    - Risk & Control Self-Assessment (RCSA), Business Environment Assessment (BEA), Materiality Assessment, Cloud providers' Assessment, Outsourcing Relationship Assessment (ORA), Conduct Risk Assessment and Fraud Risk Assessment (FRA).
    - Record keeping of internal operational losses in combination with relevant events' causal analysis and collection and study of external operational risk events.
    - Establishment and monitoring of Key Risk Indicators (KRIs).
    - Introduction and documentation of operational risk management processes.
    - Development and analysis of an appropriate set of operational risk scenarios based on potential exposures from the previously defined categories:
        - Failure of a key process, personnel or system; and
        - Occurrence of external events.
    - Emerging operational risk exposures' identification, evaluation and reduction (when necessary).
    - Enhancement of operational risk awareness in the entire Organization.
3) Quantification of operational risk via the Standard Formula SCR calculations.

Finally, based on the predefined appetite limits, the Eurolife Group places each operational risk "within the limits", "at the limits" or "beyond the limits" and implements the following **risk responses:**

- **Risk acceptance** – The Eurolife Group accepts the risk in cases where (a) it remains "within appetite limits" or (b) it remains "beyond the limits" despite the mitigation techniques being performed. In some of those cases it may proceed to accept the risk after approval of the Risk, Asset-Liability & Investment Management Committee.
- **Risk mitigation** – For each risk considered "beyond" or "at" the appetite limits, an appropriate action plan is recommended towards its mitigation, after common agreement with the related risk owners.
- **Risk avoidance** – Where risks are "beyond the limits" and there are no commercially viable means of reducing it, the business may avoid it through stopping the relevant activity and/or process.
- **Risk transfer** – Where risk is "at the limits" or "beyond the limits" the Eurolife Group may transfer it through insurance contracts (e.g. D&O insurance contracts, Cyber Risk insurance contracts etc.).

Eurolife Group's operational risk exposure is evaluated as moderate. This means that the Internal Business Environment in combination with the current Control Environment, create exposures to operational risk that in specific cases are acceptable whereas in other cases mitigation is required. For those cases, a series of actions has been scheduled in order to ensure that operational risk exposures remain safely within operational risk appetite limits (expressed in both quantitative and/or qualitative terms).

C.6 Other Material risks

Other material risks include Asset-liability Management (ALM) risk, Concentration Risk, Reputational risk, Strategic risk, risks related to climate change and risks related to the energy crisis and high inflation.

C.6.1 Other Material risks' description

Asset – Liability Mismatch Risk (ALM Risk): The Group is also exposed to asset – liability mismatch risk (ALM risk). In particular, due to the nature of its products, the Greek Life Insurance Company requires a significant amount of long – term fixed income assets to cover its long – term insurance liabilities. Market risk, underwriting and reserving risk, liquidity and reinvestment risk are the risk types that may lead to ALM risk. The Greek Life Company manages its assets in coordination with its liabilities, both in terms of cash flows and duration. The duration and cash flow of assets and liabilities are regularly monitored, while any cases of mismatches are being examined.

Concentration risk is the risk of exposure that is large enough to threaten Group's solvency / financial position. Such exposure may be caused, for example by credit, market, underwriting and liquidity risks. Only a part of this risk type is captured by the Standard Formula calculations. Concentration risk can arise in both the asset and liability side of the Eurolife's Group balance sheet. In terms of the asset portfolio, concentration risk may arise from placements of single name issuer above a specific level. Regarding the liabilities' portfolio, the Eurolife Group diversifies the assumed risks, according to its underwriting strategy.

Reputational risk is the risk of loss caused by a decline in the reputation of a specific business unit or the entire Group from the point of view of its stakeholders, i.e. shareholders, policyholders, staff, business partners or the general public. This risk can be derived from a series of occasions such as the unsuccessful launching of a new product, fraud cases or anything that can harm the Group's reputation if it becomes public knowledge. Reputational risk can affect losses in all risk categories. Therefore, it cannot be regarded as an independent risk but as a factor influencing the overall conduct of the business.

Strategic risk is the risk of adverse impact on the current and prospective earnings or capital, arising from improper business decisions, improper implementation of decisions, or lack of responsiveness to industry changes. The resources needed to carry out business strategy are both tangible and intangible and include communication and distribution channels, operating systems, and managerial capacities and capabilities. Strategic risk can also arise from changes in the regulatory framework, the general environment that the Group operates in, the market and the competitive conditions.

The Group recognizes **climate change** as an overarching global threat. It impacts human, societal, environmental and economic systems, through rising temperatures, rising sea levels and an increasing frequency/severity of natural catastrophes and extreme weather events. Climate change may have a material impact in the Group's insurance business in the future. The global warming effects, with the continuous increase in average temperature and changes in frequency and severity of weather events, are currently more apparent than ever before. As a result, several associated Physical and Transition Risks may be materialized as financial risks, meaning that these will affect the values of the Group's balance sheet.

Risks related to the **energy crisis** and **high inflation**: The Group recognizes the energy crisis and the high level of inflation, as factors which may result in possible recession and put pressure to family income. As a result, the consumer demand for insurance coverage may be reduced, which in turn will negatively affect the premiums' production.

C.6.2 Assessment and Risk mitigation techniques used for other material risks

Asset – Liability Mismatch Risk (ALM Risk): Possible mismatches on duration and cash – flow level are taken into account when deciding on investment strategy and ALM strategy. The Group analyzes and monitors its ALM exposures. Related risks are considered under the management of investments, as well as the development of new products. The volatility of the interest rate curve which affects the market value of assets and the BEL is another parameter that affect the assets-liabilities management.

Concentration risk: In the established framework for managing investment risks, there are concentration limits per asset type and issuer (applicable for the Greek and Romania Insurance Companies). These limits are monitored on a monthly basis. Over and above, the Group diversifies its liabilities' portfolio regarding the assumed risks, according to its underwriting strategy. This way, liabilities' portfolio is less likely to be affected by a change in any subset of the portfolio. Taking into consideration the results of Standard Formula quantifications, concentration risk, for 2022, of the asset portfolio is considered high.

In order to manage its **reputational risks**, the Group:

- Applies specific guidelines and principles for all sensitive processes and areas;
- Monitors the regulatory framework on a continuous basis, to ensure timely alignment with any new requirements;
- Adopts high standards of customer services and monitoring of complaints;
- Monitors business processes and practices such as compensation terms in policies, or the process of selling insurance products in order to avoid customers' aversion.

Taking into consideration the above, the reputational risk exposure, for 2022, is evaluated as low.

The Eurolife Group, in order to manage **strategic risk**, constantly monitors the related factors and adjusts its business strategy accordingly. Strategic risks are assessed when the Group sets its strategy, risk appetite and capital management. Given the nature and importance of strategic risks, they fall under the responsibility of the BoD and the Executive Management of the Eurolife Group. The Eurolife Group in order to manage and mitigate these risks, follows the bellow series of measures/principles:

- adopts fit and proper requirements as set in the SII regime relating to members of the BoD and also for all employees Eurolife Group key functions;
- set up the Governance and Corporate structure;
- the daily business decisions take into account all material risks.

Taking into consideration the above, the strategic risk exposure is evaluated as low.

Regarding risks related to **climate change**, currently, no material impact is being expected from climate change which could put at risk:

a. the achievement of business plan;
b. the continuous safety and soundness of the Group; and
c. the protection of the policyholders.

However, the Eurolife Group is monitoring risks related to climate change and considers that through the risk and governance system in place, the possible adverse implications of climate change risk will be properly addressed.
The Eurolife Group through qualitative analysis and assessment for the projected years in line with the budget, considers that its financial position is not expected to be materially impacted as a result of either an increase in frequency or /and severity of events related to climate change.

The Greek Life Insurance Company, the areas examined are mortality and morbidity risk. Taking into account both (a) the Company's mortality and morbidity risk calculated as at 2022YE in respect of current business in force, but also (b) the expected new business production, it is concluded that the Company's current and future exposure to mortality risk and morbidity risk is immaterial.

The Greek General Insurance Company through qualitative analysis applied across the business planning period, considers that its solvency position will not be materially affected as a result of increased frequency / severity of events related to climate change. Any increase in the loss ratio, as a result of the climate change, can be adequately managed.

With regards to the risk of the increased inflation and the energy crisis, the Eurolife Group continuously monitors the developments and quantifies the impact in its results when needed. The above factors are taken into account when formulating the business plan.

C.7 Any other information

There is no other significant information to report on the Group's risk profile during the reporting period.

C. 7.1 Overall conclusion on the Group's risk profile

The Group operates on a prudent basis, considering the potential impact on its solvency position of its exposure to risks.

Market risk and Life Underwriting risk are the most significant risks for Greek Life Insurance Company. The largest risk in terms of capital requirements for the Greek General Insurance Company is the Non-Life Underwriting risk.

For Romanian Life Insurance Company, the main risk is the Market risk, while for Romanian General Insurance Company the main risk is the Non-life underwriting risk.

It is noted that:

- Group without Romanian Companies has a Solvency Capital Requirement (SCR) of €304.3 million as at 31 December 2022 (€279.7 million as at 31 December 2021).
- Romanian Companies have a Solvency Capital Requirements (SCR) of € 8 million as at 31 December 2022 (€7.4 million as at 31 December 2021)

Therefore, the impact of the Romanian Companies on the Group's assets is not considered significant in terms of Solvency Capital Requirements and Capital Adequacy Ratio.

D Valuation for Solvency Purposes

This chapter contains information regarding the valuation of the balance sheet items. For each material class of assets and liabilities the bases, methods and main assumptions used in the valuation for solvency purposes are described. For each material class of assets and liabilities, quantitative and qualitative explanation is provided regarding any material difference between the valuation for solvency purposes and the valuation in the financial statements. When accounting principles are similar or when the elements are not material, some line items are clustered together.

The valuation of assets is measured at fair value measurement as described below. Each material class of assets is described in paragraph D.1. Valuation of technical provisions is calculated as the sum of the best estimate and the risk margin as described in paragraph D.2. Other liabilities except for technical provisions are described in paragraph D.3.

Information for each material line item of the balance sheet is presented below. In particular, for each line item, the following are described:

- Methods and assumptions for valuation
- Differences, if any, between the solvency valuation and the valuation in the financial statements.

The methods and the main assumptions used at Group level for the valuation for solvency purposes of the Group's assets and liabilities do not differ in those used by any of its subsidiaries.

D.1 Assets

D.1.1 Solvency II valuation for each material class of assets

The Solvency II and the related IFRS valuation for each material class of assets as at 31 December 2022 and 31 December 2021 respectively are presented below:

Group's Balance Sheet information - Solvency II vs IFRS as at 31.12.2022 (in € th)						
Assets	**Eurolife Group IFRS Value "Method 1&2" (1)**	**Other Assets Group (2)**	**Group IFRS Value "Method 1 & 2"**	**Solvency II adjustments**	**Solvency II "Method 1&2"**	**Note**
Goodwill	*22,056*	*0*	*22,056*	*-22,056*	*0*	a
Deferred acquisition costs	*29,461*	*0*	*29,461*	*-29,461*	*0*	b
Intangible assets	*8,649*	*0*	*8,649*	*-8,649*	*0*	c
Deferred tax assets	*0*	*0*	*0*	*0*	*0*	
Pension benefit surplus	*0*	*0*	*0*	*0*	*0*	
Property, plant & equipment held for own use	*14,350*	*0*	*14,350*	*2,806*	*17,156*	d
Investments (other than assets held for index-linked and unit-linked contracts)	*2,381,453*	*21,157*	*2,402,610*	*47,709*	*2,450,319*	e
Property (other than for own use)	*724*	*0*	*724*	*283*	*1,007*	e.1

Holdings in related undertakings, including participations	150,989	21,157	172,146	47,446	219,592	e.2
Equities	133,964	0	133,964	0	133,964	
Equities - listed	130,964	0	130,964	0	130,964	e.3
Equities - unlisted	3,000	0	3,000	0	3,000	e.3
Bonds	1,819,769	0	1,819,769	0	1,819,769	
Government Bonds	1,683,295	0	1,683,295	0	1,683,295	e.3
Corporate Bonds	136,475	0	136,475	0	136,475	e.3
Structured notes	0	0	0	0	0	e.3
Collateralised securities	0	0	0	0	0	e.3
Collective Investments Undertakings	188,903	0	188,903	0	188,903	e.3
Derivatives	0	0	0	0	0	
Deposits other than cash equivalents	87,104	0	87,104	-20	87,084	e.4
Other investments	0	0	0	0	0	
Assets held for index-linked and unit-linked contracts	630,515	0	630,515	0	630,515	f
Loans and mortgages	40,618	0	40,618	-256	40,361	g
Loans on policies	0	0	0	0	0	
Loans and mortgages to individuals	0	0	0	0	0	
Other loans and mortgages	40,618	0	40,618	-256	40,361	
Reinsurance recoverables from:	17,657	0	17,657	-5,663	11,994	h
Non-life and health similar to non-life	16,188	0	16,188	-4,296	11,892	
Non-life excluding health	15,264	0	15,264	-4,256	11,008	
Health similar to non-life	924	0	924	-39	885	
Life and health similar to life, excluding health and index-linked and unit-linked	1,469	0	1,469	-1,368	102	
Health similar to life	61	0	61	-353	-292	
Life excluding health and index-linked and unit-linked	1,408	0	1,408	-1,014	394	
Life index-linked and unit-linked	0	0	0	0	0	
Deposits to cedants	0	0	0	0	0	
Insurance and intermediaries receivables	19,008	0	19,008	0	19,008	i
Reinsurance receivables	2,033	0	2,033	0	2,033	j
Receivables (trade, not insurance)	6,325	0	6,325	0	6,325	k

Own shares (held directly)	*0*	*0*	*0*	*0*	*0*	
Amounts due in respect of own fund items or initial fund called up but not yet paid in	*0*	*0*	*0*	*0*	*0*	
Cash and cash equivalents	*174,359*	*298*	*174,657*	*0*	*174,657*	l
Any other assets, not elsewhere shown	*1,161*	*201*	*1,362*	*0*	*1,362*	
Total assets	***3,347,646***	***21,656***	***3,369,302***	***-15,571***	***3,353,730***	

Group's Balance Sheet information - Solvency II vs IFRS as at 31.12.2021 (in € th)

