European Reliance General Insurance Co. S.A

Annual Financial Report

2019

For the period from 01/01/2019 to 31/12/2019
According to article 4 of L. 3556/2007

EUROPEAN RELIANCE

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Statements of the Executives of the Group

Dear Shareholders,

2019 was the best year since the Company's first establishment, and to be more precise:

1. The total income from Insurance Premiums and Policy Fees presented 11.2% increase and amounted to € 212.4 mil. The Group's total Income amounted to € 225.3 mil., presenting 11.3% increase.
2. The total Assets increased by 12.2% reaching € 481.7 mil.
3. The Company's Total Equity increased by 21.8% at € 141.2 mil.
4. The Insurance Provisions of the Company increased by 5.9% at € 302.6 mil.
5. The Group's profitability recorded a strong increase equal to 45.5% with pre-tax Profit at € 22.4 mil.
6. The Company's Solvency Ratio strengthened by 7.8 percentage points at 167.6%, further increasing our credibility and ensuring the future of thousands of insured.

2019 was also a year that further highlighted the essential role of Private Insurance for the Greek society. Yet, we are in early stages. Private Insurance in Greece is still at low levels, comparing to the average European levels, regarding the insurance consciousness and matters of Insurance Premiums as a percentage of the GDP. It is a fact that the development of insurance awareness is inextricably connected to the trust that the consumers have in the insurance companies. This trust in the new institutional environment of Solvency II Directive that applies throughout Europe, it is constantly improving and is a significant growth factor.

In a constantly changing environment, the challenge is to identify and understand the needs of the society, our employees and the expectations of our shareholders. To this challenge and fiscal year 2019, we gave a positive response, and this can be proven by the figures and the constant distinctions that the Company receives by organization reputable for their neutrality and objectivity.

It is also worth noticing that the mutual understanding and systematic and constant work by all of the Company's functions, are the guarantee for the achievement of the Company's ambitious strategic and fiscal objectives and the reason for the recognition of the Company as one of the most important insurance companies in Greece, with especially strong growth prospects in the future.

Dear shareholders,

Over the past days, we have all witnessed the spread and impact of COVID-19 (coronavirus) that has a dramatic effect on public health and global financial status and inevitably our country. Our thoughts are close to those that have been directly affected by the virus, their families and the employees in health care sectors that are in the first line of defense. Since the first appearance of the virus, we stay close to the State and the society. We have already performed a series of actions, individually, by donating health care equipment of the latest technology and supporting the Ministry of Health and the medical and healthcare personnel and via the donation to the Hellenic Association of Insurance Companies. We monitor closely the matter of the spread of COVID-19 and we work systematically and take all necessary preventive measures to minimize the material and financial consequences.

Over the course of the past 42 years, we have acquired significant experience in the management of difficult situations in cases of volatility and uncertainty. Our focus of interest always was our insured, our personnel and our shareholders. For this reason, we take care of our employees and partners, to keep them safe and healthy with every necessary sacrifice.

Although it is already very soon, to know the impact of the virus in our Company, I am absolutely sure that the business continuity plans for our activity will allow us to succeed our strategic and fiscal objectives, as provided for in the three-year business plan with the reasonable deviations. We daily observe these plans, in the new reality that the virus shapes and we try to better understand the impact and properly adjust the policies and functions.

The spread of COVID-19 is a serious case and it needs our attention. We would like to inform you that we apply all measures and do what is necessary to continue to serve thousands of customers continuously and smoothly.

Concluding, I would like to thank every individual for the support and trust and express my gratitude to the Human Resources and all Insurance agents of the Company.

I wish for 2020 to be a year full of health, happiness and joy.

Christos Georgakopoulos
Chief Executive Officer

Dear Shareholders,

During a short review of the previous fiscal year, we can clearly notice the positive changes in all financial figures.

In general, 2019 was a year that had many challenges and opportunities, which can be seen in the stable growth of the Insurance Sector and the awareness of the citizens for the necessity of Private Insurance Coverage in the fields of Property, Health and Pension.

European Reliance utilized the offered opportunities for the benefit of the shareholders, employees, insurance agents and the insured. The Company presented innovative insurance schemes for full insurance coverage of needs, created new Retail Offices in the Greek territory, increased the number of the cooperating Sales Network and attracted new corporate customers.

All of the above led the Company to its current position. To be considered among the 5 largest insurance companies in Greece based on the turnover, with its market share estimated at 5.2%.

More specifically,

- The gross written premiums and related income of the parent company amounted in 2019 to € 212.4 mil., versus € 191.0 mil. in 2018, presenting 11.2% increase. The largest increase was in the Life Insurance Sector (+28,7%), following the Other Non-Life Sectors (+ 5.6%) and the Motor Sector (+4.8%).
- The consolidated pre-tax Profit of the Group amounted in 2019 to € 22.4 mil., versus € 15.4 mil. In 2018, presenting 45.5 % increase. This formation of the pre-tax profit is mainly due to the following facts:
  - Increase of the gross written premiums and related income by € 21.4 mil. (+11.2%)
  - Increase of the investment income, profit from the sale of financial assets and other income by € 4.6 mil. (+70.8%)
  - increase of the insurance claims by € 8.6 mil. (+9.2%)
  - Increase of the insurance provisions by € 6.4 mil. (+ 69.0%)
  - Increase of total distribution expenses, administrative expenses and other expenses by € 2.2. mil. (+8.1%)

In addition to the financial figures, the Group put special emphasis on Corporate Governance, Social Responsibility, Transparency, Corporate Responsibility, Compliance, matters that are ensured through the establishment of corporate principles and procedures.

We remain devoted to the implementation of our strategic objectives, in full compliance with the Greek and European legislation. Working towards the achievement of the “Dream”, we will do our utmost to continue to be innovators and set standards for exceptional performance in the constantly competitive Greek insurance market.

Nikolaos Chalkiopoulos

Chairman of the Board of Directors

Chief Insurance Operations Officer

Dear Shareholders,

In 2019, our Organization applied an even more dynamic and innovative approach on the insurance products, investment policy, administration of operating expenses and claims and the terms of the reinsurance policies.

This approach is totally related to the requirements of the supervisory framework (Solvency II), aiming at the best possible shielding of the Company against multiple financial and non-financial risks and strengthening its credibility towards its insured.

To all of the above, it is worth mentioning the actions performed in 2019, for the benefit of thousands of shareholders. The Board of Directors of the Company implemented the scheme for repurchase of Own Shares, as approved by the General Meeting of Shareholders, and in 2019 purchased 208,729 Own Shares aiming at their future deletion. Moreover, in 2019, the Company's BoD will propose to the General Ordinary Meeting of Shareholders the distribution of dividend equal to € 6,601 thous., that corresponds to € 0.24 Euro per share, an amount increased by 84.6 % comparing to the previous fiscal year, proving in action our commitment to stay close to our shareholders and reward them for their trust.

Our Group consists of 1,125 employees and our Company's Sales Network operates throughout Greece and consists of 110 Retail Offices and over 5,730 Insurance Agents, that contribute to the establishment of our Group in the Insurance Market with total market share in 2019 at 5.2%. For our history as a company, this is an achievement.

We provide support and constant training to our people. Moreover, we do our utmost to ensure health and safety in workspaces and enhance the two-way communication of the employees and the Management.

In 2020, we will give special emphasis on the implementation of technology projects, such as the establishment of modern software that will contribute to the total reformation of the department of Finance of the Organization, and the Company's compliance with the new International Financial Reporting Standards 17 & 9, which in the future years will have an especially high impact on the insurance sector.

Moreover, I would like to thank all of the Company's shareholders, as we continued another year of excellent cooperation, the employees and the Sales Network, who significantly contributed to the profitable course of the Company and the thousands of insured for their trust over the past 42 years, and we stay committed to provide our best services with the top insurance products.

Stefanos Verzovitis
Vice-Chairman of the Board of Directors
Chief Financial Officer

A.

Annual Management Report of the Board of Directors on the Consolidated Financial Statements and the Statement of Corporate Governance

Introduction

Dear Shareholders,

According to the provisions of articles 150-154 of Law 4548/2018, the provisions of Law 3556/2007, article 4, paragraphs 2c, 6, 7 & 8, the decision of the Capital Market Commission No. 7/448/11.10.2007, article 2 and the Company's Article of Association, we submit to you the Annual Management Report of the Board of Directors for the time period from 01/01/2019 to 31/12/2019.

The present report contains general information on the financial position and the results of the Group and the Parent Company "EUROPEAN RELIANCE GENERAL INSURANCE Co. S.A.". The financial information aim to inform the shareholders and the investors on the overall course and changes that occurred in the fiscal year from 01/01/2019 to 31/12/2019, including the presentation of important facts that took place during this fiscal period and their impact on the financial statements of this period.

Moreover, the present report describes the major risks and uncertainties and the system of corporate governance, and presents the transactions performed between the Company and the Group with the related undertakings.

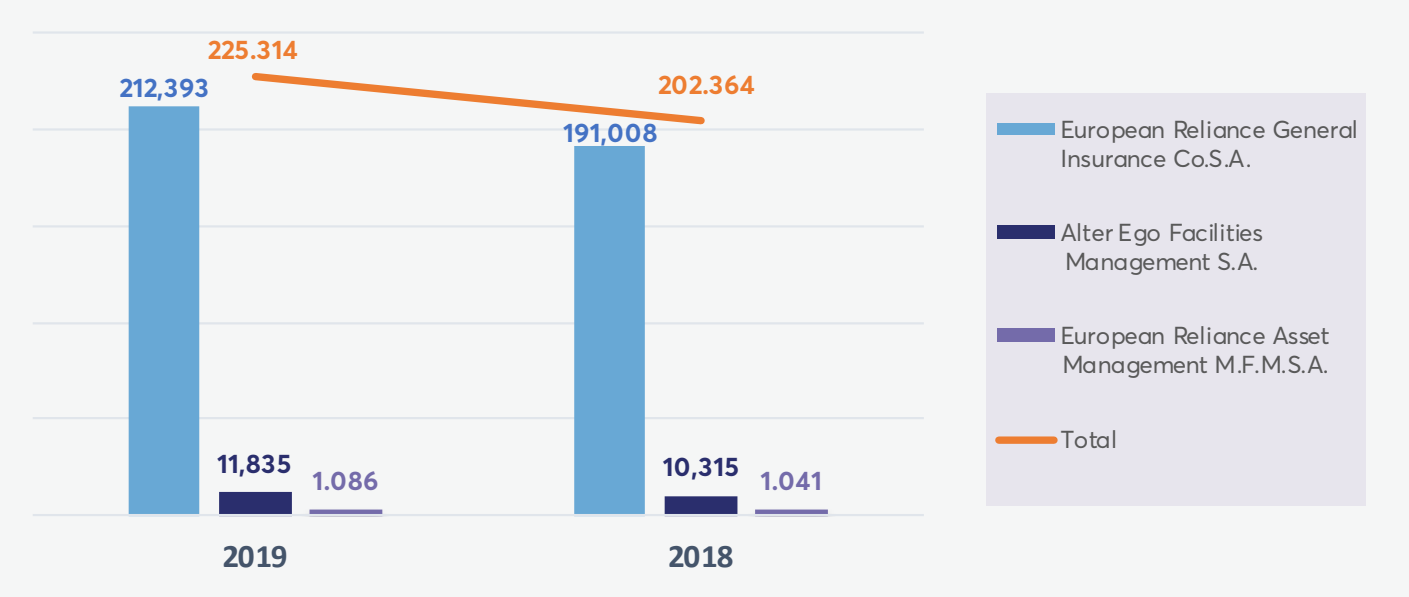
Furthermore, in Section G of the present report, we present the Group's non-financial information in the Non-Financial Information Report of L. 4403/2016.

The Chairman of the Board of Directors

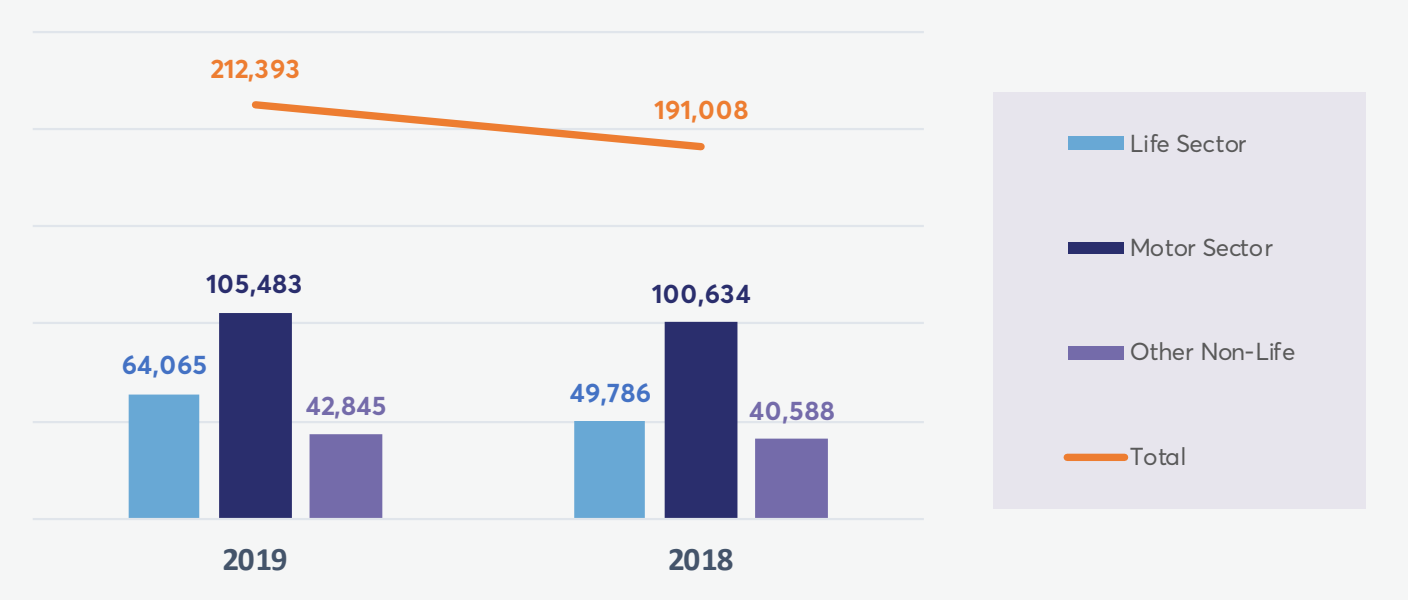
Nikolaos Chalkiopoulos

Group's Key Financial Figures and Information

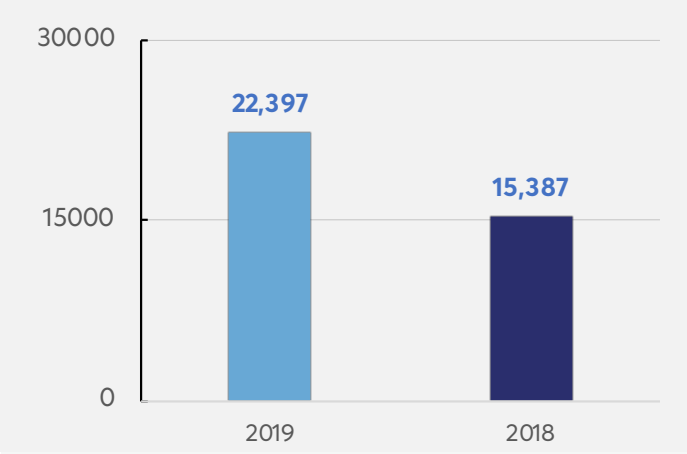
Group's Total Income (in thous. €)



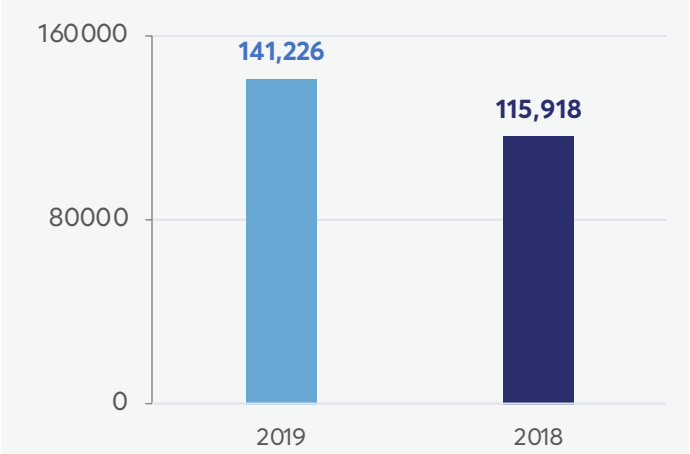
Income from Insurance Premiums and Policy fees per Sector (in thous. €)



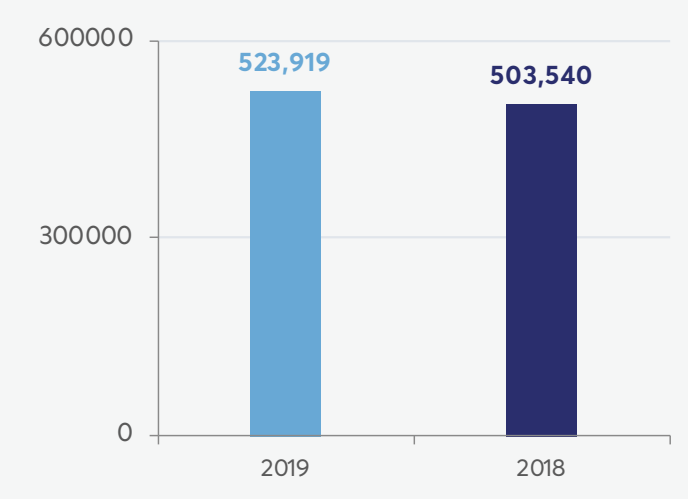
Pre Tax Profit (in thous. €)



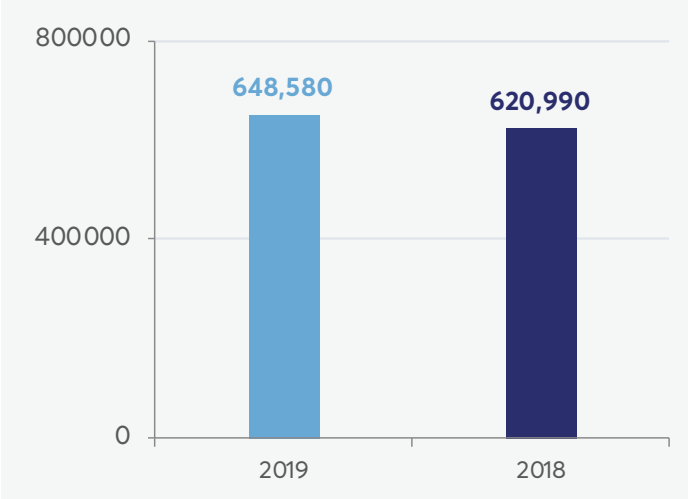
Total Equity (in thous. €)



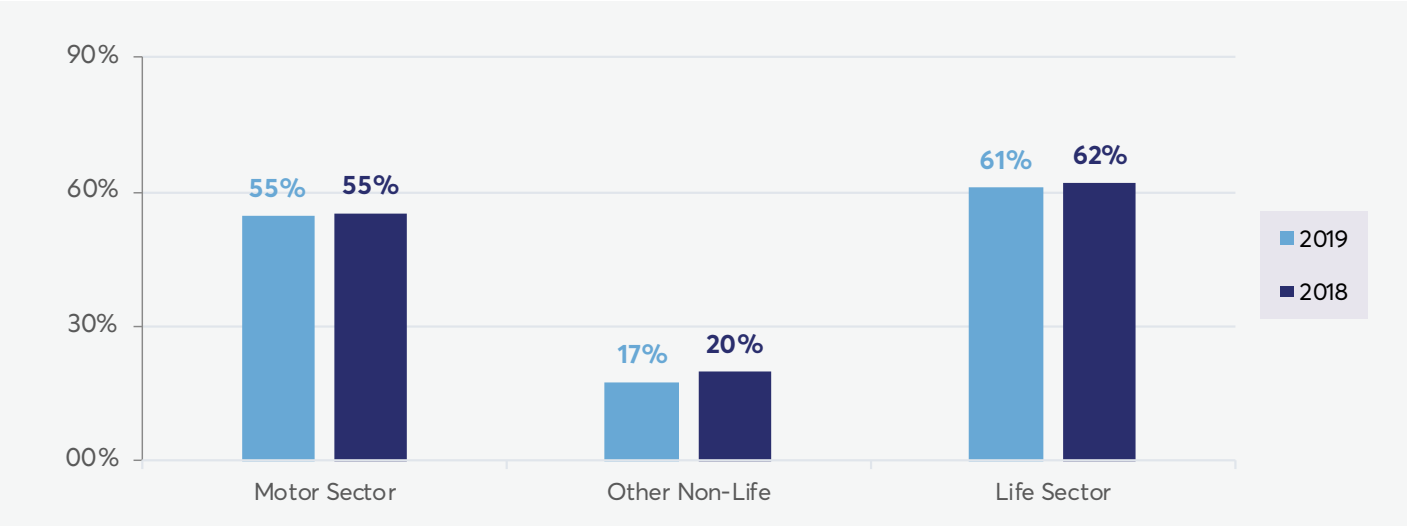
Total Motor Sector Vehicles



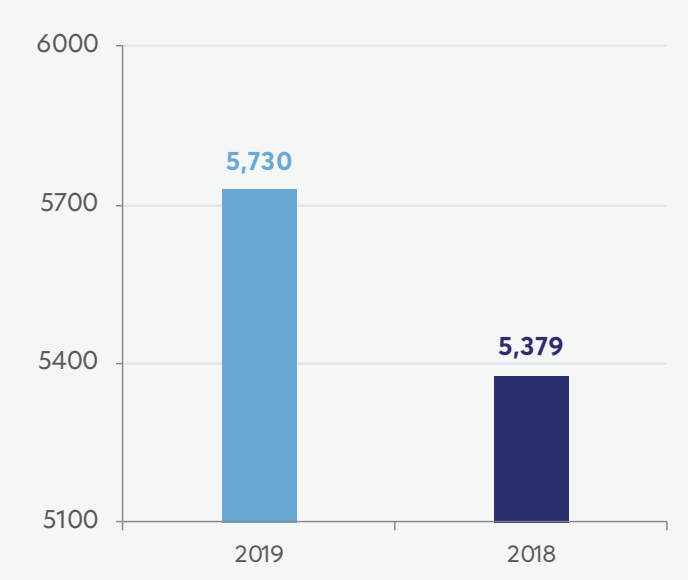
Company's Total Insurance Policies



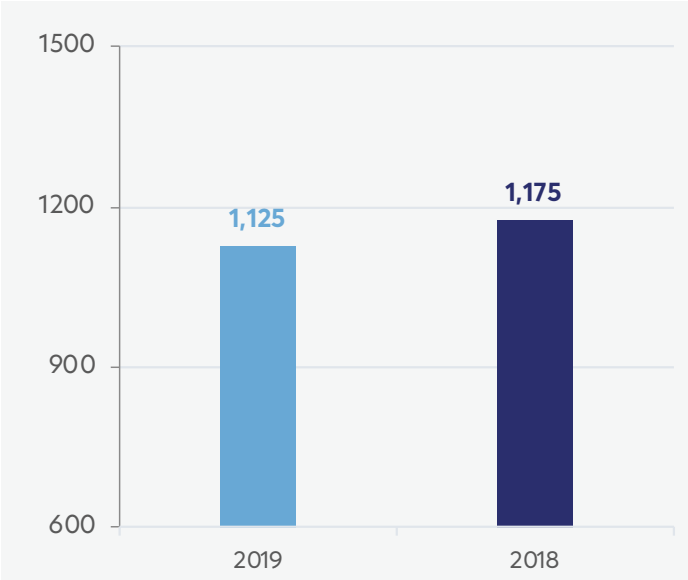
Paid Claims (Own Retention) to Net Accrued Premiums and other related Income %