Assets	Eurolife Group IFRS Value "Method 1&2" (1)	Other Assets Group (2)	Group IFRS Value "Method 1 & 2"	Solvency II adjustments	Solvency II "Method 1&2"	Note
Goodwill	*22,056*	*0*	*22,056*	*-22,056*	*0*	a
Deferred acquisition costs	*31,818*	*0*	*31,818*	*-31,818*	*0*	b
Intangible assets	*7,328*	*0*	*7,328*	*-7,328*	*0*	c
Deferred tax assets	*0*	*0*	*0*	*0*	*0*	
Pension benefit surplus	*0*	*0*	*0*	*0*	*0*	
Property, plant & equipment held for own use	*14,793*	*0*	*14,793*	*2,572*	*17,365*	d
Investments (other than assets held for index-linked and unit-linked contracts)	*2,593,334*	*22,062*	*2,615,397*	*35,908*	*2,651,305*	e
Property (other than for own use)	*740*	*0*	*740*	*245*	*985*	e.1
Holdings in related undertakings, including participations	*67,938*	*22,062*	*90,001*	*35,661*	*125,662*	e.2
Equities	*115,070*	*0*	*115,070*	*0*	*115,070*	
Equities - listed	*115,070*	*0*	*115,070*	*0*	*115,070*	e.3
Equities - unlisted	*0*	*0*	*0*	*0*	*0*	e.3
Bonds	*1,965,010*	*0*	*1,965,010*	*0*	*1,965,010*	
Government Bonds	*1,940,630*	*0*	*1,940,630*	*0*	*1,940,630*	e.3
Corporate Bonds	*24,379*	*0*	*24,379*	*0*	*24,379*	e.3
Structured notes	*0*	*0*	*0*	*0*	*0*	e.3
Collateralised securities	*0*	*0*	*0*	*0*	*0*	e.3
Collective Investments Undertakings	*252,158*	*0*	*252,158*	*0*	*252,158*	e.3
Derivatives	*0*	*0*	*0*	*0*	*0*	
Deposits other than cash equivalents	*192,418*	*0*	*192,418*	*2*	*192,420*	e.4
Other investments	*0*	*0*	*0*	*0*	*0*	

Assets held for index-linked and unit-linked contracts	*558,782*	*0*	*558,782*	*6*	*558,788*	f
Loans and mortgages	*40,819*	*0*	*40,819*	*-576*	*40,243*	g
Loans on policies	*0*	*0*	*0*	*0*	*0*	
Loans and mortgages to individuals	*0*	*0*	*0*	*0*	*0*	
Other loans and mortgages	*40,819*	*0*	*40,819*	*-576*	*40,243*	
Reinsurance recoverables from:	*15,516*	*0*	*15,516*	*-3,678*	*11,838*	h
Non-life and health similar to non-life	*14,164*	*0*	*14,164*	*-2,749*	*11,415*	
Non-life excluding health	*13,571*	*0*	*13,571*	*-2,811*	*10,760*	
Health similar to non-life	*592*	*0*	*592*	*62*	*654*	
Life and health similar to life, excluding health and index-linked and unit-linked	*1,352*	*0*	*1,352*	*-929*	*423*	
Health similar to life	*184*	*0*	*184*	*-328*	*-144*	
Life excluding health and index-linked and unit-linked	*1,168*	*0*	*1,168*	*-601*	*567*	
Life index-linked and unit-linked	*0*	*0*	*0*	*0*	*0*	
Deposits to cedants	*0*	*0*	*0*	*0*	*0*	
Insurance and intermediaries receivables	*12,061,2*	*0*	*12,061*	*0*	*12,061*	i
Reinsurance receivables	*979*	*0*	*979*	*0*	*979*	j
Receivables (trade, not insurance)	*12,327*	*0*	*12,327*	*0*	*12,327*	k
Own shares (held directly)	*0*	*0*	*0*	*0*	*0*	
Amounts due in respect of own fund items or initial fund called up but not yet paid in	*0*	*0*	*0*	*0*	*0*	
Cash and cash equivalents	*259,769*	*213*	*259,983*	*0*	*259,983*	l
Any other assets, not elsewhere shown	*1,224*	*28*	*1,252*	*0*	*1,252*	
Total assets	***3,570,808***	***22,304***	***3,593,111***	***-26,970***	***3,566,141***	

(1) This column includes information from the published IFRS financial statements of Eurolife Group. The IFRS Financial statements have been adjusted as follows:- For comparison purposes, reclassifications have been made between the IFRS values reported in the above tables and those disclosed in the IFRSs financial statements.- For the entities that are consolidated with the method 2, consolidation entries have been made in order to transfer the IFRS equity of these subsidiaries under the line ‘Holdings in related undertakings, including participations’.

(2)This column includes the other assets held by the two insurance holding companies Colonnade Finance S.à r.l. and Costa, i.e. the participations except for Eurolife Group, cash and cash equivalents and any other assets, not elsewhere shown.

a) Goodwill

Goodwill represents the difference between the acquisition cost and the fair value of the net assets acquired during the acquisition and merger of the company Activa Insurance S.A. Goodwill is valued at zero under the Solvency II framework.

b) Deferred Acquisition Costs

Deferred Acquisition Costs refer to the part of acquisition costs allocated to future reporting periods. The deferred acquisition costs are valued at zero under the SII framework.

c) Intangible Assets

The Intangible assets mainly consist of software costs. Intangible assets cannot be sold separately and there is also no quoted price available in an active market for specifically those or similar assets, hence they are valued at zero under the Solvency II framework.

d) Property plant & equipment for own use

As at 31 December 2022, the property, plant and equipment held for own use amounted to € 17,156 thousand (2021: € 17,365 thousand). This category includes the head-office premises, furniture, computers and other equipment as well as vehicles. The property is recognized at fair value, based on valuation carried out by certified external valuator. The fair value is measured with the use of income approach. Under Solvency II framework, the improvements at the leasehold properties are valued at zero. This category also includes right of use assets, which are measured at cost less accumulated depreciation and accumulated impairment losses adjusted by any subsequent remeasurement of the respective lease obligations. Right of use assets as well as the remaining assets of the Property plant and equipment held for own use, are reported at fair value which is considered to be close to the value recognized under IFRS.

e) Investment Assets

Investments consist of participations, bonds, equities, investment funds and deposits other than cash equivalents. Investments (other than assets held for index-linked and unit-linked contracts)amount to € 2,450,319 thousand (2021: € 2,651,305 thousand) as at 31 December 2022 for Solvency II purposes. The decrease in the balance at 31 December 2022 by € 200,986 thousand compared to the previous year is mainly due to the liquidation of investment assets.

e.1) Property (other than for own use)

This class of assets consists of Property held by the Group for investment purposes (other than for own use) i.e. Investment Property. The Investment property is recognized at fair value. The fair value is estimated based on valuations received by certified external valuators. The key methods used for the fair value measurement of the investment properties is the income approach (income capitalization/discounted cash flow method) and the market approach (comparable transactions), which can also be combined, depending on the category of the property under valuation.

e.2) Participations

The participations refer to the participation of the Group in the insurance undertakings Colonnade Ukraine and Collonade s.r.o., Eurolife FFH Asiguari de VIATA S.A. and Eurolife FFH Asiguari GENERALE S.A., the non-insurance undertakings, Praktiker Hellas, SCP Luxembourg S.ar.l., Designia Single Member Société Anomyme of Insurance Brokerage, Designia Single Member Société Anomyme of Insurance Agents and Wallbid and the assosiate Grivalia Hospitality S.A..

The participations in the insurance undertakings are valued with the adjusted equity method that is based on the insurance undertakings' excess of assets over liabilities in accordance with the Solvency II framework. The valuation of the non-insurance undertakings and the associate is based on the adjusted equity method. The valuation of the individual assets and liabilities of the participations is performed in accordance with Article 75 of Directive 2009/138/EC.

e.3) Bonds, equities and investment funds schemes

The Group's bonds, equities (listed and unlisted) and investment funds are valued at fair value based on market prices at the reporting date, which are quoted prices in active markets. A quoted price in an active market provides the most reliable evidence of fair value and when available it is used to measure fair value without any further adjustments. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. Factors that the Group considers when assessing that the level of market's activity has decreased include the following:

- Few recent transactions
- Price quotations are not developed using current information (stale prices)
- Indices that previously were highly correlated with the fair values are demonstrably uncorrelated
- Wide ask-bid spread or significant increase in the bid-ask spread
- Significant decline in the activity or absence of a market for new issues
- Little information is publicly available
- Broker quotes are indicative rather than binding/executable

For cases, when there are no available official quoted prices in an active market, the Group utilizes techniques that maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The selected valuation technique incorporates all factors that market participants would consider in pricing a transaction.

e.4) Deposits other than cash equivalents

Deposits other than cash and cash equivalents include fixed-term deposits with a maturity of less than one year. Term deposits are measured on the basis of the discounted future cash flows expected to be generated by the related transactions.

f) Assets held for index-linked and unit-linked contracts

At the reporting date, assets held against index-linked insurance contracts or combining life insurance with investments amounted to € 630,515 thousand (2021: € 558,788 thousand). The increase in the balance compared to the previous year is mainly due to the increased new production of Unit Linked insurance contracts. These assets are measured at fair value following the same methodologies as those applied to bonds, equities and investment funds (see paragraph e.3).

g) Loans and mortgages

At the reporting date, commercial mortgage loans amount to € 40,361 thousand (2021: € 40,243 thousand), which are measured at fair value in accordance with Solvency II. The fair value of the loans is determined using official market prices from active markets, and if this information is not available, it is calculated based on the prices of securities with similar credit characteristics, maturity and yield or by discounting cash flows.

h) Reinsurance recoverables

As at 31 December 2022, the reinsurance recoverables amounted to € 11,994 thousand (2021: € 11,838 thousand). Reinsurance recoverables include amounts due from reinsurers arising from reinsurance contracts. The reinsurance recoverables equal to the present value of the future cash flows recoverable. The reinsurance cash flows that have been considered are those generated until the end of the Reinsurance Treaties. The calculation of amounts recoverable from reinsurance contracts follows the same principles and methodology as presented in the section for the calculation of the technical provisions.

i) Insurance and intermediaries receivables

The insurance and intermediaries receivables amounted to € 19,008 thousand as at 31 December 2022 (2021*:* € 12,061 thousand).

This category includes amounts due from policyholders and other insurers that are linked to insurance business, but that are not included in cash- flows of technical provisions. It also includes overdue amounts from policyholders and insurance intermediaries (e.g. premiums due but not yet paid). Receivables are recognized when they become due. If there is objective evidence of impairment of these receivables, the Group reduces the carrying amount accordingly and recognizes the impairment loss.

The Group assesses the objective evidence of impairment and calculates the impairment loss using the same process as adopted for financial assets.

j) Reinsurance receivables

As at 31 December 2022, reinsurance receivables amounted to € 2,033 thousand (2021: € 979 thousand). The reinsurance receivable amounts due to the Group arising from the reinsurance contracts mainly consist of amounts related to claims settled by policyholders or beneficiaries and other payments related to commissions from reinsurers. The Group reviews the net reinsurance receivables for impairment. If there is objective evidence for impairment, the Group reduces the carrying amount accordingly and recognizes impairment loss.

k) Receivables (trade, not insurance)

As at 31 December 2022, the receivables (trade, not insurance) of the Group amounted to € 6,325 thousand (2021: € 12,327 thousand) and mainly included amounts owed by employees or various business partners (not insurance-related), current tax assets and other receivables from public entities.

l) Cash and cash equivalents

As of December 31, 2022, the Group held € 174,657 thousand (2021: € 259,983 thousand) of cash and cash equivalents, which mainly consisted of cash and demand deposits in banks in Greece and abroad.

Information for leases where the Group operates as a lessor

The Group participates as a lessor in operating leasing contracts in respect of the properties held for investment purposes. The receivables arising by these operating leasing contracts are not considered material.

D.1.2 Solvency II and IFRS valuation differences by material class of asset

a) Goodwill

Goodwill is valued at zero under the Solvency II framework, whereas the respective balance for IFRS purposes amounted to € 22,056 thousand under IFRS (2021: € 22,056 thousand). According to IFRS framework, Goodwill represents the excess of the aggregate of the fair value of the consideration transferred at the date of acquisition, over the fair value of the Group's share on the net identifiable assets and contingent liabilities acquired

b) Deferred Acquisition Costs

The deferred acquisition costs are valued at zero under the Solvency II framework while the respective balance for the insurance undertakings as at 31 December 2022, amounted to € 29,461 thousand (2021: € 31,818 thousand) under IFRS. According to IFRS, commissions and other acquisition costs associated with the issuance of life insurance contracts and the renewal of existing life insurance contracts are recognized as Intangible assets. Respectively, commissions and other acquisition costs associated with the issuance of non-life insurance contracts and the renewal of existing non-life insurance contracts have been recognized as assets. The Deferred Acquisition Costs are amortized in proportion to the earned premium.

More specifically:

- For long term life insurance, except for the single premium insurance policies, the Deferred Acquisition Costs are amortized in accordance with the premiums' income using the respective assumptions used to calculate the liability for future benefits of the contract.
- For short term life insurance and general insurance contracts, the Deferred Acquisition Costs are amortized in proportion to the earned premium.

c) Intangible Assets

Intangible assets are valued at zero under the Solvency II framework. Under IFRS, intangible assets as at 31 December 2022, amounted to € 8,649 thousand (2021: € 7,328 thousand).

They are recognized at historical cost less accumulated depreciation and accumulated impairment losses. Amortization is calculated over the estimated useful lives.

d) Property plant & equipment for own use

Property, plant and equipment for own use includes leasehold improvements, furniture, computers, other equipment, vehicles and rights of use of tangible assets. Under IFRS, property, plant and equipment held for own use other than rights of use of property, plant and equipment are recognized at historical cost less accumulated depreciation and accumulated impairment losses.

Rights to use property, plant and equipment are recognized in accordance with IFRS 16, namely measured at cost less accumulated depreciation and impairment losses and adjusted by the remeasurement of the related lease obligations. The cost of property, plant and equipment includes the amount of lease obligations recognized, the initial directly attributable related costs and lease payments made on or before the commencement date, less the amount of any discounts or other incentives offered.

Under Solvency II, leasehold improvements are valued at zero.

e) Investment Assets

e.1) Property (other than for own use)

Under Solvency II, the Investment property is recognized at fair value, whereas under IFRS, it is recognized at acquisition cost less accumulated depreciation and accumulated impairment losses.

e.2) Participations

Under the Eurolife Group IFRS Value "Method 1 & 2", the participations that have been considered are: the Romanian subsidiaries (Eurolife FFH Asigurari de Viata S.A. and Eurolife FFH Asigurari Generale S.A.), Designia Single Member Société Anomyme of Insurance Brokerage, Designia Single Member Société Anomyme of Insurance Agents and Grivalia Hospitality S.A. Under Solvency II, apart from the above-mentioned undertakings the following undertakings have been also considered as participations: SCP Luxembourg S.ar.l., Colonnade S.R.O , Colonnade Ukraine and Praktiker Hellas, which are fully controlled by the Company.

e.3) Bonds, Equities, Investment funds

Under Solvency II, the bonds, equities (listed and unlisted) and investment funds are measured at fair value.

Under IFRS, the measurement of the financial instruments depends on the investment assets portfolio that has been classified upon initial recognition. At the reporting date, the financial instruments of the Group were classified into the fair value through profit or loss investment assets portfolio and the Available for sale (AFS) investment assets portfolio. The fair value through profit or loss investment assets and the AFS investment assets are measured at fair value.

e.4) Deposits other than cash equivalents

Under Solvency II, time deposits are measured at the discounted future cash flows that are expected to be generated by the related transactions, whereas under IFRS framework, the time deposits are recognized at amortized cost.

f) Loans and mortgages

As at the reporting date, the Group has classified commercial mortgage loans into loans and receivables investment portfolio, which under IFRS framework are recognized at amortized cost, whereas under Solvency II are measured at fair value.

g) Assets held for index-linked and unit-linked contracts

There are no significant differences between Solvency II valuation and IFRS valuation of assets held for index-linked and unit-linked contracts

h) Reinsurance recoverables

Under Solvency II framework, the reinsurance recoverables are adjusted to reflect the recoverables by the future cash flows. Under IFRS, this class of assets consists of the participation of reinsurers into the outstanding claims provision and the unearned premiums provision in accordance with the related reinsurance contracts.

i) Insurance and intermediaries receivables

There are no differences between Solvency II valuation and IFRS valuation of insurance and intermediaries receivables.

j) Reinsurance receivables

There are no differences between Solvency II valuation and IFRS valuation of reinsurance receivables.

k) Receivables (trade, not insurance)

There are no differences between Solvency II valuation and IFRS valuation of receivables (trade, not insurance).

l) Cash and cash equivalents

There are no differences between Solvency II valuation and IFRS valuation of cash and cash equivalents.

D.2 Technical Provisions

D.2.1 Segmentation (Solvency II)

Fundamental principle of Solvency II regime is the segmentation of insurance obligations into homogeneous risk groups (Lines of business).

The allocation between the line of insurance activities and the Solvency II lines of business is shown in the Table below:

Life Insurance

Line of insurance activities	Solvency II Line of Business
I1, I2 and VII2	Life insurance with profit participation
I1, I2 and I3	Other Life insurance
III	Index-linked and unit-linked insurance
I3	Health insurance similar to Life techniques
I3	Health insurance similar to Non-Life techniques

The traditional life insurance portfolio is split into “Life Insurance with Profit Participation” and “Other Life Insurance” products, depending on the profit sharing option of the contract.

All rider covers of the traditional life portfolio are allocated to “Health similar to Life Techniques” or “Health similar to Non-Life Techniques” lines of business depending on the covers’ specific terms and conditions and on the way that they are managed in terms of pricing and reserving.

Deposit administration Funds (DAF) are classified as “Life Insurance with profit participation” contracts.

Unit Linked contracts are unbundled in their components. The traditional life coverage is recognized in “Life Insurance with profit participation” and “Other Life insurance” category and the investment coverage in the “Index-linked and unit-linked insurance” category.

The above mentioned lines of business are further segmented into homogeneous risk groups. The homogeneous risk groups are derived according to the products’ characteristics, the contractual policyholders’ options, the policyholders’ risk profile, the distribution channel and the best estimate assumptions for each product. The assumptions considered for the purposes of defining homogeneous risk groups are lapse rates, mortality rates and option to surrender at pension, as these are the assumptions considered to be characterising the homogeneity of the risk characteristics within each risk group.

The derivation of the homogeneous risk groups is performed in such a way that these are expected to be reasonably stable over time.

Non Life Insurance

Classes of Non-Life Insurance Activities	Solvency II Line of Business
Accidents	Income Protection
Land vehicles	Motor, other classes
Ships	Marine, aviation, transport (MAT)
Goods in transit	Marine, aviation, transport (MAT)
Fire and natural forces	Fire and other damage to property
Other damage to property	Fire and other damage to property
Motor vehicle liability	Motor vehicle liability
Civil liability for ships	Marine, aviation, transport (MAT)
General civil liability	General liability insurance
Miscellaneous financial loss	Miscellaneous financial loss
Legal expenses	Legal expenses insurance
Assistance	Assistance

No further segmentation is applied to the Solvency II lines of Business when calculating technical provisions

D.2.2 Technical Provisions for the main categories of activities

According to Solvency II guidelines the value of Technical Provisions is equal to the sum of a best estimate and a risk margin. These two components are calculated separately

The following table sets out the Group's Technical Provisions as at 31 December 2022, per Company and line of business.

Life Insurance

Solvency II (Line of Business) as at 31.12.2022 (in th €)	Gross Best Estimate Solvency II	Risk Margin	Total Provisions
Life insurance with profit participation	902,010	9,203	911,212
Other Life insurance	898,046	9,202	907,248
Index-linked and unit-linked insurance	576,834	5,830	582,664
Health insurance similar to Life techniques	1,993	23	2,016
Health insurance similar to Non-Life techniques	37,473	371	37,844
Total	**2,416,356**	**24,629**	**2,440,985**

Non-Life insurance

Solvency II (Line of Business) as at 31.12.2022 (in th €)	Best Estimate Liabilities Claims Provision	Best Estimate Liabilities Premium Provision	Risk Margin	Total Provisions
Income Protection insurance	214	69	18	301
Other motor insurance	1,515	1,337	177	3,029
Marine, aviation and transport insurance	329	86	26	442
Fire and other damage to property	17,879	2,911	753	21,542
Motor vehicle liability insurance	45,413	5,265	3,131	53,808
General liability insurance	3,845	410	154	4,409
Miscellaneous financial loss	154	558	25	737
Legal expenses insurance	90	86	9	184
Assistance	0	278	17	295
Total	**69,438**	**11,000**	**4,310**	**84,748**

Assumptions

Life insurance

See section D.2.2 (Technical Provisions for the main classes of business) of the Solvency and Financial Condition Report of Eurolife FFH Life Insurance Single Member S.A.

Non-Life insurance

See section D.2.2 (Technical Provisions for the main classes of business) of the Solvency and Financial Condition Report of Eurolife FFH General Insurance Single Member S.A.

Methodology

Life Insurance

For all lines of business except "Health insurance similar to Non-Life Techniques" (''Health nSLT''), the BEL corresponds to the probability weighted average of future cash-flows taking into account the time value of money. Cash-flow projections reflect expected realistic future demographic and economic developments.

Future cash flows take into account all cash inflows and outflows required to settle insurance and reinsurance liabilities over their lifetime.

The following non-exhaustive list of cash in-flows and cash out-flows has been considered:

- cash-flows from future premiums and commissions falling within the contract boundary
- cash-flows resulting from future benefits (death, disability, surrender etc.)
- cash-flows arising from operating expenses

The cash flow projections reflect realistic expected future demographic and economic developments.

For portfolios that have not been modelled for cash flow projections (un-modeled business), the Solvency II Technical Provisions are set equal to IFRS reserves.

For the business "Health insurance similar to Non-Life Insurance", the calculation of the Best Estimate was performed separately for the Outstanding Claims Provision and for the Premium Provision.

With respect to the best estimate for premium provisions, the cash-flow projections relate to claim events occurring after the valuation date and during the remaining in-force period (coverage period) of the policies held by the undertaking (recognized policies).

The Best Estimate of the provision for insurance and reinsurance premiums from insurance and reinsurance contracts is calculated as the expected present value of future cash inflows and outflows. The most significant cash inflows and outflows are (the list is indicative):

(a) cash inflows from premiums that fall within the contract boundary,

(b) cash outflows to cover future claims,

(c) cash outflows from direct and indirect claims management expenses,

(d) cash outflows to cover policy administration expenses.

With respect to the best estimate for provisions for claims outstanding, the cash-flow projections relate to claim events having occurred before or at the valuation date.

The cash-flow projections comprise all future claim payments as well as claims administration expenses arising from these events.

The Best Estimate is calculated on a gross basis, i.e. before taking into account any recoverable amounts from reinsurance.

Non-Life Insurance

The Best Estimate of the Premium Provision is based on the Unearned Premium Reserve (UPR), as shown in the Company's financial statements, and is calculated separately for each business category taking into account the Combined ratio.

The Best Estimate of the provision for outstanding claims is based on the triangular development of claims using the Chain Ladder method. The Chain-Ladder method is applied both on the cumulative Paid and Incurred Claims that have occurred within the period 01.01.2011-31.12.2022.The Best Estimate of the Premium Provision reflects the estimate of losses and expenses relating to the unearned period of written premiums.

The estimation of the cash flows pattern is based on the development factors derived from the Chain Ladder method on Paid claims.

Large Claims are excluded from the examined data and are considered to be adequately reserved.

Risk margin

According to the Commission Delegated Regulation (EU) 2015/35 the calculation of the risk margin of technical provisions at the level of the group in accordance with method 1 (accounting consolidation-based method) should be based on the assumption that the transfer of the group's insurance and reinsurance obligations is carried out separately for each insurance and reinsurance undertaking of the group and that the risk margin does not allow for the diversification between the risks of those undertakings. Therefore the risk margin at the level of the group is equal to the sum of the relevant risk margins of Eurolife FFH Life Insurance and Eurolife FFH Non-Life Insurance.

Reinsurance recoverables

Life Insurance

The calculation of amounts recoverable from reinsurance contracts follows the same principles and methodology as presented in this section for the calculation of other parts of the technical provisions. Furthermore, the calculation is consistent with the boundary of the insurance and reinsurance contract.

Only the proportional reinsurance treaties have been taken into account in the cash flows for reinsurance recoverables.

The best estimate of amounts recoverable from reinsurance contracts are calculated on cash flows method on a policy by policy basis for all Lines of Business excluding “Health insurance similar to Non-Life Techniques”. The final total amount is adjusted to take account of expected losses due to default of the counterparty based on simplification method related to the duration of the relevant cash flows.

The amounts recoverable from reinsurance contracts for the “Health insurance similar to Non-Life Techniques” line of business is calculated separately for “Medical expenses” and “Income protection” sub categories and the total amount is adjusted to take account of expected losses due to default of the counterparty based on simplification method related to the duration of the relevant cash flows.

Non-Life Insurance

The Best Estimate of reinsurance recoverables in respect of outstanding claims provisions is equal to case reserves, IBNR plus the adjustment with respect to the default of the reinsurer due to its credit rate.

In respect of Premium Provisions, reinsurance recoverables are calculated using the gross of reinsurance claims ratio on the reinsurance unearned premium reserve for each line of Business.

The calculation of the expected losses due to default of a counterparty is based on simplification method related to the duration of the relevant cash flows.

D.2.3 Description of the level of uncertainty associated with the amount of Technical Provisions under Solvency II regime

The calculation of the Best estimate is based on reliable information and realistic assumptions. It is performed with the use of applicable and relevant actuarial and statistical methods and models.

Cash-flow projections take into account all the cash-in and out-flows required settling insurance and reinsurance obligations over the lifetime thereof.

Below, a description of certain sources of uncertainty inherent in the estimation of Best Estimate of Life and Non-life Company's insurance portfolio is given.

Life insurance

There are uncertainties with regards to the assessment of the future cash flows regarding policyholders behavior in terms of exercising contractual options, and changes in the biometric factors of the insured portfolio such as mortality and morbidity.

The actuarial function performs experience studies on the Company's historical data, in order to estimate the assumptions used to replicate the uncertainty of each one of the above factors. These assumptions are closely monitored and compared to the experience on a frequent basis. The assumptions are validated using back-testing and credibility analysis techniques.

The uncertainty inherent in the cash-flows with respect to the time value of the financial options and guarantees embedded in traditional and DAF products has been estimated and amounted for in the Technical Provisions. Specifically, a dynamic asset-liability management ("ALM") model using the actuarial projection software Algo Financial Modeler was deployed by the Company to make the stochastic calculations required for the time value of financial options and guarantees for traditional and DAF products, under 1000 different set of economic scenarios.

Non-life insurance

According to Solvency II regime, the value of Technical Provisions is equal to the sum of a best estimate and a risk margin. The best estimate and the risk margin are calculated separately.

There are various uncertainties connected to the best estimate calculations such as claims settlement period, claims frequency/severity, delays in claims reporting period, changes in the portfolio mix etc.

The Actuarial Function captures these uncertainties by assessing claims development pattern on the available company's claims history. Caution is given on possible calendar effects that might exist within the claims data due to different claims handling practices, latent or extreme events, inflation etc.

However, the assessment of claims development factors based on the company's claims experience and actuarial judgment might introduce uncertainty to the estimate, until the final settlement of claims provisions, especially for Motor Vehicle Liability Line of Business. In order to explore this uncertainty, alternative valuation methods are examined.

Large Claims are excluded from the actuarial study and their claims reserve is set equal to their case reserve, since they are closely monitor by the Claims Handling Department.

D.2.4 Analysis of the differences between IFRS and Solvency II Technical Provisions

Under the IFRS basis, the technical provisions concerning Long Term Life Insurance Obligations are calculated as the actuarial present value of the future claims minus the actuarial present value of the future premiums. Negative values of reserves are set equal to zero.

Future cash flows are based on pricing assumptions with regards to mortality rates and expenses. The lapse and cancellation policyholder options are not taken into account. The cash flows are discounted with the relevant guaranteed interest rates as per the pricing basis.

The adequacy of reserves is tested through the gross of reinsurance cash flow method. The projected cash flows are estimated based on the Company's recent experience with regards to biometric assumptions, operating expenses and policyholder behavior related to contractual options.

The cash flows are being discounted with a curve calculated by a market driven methodology taking into account the characteristics and yields earned by the Company's investment assets backing the insurance liabilities as at the reporting date. Any LAT reserves produced are booked under IFRS accounts.

Under the Solvency II framework, Technical Provisions are calculated for each contract separately on the basis of the best estimate taking into account the cash flows resulting from Premiums, Claims and Expenses.

Best estimate for some covers may be less than the amount recognized in the IFRS balance sheet whereas in the case that the present value of future outflows is less the present value of future inflows, the best estimate will be negative.