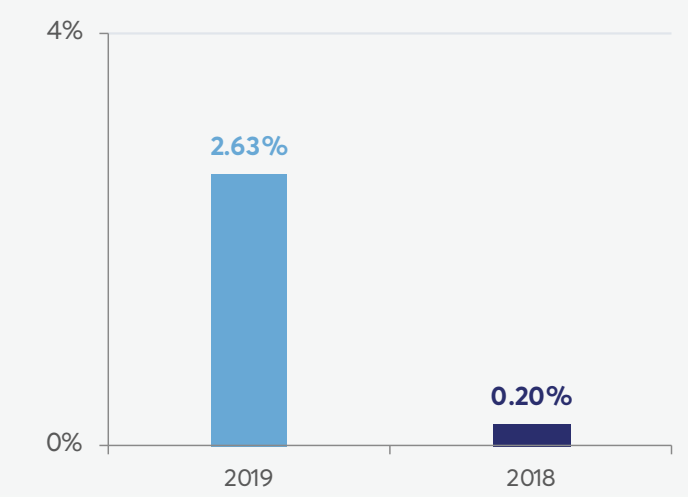
Insurance Agents of the Company



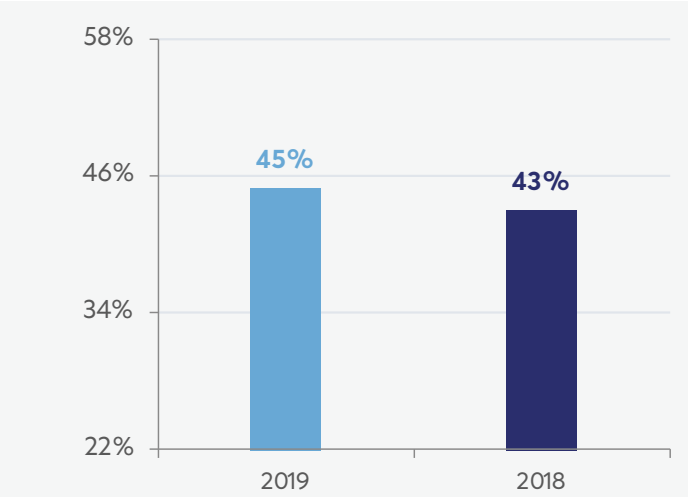
Group's Total Employees



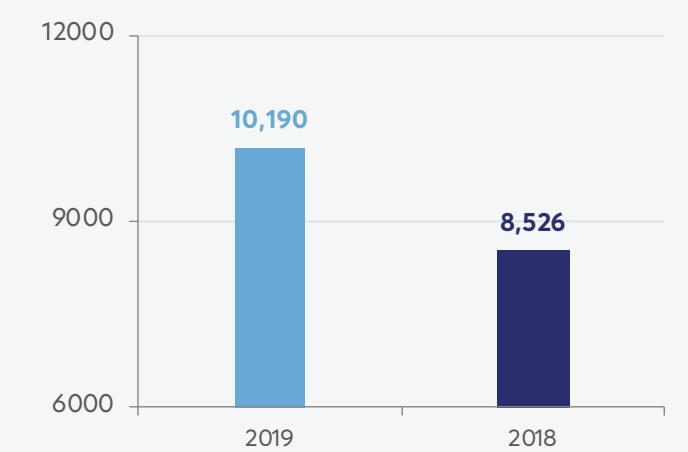
Company's In-house Employees Turnover Rate (%)



Women Executive Directors in the Company (%)



Total training hours of the Human Resources of the Company



European Reliance Group of Companies

European Reliance General Insurance Company S.A. (S.A. Reg. No. 12855/05/B/86/35), General Electronic Commercial Registry (G.E.M.I.) No. 322801000), was established in 1977. The Company's objective, according to Art. 4 of its Articles of Association, is to provide all kinds of insurance and reinsurance coverage, except for credit and guarantee insurance. Its headquarters are in 274 Kifisias Avenue, P.C. 15232, Chalandri, Athens, Greece.

The Group includes the following companies:

- European Reliance General Insurance Co. S.A. (parent company)
- Alter Ego S.A.
- European Reliance Asset Management M.F.M.S.A.
- Reliance Single-Member Insurance Agents S.A.

European Reliance General Insurance Co. S.A. is governed by the provisions of L. 4548/2018 on the "Reformation of the legislation of Société Anonyme" (which replaced Law 2190/1920) and the special provisions of L. 4364/2016, as applicable and in force. Moreover, the Company is governed by any provision, Law or decision of the Capital Market Commission and the Athens Stock Exchange. The Company's supervisory authority is the Private Insurance Supervision Committee of the Bank of Greece and the Capital Market Commission, since we are a Company listed in the Athens Stock Exchange.

Core values

Principles

Integrity, consistency, industriousness and prudent management are the major principles that characterize European Reliance and our personal lives. Principles applied towards every contracting party. Every insured, employee, shareholder and third party. Our philosophy, to stay close to our insured, treat them with respect at their difficult moments, serve them with constancy and loyalty, has always been a way of life. Our philosophy is emphasized in the Company's slogan "Pays immediately". We always remain close to every insured and provide our services with speed, politeness, willingness and always with a smile.

Our Dream

- The creation and development of an organization that will satisfy the needs of all citizens in times of need and fulfill all of their desires.
- The creation and development of an organization that will provide a permanent and stable working position to employees, that will help them fulfill their financial, administrative and social ambitions.

- The creation and development of an organization that will reward the investors and the shareholders for their trust.
- The creation of a powerful organization with strong financial, emotional and intellectual assets.

Prudent management

Over our years of operation, we have proven that we respect and honor our policyholders, our shareholders and every transacting party, handling their best interests with consistency and responsibility.

Strategic goals

- The continuous improvement of the quality and range of the services offered to every citizen - customer.
- The creation of a society of satisfied individuals, the people of European Reliance General Insurance Co. S.A. - whose satisfaction will derive from their participation in decision-making and from the company's financial results.
- The impact and daily increase of a larger number of customers and market share, with ultimate goal to reach the first position in the market.
- The promotion and development of new business activities to achieve our executives' financial and administrative ambitions.

Important Milestones

Year	Event
1977	The Company was established by a team of 19 life Insurance Agents.
1983	Construction of our first building of 3,500 m^2 on Kifisias Avenue.
1986	Establishment of the subsidiary company "ALTER EGO S.A.", a center for the support of the Quality of life insurance schemes, a new insurance scheme firstly introduced to the insurance industry by European Reliance.
1990	Establishment of the Company European Reliance Mutual Funds Management S.A., one of the first Greek Mutual Funds Management S.A.
1995	Construction of a building of 16,000 m^2, next to the first building on Kifisias Avenue, that is a point of reference, of special value and a stable source of rental income.
1997	The company is publicly listed on the Athens Stock Exchange. European Reliance is the first insurance company to succeed that over the past 34 years.
2002	ISO 9001:2000 Certification for the total of our Company's services. European Reliance is the first company to receive this certification and maintains it up to this day with the new ISO 9001: 2015.
2005	Since 01/01/2005, European Reliance, as a company listed in the Athens Stock Exchange, applies the IFRS. According to a study conducted by Ernst and Young, after the implementation of the I.F.R.S., European Reliance improved its equity, as it was the only listed insurance company in Greece applying the IFRS.
2007	Agreement between European Reliance and Piraeus Bank, where Piraeus Bank acquired 30% of European Reliance's share capital, through a capital increase and waiver of old shares.
2011	Successful participation in the Eu-wide stress test for insurance companies, by fulfilling all evaluation criteria.
2012	Tripling of profit at € 11.6 mil. vs. € 4 mil in 2011, despite the third consecutive year of recession in the insurance industry.
2015	Profitability increase at € 16.1 mil.

2016 The company is ready for the new "Solvency II" framework. The European Bank for Reconstruction and Development (EBRD) acquires 15% of the share capital of European Reliance General Insurance Co. S.A. and the total investment portfolio of the Group exceeds the amount of € 300 mil.

2017 Significant increase of all financial figures for 8th consecutive year and for the first year our Total Assets exceed the amount of € 400 mil.

2018 Continuance of our upward course with the Group's Total Income exceeding for the first time the amount of € 200 mil. The Solvency Ratio amounted to 159.81% versus 145.73% in the end of the previous year.

2019 For the first time, the net insurance premiums and policy fees exceeded the amount of € 200 mil., and the pre-tax profit amounted to € 22.4 mil., presenting 45.5% increase.

Subsidiaries

European Reliance Asset Management M.F.M.S.A.

European Reliance Asset Management M.F.M S.A. was established in 1990 and specializes in mutual fund management. The company is active in the sectors of Portfolio Management, Corporate Finance, Venture Capital and develops Investment Banking for the provision of investment services. The purpose of the Company is to build long-term relationships with the customers that will be based on trust. The Assets under management on 31/12/2019 amounted to € 386 mil., and the total turnover amounted to € 1.1 mil.

The Company operates according to three main pillars:

1. Specialization

Our managers and top executives are highly trained, have extensive professional experience and knowledge of the domestic and foreign capital and money markets and are able to meet the special requirements of every investor.

2. Safety

The internal audit procedures and the proper implementation of the applicable legislation protect our customers' interests and provide complete transparency at all stages of cash management. All invested assets and securities are deposited to the custodian, are monitored in separate accounts for every customer and are kept at the Company's Registry. In addition, our Company participates in a scheme for compensation of investors with title "Investment Guarantee Fund", is a member of the Hellenic Fund and Asset Management Association and is supervised by the Hellenic Capital Market Commission.

3. Personalized Services

Credibility and constant communication rounds are the key factors for a successful and long-term partnership with every customer. The Company, via the Account Manager services, offers to customers high-quality investment services, keeps them updated on the developments and prospects of the domestic and foreign capital and money markets, provides direct customer service and adapts their needs to the new market data, with special emphasis on the quality of the services and the human factor. The Company consists of a team of experienced agents and acknowledged executives, that apply all modern technologies and can guarantee for the company's effectiveness.

Alter Ego Facilities Management S.A.

Alter Ego Facilities Management S.A. is one of the largest companies that provides integrated Facility Management services. The Company operates throughout Greece, providing its services to leading Greek and multinational companies. Its active customer base includes more than 70 private and public companies. Since its first establishment in 1986, Alter Ego Facilities Management S.A. pursues long-term business relationships with customers, through the customer-oriented approach, based on the win-win model.

Alter Ego S.A. has more than 670 employees and manages facilities of customers that exceed a total of 800.000 sq.m. The Company specializes in the administration of professional real estate (office buildings, hospitals, shopping centers, chain stores, industrial and storage facilities, critical facilities, meeting rooms, hotels, etc.) and its services are in compliance with the International Standards for Quality, Occupational Health and Safety and Environmental Management. Moreover, it has been selected by major international companies in the fields of Real Estate, Property Management and Facilities Management as one of their main partners in the Greek market and is a founding member of the independent Hellenic Facility Management Association. The Company's total turnover in 2019 amounted to € 12.3 mil.

The main objective of the Company is to further strengthen its position in the Greek market. For the achievement of this goal, the Company has invested in human resources, creating an excellent team of professionals, and in new technologies by purchasing high-tech equipment, management software and creating infrastructures of the latest technology. Over the past decade, the Company aims to provide innovative services that add value to its customers and therefore has oriented towards the provision of integrated facilities management solutions by presenting new innovative services. Offering single-stop solutions to companies that want to control their operating costs, Alter Ego S.A. manages to add value to its partnerships. Since 2017, Alter Ego is the co-founder of Partner Hotel S.A., a leading company in the provision of comprehensive housekeeping services in large tourism operations.

The vision of Alter Ego S.A. has remained unchanged over the years:

- The creation and development of an organization that will be a preferable partner of the leading companies in Greece for Facilities Management.
- The creation and development of an organization that will provide a permanent and stable working position to employees, that will help them fulfill their financial, administrative and social ambitions.
- The creation and development of an organization that will reward the investors and the shareholders for their trust.

Reliance Single-Member Insurance Agents S.A.

Reliance Single Member S.A. is an insurance broker, founded in 2012, non-active company.

Statement of Corporate Governance

According to article 152 of L. 4548/2018, the Annual Management Report of the Board of Directors of European Reliance General Insurance Co. S.A. (hereinafter "the Company") prepares a Statement of Corporate Governance for fiscal year 2019. The reporting date of the Statement is 31/12/2019.

Corporate Governance refers to the total of principles and practices adopted by European Reliance in order to ensure its performance and the interest of the insured, shareholders and stakeholders. The Company's System of Governance is based on the principles of Corporate Governance, to achieve the Company's prudent and effective management, through the efficient utilization of all available productive resources and transparency in all corporate functions to preserve the long-term interest of the shareholders. Corporate governance has a positive contribution to the Company's performance as it focuses on the following sections:

- The Board of Directors and the executive Management in terms of the rate of the independent members, the composition of the BoD Committees, the Board assessment procedures, the responsibilities of the Chairman and the Chief Executive Officer.
- The shareholders' rights (one share-one vote principle)
- The assurance of sufficient transparency and proper audit procedures with the contribution of the four independent Key Functions (Risk Management, Internal Audit, Compliance, Actuarial Function).

Within the framework of Corporate Governance, European Reliance General Insurance Co. S.A., aims to implement best practices in the functions of the Organization, including also voluntary commitments of the Company, as result of its business ethics. European Reliance, as a Société Anonyme (S.A.) listed in the Athens Stock Exchange implements the principles and practices of corporate governance according to the Greek Legislation and partially applies the Hellenic Corporate Governance Code on the listed companies, as published in the official website of the Athens Stock Exchange. (https://www.athexgroup.gr/el/web/guest/esed-hellenic-cgc)

Moreover, the four independent key Functions of Internal Audit, Risk Management, Actuarial Function and Compliance contribute to the best possible function towards the new legislative environment of Solvency II Directive.

The philosophy and culture that govern the Statement of Corporate Governance are imprinted in a series of regulations and policies, such as the Internal Regulation of Corporate Governance and Operations, the Corporate Code of Conduct, the Compliance Policy, the Internal Audit Policy, the Policy for the Prevention and Management of Cases of Conflict of Interests, the Remuneration Policy, etc.

Differences from the Code of Corporate Governance

The Company may, per case, differentiate, or not apply all of the provisions of the Code of Corporate Governance which are not legislative regulations, but rather best practices, on the following:

- The Board of Directors and its members.
  - Appointment of an independent Vice-Chairman when the Chairman is an executive member and when the

Chairman does not perform the self-assessment procedure.

- The maximum term of office of the BoD members is 4 years and the term of office in the BoD members of the Company is 5 years.
- Periodic meeting of the non-executive BoD members without the presence of the executive BoD members to assess their performance and define their remuneration.
- Minutes of meetings for the discussions and decisions of the BoD Committees by the Secretary. For the function of every Committee a different secretary has been appointed.

• BoD members remuneration
  - Relation of the remuneration of the non-executive BoD members with the time they dedicated for the performance of their duties.
  - Definition of the remuneration of the executive BoD members taking into consideration the remuneration of the employees of the Company and the Group.

The Board of Directors

The Board of Directors is the highest administrative body of the Company, forms the strategy and growth policy, monitors and supervises the Company's asset management. The Board makes decisions, monitors all of the Company's activities and constantly supervises the Company's executives that are assigned with relevant executive responsibilities by the Board of Directors or according to the organization chart.

The powers and responsibilities of the Bord of Directors are described in its Articles of Association.

Any matter related to any type of remuneration of the Company's Executive Directors, Head Officers of the four Key Functions, and the overall remuneration policy of the Company, are included in the competencies of the Corporate Governance, Remuneration and Nomination Committee.

The Board of Directors consists of nine (9) members, executive or non-executive. The executive members are responsible for the Company's daily management issues. Non-executive directors are responsible for promoting corporate issues. The number of the non-executive members of the Board should, based on the Company's Article of Association, be less than the 1/3 of the total BoD members and if there is a fraction, it should be rounded to the next integer.

There must be at least 2 independent members among the non-executive members. The identity of the executive or non-executive BoD members is defined by the Board of Directors. The independent members are appointed by the General Meeting of Shareholders. If the Board of Directors elects a temporary member by the first General Meeting of the Shareholders, as a deputy of another independent member that resigned, was absent, or for any reason was deprived of the rights, the elected member must also be independent. During their term of office, the independent non-executive Board members should not own shares representing over 0.5% of the Company's share capital and must not be engaged in a dependency relationship with the Company, or with related persons, within the meaning of Art. 4, par. 1 of Law 3016/2002.

On 26/08/2019, the Chairman of the BoD, Mr. Stavros Lekakos, resigned from the BoD of the Company for personal reasons. The Board of Directors of the Company held a meeting on 02/09/2019 and after accepting the resignation of Mr. Lekakos, created a new Board of Directors. In 2019, the Board of Directors held twelve (12) ordinary meetings, presented below as follows:

From January 1, 2019 to September 1, 2019:

First and Last Name	Independent Member	Participation in the ordinary BoD meetings
Stavros Lekkakos, Chairman	No	7/8
Nikolaos Chalkiopoulos, Vice-Chairman	No	8/8
Christos Georgakopoulos, Chief Executive Officer	No	7/8
Stefanos Verzovitis	No	8/8
Christopher Poulios	Yes	8/8
George Konstantinidis	No	7/8
Eric Sharp	No	8/8
George Diamantopoulos	Yes	7/8
Keith Morris	Yes	7/8

From September 2, 2019 to December 31, 2019

First and Last Name	Independent Member	Participation in the ordinary BoD meetings
Nikolaos Chalkiopoulos, Chairman	No	4/4
Stefanos Verzovitis, Vice-Chairman	No	4/4
Christos Georgakopoulos, Chief Executive Officer	No	4/4
Christopher Poulios	Yes	4/4
George Konstantinidis	No	4/4
Eric Sharp	No	3/4
George Diamantopoulos	Yes	4/4
Keith Morris	Yes	4/4
Theodor Chronis	No	4/4

The Management of European Reliance General insurance Co. S.A. although it has not approved a Diversity Policy, however, it takes measures towards the enhancement and strengthening of the diversity of the administrative and supervisory bodies.

Within this framework, the selection of the persons that consist the administrative and supervisory bodies is based on their professional abilities and credentials and are not evaluated based on the race, gender, color, citizenship or ethnic origin, class, religion, age, disability, family status, sexual orientation or gender identity, political considerations or any other status that is protected by the applicable legislation.

The existence of diversity is especially important, since when there is diversity on the abilities, skills, experiences and personalities of the Board members and the personnel of internal functions, then the role and contribution of the overall human resources gets enhanced.

The Board of Directors

(Based on the reorganization of the Board of Directors on September 2, 2019)

Nikolaos Chalkiopoulos

Chairman- Executive Board Member

Mr. Chalkiopoulos has an extensive experience in the insurance industry as Executive Director in Insurance companies. He joined European Reliance General Insurance Co. S.A. in October 2002 and since 2005 holds the position of the Chief Insurance Operation Officer. He has a Degree in Mathematics from the National and Kapodistrian University of Athens and is a member of the Hellenic Actuarial Society, FHAS.

Stefanos Verzovitis

Vice-Chairman- Executive Board Member

Mr. Verzovitis has extensive experience in companies, such as Ziridis School, Onassis Cardiac Surgery Center, Johnson & Son and Michelin Automotive Tires. He joined European Reliance General Insurance Co. S.A. in October 2000 and since 2005 he holds the position of the Chief Financial Officer. He has a Degree in Economics from the Athens University of Economics.

Christos Georgakopoulos

Chief Executive Officer Executive Board member

Mr. Georgakopoulos is the founder and Chief Executive Officer of European Reliance since its first establishment. He has Degrees in Law and Economics from the Panteion and Aristotle University and has extensive experience in sales and marketing. He is the Chairman of the Board of Directors of the subsidiaries of European Reliance, European Reliance Asset Management. M.F.M. S.A & Alter Ego Facilities Management S.A..