In contrast, the income from deferred acquisition cost is set equal to zero.

The following tables show the valuation differences of the Technical Provisions between Solvency II and IFRS as at 31 December 2022.

Line of Business (31.12.2022)	Gross Best Estimate Solvency II	Risk Margin Solvency II	Total Provisions Solvency II	Total Provisions IFRS	Difference
Life insurance with profit participation	902,010	9,203	911,212	907,775	3,437
Other Life insurance	898,046	9,202	907,248	995,713	-88,465
Index-linked and unit-linked insurance	576,834	5,830	582,664	633,855	-51,191
Health insurance similar to Life techniques	1,993	23	2.016	2,107	-91
Health insurance similar to Non- Life techniques	37,473	371	37,844	41,732	-3,889
Total	**2,416,356**	**24,629**	**2,440,985**	**2,581,183**	**-140,198**

The difference between Solvency II and IFRS provisions is mainly driven by the higher yield curve considered for the discounting of the Solvency II cashflows.

Non-Life Insurance

Under the IFRS basis the Technical Provisions are calculated under the principle of the adequacy of outstanding claims reserve and unearned premiums reserve to cover future payments for outstanding claims at valuation date and for new claims that will be incurred during the period the unearned premium reserve is held for.

No reduction in the outstanding claims reserve and the unearned premium reserve is allowed, should adequacy of reserves is suggested. If this is not the case, an extra reserve should be held.

In particular, for the activities 'Accident', 'General Liability' and 'Miscellaneous Losses', the adequacy check of the provision for outstanding claims shows the necessity to establish additional reserves. As far as the UPR is concerned, the adequacy check shows the need to establish an Unexpired Risk Reserve(URR) in the activity 'Motor third party liability for land motor vehicles'. Finally, due to the covid-19 pandemic, an additional reserve of 0.8 million has been established and is included in the URR.

Deferred Acquisition Costs are an income in the Company's Statement of Profit and Loss.

Based on Solvency II requirements, Technical Provisions are calculated separately for each class of business based on the best estimate of premiums and outstanding claims provisions.

The Best Estimate of the Premium Provision is lower than the UPR in most of the Company's lines of business, primarily due to the low loss ratio.

In addition, deferred acquisition costs under Solvency II are set equal to zero.

The following table shows, by line of business, the differences in the valuation of Technical Provisions between Solvency II and IFRS.

Line of Business Solvency II (in € th)	**Best Estimate Solvency II**	**Risk Margin Solvency II**	**Total Provisions Solvency II**	**Total Provisions IFRS net of DAC**	**Difference**
Income Protection insurance	283	18	301	394	-93
Other motor insurance	2,852	177	3,029	4,548	-1,519
Marine, aviation and transport insurance	416	26	442	597	-155
Fire and other damage to property	20,789	753	21.542	29,256	-7,713
Motor vehicle liability insurance	50,677	3,131	53,808	58,014	-4,206
General liability insurance	4,255	154	4,409	5,091	-682
Miscellaneous financial loss	712	25	737	3,589	-2,851
Legal expenses insurance	175	9	184	768	-583
Assistance	278	17	295	1,606	-1,310
Total	**80,438**	**4,310**	**84,748**	**103,861**	**-19,113**

(1) Deferred Acquisition Costs of € 3,87k are not included.

D.2.5 Application of the volatility adjustment

Greek Life Insurance Company

The risk-free interest rate curve with volatility adjustment (VA) was used for the calculation of the Technical Provisions. The following criteria were taken into account:

- The liabilities are denominated in Euro and the products are sold in Greece.
- The matching adjustment is not used.
- Long-term assets are used to match long-term liabilities.
- Even without the use of the volatility adjustment, compliance with the solvency ratio and Solvency Capital Requirements is ensured.
- All investment decisions are made without taking into account the positive effect of the volatility adjustment in the capital requirements.

In summary, the Company uses the volatility adjustment, as provided by EIOPA, for the calculation of its Best Estimate of Liabilities, as well as for the capital adequacy calculations under the Standard Formula.

The following table illustrates the impact of the use of the volatility adjustment on various Solvency II measures.

Capital Position at 31.12.2022 (in mio €)			
	V.A. = 0 b.p.	V.A. = 19 b.p.	Impact
Eligible Own Funds to cover MCR	517.5	528.4	-10.9
Eligible Own Funds to cover SCR	517.5	528.4	-10.9
Technical Provisions	2,455.0	2,441.0	14.0
Total SCR	279.0	273.4	5.6
Total MCR	69.8	68.3	1.5
SCR cover ratio	185%	193%	-8 p.p.
MCR cover ratio	742%	773%	-31 p.p.

Capital Position at 31.12.2021 (in mio €)			
	V.A. = 0 b.p.	V.A. = 3 b.p.	Impact
Eligible Own Funds to cover MCR	435.5	438.6	-3.1
Eligible Own Funds to cover SCR	435.5	438.6	-3.1
Technical Provisions	2,842.3	2,838.3	4.0
Total SCR	243.9	243.3	0.6
Total MCR	77.2	77.1	0.1
SCR cover ratio	179%	180%	-1 p.p.
MCR cover ratio	564%	569%	-5 p.p.

Comparing the results for 2022 with those for 2021, it is observed that the Technical Provisions show a decrease, as a result of the revised EIOPA interest rate curves used for the calculation of the Best Estimate of Liabilities.
The Solvency Capital Requirement for 2022 is significantly increased compared to 2021, mainly due to the increase in market risk. In particular, concentration risk has increased significantly. Exposure to other categories of market risk, such as equity risk, interest rate risk, credit spread risk and foreign exchange risk, also appears to have increased. These are entirely consistent with the Company's investment strategy and asset structure.
In addition, significantly increased counterparty default risk appears for 2022, compared to 2021, following the increase in exposures to type 1 counterparties as a result of increased placements of bank deposits in banking institutions.
In terms of life underwriting risk, the exposure for 2022 is significantly reduced compared to 2021, mainly due to a reduction in lapse risk. This reduction is due to: 1) a higher interest rate curve and 2) changes in the portfolio.

Non-Life Insurance

For the calculation of capital requirements and own funds, the volatility adjustment (VA) was not used.

Romanian Companies

Neither Eurolife FFH Asigurari de Viata S.A.nor Eurolife FFH Asigurari Generale S.A. used volatility adjustment (VA) for the calculation of their capital requirements.

The tables below display various solvency measures for Romanian Life and General Insurance Companies without using volatility adjustment.

Romanian Insurnace Company 31.12.2022 (in mio €)		
Capital Requirement 31.12.2022	**De Viata**	**Generale**
Total eligible own funds to meet the MCR	5.7	5.3
Total eligible own funds to meet the SCR	5.8	5.3
Total available own funds to meet the MCR	5.7	5.3
Total available own funds to meet the SCR	5.9	5.3
Technical provisions	11,0	1,0
Total SCR	4.0	4.0
Total MCR	4.0	4.0
Ratio of Eligible own funds to SCR	147%	134%
Ratio of Eligible own funds to MCR	143%	134%

Romanian Insurnace Company 31.12.2021 (in mio €)		
Capital Requirement 31.12.2021	**De Viata**	**Generale**
Total eligible own funds to meet the MCR	5.2	4.2
Total eligible own funds to meet the SCR	5.3	4.3
Total available own funds to meet the MCR	5.2	4.2
Total available own funds to meet the SCR	5.3	4.3
Τεχνικές Προβλέψεις	10,2	0,6
Total SCR	3.7	3.7
Total MCR	3.7	3.7
Ratio of Eligible own funds to SCR	143%	116%
Ratio of Eligible own funds to MCR	141%	114%

D.3 Other liabilities

D.3.1 Solvency II valuation for each material class of liabilities other than Technical Provisions

The Solvency II and the related IFRS valuation for each material class of liabilities other than technical provisions as at 31 December 2022 and 31 December 2021 respectively are presented below:

Group's Balance Sheet information - Solvency II vs IFRS as at 31.12.2022 (in € th)						
OTHER LIABILITIES	**Eurolife Group IFRS Value "Method 1&2" (1)**	**Other Liabilities Group (2)**	**Group IFRS Value "Method 1 & 2"**	**Solvency II adjustments**	**Solvency II "Method 1&2"**	**Note**
Provisions other than technical provisions	*10,631*	*0*	*10,631*	*0*	*10,631*	*a*
Pension benefit obligations	*1,052*	*0*	*1,052*	*0*	*1,052*	*b*
Deferred tax liabilities	*18,025*	*0*	*18,025*	*26,037*	*44,062*	*c*
Financial liabilities other than debts owed to credit institutions	*0*	*91,310*	*91,310*	*0*	*91,310*	*d*
Insurance & intermediaries payables	*37,596*	*0*	*37,596*	*0*	*37,596*	*e*
Reinsurance payables	*5,280*	*0*	*5,280*	*0*	*5,280*	*f*
Payables (trade, not insurance)	*36,584*	*0*	*36,584*	*0*	*36,584*	*g*
Any other liabilities, not elsewhere shown	*815*	*84*	*900*	*0*	*900*	*h*
TOTAL OTHER LIABILITIES	***109,984***	***91,394***	***201,379***	***26,037***	***227,415***	

Group's Balance Sheet information - Solvency II vs IFRS as at 31.12.2021 (in € th)						
OTHER LIABILITIES	**Eurolife Group IFRS Value "Method 1&2" (1)**	**Other Liabilities Group (2)**	**Group IFRS Value "Method 1 & 2"**	**Solvency II adjustments**	**Solvency II "Method 1&2"**	**Note**
Provisions other than technical provisions	*13,186*	*0*	*13,186*	*0*	*13,186*	*a*
Pension benefit obligations	*901*	*0*	*901*	*0*	*901*	*b*
Deferred tax liabilities	*64,594*	*0*	*64,594*	*-50,033*	*14,561*	*c*
Financial liabilities other than debts owed to credit institutions	*0*	*95,722*	*95,722*	*0*	*95,722*	*d*
Insurance & intermediaries payables	*35,606*	*0*	*35,606*	*0*	*35,606*	*e*
Reinsurance payables	*4,546*	*0*	*4,546*	*0*	*4,546*	*f*
Payables (trade, not insurance)	*14,059*	*0*	*14,059*	*0*	*14,059*	*g*
Any other liabilities, not elsewhere shown	*637*	*96*	*733*	*0*	*733*	*h*
TOTAL OTHER LIABILITIES	***133,528***	***95,819***	***229,347***	***-50,033***	***179,314***	

(1) This column includes information from the published IFRS financial statements of Eurolife Group. The IFRS Financial statements have been adjusted as follows:

- For comparison purposes, reclassifications have been made between the IFRS values reported in the above tables and those disclosed in the IFRSs financial statements.

- For the entities that are consolidated with the method 2, consolidation entries have been made in order to transfer the IFRS equity of these subsidiaries under the line 'Holdings in related undertakings, including participations'.

(2)This column includes the other assets held by the two insurance holding companies Colonnade Finance S.à r.l. and Costa, i.e. the participations except for Eurolife Group, cash and cash equivalents and any other assets, not elsewhere shown.

a) Provisions other than technical provisions

Provisions other than technical provisions of the Group as at 31 December 2022 amounted to € 10,631 thousand (2021: € 13,186 thousand).

This liability class consists of provisions related to unaudited tax years, as well as provisions for other losses, e.g. pending litigations. Provisions are recognized when the Group has a current legal or constructive obligation as a result of past events and it is likely that an outflow of resources embodying economic benefits is required to settle the obligation whose amount can be reliably estimated.

b) Pension benefit obligations

Pension benefit obligations of the Group as at 31 December 2022 amounted to € 1,052 thousand (2021: € 901 thousand).

The pension benefit obligations include the provision for staff leaving indemnities that is calculated based on actuarial study. Under labor law in force, when an employee remains in service until normal retirement age he is entitled to a lump sum reimbursement calculate based on years of service and salary at the date of retirement. There are no other Defined benefit pension plans granted to the Group's personnel.

c) Financial liabilities other than debts owed to credit institutions

As at 31 December 2022, the financial liabilities other than debt owed to credit institutions amounted to € 91,309 thousand (2021: € 95,722 thousand).

The financial liability refers to the valuation of a put option agreement between Costa and Eurobank. In particular, on August 4, 2016, Costa and Eurobank have entered into a shareholders' agreement relating to Eurolife Group pursuant to which (i) Costa grants an option to Eurobank (the "Eurolife Put") to require from Costa to purchase all of its Eurolife shares at a price equal to the pre-defined value at any time following the date falling eight years after August 4, 2016 and (ii) Eurobank grants an option to Costa (the "Eurolife Call") to require Eurobank to sell all of its holdings in Eurolife at a price equal to the pre-defined value at any time following the date falling nine years after August 4, 2016. The Eurolife Call is expected to have negligible value over time and therefore no asset has been recognized. With regard to the Eurolife Put, a financial liability has been recognized which is calculated as the present value of the estimated exercise price.

There are no differences between Solvency II valuation and IFRS valuation of the financial liabilities other than debts owed to credit institutions.

d) Net deferred tax

As at 31 December 2022, under Solvency II framework, the deferred tax liability amounted to € 44,062 thousand (2021: € 14,561 thousand). The increase of deferred tax balance by € 29,501 thousand compared to the previous year is mainly attributed to the reduced revaluation of the technical provisions for Solvency II purposes.

Deferred income tax is recognized in accordance with IAS 12, on temporary differences arising between the tax base of assets and liabilities and their carrying amounts based on Solvency II framework. The main temporary differences arise from the valuation of financial assets and liabilities, the de-recognition of intangible assets and deferred acquisition costs, the pensions and other retirement benefits to employees, the provision for losses and the revaluation of the insurance technical provisions.

Deferred tax assets and liabilities are measured using the tax rates expected to apply upon the period when the asset or liability will be settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the reporting date.

Both the Company and Costa Luxembourg Holding S.à r.l. have not any deferred tax asset or liability and as result the following tables present the net deferred tax of Eurolife Group.