Eric Sharp

Executive Board Member

Mr. Sharp has extensive experience in the fields of General Commerce, Finance and Shipping in Greece and abroad. He joined European Reliance in September 2002 and today holds the position of the Director of Retail Offices Administration.

George Konstantinidis

Non-Executive Board Member

Mr. Konstantinidis has been active in the establishment, administration and shareholding of businesses such as Centropell GMBH Frankfurt, Novus Finance S.A., Astropell S.A., Kiapell G.M.B.H. and CPL S.A. He joined the Board of Directors of European Reliance in 2000 and since 2007 is the Chief Executive Officer of the subsidiary company Alter Ego Facilities Management S.A.

George Diamantopoulos

Non-Executive, Independent Board Member

Mr. Diamantopoulos is the President of the Board of Directors of the Hellenic Corporation of Assets and Participations and Deputy Chief Executive Officer of Resoul Hellas S.A. He is the Chief Executive Officer of Sponsor Value Hellas S.A. He has over 30 years of experience in consumer goods companies. In 1988 he worked in Kraft Foods (prior Jacobs Suchard Pavlides) and since 1997 he was the Area Director responsible for the Balkans. In European Reliance he holds the positions of President of the Audit Committee, President of the Corporate Governance, Remuneration and Nomination Committee and is a Member of the Risk Management Committee.

Keith Morris

Non-Executive, Independent Board Member

Mr. Morris has a Degree from the University of Manchester in Management Sciences with specialisation in Finance and Marketing. He has extensive experience in companies including HSBC, Citibank and IBM. He has held a number of Managing Director level appointments in Eagle Star Insurance, AIG Europe, Euler Trade Indemnity and RBS Insurance. He has been a Non-Executive Board member in several companies including Standard Life Assurance Company. He is currently Deputy Chairman of the Supervisory Board of Sava Re, an insurance Group in Slovenia.

Christopher Poulios

Non-Executive, Independent Board Member

Mr. Poulios has a Degree from the Athens University of Economics (formerly Athens University of Economics and Business) and has been Director of the Accounting Department in various insurance companies from 1968 to 2000.

Theodore Chronis

Non-Executive Board Member

Mr. Chronis is a Lawyer in the Supreme Court of Athens and has extensive experience in the insurance industry. He began his career in European Reliance in 1992 as the Director of the Legal Protection Department of the Company. Nowadays, he is the Legal Consultant and Director of the Legal Services of the Group. He studied in the Law Schools of the Universities of Athens, Vienna and Freiburg, in Germany.

Information on the Remuneration of the Board Members for fiscal year 2019 (01/01/2019- 31/12/2019) in accordance with L. 4548/2018

	Board Members		
(amounts in thous. €)	**Independent**	**Non-executive**	**Executive**
Number of Beneficiaries	3	3	4
Total fixed remuneration	42	32	1.351
Total variable remuneration paid in:	0	0	0
Cash	0	0	0
Equity	0	0	0
Equity based financial instruments	0	0	0
Other categories	0	0	0
Amount of deferred remuneration divided into	0	0	0
Vested	0	2	55
Unvested	78	100	755
Amounts of deferred remuneration, decided to be paid and were decreased after readjustments based on the performance	0	0	0
Number of Beneficiaries that received pay after recruitment	0	0	0
Total payment after recruitment	0	0	0
Number of beneficiaries compensated after leaving the company	0	0	0
Total compensation amount after leaving the company	0	0	0
Highest amount paid as compensation to an individual	0	0	0
Remuneration from Subsidiaries	0	73	0

Other Administrative Bodies

The General Meeting of Shareholders

The General Meeting of Shareholders is the highest administrative body of the Company. It is entitled to make decisions on business affairs, unless it is otherwise specified in the Articles of Association.

The General Meeting of Shareholders is convened by the Board of Directors and arranges meetings in the Company's headquarters or in the region of another municipality within the prefecture of the headquarters or another neighbor municipality of the headquarters at least on an annual basis, and the latest within six months after the end of the fiscal year, and extraordinarily, if this is found necessary.

With the exception of the repetitive meetings, the invitation of the shareholders for the General Meeting of Shareholders must be published twenty (20) days before the day of the meeting. The complete text of the invitation is published within the above deadline in the Company's website and in a method that ensures its fast and non-discriminatory access.

Any shareholder that can prove his/her identity is entitled to participate in the General Meeting of Shareholders. Shareholders that are legal entities may participate in the General Meeting via their proxies.

The General Meeting of Shareholders is in quorum and meets on the subjects on the agenda, when the participants are shareholders, or their proxies are equal to 1/5 of the paid up share capital.

If there is no quorum, the General Meeting of Shareholders convenes again within twenty (20) days within the date of the canceled meeting, after an invitation disclosed at least ten (10) days before. In the repetitive meeting, the General Meeting of Shareholders is in quorum and convenes promptly on the subjects of the daily agenda, regardless of the represented part of the paid up share capital. A new invitation is not required, if the first invitation includes the place and time of the repetitive meeting, provided that the time period of at least five (5) working days interferes between the canceled meeting and the repetitive meeting.

The General Meeting of Shareholders takes decisions with the total majority of the represented votes. The decisions provided for in paragraph 3 and 4 of article 130 of CL. 4548/2018 are taken into consideration per case, with the majority of the 1/2 and 1/3 (or 1/5) of the votes represented in the meeting.

The General Meeting of Shareholders decides on all submitted subjects and is the only administrative body responsible to decide for:

a. Amendments in the Articles of Association. As amendments we consider the ordinary or extraordinary increase and decrease of the share capital.
b. Appointment of the Board members and the Auditors.
c. Approval of the total management according to article 108 of L. 4548/2018 and waiver of the auditors.
d. Approval of the annual and consolidated financial statements.
e. Distribution of the annual profit.
f. Mergers, dissolution, conversion, revitalization, extension of the liquidation of the Company and g) Appointment of the liquidators.

The Shareholders of the Company representing at least 1/20 of the paid up share capital are entitled to request the audit of the Company by a competent Court of the region where the Company has its headquarters.

The Shareholders of the Company representing 1/5 of the paid up share capital are entitled to request by the competent Court the audit of the Company, if the Company does not apply sound and prudent management in its business activities. This provision does not apply when the requested minority is represented in the Company's Board of Directors.

The shareholders ought to prove their shareholder's identity and the number of shares owned, when they exercise their rights. To the degree that the Company owns listed shares on a regulated market, the shareholder may prove the identity via any legal means and based on the update that the Company receives from the Central Securities Depository, if it provides registry services or otherwise via the participating and registered in the Central Securities Depository intermediaries.

Other Administrative - Supervisory Bodies - Committees

The Board of Directors has assigned to the following Committees specific subjects with special competencies, to support the BoD's functions.

1. Investment and Asset & Liability Management Committee (ALCO)

The Investment and Asset & Liability Management Committee consists of five members and includes two (2) executive Board members of the Company, two (2) members that represent European Reliance Asset Management. M.F.M.S.A., and one (1) independent member from the fiscal sector.

The main responsibilities of the Investment and Asset & Liability Committee is the update of the Investment Policy Statement (IPS), the proposal for amendments in the Strategic Asset Allocation and the acceptable deviation limits to the Board of Directors, the decision taking on the Ordinary Asset Allocation, the monitoring and assessment of the portfolio performance with reference to its benchmark, the balanced investment and asset allocation, according to the future liabilities of the Company, etc.

The Investment and Asset & Liability Management Committee consists of Messrs.:

- Mr. Nikolaos Chalkiopoulos, Chairman of the Board of Directors and Chief Insurance Operation Officer of the Company,
- Mr. Stefanos Verzovitis, Vice-Chairman and Chief Financial Officer of the Company,
- Mr. Ilias Lekkos, Chief Economist-Economic Research & Investment Strategy of Piraeus Bank
- Mr. Thomas Konstantinidis,(President of the Committee), Chief Executive Officer of European Reliance Asset Management M.F.M.S.A.,
- Mr. Dimitris Antonopoulos, Portfolio Manager of European Reliance Asset Management M.F.M.S.A.

The Investment and Asset & Liability Management Committee (ALCO) convened 11 times in 2019.

2. Audit Committee

The Audit Committee consists of at least three (3) non-executive Board members and most of them are independent. All members are appointed by the General Meeting of Shareholders, have adequate knowledge of the Company's sector of activities and at least one of the members has sufficient proven knowledge in accounting and auditing matters. The President of the Audit Committee must be an independent, non-executive member, appointed by the Committee's members. The project of the Committee is the supervision of the Internal Auditors of the Company, the overview of the published financial information, the audit and evaluation of the systems of internal audit, the assessment and coordination of the audit function and procedures, based on the applicable legislation that governs the Company, and the recommendation to the General Meeting of Shareholders for the selection of the Certified Public Accountants for every fiscal year.

The Audit Committee operates according to a special regulation, which is part of the Company's Internal Regulation of Operation. The Audit Committee's regulation is approved and revised by the Board of Directors. The Audit Committee meets at least four times a year.

The Audit Committee consists of the following Messrs.:

- Mr. George Diamantopoulos, (President of the Committee) Independent, Non-Executive Board Member
- Mr. George Konstantinidis, Non-Executive Board Member
- Mr. Christopher Poulios, Independent, Non-Executive Board Member

The Audit Committee convened 8 times in 2019.

3. IT Steering & Digital Transformation Committee

The IT Steering & Digital Transformation Committee is a Special Coordinating Committee for Information Technology, consisting of representatives from the Board of Directors and the IT Department of the Company.

The Committee aims to ensure the achievement of corporate objectives by assessing the needs of the internal functions, the sales network, suppliers, etc., taking into consideration the relevant circumstances (environment, resources, restrictions, laws) and the available options.

The main responsibilities of the IT Steering & Digital Transformation Committee is the overview, identification, and assessment of short-term and medium-to-long-term IT projects, the approval of big IT projects, the monitoring of the budget of the IT Department, the approval and supervision of cooperation with third parties (e.g. outsourcing), the overview of the adequacy of the available resources of the IT Department and the contribution in their allocation, the support in the development and materialization of the corporate scheme "Information Security Management Program", etc.

The IT Steering& Digital Transformation Committee consists of the following Messrs.:

- Mr. Nikolaos Chalkiopoulos, Chairman of the Board of Directors and Chief Insurance Operation Officer,
- Mr. Stefanos Verzovitis, Vice Chairman and Chief Financial Officer
- Ms. Chrysoula Anagnostopoulou, Director of the IT Department,
- Mr. Fotis Kanellopoulos, Deputy Director of the IT Department,
- Mr. Panagiotis Georgiou, (President of the Committee), CEO's Office Director

The It Steering Committee & Digital Transformation Committee convened 11 times in 2019.

4. Risk Management Committee

The Risk Management Committee (RMC) consists of members with sufficient knowledge and experience in the field of risk management. The President of the Committee must have the necessary knowledge and expertise to complete his/her tasks. The Committee consists of at least one executive and one non-executive Board Member.

The Board assigns to the Risk Management Committee (RMC) responsibilities relevant to the management of risks so that all forms of risks are effectively monitored, including the operational and insurance risks, and so that their integrated control, specialized treatment and required coordination for the insurance company are ensured.

The Risk Management Committee consists of the following members:

- Mr. Nikolaos Chalkiopoulos, (President of the Committee), Vice Chairman of the Board of Directors and Chief Insurance Operation Officer - Actuary FHAS
- Mr. Stefanos Verzovitis, Vice Chairman and Chief Financial Officer
- Mr. George Diamantopoulos, Independent, Non-Executive Board Member
- Ms. Eleni Tarapatsopoulou, Director of the Life Insurance Department & Actuary FHAS
- Mr. Apostolos Papachristos, Actuary (FIA - CERA).

The Risk Management Committee convened 7 times in 2019.

5. Corporate Governance, Remuneration and Nomination Committee

The Corporate Governance, Remuneration and Nomination Committee is active in the four following pillars of corporate governance:

- Introduction and monitoring of the implementation of the Remuneration Policy,
- Nomination of the Board members,
- Board of Directors self-assessment procedures,
- Compliance with the corporate governance principles and the applicable legislation.

The Committee consists of at least three (3) Board members, in their majority non-executive and independent, that have the provided specialization and experience. The President of the Committee has adequate knowledge and professional experience in matters of Corporate Governance and Risk Management.

The Corporate Governance, Remuneration and Nomination Committee convenes ordinary meetings on a semi-annual basis and extraordinary meetings, when it is found necessary.

The Corporate Governance, Remuneration and Nomination Committee consists of the following members:

- Mr. George Diamantopoulos, (President of the Committee) Independent, Non-Executive Board Member
- Mr. Christopher Poulios, Independent, Non-Executive Board Member
- Mr. Chris Georgakopoulos, Chief Executive Officer, Executive Board Member

The Corporate Governance, Remuneration, and Nomination Committee convened 5 times in 2019.

6. Product Oversight and Governance Committee

The Product Oversight and Governance Committee was established in February 2019 and aims at the Company's compliance with the requirements of L. 4583 for the integration of the Insurance Distribution Directive in the Greek Legislation.

The Product Oversight and Governance Committee operates in order to implement the principles of product oversight and

governance in the Company's operations, within the framework of internal functions and operations of the Company, the product design, introduction of the product in the market, product monitoring and review throughout its lifespan.

The main objectives of the function of the Product Oversight and Governance Committee, which are its main responsibilities are the following:

- Coordination of the design of new products or modifications in the existing products
- Assurance of the proper execution of the product implementation plan
- Recommendation to the Board of Directors of the approval of new products or the amendment of existing products
- Proposes to the Board of Directors corrective actions, in case the existing products deviate from the interests, objectives and characteristics of the target-market for which they have been designed.
- Monitors the fiscal performance and capital requirement of the products comparing to the objectives set in their import to the market and provides recommendations for improvements, when necessary.

The Product Oversight & Governance Committee consists of Messrs.:

- Mr. Panagiotis Georgiou, (President of the Committee), CEO's Office Director
- Mr. Nikolaos Chalkiopoulos, Chairman of the Board of Directors and Chief Insurance Operations Officer
- Mr. George Gkotzageorgis, Marketing and Sales Network Support Department
- Ms. Vassiliki Roussi, Commercial Director
- Mr. Vasilios Toupis, Sales Director
- Ms. Vassiliki Dionysopoulou, Product Manager (Committee Member and Secretary)

The Product Oversight and Governance Committee convened 11 times in 2019.

7. Complaints Committee

The Company's Board of Directors puts special emphasis on the received complaints and for their proper management has established a Complaints Management Policy, special procedures and the Complaints Committee. The Complaints Committee consists of the Head Officer of the Complaints Management Function, the Head Officer Deputy, the Chief Financial Officer, the Complaints Management Officer, the Internal Audit Officer and the AML Officer.

The Complaints Committee convenes on a semi-annual basis to analyze the common causes of complaints, to draw conclusions, create and observe the plan of corrective actions for their limitation and decrease their impact on the quality of the provided services of the Company to the customers.

The Complaints Committee consists of the following members:

- Mr. Nikolaos Chalkiopoulos, (President of the Complaints Management Function), Vice Chairman of the Board of Directors and Chief Insurance Operation Officer
- Mr. Panagiotis Georgiou, CEO's Office Director
- Mr. Stefanos Verzovitis, Vice Chairman and Chief Financial Officer,
- Mr. Kyriakos Dikoglou, Customer Service Officer- Complaints Management Officer
- Mr. Stylianos Malamos, Internal Audit Director
- Ms. Katerina Papadopoulou, Compliance Officer.

The Complaints Committee convened 2 times in 2019

Ability and Ethics Requirements

In order to ensure the Company's sound and prudent management by the appropriate persons and enhance the insured and stakeholders' protection, the Company established and applies a Policy and Procedures for the Assessment of persons responsible in the key functions. The Policy has been established in order to define the principles and criteria based on which the responsible persons will be assessed for their ability to adequately perform their tasks.

The term "responsible persons" refers to the members of the Board of Directors, the Appointed Actuary, the Risk Manager, the Internal Audit Officer, the Compliance Officer, any person with special duties based on the applicable legislation, as well as any person with major auditing or administrative role, or with duties that may essentially affect the Company's management.

The responsible persons are assessed for:

a. Honesty, integrity and good reputation.
b. Professional training and market experience.
c. The adequacy of their knowledge in relation to the tasks to be undertaken.
d. The non-existence of incompatibility or conflict of interest with the tasks to be undertaken.

The appropriateness and credibility of the Board members is annually reviewed with the Self-Assessment Procedure, under the supervision of the Corporate Governance, Remuneration and Nomination Committee The appropriateness and credibility of the rest of the "Responsible Persons" is annually reviewed within the context of the Annual Assessment of Performance and Target Setting of the Division of Human Resources.

Independent Key Functions

Actuarial Function

The Actuarial Function coordinates the calculation of Technical Provisions, gives opinions on the Underwriting and Reinsurance Policies and contributes to the Risk Management.

Technical Provisions

The Actuarial Function calculates the technical provisions of the Company by implementing special methodologies and procedures. Ensures the appropriateness of the methods and models used, as well as the assumptions and assertions on which the calculation of the technical provisions is based. For this reason, the Actuarial Function develops various calculation scenarios, justifies variations between two successive valuation dates and compares the calculations with the empirical observations.

Evaluates the sufficiency and quality of data used in the calculation and makes proposals for changes in internal procedures for the improvement of the data.

Opinion on the Underwriting Policy

The Actuarial Function provides its opinion on the Underwriting Policy.

Assesses the sufficiency levels of the premiums, using the current experience through regular audits. Reports cases where the premiums do not cover the expenses, claims and guarantees.

Opinion on the Reinsurance Policy

The Actuarial Function provides its opinion on the Reinsurance Policy, reporting cases where the reinsurance policy does not cover the claims.

It evaluates the consistency of the Reinsurance Policy with the Underwriting Policy and with the Company's risk appetite. It also evaluates the reinsurance cost.

Contribution to the Risk Management

The Actuarial Function contributes to the risk management in the creation and management of models for the quantification of insurance risks. It makes recommendations on the limit of values for the insurance risks.

Calculates the largest part of the Risk ratios used in the Risk Management Reports. It participates in the procedures of risk identification and estimation and in the total solvency requirements for the preparation of the ORSA report, the Asset & Liability Management (ALM), and the techniques for the mitigation of the underwriting risk.

The Actuarial Function prepares a written analytical report annually to inform the Management and the Company's Board of Directors via the Risk Management Committee. The report analyzes all undertaken projects and their results. It also identifies potential omissions and makes proposals for their correction.

Compliance

Compliance is defined as the obligation of the Company's Board of Directors, the Management and the Personnel to adjust and operate according to the applicable legislative and regulatory framework, the decision and guidelines of EIOPA, the Company's Articles of Association, the Internal Regulations and the Codes of Conduct in the performance of their tasks, for the mitigation of the risk of financial loss, the promotion of the Company's good reputation and protection of its credibility and status.

For this reason, the Company's Board of Directors has approved the Compliance Policy. The implementation of this Policy implies the continuous compliance of the Policy with the current applicable legislative and regulatory framework, the prevention and deterrence of risks related to Compliance and is a major obligation for all functions, bodies and employees of all ranks of the Company.

The Compliance Department reports to the Board of Directors, through the Corporate Governance, Remuneration and Nomination Committee, and operationally reports directly to the Company's Management, and the General Divisions, for any significant violation of the regulatory framework detected in its business operations. The Compliance Department is administratively independent and submits reports to the Board of Directors on matters relevant to the Board's responsibilities, at least annually, in a way that ensures its independence and avoids conflict of interest. The Compliance Department can access all data and information required for the fulfillment of its scope.

Internal Audit Function

The Internal Audit Function is administratively independent from functions with executive duties and from functions that are responsible for performing or finalizing transactions. It operatively reports to the BoD through the Audit Committee and administratively to the Chief Executive Officer.

The Internal Audit operates in accordance with the "Internal Audit Statute", as approved by the Board of Directors, and the International Standards for the Professional Practice of Internal Auditing.

The Internal Audit Function reviews and submits recommendations for improvement on the corporate procedures of the Organization. The audit that is conducted by the Internal Audit Department, as well as the proposals submitted for improvement, do not constitute executive work, neither do they release the Board of Directors (Audit Committee) from its legal obligations (Statute of the Audit Committee).

The Company's Board of Directors is responsible for the development and implementation of an effective Internal Control System, which shall provide to the Shareholders and the Company's Management reasonable assurance on the achievement of the following goals:

- The effectiveness and productivity of the corporate functions

- The credibility of the financial statements,
- The compliance with the applicable laws, regulations and provisions.

The structure of the Internal Control System of European Reliance General Insurance Co S.A. is based on the International COSO standard (Committee of Sponsoring Organizations of Treadway Commission). The COSO framework is globally recognized for its contribution on issues of corporate governance, business ethics, internal control, business risk management, fraud deterrence and reports.

COSO is a great tool for the estimation of the effectiveness of the Internal Control System of an Organization.

Internal Control System

Main Components of the Internal Control System (ICS)

The ICS Components include five sectors:

- Control Environment
- Risk Assessment
- Control Activities
- Information and Communication
- Monitoring Activities.

Control Environment

The Control Environment consists of standards, procedures and infrastructure that provide the bases for the implementation of the Internal Control System to the Organization. The Board of Directors and the Management define the significance of the Internal Control System (Tone at the top) and the expected ethical standards.

Risk Assessment

Risk assessment includes a dynamic feedback process to identify and analyze the risks regarding the achievement of the corporate objectives, by creating a database for risk management. Management co-estimates possible changes in the external and internal environment, that may affect the ability to achieve corporate objectives.

Control Activities

The control activities are actions that are defined by policies and procedures that contribute and assure that the guidelines of the Management are implemented for risk management and the achievement of corporate objectives. The control activities are performed at all levels of the Organization, in various stages of the corporate objectives and the IT systems.