IFRS Balance Sheet as at 31.12.2022 (in € th)	Temporary Differences	Tax Rate	Deferred Tax Asset / (Liability)
Valuation of Investments			
Changes in fair value of financial assets available for sale	94,443	22%	-20,778
Changes in fair value of financial assets held for trading	-98	22%	22
Changes in fair value of derivative financial instruments	0	22%	0
Changes in amortized cost of loans and mortgages	256	22%	-56
Miscellaneous Provisions			
Provisions for pensions and other post-employment benefits	-1,052	22%	232
Provision for staff leaving indemnities	-366	22%	81
Provision for other doubtful and disputed receivables	-3,723	22%	819
Other Temporary differences	-1,856	22%	408
Foreign Exchange Differences of Investments			
Changes in fair value due to exchange differences	-5,587	22%	1.229
Tangible and intangible assets			
Adjustment of depreciation of tangible and intangible assets	-85	22%	19
Total Deferred Tax Assets/ (Liabilities) in IFRS Balance Sheet	**81,933**		**-18,025**

Solvency II Balance Sheet as at 31.12.2022 (in € th)	Temporary Differences	Tax Rate	Deferred Tax Asset / (Liability)
Opening Balance – IFRS Balance Sheet	**81,933**		**-18,025**
Additional temporary differences:			
Derecognition of tangible and intangible assets	-5,843	22%	1,286
Revaluation of investment property	283	22%	-62
Revaluation of loans and mortgages	-256	22%	56
Derecognition of deferred acquisition costs	-29,461	22%	6,481
Revaluation of insurance technical provisions	159,311	22%	-35,048
Revaluation of reinsurance recoverables	-5,663	22%	1,246
Revaluation of time deposits	-20	22%	4
Total Deferred Tax Assets/ (Liabilities) in Solvency II Balance Sheet	**200,282**		**-44,062**

Group IFRS Balance Sheet as at 31.12.2021 (in € th)	Temporary Differences	Tax Rate	Deferred Tax Asset / (Liability)
Valuation of Investments			
Changes in fair value of financial assets available for sale	304,535	22%	-66,998
Changes in fair value of financial assets held for trading	4,588	22%	-1,009
Changes in fair value of derivative financial instruments	0	22%	0
Changes in amortized cost of loans and mortgages	576	22%	-127
Miscellaneous Provisions			
Provisions for pensions and other post-employment benefits	-901	22%	198
Provision for staff leaving indemnities	-558	22%	123
Provision for other doubtful and disputed receivables	-4,095	22%	901
Other Temporary differences	-1,643	22%	361
Foreign Exchange Differences of Investments			
Changes in fair value due to exchange differences	-8,839	22%	1,945
Tangible and intangible assets			
Adjustment of depreciation of tangible and intangible assets	-55	22%	12
Total Deferred Tax Assets/ (Liabilities) in IFRS Balance Sheet	**293,609**		**-64,594**

Group Solvency II Balance Sheet as at 31.12.2021 (in € th)	Temporary Differences	Tax Rate	Deferred Tax Asset / (Liability)
Opening Balance – IFRS Balance Sheet	**293,609**		**-64,594**
Additional temporary differences:			
Derecognition of tangible and intangible assets	-4,756	22%	1,046
Revaluation of investment property	245	22%	-54
Revaluation of loans and mortgages	-576	22%	127
Derecognition of deferred acquisition costs	-31,818	22%	7,000
Revaluation of insurance technical provisions	-186,849	22%	41,107
Revaluation of reinsurance recoverables	-3,678	22%	809
Revaluation of time deposits	8	22%	-2
Total Deferred Tax Assets/ (Liabilities) in Solvency II Balance Sheet	**66,185**		**-14,561**

Deferred tax assets are recognized to the extent that it is probable that there will be future taxable profits against which the temporary differences can be utilized. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the recovery of all or part of the asset. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profits will be available.

e) **Insurance & intermediaries payables**

As at 31 December 2022, insurance and intermediaries payables amounted to € 37,596 thousand (2021: € 35,606 thousand).

The insurance and intermediaries payables consist of payables to policyholders and other insurers that are linked to insurance business, but that are not technical provisions. They also include payables to insurance intermediaries mainly due to commissions. They are recognized when they become due.

There are no differences between Solvency II valuation and IFRS valuation of the insurance and intermediaries.

f) Reinsurance payables

Reinsurance payables as at 31 December 2022 amounted to € 5,280 thousand (2021: € 4,546 thousand).

Reinsurance payables include amounts due to reinsurers arising from reinsurance contracts mainly attributable to ceded premiums payable which are recognized as expenses on accrual basis.

There are no differences between Solvency II valuation and IFRS valuation of reinsurance payables.

g) Payables (Trade, not insurance)

As at 31 December 2022, the payables (trade and not insurance) amounted to € 36,584 thousand (2021: € 14,059 thousand). The increase of the balance as at 31 December 2022 by € 22,525 thousand compared to the previous year is mainly due to the unsettled transactions in 2022 for investments' purchases amounted to € 8,262 thousand. In addition, the Group has income tax liability amounted to € 14,301 thousand (2021: € 7,723 thousand income tax asset). The payables (trade, not insurance) include amounts due to employees, suppliers, and other creditors not insurance related. It also includes income tax liabilities and payables to public entities.

There are no differences between Solvency II valuation and IFRS valuation of the payables (trade, not insurance).

h) Any other liabilities, not elsewhere shown

As at 31 December 2022, any other liabilities, not elsewhere shown amounted to € 900 thousand (2021: € 733 thousand).

Any other liabilities, not elsewhere shown include accrued expenses and the lease liabilities. There are no differences between Solvency II valuation and IFRS valuation of other liabilities, not elsewhere shown.

D.3.2 Solvency II and IFRS valuation differences by material class of liabilities other than Technical Provisions

Apart from the valuation of the net deferred tax, there are no differences between Solvency II valuation and IFRS valuation of the liabilities other than technical provisions.

Net deferred tax

The Deferred tax asset or liability is valued in accordance with the provisions of IAS 12 both under the Solvency II and the IFRS framework. Deferred tax asset or liability is recognized due to the temporary differences arising between the reporting values and the tax values of assets and liabilities.

Deferred tax assets and liabilities are measured using the tax rates, expected to apply upon the period when the asset or liability will be settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the reporting date.

Deferred tax assets are recognized to the extent that it is probable that there will be future taxable profits against which the temporary differences can be utilized. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the recovery of all or part of the asset. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profits will be available.

Under Solvency II, the deferred tax liability of the insurance undertakings that are consolidated using Method 1, as at 31 December 2022, amounted to € 44,062 thousand (2021: €14.561 thousand) whereas in accordance with IFRS, the deferred tax liability amounted to € 18.025 thousand (2021: € 64,594 thousand). In the IFRS financial statements, the main temporary differences of the insurance undertakings that are consolidated using Method 1, arise from the valuation of financial assets and liabilities, the depreciation of fixed assets, the pensions and other retirement benefits to employees and the provision for other doubtful disputed receivables.

Under Solvency II framework, additional deferred tax assets or liabilities over IFRS deferred tax values are recognized with regard to the temporary differences arising from the revaluation of the assets (property, plant and equipment held for own use, loans and mortgages, reinsurance recoverables and time deposits), the de-recognition of intangible assets and the deferred acquisition costs and the revaluation of the technical provisions (Best estimate Liabilities & risk margin).

D.4 Alternative methods for valuation

The Group does not apply alternative methods for valuation

D.5 Any other information

Other material information about valuation do not apply.

E Capital Management

E.1 Own funds

E.1.1 Objectives, policies and processes for managing own funds

The primary objective of the Group's capital management is to ensure that the Group has adequate capitalization on an ongoing basis to cover its risk exposures, and to maximize shareholders' return subject to the total risk tolerance limits, as well as the risk appetite.

The medium-term plan of own funds management aims to provide a 3-year outlook of the Group's capital position, and specifically includes:

a) estimation of foreseeable available funds for the next 3 years
b) estimation of foreseeable required funds for the next 3 years
c) planning of possible measures required in order to ensure the compliance with the relevant regulatory and internal objectives.

The Budget and the Business Plan of the Group forms the basis for the preparation of medium-term plan for own funds management. The calculation of the foreseeable available and required own funds is based on the estimation of the future structure of the balance sheet of the Group with assumptions, parameters or/and correlations which are defined by the appropriate Divisions. The capital requirements of the Group are projected in terms of available own funds, to ensure that the future own funds adequately cover any strategic action that the management intends to take.

Policies and processes of Eurolife Group

The Finance, Strategic Planning & MIS Division is responsible for preparing the Budget and the Business Plans, which are approved by the Board of Directors. The financial projections are based on the strategic plan and targets set by the Eurolife Group, taking into consideration the external and internal environment in which the Eurolife Group operates. Business plan revisions are reflected both in the ORSA process and in the medium-term plan of own funds management. Possible changes in the risk profile of the Eurolife Group, as well as the impact of these in the current and future requirements for solvency are taken into account as part of the procedure for the preparation of the medium-term plan of own funds management. The quality and profile of the Eurolife Group's own funds over the planning period is also taken into consideration.

The Finance, Strategic Planning & MIS Division has the primary responsibility for the management of the Eurolife Group's funds, taking into account the estimates on the available future funds as these are calculated based on the business plan for the next 3 year period. The annual or exceptional revisions of the business plan should be reflected in the future available own funds for the next periods.

In case during the process of compiling the medium-term plan of own funds, the future capital position of the Eurolife Group, in a specific period, is lower than the internal targets set or other regulatory limits, or there is an undesired excess of capital resulting in suboptimal shareholder return then:

- The budget is revised and the individuals units adjust their targets accordingly, thus affecting the rate of capital consumption.
- The Risk, Asset-Liability & Investment Management Committee is informed and measures for the adjustment of own funds are initiated if it is considered necessary.

Simulation exercises with alternative scenarios that reflect the negative impact from unexpected changes on the one hand in the macroeconomic environment and on other hand in the interior of the Eurolife Group are performed in order to estimate the resistance of the future level of the available funds. The results of these exercises are compared with the internal or regulatory limits of solvency in order to identify whether it is required to plan corrective actions or to implement a contingency plan.

Extraordinary revisions are also performed in case of significant developments that necessitate such action. Under all such instances the Risk, Asset-Liability & Investment Management Committee is immediately notified and involved in the process, while resulting changes are reported to the Board of Directors.

E.1.2 Methods used for calculating Group Solvency

In calculating Group Solvency, it is necessary to aggregate the own funds and capital requirements of Group undertakings. Two consolidation methods are set out in the Solvency II regulations, as described below. The Group has obtained supervisory approval to apply a combination of method 1 and method 2.

Method 1: Accounting consolidation (Default method)

The default method is the accounting consolidation approach. According to this method, the own funds of the Group are calculated on the basis of consolidated data, being the line-by-line aggregation of the assets and liabilities of the entities in scope, following International Financial Reporting Standards (IFRS) accounting consolidation methodology. The consolidated assets and liabilities are valued in accordance with Solvency II Directive rules.

The solvency of the Greek insurance subsidiaries (Eurolife FFH Life insurance S.A. and Eurolife FFH General Insurance SA), the ancillary services undertaking (Diethnis Ktimatiki S.A.), and the three insurance holding companies (the Company, Costa Luxembourg Holding S.à r.l. and Eurolife FFH Insurance Group), are calculated by using the Method 1.

It is noted that the own funds of Holding, that are taken into consideration under the Method 1, are reduced by the amount of the available assets of the entity that can be distributed at any time.

Method 2: Deduction and Aggregation (Alternative method)

The alternative method for calculating Group own funds is the deduction and aggregation approach. This method calculates solvency as the difference between aggregated own funds and aggregated Solvency Capital Requirements. Under method 2, the aggregation is a sum of solo own funds and solo Solvency Capital Requirements rather than a line-by-line accounting consolidation.

The Method 2 (‘Deduction and aggregation method’) has been applied for the incorporation of the Romanian insurance subsidiaries (Eurolife FFH Asigurari de Viata S.A. and Eurolife FFH Asigurari Generale S.A.) to the Group Solvency.

Following the aforementioned calculation, by using the Method 2, the sum of the solo own funds and solo solvency capital requirements of the Romanian insurance subsidiaries are added to the own funds as calculated by Method 1 in order to calculate the Group own funds (‘Combined method’).

The treatment of the Group's members for solvency calculation is summarized in the following table:

Group Entities	Country	Included into scope for group supervision	Method used for group solvency calculation	Proportional share used for group solvency calculation
Colonnade Finance S.à r.l.	Luxembourg (Parent Company)	Yes	Method 1	
Costa Luxembourg Holding S.à r.l.	Luxembourg (Holding Company)	Yes	Method 1	100%
Eurolife FFH Insurance Group	Greece	Yes	Method 1	80%
Eurolife FFH Life Insurance SA	Greece	Yes	Method 1	80%
Eurolife FFH General Insurance SA	Greece	Yes	Method 1	80%
Eurolife FFH Asigurari de Viata S.A.	Romania	Yes	Method 2	80%
Eurolife FFH Asigurari Generale S.A.	Romania	Yes	Method 2	80%
Diethnis Ktimatiki S.A.	Greece	Yes	Method 1	80%
Colonnade Ukraine	Ukraine	No	-	-
Colonnade s.r.o.	Czech Republic	No	-	-
SCP Luxembourg S.ar.l.	Luxembourg	No	-	-
Praktiker Hellas	Greece	No	-	-
Designia Single Member Société Anomyme of Insurance Agent	Greece	No	-	-
Designia Single Member Société Anomyme of Insurance Brokerage	Greece	No	-	-

E.1.3 Analysis and classifications of own funds items

The Group's own funds consists of basic own funds.

Group basic own funds are the sum of the consolidated basic own funds of the undertakings under Method 1 and the basic own funds of undertakings under Method 2 ("Combined Method").

None of the Group's own funds are subject to transitional arrangements and the Group has no ancillary own funds.

The following table outlines the components comprising the Group's own funds as of December 31, 2022 and 2021, respectively, as well as their classification into Categories (Tiers).