Information and Communication

The existence of adequate information is a prerequisite for the implementation of all competencies deriving from the Internal Control System for the achievement of corporate objectives. The communication is conducted inside and outside the Organization and provides all required information for the performance of the daily auditing activities. The communication allows the personnel to understand the competencies deriving by the Internal Control System and their significance for the achievement of the corporate objectives.

Monitoring Activities

The constant assessments and the individual evaluations or their combination are utilized to verify whether one of the five components and one of the seventeen principles of the Internal Control System are present and properly implemented. The findings are evaluated, and the weaknesses are communicated promptly. The significant weaknesses are reported to the Board of Directors and the Management of the Company.

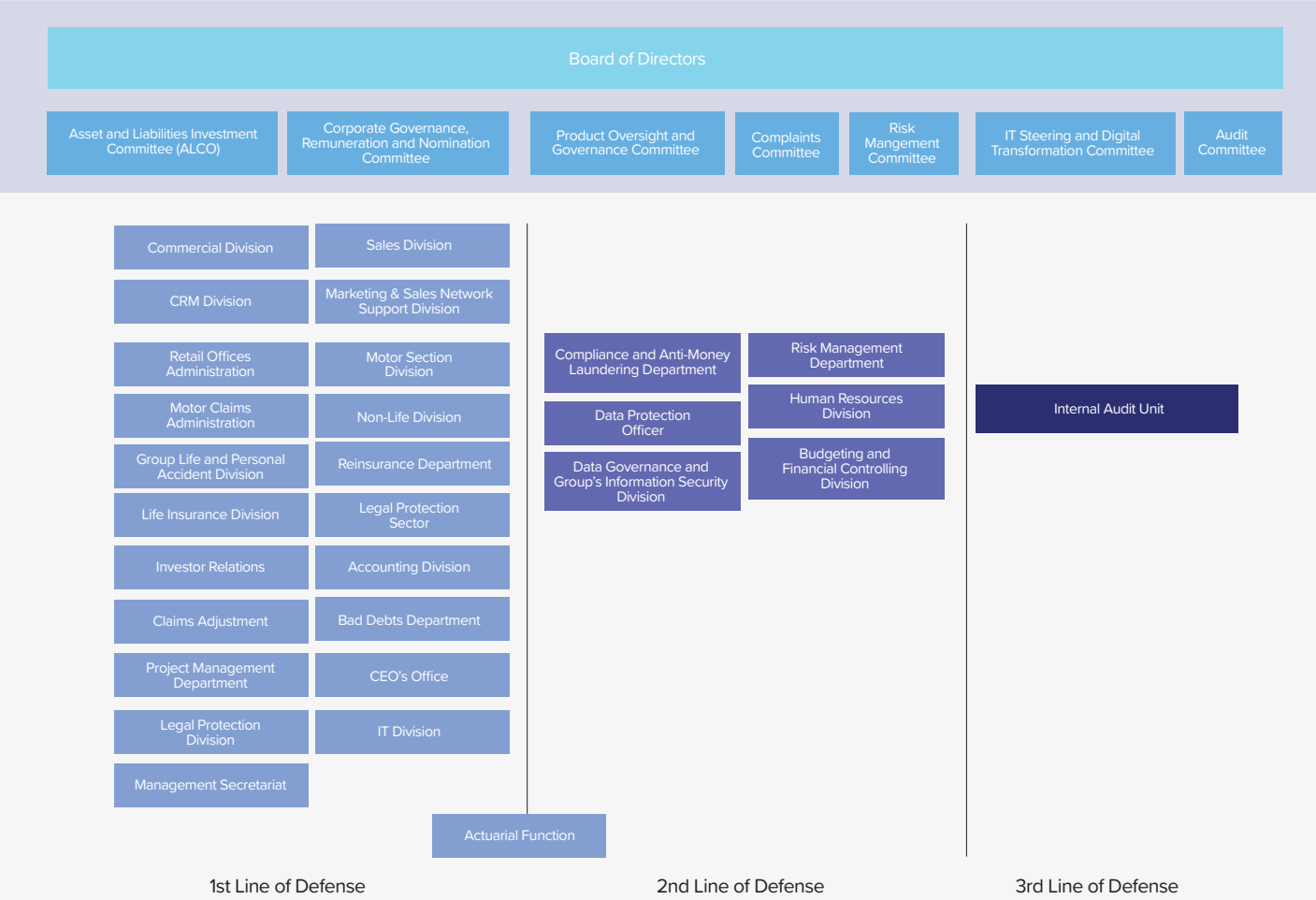
Risk Management System

Model of Governance for Risk Management

The Company adopts a model that is based on the three lines of defense for the governance of risk management, which has the following structure:

- In the first line of defense there are the operational units (Divisions and Departments), that are responsible for the assessment and minimization of risks on a given level of expected performance.
- In the second line of defense there is the Risk Management Officer who detects, monitors, quantifies (where possible), controls the risks and provides for the provision of appropriate methodologies and risk management tools. Moreover, the Risk Management Officer informs the competent bodies, namely the Risk Management Committee and the Board of Directors.
- In the third line of defense, there is the Internal Audit Officer, responsible for the independent assessment of the Company's compliance with the applicable risk management framework and its effectiveness.

Figure: Model of the three lines of defense for the Governance of Risk Management



**The Actuarial Function belongs to the 1st line of defense regarding the pricing and in the 2nd line of defense for the rest of its functions.*

Outsourcing

"Outsourcing" is defined as the agreement of any form between the Company and a service provider, whether supervised or not, with which the service provider performs a procedure, provides a service or exercises an activity, which otherwise would be performed, provided or exercised by the Company itself.

The Company has not outsourced any of its key functions. However, the Company has entrusted the Company's Asset Management to European Reliance Asset Management M.F.M.S.A.

The Company's Board of Directors has established and applies an Outsourcing Policy to Third Parties, in order to:

a. define the objectives that must be fulfilled by every outsourcing,

b. describe the procedures that must be followed by every outsourcing,

   For the most effective management of the future possible risks,

c. determine the framework for monitoring of outsourcing,

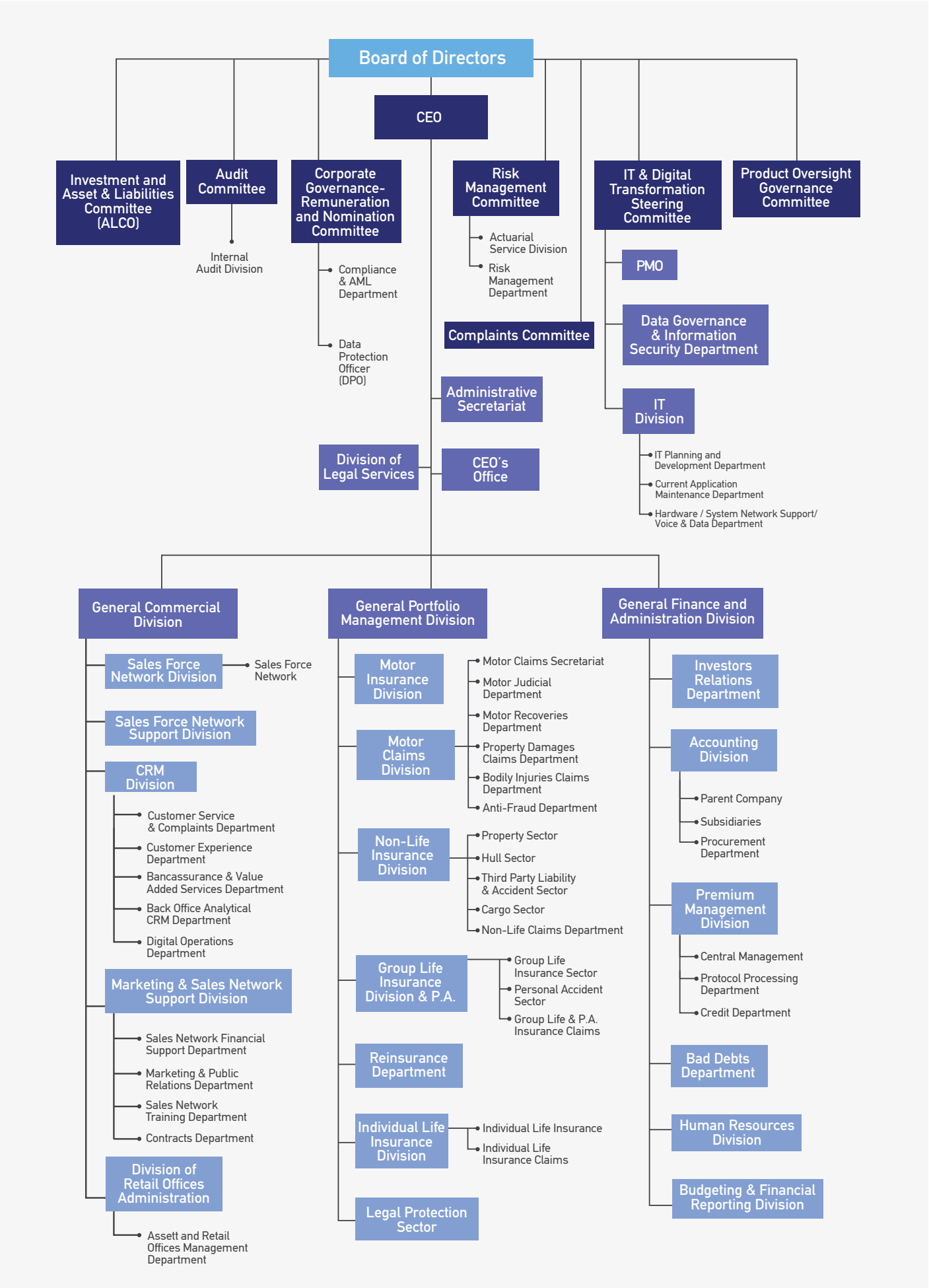
d. describe the ways of handling ineffective outsourcing.

In case of outsourcing to third-parties, the Company identifies and evaluates the most important objectives achieved, which are:

- Limitation of cost
- Focus on the key functions of the Company,
- Possibility of access to new technologies
- Release of resources
- Expertise
- Quality of services
- Flexibility in the determination of priorities
- Better management
- Effective monitoring of performance

The Management of the Company pays special attention to the selection of the service providers and takes all necessary measures to ensure the confidentiality of the information.

Organization Chart of the Company



Analysis of the Financial Environment

The Global and European financial environment

According to the report "Global Economic Prospects" of the World Bank, in January 2020, the growth rate of the global economy was at 2.4% for 2019 (3.0% in 2018) and a marginal 2.5% increase is expected for 2020, as the commerce and investments will gradually recover.

Moreover, according to the provisions of the European Commission, European economy is expected to continue the course of stable and subdued growth in 2020. The increase of the Gross Domestic Product (GDP) in the Eurozone will remain stable at 1.2% for 2020 and 2021. For the E.U., the growth is expected to marginally drop at 1.4% in 2020 and 2021, versus 1.5% in 2019.

The European insurance market is based on a strong, legislative framework, that is based on risk management, with high levels of consumer protection, however the incredibly high requirements of Solvency II Directive, decrease the ability of the industry to keep and develop an international presence. On a global scale, European (re)insurers will have to compete with companies that are governed by legislative frameworks, totally different than Solvency II Directive. The European (re)insurance industry must support the efforts of the E.U., to ensure equal competition terms in its financial relationships with other competent bodies and promote European competitiveness, since the European businesses continue to face a few competition disadvantages, comparing to the respective non-European businesses.

The Greek fiscal environment

According to the last estimates of the Hellenic Statistical Authority, the GDP of the country amounted in 2019 to € 194.4 bil., versus € 190.8 bil. in 2018, presenting the annual growth rate of the Greek economy at 1.9% of the GDP.

Gross Domestic Product- variance in real terms (Amounts in € bil.)	**2019**	**2018**	**Variance in terms of volume (%)**
Approach To The Production			
Gross added value	171,303	169,743	0.9%
Tax on products	24,374	22,608	7.8%
(-) Subsidies on products	1,562	1,546	1.0%
Cost Approach			
Final consumption expenditure	171,577	169,727	1.1%
Households and NPISHs	130,887	129,850	0.8%
General Government	40,477	39,635	2.1%
Gross capital formation	23,004	22,847	0.7%
Exports of goods and services	68,067	64,949	4.8%
(-) Imports of goods and services	69,127	67,452	2.5%
Gross Domestic Product in market prices	194,387	190,817	1.9%

The GDP in 2019 amounted to € 187.5 bil., versus € 184.7 bil. in 2018, presenting 1.5% increase.

The final total consumer cost presented 1.3% increase, comparing to the 4th quarter of 2018. The gross fixed capital investments increased by 14.4%, comparing to the fourth quarter of 2018. Moreover, the exports of goods and services increased by 1.0% comparing to the 4th quarter of 2018. More specifically, the exports of goods decreased by 1.1% and the exports of services increased by 2.3%.

Furthermore, the imports of goods and services presented 0.3% decrease comparing to the fourth quarter of 2018. More specifically, the imports of goods decreased by 2.8% and the imports of services increased by 11.2%.

The Greek Insurance Market

According to recent figures of the Hellenic Association of Insurance Companies, the total gross written premiums presented significant increase and amounted to € 4.1 bil. (+ 8.7%) comparing to 2018, following the upward trend of the past years. As a result, the participation rate of Private Insurance in the Greek economy remained stable over the past years, (about 2.2% of the GDP in 2019, vs. 2.2% of the GDP in 2018).

More specifically, in life insurance, the gross written premiums amounted to 1.98 bil. in 2019 (48.5% of the total insurance premiums, vs. 1.87 bil. in 2018), presenting 16.9% increase comparing to 2018, a fact that proves the gradual establishment of private life insurance institution in Greece.

In Non-Life Insurance, the gross written premiums amounted to € 2.10 bil. in 2019 (51.5% of the total), versus € 2.06 bil. in 2018, presenting 2.0% increase. The gross written premiums for motor vehicle third party liability presented 2.5% decrease and the gross written premiums of Other Non-Life sectors presented 15.1% increase.

According to the Statistics of the Insurance Companies of December 2019, published by the Bank of Greece, the total assets of the insurance companies amounted to € 18,882 mil. in the end of the fourth quarter of 2019. The total deposits of the insurance companies amounted to € 1,223 mil. in the end of 2019, and the deposits from Greek credit institutions presented decrease by € 59 mil., comparing to the previous quarter, and the deposits in credit institutions abroad decreased by € 71 mil.

Regarding the liabilities, the Total Equity amounted to € 3,180 mil., in the end of the fourth quarter of 2019, and the insurance technical provisions decreased by € 107 mil., comparing to the previous quarter and amounted to € 14.021 mil., mainly due to the decrease of the Life insurance Technical Provisions by € 88 mil. The Non-Life Technical Provisions amounted to € 3,090 mil. and 72% of the total Technical Provisions corresponds to the Life Technical Provisions except for the Pension Schemes.

Overview of the Financial Figures

Summary of the Key Consolidated Financial Figures

The financial figures of our Group, which are mainly determined by the figures of the Parent Company for fiscal year 2019 are the following:

The consolidate pre-tax profit of the Group amounted to € 22,397 thous. in 2019 and to € 17,506 thous. after tax, versus € 15,387 thous. pre-tax and € 10,714 thous. after tax in 2018.

This formation of the Pre-tax Profit is mainly due to the following events:

- Increase of the gross written premiums and related income by € 21,385 thous (+11.2%)
- Increase of the investment revenues, profit from the sale of financial assets and other income by € 4,611 thous. (+70.8%)
- increase of insurance claims paid by € 8,635 thous. (+9.2%)
- Increase of the insurance provisions by € 6,408 thous. (+ 69.0%)
- Increase of total distribution expenses, administrative expenses and other expenses by € 2,228 thous. (+8.1%)

The profit of the Parent Company in 2019 amounted to € 22,450 thous. pre-tax and € 17,694 thous. after-tax, versus € 14,941 thous. pre-tax and € 10,497 thous. after tax in 2018.

The gross written premiums and related income of the parent company amounted in 2019 to € 212.393 thous., versus € 191,008 thous. in 2018, presenting 11.2% increase. The largest increase was observed in the Life Insurance Sector (+28,7%), the Other Non-Life Sectors (+ 5.6%) and the Motor Sector (+4.8%).

The Insurance Claims Paid presented 9.2% increase and amounted to € 102.186 thous., versus € 93.551 thous. in 2018. More specifically, the Claims per Insurance Sector of the Group amounted as follows: The Life Claims presented 26.7% increase, Motor Claims presented 1.9% increase and the Other Non-Life Claims presented 7.4% decrease.

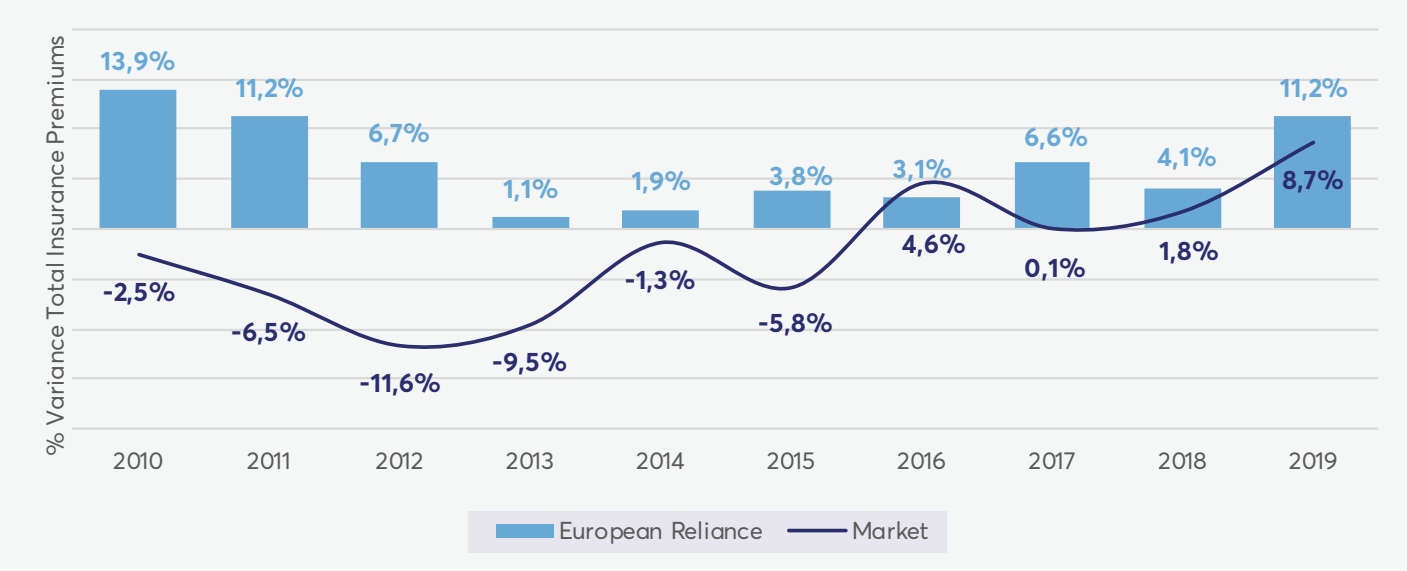
The investment income of the Group amounted in fiscal year 2019 to € 3,863 thous., versus € 3,437 thous. in 2018, presenting 12.4% increase mainly due to the increase of income from accrued interest rates, which increased from € 2, 613 thous. in 2018, to € 3,040 thous. in 2019 (+16.3%).

The total Insurance Provisions of the Group amounted to € 302,559, versus € 285,704 thous. In 2018, presenting 5.9% increase or € 16,855 thous., a fact that highlights the strengthening of the Company's reserves.

The Distribution and Administration Expenses of the Group as a total amounted in 2019 to € 28,158 thous., versus € 26,433 thous., in 2018, presenting 6.5% increase. This increase derives mostly by the increase of the Personnel Remuneration and Expenses by € 1,535 thous., the increase of the Maintenance and Construction Expenses by € 401 thous. and the increase of the Promotion and Advertising Expenses by € 291 thous.

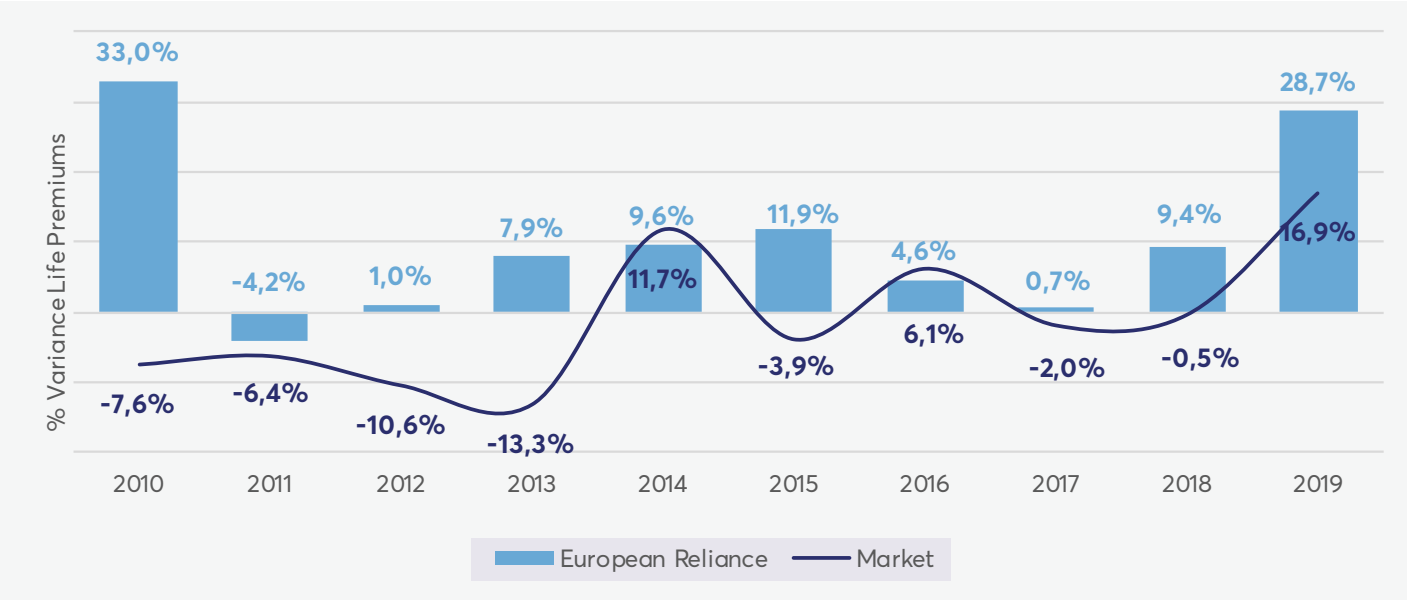
Gross Written Premiums

The following diagram reflects the course of the percentage change of total written premiums comparing to the previous years for the Greek Insurance Market and the Company.



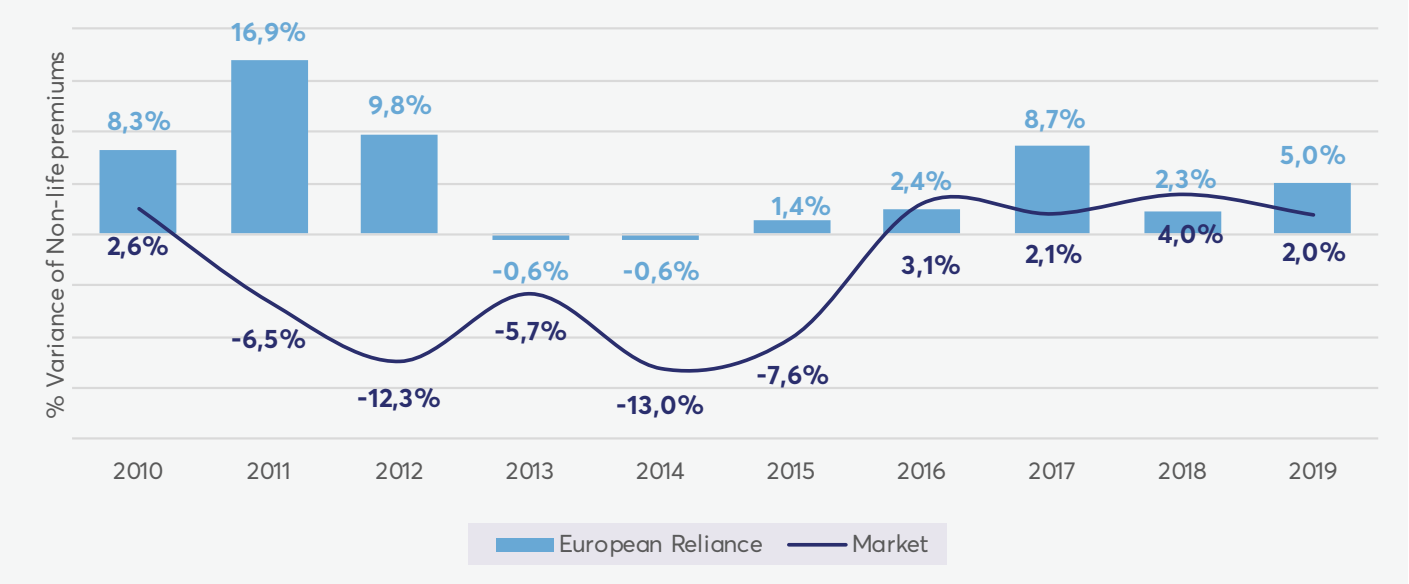
(Source: Hellenic Association of Insurance Companies & Company estimates)

Regarding the Life Sector, the Company's insurance premiums amounted to € 64,065 thous., versus € 49,786 thous. in the corresponding period of 2018, presenting 28.7% increase. The diagram below depicts the course of the change in Life gross written premiums comparing to the previous years for the Insurance Market and the Company.



The gross written premiums of the Company in the Motor Sector amounted to € 105,483 thous., versus € 100,634 thous., presenting 4.8% increase. Moreover, the gross written premiums of the Company for the Other Non-Life Sectors presented 5.6% increase and amounted to € 42,845 thous. versus € 40,588 thous. in 2018.

The diagram below depicts the course of the change in Non-Life gross written premiums comparing to the previous year for the Insurance Market and the Company.



(Source: Hellenic Association of Insurance Companies & Company estimates)

The Company's gross written premiums are collected by an extended network of 110 Retail Offices throughout Greece located in Attica (38), Agrinio (1), Alexandroupoli (1), Argostoli (1), Arta (1), Atalanti (1), Chalkida (4), Chania (1), Corfu (3), Corinth (2), Drama (2), Egio (1) , Heraklion (7), Ioannina (3), Kalamata (2), Kalymnos (1), Karditsa (1), Kastoria (1), Katerini (2), Kavala (1), Kefalonia (1), Komotini (1), Lamia (2), Larisa (5), Livadia (1), Makrakomi (1), Mykonos (1), Nafplio (1), Naoussa (1), Patras (2), Rethymnon (1), Rhodes (2), Samos (1), Serres (3), Thessaloniki (13), Trikala (1), Xanthi (2).

Technical Results- Gross Result of the Insurance Operations

The technical result of the Group as a total amounted to € 42,915 thous, versus € 35,263 thous. of the corresponding time period of 2018, presenting 21.7% Increase.

The technical result of the Group in the Life Insurance Sector amounted to € 14,640 thous. versus € 5,963 thous. In 2018, presenting a significant increase of 145.5%, mainly due to the increase of the net accrued premiums and related income by € 14,331 thous. (+28.8%)

The technical result of the Group in the Motor Sector (Third Party Liability and Land Vehicles) amounted to € 17.919 thous. versus € 19.881 thous. on the corresponding previous period, presenting 9.9 % decrease mainly due to the increase of the insurance provisions by € 3.581 thous. and increase of the paid claims by € 1,019 thous. (1,9%).

The technical result of the Group in the Other Non-Life Sectors amounted to € 10,356 thous., versus € 9,419 thous. in 2018, presenting increase by € 937 thous. (+9.9%) due to the increase of the Net Accrued Premiums and Related Income by € 2,116 thous. (+5.3%)

After tax profit and minority interests

The after tax profit and minority interests of the Group amounted to € 17,506 thous., versus € 10,714 thous. in fiscal year 2018. The decrease of the income tax rate from 28% to 24% for fiscal year 2019, according to Law 4646/2019, had a significant contribution to the formation of this result.

Earnings Per Share

The earnings per share of the Group amounted to € 0.6372, versus € 0.3895 in the corresponding period of 2018.

Total Equity

The consolidated Total Equity of the Group amounted to € 141,226 thous., versus € 115,918 thous., representing 29.3% of the total Liabilities. On 31/12/2018 the consolidated Total Equity amounted to € 115,918 thous. and represented 27.0% of the total Liabilities of the Group. The increase of the Group's Total Equity derives from the increase of the Net Profitability (+63.4%), income registered directly in the Equity, € 9,669 thous., from Financial Instruments Available for Sale and € 2,694 thous. from the Readjustment at Fair Value of the Real Estate Owned.

The corresponding amounts of the Total Equity for the parent company are € 142,112 thous., versus € 116,489 thous. on 31/12/2018, presenting 22.0% increase.

Total Assets

The Group's Total Assets amounted to € 481,745 thous., versus € 429,435 thous., presenting 12.2% increase comparing to 31/12/2018. This variance is mainly due to the increase of the Financial Instruments Available for Sale by € 38,525 thous., as well as the increase of the Cash Equivalents by € 8,783 thous.

Bank Loans (Long-term and Short-term)

The Group has never received loans from banks.

Fixed Assets

The total Fixed Assets of the Group (Tangible assets and Real Estate Investments) amount to € 39,128 thous., versus € 34,270 thous., increased by € 4,858 thous., comparing to 31/12/2018. The last readjustment of the value of the Investment Real Estate and the Real Estate Owned was performed on 31/12/2019, by an independent certified valuator, that defined the fair value of the real estate. The value of the Real Estate Owned and the Investment Real Estate after their measurement at fair value, increased by € 3,850 thous. and € 621 thous. respectively.

Cash Flows

The net cash flows from the operating activities of the Group amounted to € 16,633 thous. versus € 5,463 thous. in 2018, presenting 204.5% increase, mainly due to the large increase of the pre-tax profit by € 7,010 thous. and the increase of the insurance provisions by 8,409 thous.

The cash flows from investment activities amounted to € -2,633 thous., versus € -2,403 thous. in the previous year. This decrease derived mainly by the increase of the purchases of intangible assets (software) by € 531 thous.

The cash and cash equivalents of the Group in the end of the fiscal period amounted to € 16,266 thous., versus € 7,483 thous. on 31/12/2018, presenting significant increase of 117.4.%.

Key Performance Indicators (KPIs)

The Group and the Company use Key Performance Indicators (KPIs) within the framework of decision-making procedures on the financial, operational and strategic planning, as well as for the evaluation and publication of the Company's performance. These Key Performance Indicators (KPIs) are used for the best possible understanding of the Company's financial and operating results, its financial position and statement of cash flows. The Key Performance Indicators (KPIs) must be taken into consideration in combination with the financial results that have been prepared in accordance with the IFRS, and under no circumstances may KPIs replace the results.

The Key Performance Indicators (KPIs) used by the Company are described below:

- Days Sale Outstanding DSO (in days): The DSO presents the ratio between premium debtors and the income from the premiums of the company and depicts in days the deadline for the collection of premiums from its customers, at the closing date of the balance sheet.
- Net Profit Margin: The Ratio defines the profit from operating activities, that is the net profit remaining to the Company after the deduction of the cost of services and other expenses from the net sales (including other income).
- Paid Claims/ Net Accrued Premiums and other related income: This Ratio reflects the total claims to the insured that burden the Company as a percentage of the written Premiums of the fiscal year.
- Commission and Other Gross Written Premiums Expenses /Total Written premiums (Acquisition Cost): This ratio reflects the total expenses paid for commissions and other direct written premiums expenses to the total written premiums.
- Premium Debtors Rate/ Total Written Premiums: This ratio reflects the insurance receivables on the total written premiums. A low rate reflects the ability of the Company to immediately collect insurance receivables.
- Insurance Provisions Rate/ Total Written Premiums: This ratio reflects the total insurance provisions/ reserves (liabilities from insurance policies) to the total written premiums. A high ratio presents a good formation of the Company's reserves.
- Return on Equity (pre tax): This ratio expresses how efficiently a company uses its funds to generate additional income and is expressed in percentage points. It is used as a ratio for the effectiveness of the company, presenting how much profit the Company can produce using the available resources invested by its shareholders (share capital) and its reserves. This rate represents the percentage of pre-tax profit to the total Equity in the opening balance sheet.
- Return on Assets (pre-tax) This ratio reflects the return of the total assets of a company and allows the assessment of the effectiveness of its operations. It expresses the percentage of pre-tax profit to the total Assets in the beginning of the period.

Ratio	Figures	Notes pg.	2019 (€ thous.)	2018 (€ thous.)	Ratio 2019	2018 Ratio	Variation (%)
Days Sale Outstanding DSO (in days):	(Insurance Receivables + Reinsurance Receivables) *365	59	25,930	26,002	44.56	49.69	-5.13 days
	Gross Written Premiums and related income	58	212,393	191,008			
Net Profit Margin:	After Tax Profit	58	17,506	10,714	8.24%	5.61%	2.63
	Gross Written Premiums and related income	58	212,393	191,008			
Paid Claims/ Net Accrued Premiums and other related income (%)	Insurance Claims Paid	58	102,186	93,551	48.11%	48.98%	-0.87
	Gross Written Premiums and related income	58	212,393	191,008			
Acquisition Cost of new written premiums	Commissions paid	58	36,123	34,234	17.01%	17.92%	-0.91
	Gross Written Premiums and related income	58	212,393	191,008			
Premium Debtors Rate/ Written Premiums	Insurance Receivables	59	16,006	14,332	7.54%	7.50%	0.04
	Gross Written Premiums and related income	58	212,393	191,008			
Insurance Provisions Rate/ Gross Written Premiums	Total Insurance Provisions	59	302,559	285,704	142.45%	149.58%	-7.13
	Gross Written Premiums and related income	58	212,393	191,008			
Return on Equity (pre-tax)	Pre-Tax Profit (Loss)	58	22,397	15,387	19.32%	13.33%	5.99
	Total Equity in the opening balance sheet	59	115,918	115,401			
Return on Assets (pre tax)	Pre-Tax Profit (Loss)	58	22,397	15,387	5.22%	3.69%	1.53
	Total Assets in the opening balance sheet	59	429,435	417,546			

Investment Analysis

Market performances -Fiscal Overview

The equity and bonds presented significant profit in 2019. The supportive attitude of the central banks and the low interest rates in the prices of the shares and corporate bonds contributed to this profit, as formed in the end of the previous year. Within the year, the Federal Bank of the U.S.A. continued its lax monetary policy by conducting 3 decreases in the interest rates (July, September, October) to minimize the negative impact from the commercial dispute between U.S.A and China. The Eurozone presented a similar image, where the European Central Bank presented a lax monetary policy. In the Meeting of September 2019, the E.C.B. announced that: (I) it will establish measures for the creation of a two -grades system for interest rates of the reserves of banks (tiering) (ii) it will proceed to reopening of the quantitative easing scheme after November 2019, with monthly purchases of securities equal to € 20 bil.

Regarding the returns of the government bonds, the German bonds presented significant profit (mainly the long-term bonds), and the government bonds of the other EU-countries (central and region) presented positive returns.

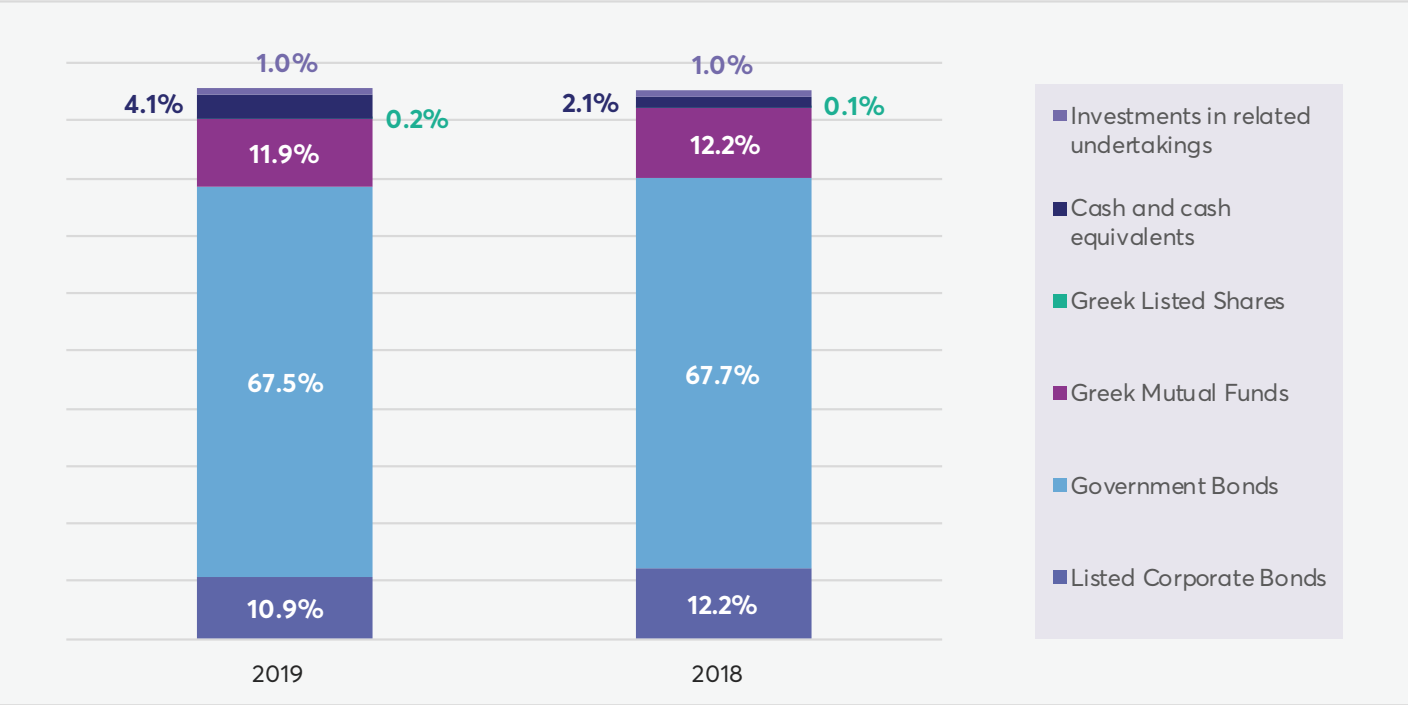
The corporate bonds presented a significant decrease of the credit margins in the investment-grade bonds and the high yield bonds, due to the search of investors for higher returns than the ones of the government bonds.

Investment Portfolio

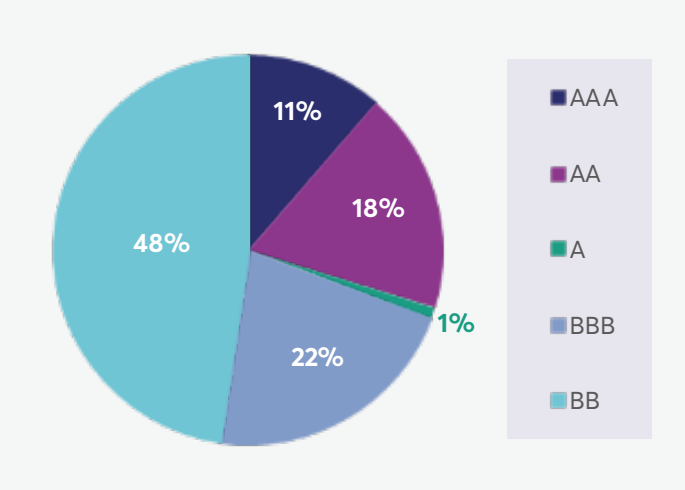
The investment portfolio amounted to € 382.1 mil. in the end of December 2019, versus € 333.8 mil. in the end of 2018. The current allocation of the main investment categories presents slight variations comparing to the allocation of 31/12/2018. (i) Corporate Bonds, the rate of which decreased by 1.3 p.p., and (ii) Cash and Cash equivalents, the rate of which increased by 2 p.p.

We must highlight that since 01/09/2019 the capital controls do not apply in Greece. Therefore, the current and future inflows can be invested freely in Greece and abroad.

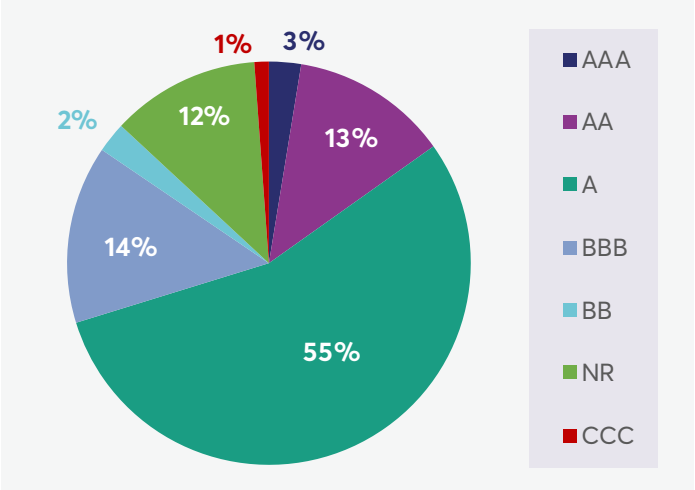
Investment Portfolio Allocation



Government Bonds per credit rating (31/12/2019)



Corporate Bonds per credit rating (31/12/2019)



Description of Major Risks

Risk Management Framework

In European Reliance General Insurance Co S.A. Group of Companies, we believe that an effective framework for risk management is the key factor for the minimization of the Group's risk exposure and the protection of the shareholders and the insured. Therefore, the Group has adopted risk management practices and methodologies, taking into consideration all related directives and requirements of the Supervisory Authority - the Department of Private Insurance Supervision of the Bank of Greece and the Solvency II legislation. The Board of Directors has established Committees, such as the Risk Management Committee and the Investment and Asset & Liability Management Committee ("ALCO"). The executive function of Risk Management is assigned to the Risk Management Department.

Risk Management Strategy

European Reliance identifies the risks in its business operations and the need for effective risk management and has developed a special Risk Management Strategy. This Strategy reflects the Company's position and sets the general guidelines for risk management. More specifically, the Company:

- Identifies and determines the underwritten risks.
- Defines the pursued objectives and the basic guidelines of the risk management strategy
- Defines the risk bearing capacity, the risk appetite/tolerance and the risk profile
- Sets the ratios and the limits on the basis of which the aforementioned are specified and measured.
- Determines the framework of governance for the Company's Risk Management.

The general objectives of the Risk Management Strategy of the Company are the following:

- The improvement of the risk /reward ratio
- The preparation of the Company for handling risks under the risk management standards according to Solvency II Guidelines.
- The implementation of the business strategy according to actions that focus on the audit of risks and aim to stabilize the profitability and the protection from non-acceptable losses, for the benefit of the shareholders and the insured.
- The assurance of the compliance with the supervisory requirements, as well as the best practices
- The assurance of the effectiveness and decrease of the operating cost for risk management, through the limitation of the operating overlaps and the avoidance of inappropriate or obsolete policies, procedures, methodologies, samples, audits and systems in line with the principle of proportionality
- The promotion of the risk management mentality at all Company levels.

The Risk Management System includes procedures for the identification, measurement, monitoring, control and reporting of risks.

The major risks and uncertainties that could have an impact on the Group are analyzed below.