Group's Own funds: 31.12.2022 (in € th)	**Total**	**Tier 1 unrestricted**	**Tier 1 restricted**	**Tier 2**	**Tier 3**
Ordinary share capital (gross of own shares)	33,922	33,922	0	0	0
Share premium account related to ordinary share capital	174,463	174,463	0	0	0
Reconciliation reserve	357,626	357,626	0	0	0
An amount equal to the value of net deferred tax assets	0	0	0	0	0
Total basic own funds	**566,012**	**566,012**	**0**	**0**	**0**
Total own funds before deduction for participations included by using D&A when a combination of methods is used	**566,012**	**566,012**	**0**	**0**	**0**
Non-available minority interests at group level	0	0	**0**	**0**	**0**
Deduction for participations included by using D&A when a combination of methods is used	-11,214	-11,214	0	0	0
Total own funds (excluding own funds from the undertakings included via D&A when a combination of methods is used)	**554,798**	**554,798**	0	0	0
Own funds aggregated when using the D&A and combination of method	11,214	11,214	0	0	0
Total own funds including own funds from the undertakings included via D&A when a combination of methods is used	**566,012**	**566,012**	**0**	**0**	**0**

Group's Own funds: 31.12.2021 (in € th)	Total	Tier 1 unrestricted	Tier 1 restricted	Tier 2	Tier 3
Ordinary share capital (gross of own shares)	33,922	33,922	0	0	0
Share premium account related to ordinary share capital	174,463	174,463	0	0	0
Reconciliation reserve	226,932	226,932	0	0	0
An amount equal to the value of net deferred tax assets	0	0	0	0	0
Total basic own funds	**435,318**	**435,318**	**0**	**0**	**0**
Total own funds before deduction for participations included by using D&A when a combination of methods is used	**435,318**	**435,318**	**0**	**0**	**0**
Non-available minority interests at group level	0	0	**0**	**0**	**0**
Deduction for participations included by using D&A when a combination of methods is used	-9,586	-9,586	0	0	0
Total own funds (excluding own funds from the undertakings included via D&A when a combination of methods is used)	**425,732**	**425,732**	**0**	**0**	**0**
Own funds aggregated when using the D&A and combination of method	9,586	9,586	0	0	0
Total own funds including own funds from the undertakings included via D&A when a combination of methods is used	**435,318**	**435,318**	**0**	**0**	**0**

*Eurolife FFH Group, which is 80% owned by Colonnade Finance S.à r.l, is fully consolidated in the Solvency II balance sheet and 100% included in both Basic Own Funds and the SCR.

**According to Delegated Regulation (EU) 2015/35/article 330 (4) and Guideline 14 'Treatment of minority interests for covering the group solvency capital requirement', any minority interest in a subsidiary exceeding the contribution of that subsidiary undertaking to the group solvency capital requirement is not available to cover the group solvency capital requirement. Costa grants a put option to the non-controlling interests (Eurobank) to purchase all of its Eurolife Group shares. The put option on the equity shares held by Eurobank is accounted for as a financial liability (2022: € 91,310 & 2021: € 95,722). Due to the financial liability recognition, there is no need to exclude from the Eligible Own Funds of Colonnade Finance S.à r.l the 20% minority interest in the excess of Own Funds over the SCR.

Ordinary share capital and share premium account related to ordinary share capital:

This is the paid up ordinary share capital and share premium account of the Company.

The share capital has the following characteristics:

(a) the shares are issued directly by the Company with the prior approval of the competent body, in accordance with the Luxembourg company law.

b) in the event of liquidation, the shareholders have the right to participate in the remaining proceeds of the liquidation of the insurance assets. This right is proportional to their participation in the share capital of the Company and is neither fixed nor subject to a ceiling.

The paid-up capital of ordinary shares and the related difference from the issue of bonus shares are classified as 'Class 1 - unrestricted'.

Reconciliation reserve:

The Group's reconciliation reserve consists of the following equity components that are held by the undertakings consolidated with Method 1:

(a) retained earnings,

(b) statutory reserves,

(c) the reserves from actuarial gains or losses of the retirement benefit obligation to Group's employees,

(d) reserves from the valuation of available-for-sale investment assets; and

(e) the adjustments arising from the valuation of balance sheet items in accordance with Solvency II.

As at 31 December 2022, the reconciliation reserve equals the total excess of assets over liabilities reduced by a) the foreseeable dividend amounting to € 34,570 thousand (2021: € 29,450 thousand) and b) the other basic own-fund items as presented in the below table:

Reconciliation reserve (in € th)	Group 31.12.2022	Group 31.12.2021
Excess of assets over liabilities	**600,582**	**464,768**
Less:		
Foreseeable dividends, distributions and charges	34,570	29,450
Other basic own fund items	208,386	208,386
Reconciliation reserve	**357,626**	**226,932**

The reconciliation reserve of the Group is classified into tier 1 unrestricted.

An amount equal to the value of net deferred tax assets:

This is the total net deferred tax assets of the Group which meet the criteria for recognition as Tier 3.

Movement in own funds

The following table presents the movement in Group's own funds during 2021 and 2022, respectively:

Group's Movement in own funds during 2022 (in € th)	01.01.2022	Movement in own funds	31.12.2022
Basic own funds			
Ordinary share capital (gross of own shares)	33,922	0	33,922
Share premium account related to ordinary share capital	174,463	0	174,463
Reconciliation reserve	226,932	130,695	357,626
An amount equal to the value of net deferred tax assets	0	0	0
Total basic own funds	**435,318**	**130,695**	**566,012**
Total own funds	**435,318**	**130,695**	**566,012**

E.1.4 Eligibility of Own Funds

According to the Solvency II framework, the eligible own funds to cover the Solvency Capital Requirement (SCR), are subject to the following quantitative limits:

a) the eligible amount of the items of Category 1 (Tier 1) is at least equal to the half of SCR,

b) the eligible amount of the items of Category 3 (Tier 3) is less than 15% of SCR,

c) the sum of eligible amounts of the items of Category 2 (Tier 2) and Category 3 (Tier 3) is less than 50% of SCR.

The following tables present the eligible amount of own funds classified by tiers to cover the Group's Solvency Capital Requirement (SCR) as of 31 December 2022 and 31 December 2021, respectively:

Group 31.12.2022 (in € th)	Total	Tier 1- unrestricted	Tier 1- restricted	Tier 2	Tier 3
Total eligible own funds to meet the SCR of the entities consolidated by Method 1	**554,798**	**554,798**	-	-	-
Total eligible own funds to meet the SCR of the entities consolidated by Method 1 and 2 (Group)	**566,012**	**566,012**	-	-	-

Group 31.12.2021 (in € th)	Total	Tier 1- unrestricted	Tier 1- restricted	Tier 2	Tier 3
Total eligible own funds to meet the SCR of the entities consolidated by Method 1	**425,732**	**425,732**	-	-	-
Total eligible own funds to meet the SCR of the entities consolidated by Method 1 and 2 (Group)	**435,318**	**435,318**	-	-	-

According to the Solvency II framework, the eligible own funds to cover the Minimum Capital Requirement (MCR), are subject to the following quantitative limits:

a) the eligible amount of the items of Category 1 (Tier 1) is at least equal to 80% of MCR,

b) the eligible amount of the items of Category 2 (Tier 2) is less than 20% of MCR

The items of basic own funds of Category 3 (Tier 3) are not used for the calculation of the MCR.

Presented below is the eligible amount of own funds to cover the MCR, classified by tiers as at 31 December 2022. and 31 December 2021 respectively:

Group 31.12.2022 (in € th)	Total	Tier 1- unrestricted	Tier 1- restricted	Tier 2	Tier 3
Total eligible own funds to meet the MCR of the entities consolidated by Method 1	**554,798**	**554,798**	-	-	-
Total eligible own funds to meet the MCR of the entities consolidated by Method 1 and 2 (Group)	**566,012**	**566,012**	-	-	-

Group 31.12.2021 (in € th)	Total	Tier 1- unrestricted	Tier 1- restricted	Tier 2	Tier 3
Total eligible own funds to meet the MCR of the entities consolidated by Method 1	**425,732**	**425,732**	-	-	-
Total eligible own funds to meet the MCR of the entities consolidated by Method 1 and 2 (Group)	**435,318**	**435,318**	-	-	-

E.1.5 Difference between equity in the financial statements and the Solvency II value excess of assets over liabilities

The following tables reconcile the differences between the equity in accordance with the IFRS and the excess of the assets over liabilities as calculated for solvency purposes as at 31 December 2022 and 31 December 2021, respectively:

Group's Equity in the IFRS and the Solvency II as at 31.12.2022 (in € th)	
Excess of the assets over liabilities as calculated for IFRS purposes	**482,880**
Derecognition of Deferred acquisition costs	-29,461
Write off of Goodwill	-22,056
Write off of Intangible assets	-8,649
Revaluation of Property, plant & equipment held for own use	2,806
Revaluation of Property, plant & equipment other than for own use	283
Revaluation of participations	47,446
Revaluation of Equities	0
Revaluation of Bonds	0
Revaluation of Collective Investments Undertakings	0
Revaluation of time deposits	-20
Revaluation of loans and mortgages	-256
Revaluation of technical provisions	159,311
Revaluation of Reinsurance recoverables	-5,663

Revaluation of time deposits included in the Unit Linked funds.	0
Revaluation of any other asset-liabilities	0
Recognition of the additional deferred tax asset related to temporary differences arising from the revaluation of assets and technical provisions between the tax values and the Solvency II values	-26,037
Excess of the assets over liabilities as calculated for solvency purposes	**600,582**

Group's Equity in the IFRS and the Solvency II as at 31.12.2021 (in € th)	
Excess of the assets over liabilities as calculated for IFRS purposes	**628,553**
Derecognition of Deferred acquisition costs	-31,818
Write off of Goodwill	-22,056
Write off of Intangible assets	-7,328
Revaluation of Property, plant & equipment held for own use	2,572
Revaluation of Property, plant & equipment other than for own use	245
Revaluation of participations	35,661
Revaluation of Equities	0
Revaluation of Bonds	0
Revaluation of Collective Investments Undertakings	0
Revaluation of time deposits	2
Revaluation of loans and mortgages	-576
Revaluation of technical provisions	-186,849
Revaluation of Reinsurance recoverables	-3,678
Revaluation of time deposits included in the Unit Linked funds.	6
Revaluation of any other asset-liabilities	0
Recognition of the additional deferred tax asset related to temporary differences arising from the revaluation of assets and technical provisions between the tax values and the Solvency II values	50,033
Excess of the assets over liabilities as calculated for solvency purposes	**464,768**

E.2 Solvency Capital Requirement & Minimum Capital Requirement

Since January 1st, 2016, when the Solvency II regulatory framework was implemented, the Group calculates its capital requirements using the standardized method and has aligned with the requirements of the framework. The Solvency Capital Requirement (SCR) is defined as the change in own funds necessary to limit the probability of default of a company - over a one-year time horizon - to one in 200 years. The Technical Provisions of Solvency II are calculated as the sum of the Best Estimate and the Risk Margin.

The standardized method is applied to calculate the SCR without using "specific parameters for each company" and with partial or full internal model use. However, for the Greek Life Insurance Company, an adjustment for volatility is applied to calculate the Technical Provisions and Solvency Capital Requirement under Solvency II.

The calculation of the Group Solvency has been based on the application of the combined method. In particular, the Method 1 ('Accounting Consolidation') has been applied for the consolidation of the Greek Insurance Companies, (Eurolife FFH Life Insurance SA, Eurolife FFH General Insurance SA) the ancillary services undertaking Company (Diethnis Ktimatiki S.A.) and the three insurance holding companies (the Company, Costa Luxembourg Holding S.à r.l. and Eurolife FFH Insurance Group).

The Method 2 ('Deduction and aggregation method') has been applied for the incorporation of the Romanian insurance subsidiaries (Eurolife FFH Asigurari de Viata S.A. and Eurolife FFH Asigurari Generale S.A.) to the Group Solvency.

The treatment of the Group's members for solvency calculation is summarized in paragraph E.1.2.

Based on the Method 1, the own funds of the Group and the consolidated solvency capital requirement are calculated by using the consolidated data of the Greek Insurance Companies, the ancillary services undertaking and the insurance holding company. The consolidated assets and liabilities are valued in accordance with the Solvency II Directive rules.

It is noted that the own funds of the insurance Holding company, that are taken into consideration under the Method 1, are reduced by the amount of the available assets of the entity that can be distributed at any time up to the amount of the retained earnings of the holding company.

Following the aforementioned calculation, by using the Method 2, the sum of the solo solvency capital requirements and own funds of the Romanian insurance subsidiaries are added to the solvency capital requirement and own funds as calculated by Method 1 in order to calculate the group solvency capital requirement and the Group own funds ('Combined method').

E.2.1 Solvency Capital Requirement and Minimum Capital Requirement amounts

The table below presents the Group's SCR and MCR as of 31 December 2022, and 2021, along with their respective coverage SCR and MCR ratios:

Capital position (in mio €)	Group 31.12.2022	Group 31.12.2021
Total SCR	312.3	287.1
Total MCR	76.1	87.1
SCR Ratio	181%	152%
MCR Ratio	729%	489%

E.2.2 Solvency Capital Requirement amounts by risk module

The tables below represent the Group's Solvency Capital Requirement ("SCR") figures and ratios split by risk module as at 31.12.2022. For comparison purposes, the respective amounts at 31.12.2021, are also depicted.:

Group Contribution SCR per risk as at 31.12.2022 (in mio €)		
Risk	**SCR**	**% of total SCR**
Market risk	255.1	82%
Counterparty default risk	16.3	5%
Life U/W risk	38.3	12%
Health risk	14.0	4%
Non-Life U/W risk	28.8	9%
Operational risk	19.8	6%
Diversification Effect	-67.2	-22%
loss absorbing capacity	-0.9	-0,3%
Total SCR Group (w/o Romania)	**304.3**	**97%**
Total SCR Romania	8.0	3%
Total SCR Group	**312.3**	**100%**

Group Contribution SCR per risk as at 31.12.2021 (in mio €)		
Risk	**SCR**	**% of total SCR**
Market risk	201.2	70%
Counterparty default risk	27.1	9%
Life U/W risk	99.2	35%
Health risk	11.3	4%
Non-Life U/W risk	25.9	9%
Operational risk	13.9	5%
Diversification Effect	-98.2	-34%
loss absorbing capacity	-0.8	0%
Total SCR Group (w/o Romania)	**279.7**	**97%**
Total SCR Romania	7.4	3%
Total SCR Group	**287.1**	**100%**

The tables below show the Solvency Capital Requirement amounts for the Insurance Risks (Life & General Insurance):

Group SCR of Life U/W risk per sub-module as at 31.12.2022 (in mio €)		
Sub-module of Life U/W risk	**SCR**	**% of total SCR**
SCR life U/W risk	**38.3**	**12%**
Mortality risk	3.5	1%
Longevity risk	2.8	1%
Disability-morbidity risk	0.3	0%
Lapse risk	26.2	8%
Life expense risk	14.2	5%
Life catastrophe risk	4.1	1%
Diversification within life underwriting risk module	-12.8	-4%

Group SCR of Life U/W risk per sub-module as at 31.12.2021 (in mio €)		
Sub-module of Life U/W risk	**SCR**	**% of total SCR**
SCR Life U/W risk	**99.2**	**35%**
Mortality risk	2.3	1%
Longevity risk	5.2	2%
Disability-morbidity risk	0.2	0%
Lapse risk	88.9	31%
Life expense risk	14.2	5%
Life catastrophe risk	2.9	1%
Diversification within life underwriting risk module	-14.5	-5%

Group SCR of Non-Life per sub-module as at 31.12.2022 (in mio €)		
Sub-module of Non-Life U/W risk	**SCR**	**% of total SCR**
SCR of Non-Life U/W	**28.8**	**9%**
Non-Life Premium and Reserve risk	19.7	6%
Non-life catastrophe risk	16.4	5%
Lapse risk	3.0	1%
Diversification within non - life underwriting risk module	-10.3	-3%

Group SCR of Non-Life U/W per sub-module as at 31.12.2021 (in mio €)		
Sub-module of Non-Life U/W risk	**SCR**	**% of total SCR**
SCR of Non-Life U/W risk	**25.9**	**9%**
Non-Life Premium and Reserve risk	20.0	7%
Non-life catastrophe risk	12.1	4%
Lapse risk	2.8	1%
Diversification within non - life underwriting risk module	-8.9	-3%

The tables below present the Solvency Capital Requirement amounts for the Market Risk sub-modules.