1. Credit Risk

The current or future risk for profit and funds arising from the inability of the party liable to meet the requirements of any contract or any other obligation that was agreed with the Company. The term "liable party" includes counterparties, such as insurance brokers and reinsurers, issuers of securities, debtors and guarantors.

Within this framework, the following separation of risks apply:

Credit risk (Counterparty Default Risk related to risk underwriting and reinsurance): The current or future risk for profit and funds arising from the inability of a counterparty of an insurance or reinsurance company to fulfill the contractual obligations. The term counterparty includes the contributing parties (policyholders) of the insurance policies, as well as the insurers and reinsurers.

Credit risk (Counterparty's Default Risk related to investments or other financial transactions): The current or future risk for profit and funds arising from the default of an issuer of securities or of a counterparty in derivatives and/or other credit exposures.

The maximum credit risk in which the Group and the Company are mostly exposed at the date of preparation of the financial statements report is the book value of the financial assets. The receivables from customers is a figure that may possibly have a negative effect on the liquidity ratio of the Group and the Company. However, due to the increased number and the dispersion of customers, the credit risk rate is not high regarding these receivables.

For this category, the Group and the Company estimate the credit risk according to the established policies and procedures and have proceeded to the appropriate provisions for the impairment. The credit risk exposure from insurance premiums on 31/12/2019 amounts to € 16,006 thous., versus 14,332 thous. on 31/12/2018. The aforementioned increase is the result of the new group insurance policies of large corporate customers. These policies are covered normally and based on the credit regulation of the Company. Respectively the insurance receivables, as a rate of the gross written premiums, amounted on 31/12/2019 to 7.5%, similar comparing to 31/12/2018.

Moreover, the Group, despite the large diversion of its customer base, and after its operation in an environment of credit risks, continues to form, based on the conservative approach, provisions for impairment of the insurance receivables.

Moreover, the reinsurance receivables amounted to € 9,924 thous., versus € 11,670 thous. In 2018, presenting 15.0% decrease. All of the Group's Reinsurers have very high credit ratings and therefore the risk of non-paying their obligations is very low.

Rating of the 10 larger Reinsurers in participation rates:	**S&P**
SWISS REINSURANCE COMPANY LTD	AA-
SCOR GLOBAL P & C	AA-
SCOR GLOBAL LIFE SE	AA-
XL RE EUROPE SE	AA-
HANNOVER RE	AA-
MAPFRE RE	A+
ARCH RE EUROPE	A+
COVEA COOPERATIONS	A+
QBE RE EUROPE LTD	A+
MS AMLIN AG	A

The Group and the Company apply the specific credit policy which is based on the audit of the credit rating of customers and the effort for the effective management of the receivables before they become overdue, and while they are delayed or doubtful. For the management of the credit risk, the custom-

ers are arranged into groups depending on their category, their credit characteristics, their receivables and the existence of any possible difficulties in collectibility. The receivables are considered doubtful, are re-estimated at the date of preparation of the financial statements and a impairment provision is formed for the loss that is estimated to arise from the receivables.

The cash and cash equivalents are considered assets with high credit risk, since the current macroeconomic environment applies significant pressure to Banks. The Group and the Company special guidelines for the management of cash, and the possibility for risk exposure from transactions in foreign countries or from a counterparty is closely monitored.

The financial assets classified as available for sale and as assets for trading purposes refer to investments in mutual funds and other securities. It is estimated that these two categories do not expose the Group and the Company to great credit risk.

The loans include amounts granted to the insurance agents, which will be repaid through the retention of installments from their commissions, or they will be offset with their commissions. It is estimated that the aforementioned loans do not expose the Group and the Company to great credit risk.

2. Liquidity risk

Liquidity risk is the risk that the Group or the Company may not be able to fulfill its financial obligations on time. Liquidity Risk is kept at low levels, by retaining sufficient cash equivalents and credit limits that ensure the Company's ability to meet its financial obligations. The cash equivalents of the Group on 31/12/2019 amount to € 16,266 thous versus € 7,483 thous. (117.4% increase). In addition, the Group has access to sufficient short-term funds (although it has not received loans over the past seventeen years) for the coverage of extraordinary monetary needs, if this is required. Furthermore, it is worth noting that the Investment and Asset and Liability Management Committee (ALCO) monitors the liquidity risk systematically with the appropriate tools.

3. Market/Investment Risk

The current or future risk for profit and funds arising from fluctuations of the level and/or fluctuation of the market prices of assets and liabilities. This risk contains the following risks:

Interest Rate Risk

The current or future risk for profit and funds arising from a change in the direction, fluctuation or correlation of the interest rates, the shape of the yield curve, and the variance between the various interest rates that affect assets and liabilities.

Foreign Exchange Risk

The current or future risk for profit and funds arising from the change in the direction, fluctuation or correlation of foreign exchange rates that affect assets and liabilities. The Company's transactions are performed in Euro and therefore the Foreign Exchange Risk is limited.

Equity Risk

The current or future risk for profit and funds arising from the change in the direction, fluctuation or correlation of the prices of shares/ratios that affect the Company's assets.

Property Risk

The current or future risk for profit and funds arising from a change in the direction, fluctuation or correlation of the prices of real estate, therefore affecting the assets and the investments related to land, buildings and rights in rem on properties, as well as real estate for own use.

Spread Risk

The current or future risk for profit and funds arising from a change in the direction, fluctuation or correlation of the spreads over the risk free curve that affect assets and liabilities. This applies especially for corporate and subordinated bonds.

4. Assets – Liabilities risk

The current or future risk for profit and funds arising from the structure of assets and liabilities. The inconsistency may pertain to the maturity of the assets, interest rates, repricing frequency, currencies, levels and timing inconsistency of cash flows, as well as the maturity of the average modified duration. The Group is exposed to cash flows risk, which may arise from a possible future change of the fluctuated interest rates, which will differentiate positively or negatively the cash inflows and/or outflows related to the Group's assets and/or liabilities. The Company is exposed to financial risks that refer to changes in the prices of securities.

The investment revenues are shaped by factors connected to the growth of the Greek economy's figures and the growth of international capital markets. For the decrease of the exposure to the assets-liabilities risk, our Group continues to own the larger part of the portfolio (over 65%) in products subject to low price fluctuation, such as Government bonds and time deposits. Moreover, about 4.8% of the portfolio is invested in real estate.

5. Concentration Risk

The current or future risk for profit and funds arising from excessive overall exposure to a counterparty or group of counterparties, as well as to shared or interlinked factors, including industrial sectors or geographical regions. Concentration risk may arise in all risk types, as in underwriting, reinsurance, credit, market, counterparty, liquidity and operational risks. This risk refers to excessive exposure to individual or related groups of insurers and reinsurers.

6. Operational Risk

The current or future risk for profit and funds arising by inappropriate or inadequate internal procedures or by inappropriate or inadequate personnel or inappropriate or inadequate operating systems or from external events.

To mitigate this risk, the Company has established adequate control and reporting mechanisms to identify, assess and manage the operational risk. The mechanisms include the recording of internal procedures and audit mechanisms, the

allocation of competences, continuous training, approval and agreement procedures, and the supervision of the Internal Audit and Compliance Department. In cases where the consequences of the operational risk exceed the established limits, the Company has developed a plan to mitigate the operational risk to the acceptable limits.

7. Business interruption risk

The risk for the efficient service of the Company's insured / insurance agents which can be caused by a business interruption.

8. Risk of inaccuracies in data/information

The risk of the Company in all its operations due to inaccuracies in the data and information used.

9. Country Risk

The current or future risk for profit and funds arising from some events in a specific country, for which the government is responsible, at least to some extent, but which certainly were not defined by any private company or natural person. Such possible events include the deterioration of economic conditions, political and social unrest, nationalization and expropriation of assets and the disruptive depreciation of the currency. This definition includes all forms of cross-border lending in one country which either involves lending to the government or to a bank or private business or one person.

10. Government Bond Risk

The current or future risk for profit and funds arising from unforeseeable changes in the value of Government Bond (EEA member countries' bonds) owned by the Company.

11. Political Risk

The current or future risk for profit and funds arising from political decisions that affect the Company's operation (e.g. Changes in the tax law, depreciation of currency, lending possibilities, changes of the country's debt, etc.).

12. Compliance and Legal Risk

The current or future risk for the Company's profit and the funds arising from violations or non-compliance with laws, rules, regulations, agreements, provided practices required or rules of conduct.

13. Strategic Risk

The current or future risk for profit and funds arising from adverse business decisions (e.g. acquisition, merger, development of new products, outsourcing, etc.), incorrect implementation of decisions, lack of response to the imperative changes of the market, etc. Strategic Risk depends on the following elements: the strategic goals of the company, the developed business strategies, the resources provided for the achievement of these goals and the financial status of the industry, within which the Group operates

14. Reputation Risk

The current or future risk for profit and funds arising from the deterioration of the Company's reputation or the formation of a negative perception on the image of the Company among counterparties, customers and/or supervisory authorities.

15. Capital Risk

The possibility that the Company does not have access to the required funds to cover its business activities or institutional obligations on the minimum or supervisory required levels of equity.

Within this framework:

- The Company overlaps the Minimum Capital Requirement (MCR) under which the insurance company is led to supervisory intervention and possible revocation of license.
- The Company overlaps the Solvency Capital Requirement (SCR).
- The Company overviews the risk factors that threaten its solvency on a regular basis.
- The Company sufficiently complies with the requirements on the quality of its equity (classification of Equity Tier 1, 2, 3) for the coverage of the capital requirements.

The Company actively manages its capital structure and carries out adjustments depending on the economic conditions and the risk characteristics of its activities. The Company may adjust its capital structure, by readjusting the dividend for distribution to the shareholders, returning a fund to the shareholders or by issuing shares. There have been no changes on the goals, procedures and policies of the Company compared to the previous years.

The fund management strategy implemented aims to ensure the capital adequacy of the Company, according to the current regulatory Solvency II framework, preventing potential unforeseen consequences on the capital sufficiency of the Company. The capital sufficiency ratios are monitored on a regular basis, in order to maximize the value for the shareholders.

The results of the solvency ratios of the Company are available to the investors in the recent Solvency and Financial Condition Report (SFCR) for 2019, in the Company's website https://www.europaikipisti.gr/en/Home

16. Underwriting Risk

It is the risk of a future uncertain event that will adversely affect the insured. With the undersigning of the insurance policy, this risk is transferred from the insured to the insurer. The Company transfers part of the underwriting risk to the reinsurer and controls its risk underwriting policy on a regular basis, so that the frequency and the height of the claims would be within the limits estimated at the pricing. The basis for the calculation of the underwriting risk are the Technical Provisions. Certain life insurance policies provide guaranteed amounts or interest rates, included in the terms of the policies. The Company performs audits in the existing products for the adequacy of the mathematical reserves. The complete

analysis of the underwriting risk is presented in Section E of the present report in par. 4.2.1.

Significant events of the reporting period

The significant events that took place in the period from 1/1/2019 to 31/12/2019 are the following:

Date	Event
10/01/2019	European Reliance awarded the policyholders of the scheme "Asfalistikos Goneas" with an amount reaching almost € 300,000. Moreover, it enhanced the panhellenic network of cooperating businesses through the innovative scheme Asfalistikos Goneas.
12/02/2019	The Sales Network successfully completed the contest "Drive this car". The 15 winners were awarded with a car with the logo "European Reliance" that will facilitate their daily activities, and at the same time promote the Company throughout Greece.
28/02/2019	European Reliance, within the framework of constant development of the provided services to the insured, created two new annually renewable insurance schemes "Family Plus" and "Health Plan", that aim to offer to the insured access to qualitative health care in Greece and abroad.
21/05/2019	The Ordinary General Meeting of Shareholders of the Company approved the annual corporate and consolidated financial statements of fiscal year 2018 and the distribution of dividend equal to € 0.13 per share. During the General Meeting, the Shareholders were informed on the development of fiscal year 2018 and the objectives and growth prospects of the Company. Moreover, the Ordinary General Meeting of Shareholders approved the waiver of the Public Accountants from any liability for acts of Fiscal Year 2018 and the appointment of the Certified Public Accountants for fiscal year 2019, the adjustment of the Articles of Association of the Company, according to the provisions of L. 4548/2018, the overall management of the Company by the Board of Directors and the remuneration of the Board members, the election of new Board of Directors and the pre-approval of remuneration of the Board members, the Remuneration Policy of the Board members, the election of a new Audit Committee and the acquisition of Equity via the Athens Stock Exchange.
22/05/2019	European Reliance, having planned social and environmental actions in its Plan of Corporate Social Responsibility, organized the regeneration of the seaside "Kokkino Limanaki" in Rafina, Attica. This action was voluntarily organized by European Reliance, in cooperation with the Committee for the Injured Residents "Kokkino Limanaki" and the Municipality of Rafina-Pikermi, in order to relief the environment of the region and was warmheartedly embraced by the Human Resources of the Company, with 80 employees participating voluntarily.
23/05/2019	European Reliance awarded Excellence offering 5 scholarships to the first students of the National and Kapodistrian University of Athens that reached the highest entry grade to the Department of Business and Organizations.
04/06/2019	The first graduates of the Master's Program "Executive Sales Insurance Program" was conducted within the framework of the cooperation of European Reliance with the National and Kapodistrian University of Athens.
25/06/2019	European Reliance created a special Group Insurance Policy for the Selected Associates of the Sales Network. The objective of this Scheme is that every insurance agent will receive a financial amount upon retirement, or termination of the cooperation with European Reliance.
24/07/2019	European Reliance Group of Companies conducted its voluntary blood donation, collecting 43 units of blood.
02/09/2019	European Reliance is included in the socially responsible Organizations and employers of the special category "Leading Employers in Greece", published by ICAP.
05/09/2019	European Reliance published its new quarterly information leaflet "Vision" which is dedicated to the value of Insurance Coverage.

12/09/2019 In the first semester of 2019, the Company performed 26 actions of Corporate Social Responsibility to expand and enhance its role in the society. Out of the 26 initiatives, 12 were in the field of sports, 7 of education, 4 of culture and 3 of them referred to the wider society.

18/09/2019 European Reliance awarded the policyholders of the scheme "Asfalistikos Goneas" for the first semester of 2019 with an amount reaching almost € 150,000.00. This amount refers to return of the premiums saved by the policyholders of the scheme through their daily purchases in the cooperating businesses.

04/11/2019 European Reliance within the framework of its digital strategy for a series of promotional activities in the form of animated videos, created a new video for the home protection scheme "Safe Home".

03/12/2019 European Reliance General Insurance Co. S.A. received the Platinum Award for sixth consecutive year from the Hellenic Institute of Business Ethics -EBEN GR, with the top distinction "Olympic Kotinos Wreath" for the total of its business activities, in a special ceremony held in the Annual Research Congress of EBEN EUROPE.

04/12/2019 European Reliance, in cooperation with OPEN TV promoted a new campaign under the title "You can choose your destination". The campaign aims to inform and raise awareness among the public on the ideal, driver's behavior and its multiple benefits.

16/12/2019 The Company received its recertification by TÜV NORD, according to the international standards ISO 9001:2015 for the Quality of Services and ISO 27001:2013 for Information Security.

20/12/2019 European Reliance received the first prize in the nomination of the "Bravo Sustainability Awards 2019" for Sustainable Development and Responsible Entrepreneurship for its scheme "Asfalistikos Goneas".

23/12/2019 European Reliance was awarded as a "True Leader" company for ninth consecutive year, within the framework of ICAP GROUP "True Leaders".

Other actions

At the same time, the Company achieved to:

- Enhance its Brand Name through new innovating modern marketing methods
- Strengthen the Sales Network
- Open 13 new Retail Offices
- Significant increase of the number of insurance policies, exceeding 645,000 thous., in 2019.

All of our Group's actions and news are announced in the Company's website https://www.europaikipisti.gr/en/Home, in the Sections Press Release and Investor Relations https://ir.europaikipisti.gr/en-us/home/europisti-investor-relations-home-page.

2020 Prospects and Growth

The prospects of the global economy seem inextricable connected to the pandemic of coronavirus, a virus spread in China and which is expected to affect the economy of China and the global economy.

According to recent data of Moody's on the growth prospects of the global economy, coronavirus will affect global growth in many countries in the first semester of 2020.

Moody's forecasts 2.1% growth rate for the total of the G-20 economies in 2020, versus the forecast for 2.4% in the beginning of 2019, and for Eurozone and U.S.A., Moody's forecasts growth rate equal to 0.7% (2020) vs 1.2% (2019) for Europe and 1.5% (U.S.A) vs. 1.7% (2019). In Italy, Moody's estimates that the economy is already in recession, as it is almost certain that the economy already contracted in the first quarter of 2020, after the 0.3% contraction of the fourth quarter of 2019. For 2021, the key scenario forecasts recession of the growth rate of the global economy at 2.8% for G-20, at 1.5% for the Eurozone and 1.9% for the U.S.A.

It is also highlighted that the global efforts for containment of the virus, and perhaps the warm weather in the Northern Hemisphere in spring and summer may allow the financial activities to recess in the second semester of the year. Given the large uncertainty in the spread of the coronavirus, Moody's has prepared a worst case scenario, that refers to an extended and pro-

longed drop of the fiscal activity. In this scenario the growth rate of the G-20 is limited to 1.4%, 0.4% in the Eurozone and 0.9% in the U.S.A. And we forecast recession of the growth rate for 2021 at 2.7% for G-20, 1.4% for the Eurozone and 1.8% for the U.S.A.

In Greece for the years 2020 and 2021, the growth rate is forecasted to accelerate to 2.4% and 2.5% respectively. The contribution of private consumption remains positive throughout this period. Furthermore, the consumer cost is estimated to increase with rather mild growth rates, as the households are expected to use a part of the increase of the actual available income for the payment of debts and at the same time the savings will increase.

The exports of goods are expected to increase with slower rates, after the decrease of the external demand for 2020, as a consequence of the deterioration of the global environment. The exports of services are provided to increase according to the demand of the touristic and shipping services. The imports are expected to increase, following the course of the domestic demand and the exports, taking into consideration that their content has a high value in the Greek economy.

In this environment, the Company has set for 2020 the following financial objectives, taking into consideration the Greek financial and insurance environment:

- Achievement of an objective of net written premiums with 5.9% increase.
- Decrease of the Acquisition Cost in the Motor Sector to 19.0%,
- Operation cost at 15% of the Net Written Premiums
- Improvement of the terms and reinsurance cost comparing to 2019
- Achievement of the Motor Claims objective <60%, Health Care Schemes < 70%, Group Life <70%, Other <35%.

At the same time, the following qualitative objectives have been set, which focus on:

- Completion of Projects for the Institutional Shielding of the Company.,
- Development of new IT applications,
- Preparation of the Company for the implementation of the new International Financial Reporting Standards, 17 and 9 with implementation date 01/01/2023.
- Design and implementation of a promotion system for “Asfalistikos Goneas” and “Peak Products”.,
- Increase of the level of the provided services,
- Increase of the frequency and quality of the communication of the agents and the in-house personnel with the customers.

For 2020 the following strategic goals have been specified:

- Ensuring the Company and the interests of the shareholders, employees and insured.
- Digital Transformation
- Improvement of the Company’s figures and unrestricted financing,
- Continuous actions for the achievement of the “Dream” and establishment of a common culture oriented toward the Company’s “Dream”,
- Promotion of the Company as one of the leading insurance organizations regarding its size, position, solvency, credibility, completeness, quality of the provided services and social contribution.

Transactions with Related Parties

Related parties include companies in which the Parent Company has the control. Related parties are the members of the management of the Group, first-degree relatives, companies that are controlled by these persons, in which these members have a substantial influence on the management and fiscal policy.

All transactions with related parties are performed on terms similar with the applicable for transactions with non-related parties. Transactions and balances between the companies of the Group will be deleted at the consolidation.

The amounts from the Company’s transactions with related parties and persons within the framework of I.A.S. 24, cumulatively from the beginning of the fiscal year, until the end of the current year, are as follows (amounts in th. €):

a) Transactions of the Parent Company with Subsidiaries

	31/12/2019		31/12/2018	
	Income from provision of services and rental income	Expenses from provision of services	Income from provision of services and rental Income	Expenses from provision of services
Alter Ego S.A.	72	457	67	589
Reliance Single-Member S.A.	1	1	1	0
European Reliance Mutual Funds Management S.A.	79	80	72	80
Total	**152**	**538**	**140**	**669**

	31/12/2019		31/12/2018	
	Receivables	Liabilities	Receivables	Liabilities
Alter Ego S.A.	361	94	474	3
Reliance Single-Member S.A.	0		0	0
European Reliance Mutual Funds Management S.A.	14	25	11	25
Total	**375**	**119**	**485**	**28**

b) Transactions with Executive Directors and members of the Management

	Group		The Parent Company	
	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Short-term benefits	1,774	2,200	1,550	2,005
Benefits after leaving the company	935	732	935	732

	Group		The Parent Company	
	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Receivables	0	0	0	0
Liabilities	**2,546**	**2,687**	**2,546**	**2,687**

The "short-term" benefits to the Executive Directors and members of the Management are the salaries, remuneration, employers' social contribution and other charges. The fund "Benefits after leaving the company" includes the cost of schemes for benefits after leaving the company.

The "Payables" to Executive directors and Board members refer to the group pension insurance scheme. The payables deriving from this scheme amount to € 2,546 thous., on 31/12/2019 and € 2,687 thous., on 31/12/2018, including the actuarial reserves of Life Insurance.

The Parent Company and the Group have not provided, nor received guarantees or commitments of any kind for the related parties.

Significant facts after the end of the reporting period

- For the fiscal year that ended on 31/12/2019, the Board of Directors proposes the distribution of dividend from the profit of fiscal year 2019 equal to € 6,600,882.48, which corresponds to € 0.24 per share. It is noted that the above dividend per share will be increased depending on the number of Own Shares owned by the Company, at the Record Date.
- For the fiscal year ending on 31/12/2019, the Board of Directors will propose to the Ordinary General Meeting of Shareholders distribution of dividend to the Executive Directors from the profit of fiscal year 2019 equal to € 544,685.00.

- On 06/02/2020 the Group European Reliance, staying stable at its principles for the development of the Renewable Energy Resources as a mean of sustainable development performed acquisition of 100% of the share capital of the company AEM Energy Systems P.C., which is now one of the Group's subsidiaries. Through this acquisition, European Reliance has in its position a photovoltaic station in the prefecture of Larissa, of nominal power 0.5 MWh, which is connected to the medium voltage network of the Public Power Station.
- At the time of preparation of the Financial Statements, around the world there is a global concern on the virus Covid-19. COVID- 19 firstly appeared in the end of December 2019, in the city Wuhan in the Hubei province, in China. From the first days of 2020, the new virus, that has many similarities with SARS, since they belong in the same family of viruses, began to grow in Wuhan. Shortly afterwards, the first outbreaks appeared in Thailand, Japan and South Korea. Within a few weeks, other cases of Covid-19 appeared in the U.S.A. and Europe and the virus at the present time period had appeared almost worldwide. The above figures have led the world stock markets to a recession and the global markets to a continuous turmoil. The Company, prioritizes the safety and health of its personnel and the continuous provision of services to its insured, and promptly proceeded to preventive measures to decelerate the spread of Covid- 19. More specifically, the company immediately applied the following preventive measures: Frequent disinfection of the working places, postponement of all business trips, minimization of the crowded meetings, teleworking for over 80% of the personnel, flexible working hours, protection of the vulnerable groups of the Company, counseling on personal hygiene according to the guidelines and recommendations of the National Organization for Public Health. Moreover, the Company encouraged the customers and the Sales Network to use for their communication digital channels and digital applications of the Company, such as the on-line pay, by limiting to the minimum their natural presence in the offices of the Company.

Apart from the above, there are no other events, after the publication of the Financial Statements that are related to the Group and the Company and ought to be reported.

Q1 2020 Figures

The written premiums of the period from January to March 2020 have an upward trend, comparing to the same period of 2019. Indicatively, we report that:

- The net written premiums presented 10.2 % increase, comparing to the same period of 2019.
- The other income and expenses are in the same levels as in 2019.
- The Company's liquidity ratio is at high levels.
- The investment income is at an upward trend.

Chalandri, April 3, 2020

The Chairman of the Board of Directors

Nikolaos Chalkiopoulos

B.

The Explanatory Report of the Board of Directors, in accordance with the provisions of L. 3556/2007 and L. 4548/2018.

Information in accordance with article 4, par. 7 of L. 3556/2007 in line with the provisions of par. 8, Article 4 of L. 3556/2007And L. 4548/2018.

Pursuant to Article 4, par. 7 of L. 3556/2007, art. 50, par. 2 of L. 4548/2018 and according to the Company's Articles of Association and other decisions of the General Meeting of Shareholders and the Board of Directors, the Company is obliged to publish in the present Statement of the Board of Directors detailed information on the following subjects:

Own Shares

The Company acquired Own Shares, within the framework of the approved Scheme for Re-acquisition of Own Shares by the General Meeting of Shareholders (since the meeting of May 21, 2019).

The Management of the Company received approval to acquire 2,750,367 own shares, in the time period from 01/07/2019 up to 30/06/2021 on prices ranging from € 2.00 (minimum acquisition price) to € 6.00 (maximum acquisition price) per share. On 31/12/2019, the Company holds 208,729 Own Shares at acquisition cost of € 1,018 thous.

Structure of the Company's share capital

The Company's share capital amounts to € 17,327,316.51 and is divided into 27,503,677 common nominal shares, with nominal value of 0.63 € each (Decision of the Extraordinary General Meeting of Shareholders on 16/12/2014). The total of the Company's shares is common, nominal shares with voting rights and there are no special categories of shares. The shares of the Company are listed in the Athens Stock Exchange and are therefore intangible.

The rights of the Company's shareholders deriving from the share correspond to the percentage of the capital in which the paid-up value of the share corresponds. Each share includes all rights and liabilities provided by Law and the Company's Articles of Association and especially:

- The right to participate and vote in the Company's General Meeting of Shareholders.
- The right on the dividend from the Company's annual profit, which amounts to 35% of the net profit after the deduction of the statutory reserve and other profit referred to in par. 1 of article 3 of C .L. 148/67 and art. 161 of L. 4548/2018. The rest of the amount is distributed in total or in parts to the shareholders or it is provided for the formation or strengthening of any of the reserves or deductions, upon decision of the Ordinary General Meeting of Shareholders.
- All the shareholders that are referred to in the shareholders' register at the date of determination of the beneficiaries for dividends, are entitled to receive dividends. The dividend of each share is paid to the shareholder within two (2) months after the date of the Ordinary General Meeting of Shareholders that approved the annual fiscal statements. The method and the place of payment is announced in the Daily Price Bulletin and the ATHEX website. The claim for dividend is written off and the corresponding amount goes to the Greek State, five (5) years after the year in which the General Meeting of Shareholders approved the distribution.
- The pre-emptive right in every increase of the share capital of the Company in cash and the subscription of new shares.
- The right to receive a copy of the financial statements and reports of the certified public accountants and the Company's Board of Directors.

The General Meeting of the shareholders reserves all rights at the liquidation (according to Article 29 of its Article of Association).

The liability of the Company's shareholders is limited to the nominal value of the shares they own.

Limitation in the transmission of the Company's shares

The shares of the Company are intangible, are traded freely in the Athens Stock Exchange and are transmitted as the Law applies, and according to its Article of Association, no limitations apply in their transmission. According to art. 4 of L. 3016/2002, as applicable, the independent, non-executive members of the Board of Directors of the Company may not, among others, hold shares equal to over 0.5% of the paid up share capital. On 31/12/2019, no independent Board members hold any shares over 0.5% of the paid up share capital of the Company.

According to article 19 of Regulation 596/2014 of the European Council and the Council (as well as the authorized Regulation 2016/522 and the Executive Regulation 2016/523 of the European Commission), the persons that exercise managerial duties and those closely related to these persons, ought to notify on the transactions performed, directly or indirectly on their behalf and are related with the shares or debt instruments of the Company or derivatives or other financial instruments related to these after the completion of the amount of € 5,000 (without offsetting) for one year. For all of the above liable persons, within 2019, the transaction of amounts (over € 5,000) were published in the website of the Athens Stock Exchange.

Significant direct or indirect holdings within the meaning of the provisions of Art. 9 to 11 of L. 3556/2007

Significant direct or indirect holdings within the meaning of the provisions of Art. 9 to 11 of L. L. 3556/2007 are the following:

- Alter Ego S.A.: 97.30%
- European Reliance Asset Management M.F.M.C.S.A. 99.01%
- Reliance Single-Member Insurance Agents S.A. 100.00%

According to the shareholders' register on December 31, 2019, the Company's nominal structure was the following (shareholders with direct and indirect participation higher than 5% and persons related to the Company's Management):

Full Name	Identity	Direct & Indirect participation
Christos Georgakopoulos	CEO and Board Member of European Reliance General Insurance Company Co. S.A.	7,165,775 shares or 26.054%
European Bank for Reconstruction and Development (EBRD)	Investment Bank	4,125,552 shares or 15.000%
Eric Sharp	Board Member of European Reliance General Insurance Company Co. S.A.	2,459,175 shares or 8.941%
Stavros Lekkakos	Chairman (until 01/09/2019) of the Board of Directors of European Reliance General Insurance Co. S.A.	2,350,000 shares or 8.544 %
Nikolaos Chalkiopoulos	Vice Chairman of the Board of Directors (since 02/09/2019) of European Reliance General Insurance Co. S.A. and Chief Insurance Operation Manager	453,350 shares or 1.648 %
Stefanos Verzovitis	Chief Financial Officer and Vice-Chairman of the Board of Directors (Since 02/09/2019) of European Reliance General Insurance Co. S.A.	400,637 shares or 1.457%
George Diamantopoulos	Board Member of European Reliance General Insurance Co. S.A.	100,000 shares or 0.364%
Theodor Chronis	Board Member (Since 02/09/2019)	20,000 shares or 0.073%
Christopher Poulios	Board Member of European Reliance General Insurance Co. S.A.	5,601 shares or 0.020%
Other Shareholders	-	10,423,587 shares or 37.899%

The distribution of shareholders, on 31/12/2019 is as follows:

- Natural persons: 2,816 shareholders
- Legal Entities: 82 shareholders
- Common Shares: 206 shareholders

Holders of all types of shares providing special rights of control

There are no shares providing to their holders special rights of control.

Restrictions on voting rights

There are no restrictions in the Company's Article of Association for the voting right deriving from the shares.

Agreements among Company's shareholders, that include limitations in the transfer of shares or limitation in the exercise of voting rights

The Company is not aware of, and neither are there any provisions, according to its Article of Associations, provided for agreements among shareholders that include limitation on the transfer of shares or limitation in the exercise of voting rights.

Rules on the appointment and replacement of Board members and amendment of the Article of Association.

Regarding the appointment, the replacement of Board members of the Company and relevant procedures on the amendment of the Articles of Association, there are no rules differentiated by the provisions of C.L. 4548/2018, as applicable and in force.

Competence of the Board of Directors or of certain members for the issuance of new shares or the acquisition of own shares

There is no special competence of the Board of Directors or of certain members for the issuance of new shares. No other authorization has been granted by the General Meeting of Shareholders to the Board of Directors for acquisition of own shares, apart from the authorization provided by the General Meeting of Shareholders on 21/05/2019, based on which the scheme for Repurchase of Own Shares has been approved. Based on the above scheme, the Company has approved the purchase of 2,750,367 own shares, in the time period from 01/07/2019 up to 30/06/2021 on prices ranging from € 2.00 (minimum acquisition price) to € 6.00 (maximum acquisition price) per share. On 31/12/2019, the Company had 208,729 Own Shares.

Significant agreements that enter into force, are amended or expire in case of changes in the Company's audit after a public offering

There are no significant agreements that enter into force, are amended or expire in case of changes in the Company's audit after a public offering.

Agreements that the Company has concluded with the Board members or its personnel, that provide for compensation in case of resignation or discharge for no apparent reason or termination of the term of office or employment after the public offering

There are no agreements of the Company with Board Members or the personnel of the Company that provide for the payment of unlawful compensation, especially in case of resignation, dismissal for no apparent reason or termination of the term of office or employment due to public offering.

Share's Information - Dividend yield

The closing price of the share in the Athens Stock Exchange on 31/12/2018 amount to € 5.08 (versus € 3.41 in the corresponding fiscal period). At the highest peak, the price of the share reached € 5.62 and at the lowest € 3.40. The capitalization of the Company on 31/12/2018 amounted to € 139.7 mil.

C.

Statements of the Representatives of the Board of Directors

Pursuant to Art. 4, par. 2 of Law 3556/2007, as currently in force, the following Representatives of the Board of Directors of the Company proceed to the following statements:

1. Nikolaos Chalkiopoulos, Chairman of the Board of Directors
2. Stefanos Verzovitis, Vice-Chairman of the Board of Director
3. Christos Georgakopoulos, Chief Executive Officer of the Board of Directors

We the undersigned, in our above-mentioned identities, declare and certify that to the best of our knowledge:

a. The annual financial statements of European Reliance General Insurance CO.S.A. for the fiscal period from 01/01/2019 to 31/12/2019 which were prepared according to the applicable International Financial Reporting Standards (IFRS) present a true view of the assets, liabilities, equity and fiscal results of the Group and the Company, as well as the undertakings included in the consolidation taken as a whole.
b. The Board of Directors' annual report fairly presents the development, performance and position of the Company, as well as the undertakings included in the consolidation taken as a whole, including the description of the major risks and uncertainties that they face.

Chalandri, April 3, 2020

Signed by

The Chairman of the Board of Directors	The Vice Chairman Board Member	The Chief Executive Officer
Nikolaos Chalkiopoulos	**Stefanos Verzovitis**	**Christos Georgakopoulos**

D.

Audit Report of the Certified Public Accountant

Deloitte.

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Audit Report of the Independent Certified Public Accountant

To the Shareholders of the Company EUROPEAN RELIANCE GENERAL INSURANCE CO.S.A.

Audit Report on the Corporate and Consolidated Financial Statements

Opinion

We have audited all attached corporate and consolidated financial statements of European Reliance General Insurance Co. S.A. (hereinafter "The Company") which comprise the corporate and consolidated statement of financial position as of 31 December 2019, the corporate and consolidated statements of total comprehensive income, changes in Equity and Statement of Cash Flows for the year ended on 31 December 2018 and the summary of the most significant accounting principles and methods and other explanatory information.
In our opinion the attached corporate and consolidated financial statements fairly present in all material respects the financial position of European Reliance General Insurance Co. S.A. And its subsidiaries ("The Group), on 31 December 2019, their financial performance and cash flows for the year ended on that date, according to the International Financial Reporting Standards, as adopted by the European Union on that date.

Basis for Opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs), as incorporated in the Greek Legislation. Our responsibilities, according to these standards are further described in the section of our Report "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements". We are independent of the Company and its consolidated subsidiaries throughout the period of our appointment, in accordance with the Code of Ethics for Professional Accountants of the International Ethics Standard Board for Accountants (IESBA code), as incorporated in the Greek Legislation, and the ethical requirements that are related to the audit of corporate and consolidated financial statements in Greece and we have fulfilled our ethical responsibilities, in accordance with the requirements of the applicable legislation and the aforementioned IESBA code. We believe that the audit evidence we have obtained is efficient and appropriate to provide a basis for opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the corporate and consolidated financial statements of the current period. These matters and the related risks of material misstatement were addressed in the context of our audit of the corporate and consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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Key audit matters	How our audit addressed the key audit matters
Estimations on the technical reserves deriving from the Life insurance policies	
The mathematical reserves and the technical insurance provisions ("technical reserves") of life insurance policies amount to € 100 mil. on 31/12/2019, (31/12/2018: € 92 mil.) and include the amount of € 0.9 mil. (31/12/2018: € 2.9 mil.) referring to the additional adequacy reserve of insurance reserves (LAT) which arises from the audit procedure of the adequacy of the insurance reserves at the preparation of the corporate and consolidated financial statements. The estimations of the adequacy of the provision of the mathematical reserves and the technical insurance provisions are complicated and include the use of the actuarial assumptions by the Management. The estimations on these assumptions present a significant degree of subjectivity, high degree of uncertainty and a few of the used assumptions are especially sensitive to slight variations, which could significantly influence the estimations of the mathematical and technical insurance provisions. The actuarial assumptions, which are rather sensitive to variations, refer to the yield curve, which is used for the discount of future flows deriving from the insurance policies and therefore, we considered that this is a significant audit matter. Management provides information on the estimations on the technical reserves deriving from the Life insurance policies in Note 2.13 (accounting principle on the audit of adequacy of insurance reserves -Liability Adequacy Test -LAT)4.2.1 (risk management underwriting risk) and Note 7.18 (Mathematical Reserves and technical insurance provisions of corporate and consolidated Financial Statements).	Based on the estimations of the audit risks and by applying a risk-oriented approach, we assessed the estimation of technical reserves deriving from the Life insurance policies. The audit procedures applied included among others the following: • Assessment of the planning of internal test of controls related to the determination of the significant assumptions including the internal test of controls related to the appropriateness of the method and the judgments of the Management for the estimation of this provision. • Evaluation, with the support of our experts (actuaries), we will evaluate the appropriateness of the most important actuarial assumptions of the Management, including the yield curve that was used for the discount of future cash flows from life Insurance policies. More specifically, regarding the actuarial assumption of the yield curve, we evaluated the methodology applied by the Management for the definition of the yield curves used for the discount of future cash flows of life insurance policies in the current value and we examined the appropriateness of the investment figures and returns used for the definition of the yield curve. • Audit of the completeness and audit of the data accuracy on a sample basis regarding the data and information used for the formation of the yield curve. • With the support of our special experts (actuaries) we performed procedures of independent confirmation of the samples of cash flow provisions, on a policy sample basis. • Assessment of the completeness and accuracy of the disclosures related to this significant matter, based on the current accounting standards.

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Key audit matters	How our audit addressed the key audit matters
Estimation of the technical reserves of outstanding Claims for Non-Life Insurance	
The technical insurance provisions include the outstanding claims of Non-Life Insurance amounting to € 148 mil. as of 31/12/2019 (versus € 145 mil.) and include the amount of € 10.7 mil. (31/12/2010: € 12.3 mil.) that refers to the adequacy reserve of insurance reserves in the corporate and consolidated financial statements. The estimation of the outstanding claims includes the adequacy of the reserve, per case file, which includes a significant degree of subjectivity due to the subjective nature of the estimations of future claims for incurred damages and depends on the quality of the data used for the time development of losses and the provision of the future internal and external facts and also actuarial assumptions. The actuarial assumption used for the calculation of the adequacy of the insurance provisions, that is the loss ratio and development factors on the triangle method on the reserving of Non-Life Insurance include the judgment of the Management. Management provides information on the estimate of the reserves of Non-Life outstanding claims in Notes 2.13 (accounting principle on the provisions for outstanding claims 4.2.1 (risk management - underwriting risk) and 7. 18 (Mathematical Reserves and technical insurance provisions) of corporate and consolidated Financial Statements.	Based on the assessment of the audit risks and by applying a risk-oriented approach we evaluated the methodology and the assumptions used by the Management on the estimation of the reserves of non-life outstanding claims. The applied audit procedures included, among others, the following: • Assessment of the planning of internal test of controls related to the determination of the significant assumptions including the internal test of controls related to the appropriateness of the method and the judgments of the Management for the estimation of this provision. • Evaluation with the support of the special experts (actuaries) of the appropriateness of the significant actuarial assumptions of the Management, including the loss ratio and development factors for the calculation of the Non-Life reserves. • More specifically, we evaluated the methodology applied by the Management for the definition of the loss ratio and the development factors and examined the adequacy and on a sample basis the accuracy of the data that refer the time development of the losses used by the Management for the export of results for empirical studies on the loss data. • With the support of our special experts (actuaries) we performed procedures for the independent confirmation of the calculations. • Assessment of the completeness and accuracy of the disclosures related to this significant matter, based on the current accounting standards.

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Key audit matters	How our audit addressed the key audit matters
General internal test of controls of IT systems regarding the Financial Information	
The procedures of Financial Information of the Company depend on a large extend to the IT systems, creating a complex IT environment that affects the total functions and in which a significant amount of transactions is processed daily. The above is considered a significant audit matter, as it is crucial that the internal test of controls related to the management of access, the management of changes conducted in the IT systems and the management of daily IT functions, being planned and operating effectively in order to ensure the completeness and the accuracy of the fiscal figures of the financial information.	Based on the estimation of the auditing risks, we evaluated the planning and effectiveness of the general internal test of controls of the IT systems related to the financial information. Our audit procedures include the assessment of the access rights to applications, operating systems and data base, the procedure followed for the changes in the IT systems and the daily IT operations. More specifically, the key audit procedures conducted include, among others, the examination: • The procedures for effectiveness and revocation of rights of access to the users. • The provision of privileged access to applications, operating systems and data bases. • The procedure of periodic audit of the rights of users in the IT systems. • The procedure for the management of changes in applications, operating systems and data bases (i.e. user's request, acceptance trials by the users and provision of final approval for the production of written Premiums) of the daily IT operations.

Other Information

Management is responsible for other Information. The other information is included in the Management Report of the Board of Directors, for which reference is also made in the "Report on Other Legal and Regulatory Requirements", the Statements of the members of the Board of Directors, and any other information, which are either required according to special provisions of the Law or that the Company has incorporated voluntarily in the Annual Financial Report, L. 3556/2007, but do not include the financial statements and the audit report on these statements.
Our opinion on the corporate and consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.
Regarding our audit on the corporate and consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the corporate and consolidated financial statements or our knowledge obtained in the audit or if it otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement on this other information, we are required to report that fact. We have nothing to report in respect to these matters.

Responsibilities of the Management and those charged with governance for the corporate and consolidated financial statements

Management is responsible for the preparation and fair presentation of the corporate and consolidated financial statements, in accordance with the International Standards on Auditing (ISAs), as adopted by the European Union, and for such internal audit control as the Management determines is necessary to enable the preparation of corporate and consolidated financial statements that are free from material misstatement, whether due to fraud or error.
In preparing the corporate and consolidated financial statements, Management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis for accounting, unless Management either intends to liquidate the Company and the Group or to cease its operations or has no realistic alternative but to proceed to those actions.
The Audit Committee (Art. 44 L. 4449/2017) of the Company is responsible for supervising the Company's and the Group's financial report.

Auditor's responsibilities for the audit of the corporate and consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the corporate and consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISAs, as incorporated in the Greek Legislation, will always detect a material misstatement, when such exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of the audit, in accordance with the ISAs, as incorporated in the Greek Legislation, we exercise professional judgment and maintain professional skepticism throughout the audit. *Moreover:*

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

- *We obtain an understanding of the internal test of controls related to the audit in order to design audit procedures that are appropriate for the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal test of controls.*

- *We evaluate the appropriateness of the accounting policies and methods used and the reasonableness of the accounting estimations and the related disclosures made by the Management.*

- *We conclude on the appropriateness of the use of the going concern basis of accounting of the Management and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant uncertainty on the Company's and the Group's ability to continue their activities.*
  If we conclude that a material uncertainty occurs, we are required to draw attention in our auditor's report to the related disclosures in the corporate and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future facts or conditions may have as a result That the Company and the Group may cease their going concern.