Group SCR of market risk per sub-module as at 31.12.2022 (in mio €)		
Sub-module of Market risk	**SCR**	**% of total SCR**
SCR Market risk	**255.1**	**82%**
Interest rate risk	7.1	2%
Equity risk	136.1	44%
Property risk	4.5	1%
Spread risk	47.1	15%
Currency risk	57.3	18%
Concentration risk	157.0	50%
Diversification within market risk module	-154.0	-49%

Group SCR of market risk per sub-module as at 31.12.2021 (in mio €)		
Sub-module of Market risk	**SCR**	**% of total SCR**
SCR market risk	**201.2**	**70%**
Interest rate risk	0.0	0%
Equity risk	138.1	48%
Property risk	4.6	2%
Spread risk	37.5	13%
Currency risk	53.9	19%
Concentration risk	57.7	20%
Diversification within market risk module	-90.6	-32%

The largest capital requirements for the reporting period – using the standardized approach – arise from market risk.

The Group is exposed to fluctuations in share prices, changes in credit spreads, changes in foreign exchange rates and concentration of its assets by individual issuer. For 2022, Concentration risk is the most significant sub-component of market risk, with equity risk and currency risk being the next most important sub-components of market risk.

Life underwriting risk is the second most important risk of the Group, with the lapse risk being the main sub-module of this risk. The risks falling into this risk category are consistent with the nature of the insurance coverages provided and the structure of their cash flows.

Mortality and morbidity risks are mitigated through appropriate proportional reinsurance contracts.

With regards to the Non-Life underwriting risk , this risk consists of (a) the Premium and Reserve Risk (NLpr), the development of which is consistent with the business plan (premium and claims provisions), (b) the Catastrophe risk (NLCAT) consistent with catastrophe reinsurance treaties and (c) the lapse risk. The Non-Life underwriting risk, represents the 3rd largest component of the Total SCR for 31.12.2022.

Counterparty default risk is the fifth largest sub-risk of the total capital requirements. Reinsurance contracts and cash deposits with credit institutions are the main sources of counterparty default risk.

E.2.3 Use of simplified calculation methods

The Group does not use simplified calculation methods for any risk or sub-risk module.

E.2.4 Material changes in the Capital Requirement during the reporting period

For the reporting period, the Group's Own Funds significantly exceeds the SCR and MCR capital requirements under Solvency II, given the dividend distribution of € 34.6 million foreseen under the business plan for the year 2023.

E.3 Use of the duration-based equity risk sub-module in the calculation of the Solvency Capital Requirement

The duration-based equity risk sub-module is not applicable for the Group.

E.4 Differences between Standard Formula and internal models

The Group’s Solvency II capital position is calculated with the standard formula, rather than the self-developed internal model.

E.5 Information on any reasonably foreseeable risk of non-compliance with Minimum Capital Requirement and Solvency Capital Requirement

The Group has not experienced any form of non-compliance with minimum capital requirements or significant non-compliance with Solvency Capital Requirements during the reporting period or at the date of preparation of the financial statements.

E.6 Any other information

E.6.1 Dividend policy

The Group has formulated its dividend policy in line with its current strategy. The Group intends to pay an annual dividend that creates sustainable long-term value for its shareholders. The Group aims to operate at a solvency ratio, calculated according to the standard formula, within a management threshold range. The desired threshold range is defined between 120% - 150% of the SCR (for Pillar I risks), for the Greek and Romanian Insurance Companies.

Quantitative Reporting Templates (QRTS)

Templates

The following annual reporting templates are required for the SFCR (all amounts in € th):

Annual Reporting reference code	Annual Reporting Template name
S.02.01.02	Balance Sheet
S.05.01.02	Premiums, claims and expenses by line of business
S.05.02.01	Premiums, claims and expenses by country
S.22.01.22	Impact of long term guarantees and transitional measures
S.23.01.22	Own Funds
S.25.01.22	Solvency Capital Requirement – for groups on Standard formula
S.32.01.22	Undertakings in the scope of the group

S.02.01.02 Balance sheet (in € th)		
		Solvency II value
Assets		**C0010**
Goodwill	R0010	0
Deferred acquisition costs	R0020	0
Intangible assets	R0030	0
Deferred tax assets	R0040	0
Pension benefit surplus	R0050	0
Property, plant & equipment held for own use	R0060	17.156
Investments (other than assets held for index-linked and unit-linked contracts)	R0070	2.450.319
Property (other than for own use)	R0080	1.007
Holdings in related undertakings, including participations	R0090	219.592
Equities	R0100	133.964
Equities - listed	R0110	130.964
Equities - unlisted	R0120	3.000
Bonds	R0130	1.819.769
Government Bonds	R0140	1.683.295
Corporate Bonds	R0150	136.475
Structured notes	R0160	0
Collateralised securities	R0170	0
Collective Investments Undertakings	R0180	188.903
Derivatives	R0190	0
Deposits other than cash equivalents	R0200	87.084
Other investments	R0210	0
Assets held for index-linked and unit-linked contracts	R0220	630.515
Loans and mortgages	R0230	40.361
Loans on policies	R0240	0
Loans and mortgages to individuals	R0250	0
Other loans and mortgages	R0260	40.361
Reinsurance recoverables from:	R0270	11.994
Non-life and health similar to non-life	R0280	11.892
Non-life excluding health	R0290	11.008
Health similar to non-life	R0300	885
Life and health similar to life, excluding health and index-linked and unit-linked	R0310	102
Health similar to life	R0320	-292
Life excluding health and index-linked and unit-linked	R0330	394
Life index-linked and unit-linked	R0340	0
Deposits to cedants	R0350	0
Insurance and intermediaries receivables	R0360	19.008
Reinsurance receivables	R0370	2.033
Receivables (trade, not insurance)	R0380	6.325
Own shares (held directly)	R0390	0
Amounts due in respect of own fund items or initial fund called up but not yet paid in	R0400	0
Cash and cash equivalents	R0410	174.657
Any other assets, not elsewhere shown	R0420	1.362
Total assets	**R0500**	3.353.730
Liabilities		
Technical provisions - non-life	R0510	122.592
Technical provisions - non-life (excluding health)	R0520	84.447
Technical provisions calculated as a whole	R0530	0
Best Estimate	R0540	80.154
Risk margin	R0550	4.293
Technical provisions - health (similar to non-life)	R0560	38.145
Technical provisions calculated as a whole	R0570	0
Best Estimate	R0580	37.756
Risk margin	R0590	389
Technical provisions - life (excluding index-linked and unit-linked)	R0600	1.820.477
Technical provisions - health (similar to life)	R0610	2.016
Technical provisions calculated as a whole	R0620	0
Best Estimate	R0630	1.993
Risk margin	R0640	23
Technical provisions - life (excluding health and index-linked and unit-li	R0650	1.818.461
Technical provisions calculated as a whole	R0660	0
Best Estimate	R0670	1.800.056
Risk margin	R0680	18.404
Technical provisions - index-linked and unit-linked	R0690	582.664
Technical provisions calculated as a whole	R0700	0
Best Estimate	R0710	576.834
Risk margin	R0720	5.830
Other technical provisions	R0730	0
Contingent liabilities	R0740	0
Provisions other than technical provisions	R0750	10.631
Pension benefit obligations	R0760	1.052
Deposits from reinsurers	R0770	0
Deferred tax liabilities	R0780	44.062
Derivatives	R0790	0
Debts owed to credit institutions	R0800	0
Financial liabilities other than debts owed to credit institutions	R0810	91.310
Insurance & intermediaries payables	R0820	37.596
Reinsurance payables	R0830	5.280
Payables (trade, not insurance)	R0840	36.584
Subordinated liabilities	R0850	0
Subordinated liabilities not in Basic Own Funds	R0860	0
Subordinated liabilities in Basic Own Funds	R0870	0
Any other liabilities, not elsewhere shown	R0880	900
Total liabilities	**R0900**	2.753.148
Excess of assets over liabilities	**R1000**	600.582

S.05.01.02 Premiums, claims and expenses by line of business (in € th)		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	55.898	3.209	0	17.230	6.991	1.274	30.986	2.259	0
Gross - Proportional reinsurance accepted	R0120	0	0	0	0	0	0	0	0	0
Gross - Non-proportional reinsurance accepted	R0130									
Reinsurers' share	R0140	680	834	0	166	187	88	8.930	1.440	0
Net	R0200	55.218	2.374	0	17.064	6.804	1.186	22.056	819	0
Premiums earned										
Gross - Direct Business	R0210	54.416	3.144	0	17.135	6.762	1.243	31.072	1.911	0
Gross - Proportional reinsurance accepted	R0220	0	0	0	0	0	0	0	0	0
Gross - Non-proportional reinsurance accepted	R0230									
Reinsurers' share	R0240	680	761	0	166	187	102	8.566	1.301	0
Net	R0300	53.736	2.382	0	16.969	6.575	1.141	22.505	610	0
Claims incurred										
Gross - Direct Business	R0310	41.737	606	0	12.853	2.332	325	7.346	-186	0
Gross - Proportional reinsurance accepted	R0320	0	0	0	0	0	0	0	0	0
Gross - Non-proportional reinsurance accepted	R0330									
Reinsurers' share	R0340	388	557	0	0	0	0	1.971	-71	0
Net	R0400	41.349	49	0	12.853	2.332	325	5.376	-115	0
Changes in other technical provisions										
Gross - Direct Business	R0410	0	0	0	0	0	0	0	0	0
Gross - Proportional reinsurance accepted	R0420	0	0	0	0	0	0	0	0	0
Gross - Non-proportional reinsurance accepted	R0430									
Reinsurers' share	R0440	0	0	0	0	0	0	0	0	0
Net	R0500	0	0	0	0	0	0	0	0	0
Expenses incurred	R0550	18.153	1.649	0	7.276	2.597	526	12.602	875	0
Other expenses	R1200									
Total expenses	R1300									

S.05.01.02 Premiums, claims and expenses by line of business (in € th)		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	1.587	4.385	4.853					128.670
Gross — Proportional reinsurance accepted	R0120	0	0	0					0
Gross — Non-proportional reinsurance accepted	R0130								0
Reinsurers' share	R0140	117	3.000	4.473					19.916
Net	R0200	1.469	1.385	380					108.755
Premiums earned									
Gross — Direct Business	R0210	1.454	4.228	4.038					125.402
Gross — Proportional reinsurance accepted	R0220	0	0	0					0
Gross — Non-proportional reinsurance accepted	R0230	0	0	0					0
Reinsurers' share	R0240	69	2.952	3.769					18.555
Net	R0300	1.385	1.276	269					106.848
Claims incurred									
Gross — Direct Business	R0310	-27	0	-1.026					63.961
Gross — Proportional reinsurance accepted	R0320	0	0	0					0
Gross — Non-proportional reinsurance accepted	R0330	0	0	0					0
Reinsurers' share	R0340	-11	0	-990					1.843
Net	R0400	-15	0	-36					62.118
Changes in other technical provisions									
Gross — Direct Business	R0410	0	0	0					0
Gross — Proportional reinsurance accepted	R0420	0	0	0					0
Gross — Non- proportional reinsurance accepted	R0430	0	0	0					0
Reinsurers' share	R0440	0	0	0					0
Net	R0500	0	0	0					0
Expenses incurred	R0550	415	1.772	-21					45.843
Other expenses	R1200								5.844
Total expenses	**R1300**								51.686

		Line of Business for: life insurance obligations						Life reinsurance obligations		
S.05.01.02 Premiums, claims and expenses by line of business (in € th)		Health insurance	Insurance with profit participation	Index-linked and unit-linked insurance	Other life insurance	Annuities stemming from non-life insurance contracts and relating to health insurance obligations	Annuities stemming from non-life insurance contracts and relating to insurance obligations other than health insurance obligations	Health reinsurance	Life reinsurance	Total
		C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0300
Premiums written										
Gross	R1410	3.547	70.395	208.268	196.674					478.883
Reinsurers' share	R1420	924	168	0	3.091					4.182
Net	R1500	2.623	70.227	208.268	193.583					474.701
Premiums earned										
Gross	R1510	3.561	70.395	208.268	196.476					478.700
Reinsurers' share	R1520	898	161	0	2.863					3.922
Net	R1600	2.664	70.234	208.268	193.613					474.778
Claims incured										
Gross	R1610	1.284	312.531	59.699	31.950					405.464
Reinsurers' share	R1620	50	46	0	1.036					1.132
Net	R1700	1.233	312.486	59.699	30.914					404.331
Changes in other technical provisions										
Gross	R1710	0	295.460	-73.836	-152.124					69.500
Reinsurers' share	R1720	0	0	0	0					0
Net	R1800	0	295.460	-73.836	-152.124					69.500
Expenses incurred	R1900	1.816	9.937	6.715	18.931					37.399
Other expenses	R2500									5.046
Total expenses	R2600									42.445

S.05.02.01 Premiums, claims and expenses by country (in € th)		Home Country	Top 5 countries (by amount of gross premiums written) — non-life obligations					Total Top 5 and home country
		C0080	C0090					C0140
Premiums written								
Gross — Direct Business	R0110	128.670	0					128.670
Gross — Proportional reinsurance accepted	R0120	0	0					0
Gross — Non-proportional reinsurance accepted	R0130	0	0					0
Reinsurers' share	R0140	19.916	0					19.916
Net	R0200	108.755	0					108.755
Premiums earned								
Gross — Direct Business	R0210	125.402	0					125.402
Gross — Proportional reinsurance accepted	R0220	0	0					0
Gross — Non-proportional reinsurance accepted	R0230	0	0					0
Reinsurers' share	R0240	18.555	0					18.555
Net	R0300	106.848	0					106.848
Claims incurred								
Gross — Direct Business	R0310	63.961	0					63.961
Gross — Proportional reinsurance accepted	R0320	0	0					0
Gross — Non-proportional reinsurance accepted	R0330	0	0					0
Reinsurers' share	R0340	1.843	0					1.843
Net	R0400	62.118	0					62.118
Changes in other technical provisions								
Gross — Direct Business	R0410	0	0					0
Gross — Proportional reinsurance accepted	R0420	0	0					0
Gross — Non-proportional reinsurance accepted	R0430	0	0					0
Reinsurers' share	R0440	0	0					0
Net	R0500	0	0					0
Expenses incurred	R0550	45.843	0					45.843
Other expenses	**R1200**							5.844
Total expenses	**R1300**							51.686

S.05.02.01 Premiums, claims and expenses by country (in € th)		Home Country	Top 5 countries (by amount of gross premiums written) — life obligations					Total Top 5 and home country
			Country (by amount of gross premiums written) - life obligations					
		C0220	C0230					C0280
Premiums written								
Gross	R1410	478.883	0					478.883
Reinsurers' share	R1420	4.182	0					4.182
Net	R1500	474.701	0					474.701
Premiums earned								
Gross	R1510	478.700	0					478.700
Reinsurers' share	R1520	3.922	0					3.922
Net	R1600	474.778	0					474.778
Claims incurred								
Gross	R1610	405.464	0					405.464
Reinsurers' share	R1620	1.132	0					1.132
Net	R1700	404.331	0					404.331
Changes in other technical provisions								
Gross	R1710	69.500	0					69.500
Reinsurers' share	R1720	0	0					0
Net	R1800	69.500	0					69.500
Expenses incurred	R1900	37.399	0					37.399
Other expenses	R2500							5.046
Total expenses	**R2600**							42.445

S.22.01.22 Impact of long term guarantees and transitional measures (in € th)		Amount with Long Term Guarantee measures and transitionals	Impact of transitional on technical provisions	Impact of transitional on interest rate	Impact of volatility adjustment set to zero	Impact of matching adjustment set to zero
		C0010	C0030	C0050	C0070	C0090
Technical provisions	R0010	2.525.733	0	0	13.968	0
Basic own funds	R0020	566.012	0	0	-10.899	0
Eligible own funds to meet Solvency Capital Requirement	R0050	566.012	0	0	-10.899	0
Solvency Capital Requirement	R0090	312.315	0	0	5.069	0

S.23.01.22 Own funds (in € th)		Total	Tier 1 — unrestricted	Tier 1 — restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
Basic own funds before deduction for participations in other financial sector						
Ordinary share capital (gross of own shares)	R0010	33.922	33.922		0	
Non-available called but not paid in ordinary share capital at group level	R0020	0	0		0	
Share premium account related to ordinary share capital	R0030	174.463	174.463		0	
Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings	R0040	0	0		0	
Subordinated mutual member accounts	R0050	0		0	0	0
Non-available subordinated mutual member accounts at group level	R0060	0		0	0	0
Surplus funds	R0070	0	0			
Non-available surplus funds at group level	R0080	0	0			
Preference shares	R0090	0		0	0	0
Non-available preference shares at group level	R0100	0		0	0	0
Share premium account related to preference shares	R0110	0		0	0	0
Non-available share premium account related to preference shares at group level	R0120	0		0	0	0
Reconciliation reserve	R0130	357.626	357.626			
Subordinated liabilities	R0140	0		0	0	0
Non-available subordinated liabilities at group level	R0150	0		0	0	0
An amount equal to the value of net deferred tax assets	R0160	0				0
The amount equal to the value of net deferred tax assets not available at the group level	R0170	0				0
Other items approved by supervisory authority as basic own funds not specified above	R0180	0	0	0	0	0
Non available own funds related to other own funds items approved by supervisory authority	R0190	0	0	0	0	0
Minority interests (if not reported as part of a specific own fund item)	R0200	0	0	0	0	0
Non-available minority interests at group level	R0210	0	0	0	0	0
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds						
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds	R0220	0	0	0	0	0
Deductions						
Deductions for participations in other financial undertakings, including non-regulated undertakings carrying out financial activities	R0230	0	0	0	0	0
whereof deducted according to art 228 of the Directive 2009/138/EC	R0240	0	0	0	0	0
Deductions for participations where there is non-availability of information (Article 229)	R0250	0	0	0	0	0
Deduction for participations included by using D&A when a combination of methods is used	R0260	11.214	11.214	0	0	0
Total of non-available own fund items	R0270	0	0	0	0	0
Total deductions	R0280	11.214	11.214	0	0	0
Total basic own funds after deductions	R0290	554.798	554.798	0	0	0
Ancillary own funds						
Unpaid and uncalled ordinary share capital callable on demand	R0300	0			0	
Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand	R0310	0			0	
Unpaid and uncalled preference shares callable on demand	R0320	0			0	0
A legally binding commitment to subscribe and pay for subordinated liabilities on demand	R0330	0			0	0
Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC	R0340	0			0	
Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC	R0350	0			0	
Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0360	0			0	
Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0370	0			0	0
Non available ancillary own funds at group level	R0380	0			0	0
Other ancillary own funds	R0390	0			0	0
Total ancillary own funds	R0400	0			0	0
Own funds of other financial sectors						
Credit institutions, investment firms, financial institutions, alternative investment fund managers, UCITS management companies - total	R0410	0	0	0	0	
Institutions for occupational retirement provision	R0420	0	0	0	0	0
Non regulated entities carrying out financial activities	R0430	0	0	0	0	
Total own funds of other financial sectors	R0440	0	0	0	0	0
Own funds when using the D&A, exclusively or in combination of method 1						
Own funds aggregated when using the D&A and combination of method	R0450	11.214	11.214	0	0	0
Own funds aggregated when using the D&A and combination of method net of IGT	R0460	11.214	11.214	0	0	0
Total available own funds to meet the consolidated group SCR (excluding own funds from other financial sector and from the undertakings included via D&A)	R0520	554.798	554.798	0	0	0
Total available own funds to meet the minimum consolidated group SCR	R0530	554.798	554.798	0	0	
Total eligible own funds to meet the consolidated group SCR (excluding own funds from other financial sector and from the undertakings included via D&A)	R0560	554.798	554.798	0	0	0
Total eligible own funds to meet the minimum consolidated group SCR	R0570	554.798	554.798	0	0	
Minimum consolidated Group SCR	R0610	76.079				
Ratio of Eligible own funds to Minimum Consolidated Group SCR	R0650	0				
Total eligible own funds to meet the group SCR (including own funds from other financial sector and from the undertakings included via D&A)	R0660	566.012	566.012	0	0	0
Group SCR	R0680	312.315				
Ratio of Eligible own funds to group SCR including other financial sectors and the undertakings included via D&A	R0690	181%				

		C0060
Reconciliation reserve		
Excess of assets over liabilities	R0700	600.582
Own shares (held directly and indirectly)	R0710	0
Foreseeable dividends, distributions and charges	R0720	34.570
Other basic own fund items	R0730	208.386
Adjustment for restricted own fund items in respect of matching adjustment	R0740	0
Other non available own funds	R0750	0
Reconciliation reserve	R0760	357.626
Expected profits		
Expected profits included in future premiums (EPIFP) - Life business	R0770	0
Expected profits included in future premiums (EPIFP) - Non-life business	R0780	0
Total Expected profits included in future premiums (EPIFP)	R0790	0

S.25.01.22 Solvency Capital Requirement — for groups on Standard Formula (in € th)		Gross solvency capital requirement	USP	Simplifications
		C0110	C0090	C0120
Basic Solvency Capital Requirement				
Market risk	R0010	255.114		
Counterparty default risk	R0020	16.325		
Life underwriting risk	R0030	38.344		
Health underwriting risk	R0040	13.976		
Non-life underwriting risk	R0050	28.757		
Diversification	R0060	-67.155		
Intangible asset risk	R0070	0		
Basic Solvency Capital Requirement	R0100	285.361		
Calculation of Solvency Capital Requirement				
Operational risk	R0130	19.835		
Loss-absorbing capacity of technical provisions	R0140	0		
Loss-absorbing capacity of deferred taxes	R0150	-881		
Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC	R0160	0		
Solvency capital requirement excluding capital add-on	R0200	304.315		
Capital add-on already set	R0210	0		
Solvency capital requirement	R0220	304.315		
Other information on SCR				
Capital requirement for duration-based equity risk sub-module	R0400	0		
Total amount of Notional Solvency Capital Requirements for remaining part	R0410	0		
Total amount of Notional Solvency Capital Requirements for ring fenced funds	R0420	0		
Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios	R0430	0		
Diversification effects due to RFF nSCR aggregation for article 304	R0440	0		
Minimum consolidated group solvency capital requirement	R0470	76.079		
Information on other entities				
Capital requirement for other financial sectors (Non-insurance capital requirements)	R0500	0		
Capital requirement for other financial sectors (Non-insurance capital requirements) — Credit institutions, investment firms and financial institutions, alternative investment funds managers, UCITS management companies	R0510	0		
Capital requirement for other financial sectors (Non-insurance capital requirements) — Institutions for occupational retirement provisions	R0520	0		
Capital requirement for other financial sectors (Non-insurance capital requirements) — Capital requirement for non-regulated entities carrying out financial activities	R0530	0		
Capital requirement for non-controlled participation requirements	R0540	0		
Capital requirement for residual undertakings	R0550	0		
Overall SCR				
SCR for undertakings included via D and A	R0560	8.000		
Solvency capital requirement	R0570	312.315		

S.32.01.22Undertakings in the scope of the group (in € th)							Criteria of influence						Inclusion in the scope of group		Group solvency calculation
Identification code of the undertaking	Country	Legal name of the undertaking	Type of undertaking	Legal form	Category (mutual/ non mutual)	Supervisory Authority	% 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
C0020	C0010	C0040	C0050	C0060	C0070	C0080	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
LEI/2138002G1TRYH4UT1688	s2c_GA:GR (GREECE)	Eurolife FFH Μονοπρόσωπη Α.Ε. Ασφαλίσεων Ζωής	s2c_SE:x95 (Life undertakings)	ανώνυμη εταιρία	s2c_SE:x58 (Non-mutual)	Bank of Greece	100,00%	100,00%	100,00%	0,00%	s2c_CS:x17 (Dominant)	80,00%	s2c_CS:x19 (Included into scope of group supervision)	0,00%	s2c_CS:x10 (Method 1: Full consolidation)
LEI/21380091OFVQTX49GS28	s2c_GA:GR (GREECE)	Eurolife FFH Insurance Group Α.Ε. Συμμετοχών	s2c_SE:x41 (Insurance holding company as defined in Art. 212§ [f] of Directive 2009/138/EC)	ανώνυμη εταιρία	s2c_SE:x58 (Non-mutual)	0,00	100,00%	100,00%	100,00%	0,00%	s2c_CS:x17 (Dominant)	80,00%	s2c_CS:x19 (Included into scope of group supervision)	0,00%	s2c_CS:x10 (Method 1: Full consolidation)
LEI/213800BQQJITVLKVBB33	s2c_GA:RO (ROMANIA)	Eurolife FFH Asigurări de Viaţă S.A.	s2c_SE:x95 (Life undertakings)	societăţi mutuale	s2c_SE:x58 (Non-mutual)	Romanian Financial Supervisory Authority	100,00%	100,00%	100,00%	0,00%	s2c_CS:x17 (Dominant)	80,00%	s2c_CS:x19 (Included into scope of group supervision)	0,00%	s2c_CS:x15 (Method 2: Solvency II)
LEI/213800FTX6WHGML62N33	s2c_GA:GR (GREECE)	Eurolife FFH Μονοπρόσωπη Α.Ε. Γενικών Ασφαλίσεων	s2c_SE:x96 (Non-Life undertakings)	ανώνυμη εταιρία	s2c_SE:x58 (Non-mutual)	Bank of Greece	100,00%	100,00%	100,00%	0,00%	s2c_CS:x17 (Dominant)	80,00%	s2c_CS:x19 (Included into scope of group supervision)	0,00%	s2c_CS:x10 (Method 1: Full consolidation)
LEI/213800INBUKMNZBQTL41	s2c_GA:RO (ROMANIA)	Eurolife FFH Asigurări Generale S.A.	s2c_SE:x96 (Non-Life undertakings)	societăţi mutuale	s2c_SE:x58 (Non-mutual)	Romanian Financial Supervisory Authority	100,00%	100,00%	100,00%	0,00%	s2c_CS:x17 (Dominant)	80,00%	s2c_CS:x19 (Included into scope of group supervision)	0,00%	s2c_CS:x15 (Method 2: Solvency II)
SC/2138002G1TRYH4UT1688GR00001	s2c_GA:GR (GREECE)	Διεθνής Κτηματική Α.Ε.	s2c_SE:x3 (Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35)	ανώνυμη εταιρία	s2c_SE:x58 (Non-mutual)	0,00	100,00%	100,00%	100,00%	0,00%	s2c_CS:x17 (Dominant)	80,00%	s2c_CS:x19 (Included into scope of group supervision)	0,00%	s2c_CS:x10 (Method 1: Full consolidation)
LEI/894500J0PG0C1UE8OK45	s2c_GA:LU (LUXEMBOURG)	Colonnade Finance S.à r.l.	s2c_SE:x41 (Insurance holding company as defined in Art. 212§ [f] of Directive 2009/138/EC)	ανώνυμη εταιρία	s2c_SE:x58 (Non-mutual)	0,00	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	s2c_CS:x19 (Included into scope of group supervision)	0,00%	s2c_CS:x10 (Method 1: Full consolidation)
SC/B205730	s2c_GA:LU (LUXEMBOURG)	Costa Luxembourg Holding S.à r.l.	s2c_SE:x41 (Insurance holding company as defined in Art. 212§ [f] of Directive 2009/138/EC)	ανώνυμη εταιρία	s2c_SE:x58 (Non-mutual)	0,00	100,00%	100,00%	100,00%	0,00%	s2c_CS:x17 (Dominant)	100,00%	s2c_CS:x19 (Included into scope of group supervision)	0,00%	s2c_CS:x10 (Method 1: Full consolidation)

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