- *We evaluate the overall presentation, structure and content of the corporate and consolidated financial statements, including the disclosures, and whether the corporate and consolidated financial statements present the underlying transactions and events in a manner that achieves fair representation.*

- *We obtain sufficient, appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the corporate and consolidated financial statements. We are responsible for the direction, supervision and performance of the Company's and its subsidiaries' audit. We remain solely responsible for our audit opinion.*

We communicate to those responsible for the governance, among other matters, the planned scope and timing of the audit, as well as the important audit findings, including any significant deficiencies in the internal controls that we identify during our audit.
In addition, we declare to those responsible for the governance that we have complied with the relevant ethical requirements regarding the independence, and we communicate to them all relationships and other matters that may reasonably be considered to affect our independence and the relevant protecting measures, where applicable.
From the matters disclosed to those responsible with the governance, we determine those matters that were of major significance in the audit of the corporate and consolidate financial statements of the current period and are therefore the key audit matters.

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Report on Other Legal and Regulatory Matters

1. A. Board of Directors Management Report

Taking into consideration that the Management is responsible for the preparation of the Board of Directors' Management Report and the Statement of Corporate Governance that is included therein, according to the provisions of par. 5, Art. 2 of L. 4336/2015 (part B), we report that:

a) The Management Report of the Board of Directors includes the Statement of Corporate Governance that provides the information specified in Art. 152 of C.L. 4548/2018.

B) In our opinion, the Management Report of the Board of Directors has been prepared according to the applicable legal requirements of articles 150-151 and paragraph 1 (cases c and d) of article 152 of L. 4548/2018 and the content of its corresponds to the attached financial statements of the fiscal year ending on December 31, 2019.

c) Based on the knowledge of "EUROPEAN RELIANCE GENERAL INSURANCE Co. S.A." and its environment, gained in our audit, we have not identified information in the Board of Directors' Management Report that contains material misstatements.

2. Additional Report to the Audit Committee

Our opinion on the attached corporate and consolidated financial statements is consistent with our Additional Report to the Audit Committee of the Company, as provided for in Art.11 of the EU Regulation (EU) No. 537/2014.

3. Provision of Non-Audit Services

We did not provide to the Company and its subsidiaries non-audit services that are prohibited according to art. 5 of EU Regulation (EU) No. 537/2014.

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4. Appointment of the Auditor

We have been appointed for the first time as Public Certified Accountants of the Company by the decision of the Annual Ordinary General Meeting of Shareholders of Tuesday, May 22, 2018. Since then, the Auditor will been renewed for 1 year based on the annual decisions of the Ordinary General Meeting of Shareholders.

Athens, Tuesday, April 7, 2020

The Certified Public Accountant

Despina Xenaki
Reg. No. Institute of Certified Public Accountants of Greece (SOEL): 14161
Deloitte Societe Anonyme Certified Public
Accountants 3a Fragoklissias & Granikou Str.,
15125 Marousi
Reg. No. Institute of Certified Public Accountants of Greece (SOEL): E 120

E.

Annual Financial Statements Consolidated and Corporate

According to the International Financial Reporting Standards approved by the European Union

The Financial Statements attached, were approved by the Board of Directors of "European Reliance General Insurance CO.S.A." on Tuesday, April 7, 2020 and have been published in the website, in the address https://www.europaikipisti.gr/en/Home and the website of the Athens Stock Exchange.

The Financial Statements are subject for approval by the Annual Ordinary General Meeting of Shareholders of the Parent Company.

Statement of Total Comprehensive Income

Statement of Total Comprehensive Income		Group		Parent Company	
(amounts in thous. €)	**Σημ.**	**01/01-31/12/19**	**01/01-31/12/18**	**01/01-31/12/19**	**01/01-31/12/18**
Gross written premiums and related income	6.1	212,393	191,008	212,393	191,008
Less: Ceded Premiums to reinsures	6.2	-17,066	-15,624	-17,066	-15,624
Net reinsurance written premiums and related income		**195,327**	**175,384**	**195,327**	**175,384**
Change in the reserve of non-accrued premiums	6.3	-4,095	-2,095	-4,095	-2,095
Net accrued written premiums and related income		**191,232**	**173,289**	**191,232**	**173,289**
Investment Income	6.4	3,863	3,437	3,860	3,436
Profit/loss from the sale of financial assets	6.5	5,866	2,444	5,862	2,414
Profit/loss from the valuation of financial assets	6.6	2,969	-662	2,804	-605
Income from non-insurance activities	6.7	12,921	11,356	0	0
Cost of non-insurance related activities	6.8	-11,864	-10,335	0	0
Other income	6.9	1,392	629	1,910	723
		15,147	**6,869**	**14,436**	**5,968**
Insurance claims paid	6.10	-102,186	-93,551	-102,186	-93,551
Payable commissions	6.11	-36,123	-34,234	-36,123	-34,234
Charge from Insurance Provisions	6.12	-15,696	-9,288	-15,696	-9,288
Financial cost	6.13	-162	-111	-125	-75
Distribution Expenses	6.14	-14,812	-13,625	-14,947	-13,839
Administrative Expenses	6.15	-13,346	-12,808	-12,574	-12,203
Other Expenses	6.16	-1,657	-1,154	-1,567	-1,126
Pre-tax Profit (loss)		**22,397**	**15,387**	**22,450**	**14,941**
Income Tax	6.17	-4,891	-4,673	-4,756	-4,444
Profit (Loss of fiscal year		**17,506**	**10,714**	**17,694**	**10,497**
Other comprehensive income after tax:					
Amounts reclassified in the Statement of Financial Results					
Assets available for sale, after-tax		9,669	-6,467	9,669	-6,467
Total		**9,669**	**-6,467**	**9,669**	**-6,467**
Amounts non-reclassified in the Statement of Financial Results					
Reserve from revaluation of property		2,694	-90	2,694	-90
Liabilities from defined benefits schemes		31	-225	159	-215
Total		**2,725**	**-315**	**2,853**	**-305**
Other total income after-tax		**12,394**	**-6,782**	**12,522**	**-6,772**
Total Income after tax		**29,900**	**3,932**	**30,216**	**3,725**
The accumulative total income derive from:					
Owners of the Parent Company		29,903	3,931	30,216	3,725
Minority interests		-3	1	0	0
Total		**29,900**	**3,932**	**30,216**	**3,725**
Earning per share (Amounts in €)	6.18	**0.6372**	**0.3895**	**0.6442**	**0.3817**

Statement of the Financial Position

(amounts in thous. €)	Note.	Group		Parent Company	
		01/01-31/12/19	01/01-31/12/18	01/01-31/12/19	01/01-31/12/18
Assets					
Tangible Assets	7.1	22,171	18,412	21,816	18,068
Right of use assets	7.2	1,356	0	1,269	0
Real estate investments	7.3	16,957	15,858	16,957	15,858
Intangible Assets	7.4	1,775	1,455	1,714	1,389
Financial instruments avaiable for sale	7.5	345,553	307,028	345,553	307,028
Held to maturity financial instruments	7.6	0	502	0	502
Financial instruments at fair value through profit and loss	7.7	1,572	1,352	0	0
Investments in related undertakings	7.8	0	0	3,998	3,425
Investments for Life Insurance Policyholders who bear the investment risk (UNIT LINKED)	7.9	11,005	9,729	11,005	9,729
Deferred tax assets	7.10	231	210	0	0
Loans to personnel, insurers and Life Insured	7.11	1,893	2,391	1,893	2,391
Insurance Receivables	7.12	16,006	14,332	16,006	14,332
Reinsurance Receivables	7.13	9,924	11,670	9,924	11,670
Receivables from reinsurance activities	7.14	0	0	0	0
Commissions and other deferred acquisition costs	7.15	19,123	17,591	19,123	17,591
Other Receivables	7.16	17,505	17,614	14,551	14,789
Receivables from income tax		408	3,808	332	3,769
Cash and cash equivalents	7.17	16,266	7,483	15,572	6,982
Total Assets		**481,745**	**429,435**	**479,713**	**427,523**
Total Equity and Liabilities					
Total Equity					
Paid up share capital	7.21	17,327	17,327	17,327	17,327
Share Premium	7.21	18,841	18,841	18,841	18,841
Own Equity		-1,018	0	-1,018	0
Reserves	7.22	38,979	26,616	38,713	26,350
Retained Earnings		67,045	53,082	68,249	53,971
Total equity of the parent company		**141,174**	**115,866**	**142,112**	**116,489**
Minority interests		52	52	0	0
Total Equity		**141,226**	**115,918**	**142,112**	**116,489**
Liabilities					
Mathematical Reserves and technical insurance provisions	7.18	302,559	285,704	302,559	285,704
Payables to insurers, insurance agents and sales agents		5,700	4,222	5,700	4,222
Paybles to reinsurers	7.13	269	182	269	182
Deferred tax liabilities	7.10	4,689	206	4,815	206
Lease liabilities		1,375	0	1,279	0
Other Liabilities	7.19	23,268	20,741	21,011	18,694
Provisions	7.20	2,659	2,434	1,968	2,026
Current Income tax		0	28	0	0
Total liabilities		**340,519**	**313,517**	**337,601**	**311,034**
Total Equity and Liabilities		**481,745**	**429,435**	**479,713**	**427,523**

Statement of Cash Flows

(amounts in thous. €)	Group		Parent Company	
	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Pre-tax profit	22,397	15,387	22,451	14,941
Depreciations	2,167	1,228	2,052	1,164
Investment Income	-12,699	-5,219	-12,526	-5,245
Income from valuation of subsidiaries	0	0	-543	-97
Profit / (loss) from the sale of fixed assets	9	-6	9	-6
Debit interest	162	111	125	75
Impairments/Write offs	534	547	537	544
Insurance Provisions	19,791	11,382	19,791	11,382
Provision for benefits to employees	401	170	222	137
Cash flows from operating activities before the changes in the operating assets	**32,762**	**23,600**	**32,118**	**22,895**
Change in the operating assets				
(Increase) / Decrease of receivables	-4,942	-522	-4,620	-543
Increase / (Decrease) of liabilities	3,858	325	3,821	175
Debit interests paid	-162	-99	-125	-63
Acquisitions of financial instruments	-229,873	-185,977	-229,873	-185,977
Sale of financial instruments	208,709	172,543	208,709	172,543
Investment Income	7,557	4,624	7,551	4,650
Paid income tax	0	-10,362	0	-10,035
Increase of the investments for the account of Life Insurance Policyholders that bear the investment risk (UNIT LINKED)	-1,276	1,331	-1,276	1,331
Net cash flows from operating activities	**16,633**	**5,463**	**16,305**	**4,976**
Cash flows from Investment activities				
Acquisitions of intangible and tangible fixed assets	-2,604	-2,073	-2,519	-1,904
Sales of intangible and tangible fixed assets	25	48	25	0
Acquisitions of financial assets	-223	-1,434	0	0
Sales of financial assets	169	1,056	0	0
Acquisition of participations	0	0	-30	-2
Investment Income	0	0	0	0
Net cash flows from investment activities	**-2,633**	**-2,403**	**-2,524**	**-1,906**
Cash flows from financing activities				
Dividends	-3,579	-3,302	-3,579	-3,302
Acquisition of own shares	-1,018	0	-1,018	0
Acquisition of minority interests	1	0	0	0
Financial leases	-621	0	-594	0
Net cash flows from financing activities	**-5,217**	**-3,302**	**-5,191**	**-3,302**
Net increase (decrease) of cash and cash equivalents	**8,783**	**-242**	**8,590**	**-232**
Cash and cash equivalents in the beginning of the year	7,483	7,725	6,982	7,214
Cash and cash equivalents in the end of the year	**16,266**	**7,483**	**15,572**	**6,982**

Statement of Changes in Equity

Group

(amounts in thous. €)	Share Capital	Share premium account	Own Shares	Reserves	Accumulated Profit/Losses	Minority interests	Total Equity
Balance 01/01/2018	**17,327**	**18,841**	**0**	**26,905**	**52,279**	**49**	**115,401**
Impact of the implementation of IFRS 9 on the subsidiaries	0	0	0	-12	-106	0	-118
Readjusted balance 01/01/2018	**17,327**	**18,841**	**0**	**26,893**	**52,173**	**49**	**115,283**
Result of the period	0	0	0	0	10,713	1	10,714
Statutory reserve	0	0	0	3,311	-3,311	0	0
Net income registered directly in the equity (available for sale)	0	0	0	-3,498	-2,969	0	-6,467
Net income registered directly in the equity (readjustmenr of property value)	0	0	0	-90	0	0	-90
Actuarial result on defined benefit schemes	0	0	0	0	-226	0	-226
Acquisition of minority rights	0	0	0	0	2	2	4
Distributed dividend	0	0	0	0	-3,300	0	-3,300
Balance 31/12/2018	**17,327**	**18,841**	**0**	**26,616**	**53,082**	**52**	**115,918**
Balance 01/01/2019	**17,327**	**18,841**	**0**	**26,616**	**53,082**	**52**	**115,918**
Result of the period	0	0	**0**	0	17,504	2	17,506
Net income registered directly in the equity (available for sale)	0	0	**0**	9,669	0	0	9,669
Net income registered directly in the equity (readjustmenr of property value)	0	0	**0**	2,694	0	0	2,694
Actuarial result on defined benefit schemes	0	0	**0**	0	34	-3	31
Acquisition of own shares			**-1,018**				-1,018
Capital increase	0	0	**0**	0	0	1	1
Distributed dividend	0	0	**0**	0	-3,575	0	-3,575
Balance 31/12/2019	**17,327**	**18,841**	**-1,018**	**38,979**	**67,045**	**52**	**141,226**

Parent Company

(amounts in thous. €)	Share Capital	Share premium account	Own Shares	Reserves	Accumulated Profit/ Losses	Total Equity
Balances 01/01/2018	**17,327**	**18,841**	**0**	**26,626**	**53,270**	**116,064**
Result of the period					10,497	10,497
Statutory Reserve				3,311	-3,311	0
Net income registered directly in the equity (available for sale)				-3,497	-2,969	-6,466
Net income registered directly in the equity (readjustment of property value)				-90		-90
Actuarial result on defined benefits schemes					-216	-216
Distributed dividend					-3,300	-3,300
Balances 31/12/2018	**17,327**	**18,841**	**0**	**26,350**	**53,971**	**116,489**
Balances 01/01/2019	**17,327**	**18,841**	**0**	**26,350**	**53,971**	**116,489**
Results of the period					17,694	17,694
Net income registered directly in the equity (available for sale)				9,669		9,669
Net income registered directly in the equity (readjustment of property value)				2,694		2,694
Actuarial result on defined benefits schemes					159	159
Acquisition of own shares			**-1,018**			-1,018
Distributed dividend					**-3,575**	**-3,575**
Balances 31/12/2018	**17,327**	**18,841**	**-1,018**	**38,713**	**68,249**	**142,112**

Notes on the Financial Statements

1. General Information on the Company and the Group

1.1 Group's composition

European Reliance General Insurance Co. S.A. (S.A. Reg. No. 12855/05/B/86/35), General Electronic Commercial Registry (G.E.M.I.) No. 322801000), was established in 1977. The Company's objective, according to Art. 4 of its Article of Association is to provide all kinds of insurance and reinsurance coverage. Its registered offices are at 274 Kifisias Avenue, Postal Code 15232, Chalandri.

The Group includes the companies:

- European Reliance General Insurance Co. S.A (Parent company)
- Alter Ego S.A.
- European Reliance Asset Management Mutual Funds Management S.A.
- Reliance Single Member Insurance Agents S.A.

1.2 Composition of the Board of Directors of the Parent Company on 31/12/2019

The Board of Directors on 31/12/2019 consists of:

1. Nikolaos Chalkiopoulos - Chairman (executive member)
2. Stefanos Verzovitis - Vice-Chairman (executive member)
3. Christos Georgakopoulos - CEO (executive member)
4. Keith Morris - (non-executive, independent member)
5. George Diamantopoulos - (non- executive, independent member)
6. Eric Christopher Sharp (executive member)
7. George Konstantinidis - (non-executive member)
8. Christopher Poulios - (non-executive, independent member)
9. Theodor Chronis - (non-executive member)

The members' term of office expires on 30/06/2024.

*In 2019, the BoD change its Body, as it is already described to in the Statement of Corporate Governance, in section A above.

1.3 Regulatory framework

European Reliance General Insurance Co. S.A. is governed by the provisions of Law 4548/2018 "on the "Reformation of the legislation of Societes Anonymes" and by the special provisions of L. 4364/2016 "Adaptation of the Greek legislation to Directive 2009/138/EC of the European Parliament and the Council of November 25, 2009 on the underwriting and pursuit of insurance and reinsurance activities (Solvency II), in Art. 2 and 8 of Directive 2014/51/EC of the European Parliament and of the Council of April 16, 2014, on the amendment of the Directives 2003/71/EC and 2009/138/EC and Regulations (EC) No. 1060/2009, (EC), No. 1094/2010 and (EC) No. 1095/2010, regarding the powers of the European Insurance and Occupational Pensions Authority (hereinafter EIOPA) and the European Securities and Markets Authority, as well as Art. 4 of Directive 2011/89/EC of the European Parliament and of the Council of November 16, 2011 regarding the supplementary supervision of financial entities that belong to the financial conglomerates of other activities and relevant legal provisions on private insurance and other provisions" as currently in force. Moreover, the Company is governed by any provision, Law or decision of the Capital market Commission and the Athens Stock Exchange. Our Supervisory Authority is the Private Insurance Supervision Committee of the Bank of Greece.

2. Generally Accepted Accounting Principles

2.1 Basis for the Presentation of the Financial Statements

The present financial statements of the Parent Company and the Group have been prepared according to the International Financial Reporting Standards (IFRS), as adopted by the European Union. The present financial statements have been prepared according to the principle of historical cost and going concern. All amounts are presented in thousand Euro (unless otherwise stated).

The financial statements have been prepared pursuant to the historical cost principle, with the exception of the available for sale investment portfolio, the financial instruments and liabilities measured at fair value through profit & loss, which are also measured at fair value.

The preparation of the financial statements according to the I.F.R.S. requires the conduction of estimates and assumptions, which may affect the accounting balances of the assets and liabilities, the required disclosures for possible receivables and payables at the date of preparation of the financial statements, as well as the income and expenses identified at the reporting period.

The use of the available financial information and the exercise of estimates and assumptions in the implementation of the accounting principles are integral parts of the conduction of estimates on the following areas: provisions for the impairment of the value of loans and other receivables, valuation of the financial instruments non traded on a regulated market, including the derivatives non traded on a regulated market and a few debit securities, impairment of the value of the investment portfolio, impairment audit for the goodwill and other intangible assets from business mergers, audit of the ability for recovery of the deferred tax assets, estimate of the liabilities from benefits to personnel after leaving the service, insurance reserves, future liabilities from outstanding judicial

affairs and open tax years and consolidation of companies of special purpose.

2.2 Going Concern

On 11/03/2020, the World Health Organization announced the COVID-19 Pandemic. COVID-19 first appeared in Greece on February 2020 and the Greek State immediately adopted drastic restrictive measures on the population movement for the limitation of the epidemic, which had a significant impact on the society, and therefore our Group, customers, insurance agents, suppliers and the personnel.

On 27/03/2020, the European Insurance and Occupational Pensions Authority (EIOPA) announced, in accordance with Article 16 of the community law 1094/20101 (EIOPA Regulation), recommendations on the insurance market and the current situation caused by Covid-19. The recommendations were based on Directive 2009/138/EC2 (Solvency II Directive) and other Directives of EIOPA, which were disclosed to the supervisory authorities of every country.

The Management of the Company, within the framework of the Covid-19 pandemic, examines and estimates the possible impact on its financial position and monitors systematically the Capital Adequacy of the Company, according to Solvency II Directive and proceeds to the required actions to keep the high quality of the investment portfolio, its Financial Position and sufficiency in its supervisory capitals, for sufficient solvency ratios.

Conclusion on the business continuity

The Management of the Company, through the examination of all ratios, as a consequence of the Covid-19 pandemic, at the date of preparation of its financial Statements, estimates that its Financial Position and the regulatory capitals of the parent company and the Group are not expected to variate sufficiently, to the extent that could affect the continuation of activities.

2.3 Basic Accounting Principles

The same accounting principles and calculation methods have been used in the present financial statements, such as the published annual financial statements of the Group for the year ended on December 31, 2018, apart from the adoption of the I.F.R.S. 16 "Leases" with mandatory implementation date after 01/01/2019. The impact from the implementation of the aforementioned standard and the new accounting policies has bee`n included in the following Note 2.3.1. The new and revised accounting standards and interpretations, amendments of standards and interpretations that are implemented in the current or future fiscal years, including their impact on the interim condensed financial statements, are presented in Note 2.4.

2.3. 1. Changes in the Accounting Principles

a. I.F.R.S. 16 (Regulation 2017/1986/31.10.2017) includes a comprehensive model for the recognition of leases and the handling of these on the financial statements for lessees and lessors. The new Standard for leases imports a new audit standard for the recognition of leases, by separating the lease policies with the policies for the provision of services based on whether this asset will be a subject of lease to be audited by the lessee. This standard replaces the following Standards and Interpretations:

- I.A.S. 17 "Leases"
- IFRS Interpretations 4 "Determining Whether an Arrangement Contains a Lease:"
- SIC 15 "Operating Leases- Incentives", and
- SIC 27 "Evaluating the Substance of Transactions in the Legal Form of a Lease".

IFRS 16 enters significant changes in the accounting management of leases from the part of the lessee, under the meaning that it abolishes the distinction between the operating and financial lease, as applicable in the past, according to I.A.S. 17, and is required by the lessee in the beginning of the lease or the recognition of an asset with right of use and a payable from the lease for all leases, with the exception of short-term leases and leases of low value assets. On the contrary, with the changes that have occurred in the accounting treatment of leases on behalf of the lessee, the requirements of I.F.R.S. 16 for the accounting treatment of leases from the part of the lessors, remained to a large extend intact, comparing to I.A.S. 17, and therefore, it is still required from the lessors to classify the leases as financial or operational. However, according to I.F.R.S. 16, the interim lessor (sublicense) must classify the sublease as financial or operational, with main criterion the asset with right of use of the main lease and not the subject asset. Moreover, I.F.R.S 16 provides guidance for the accounting treatment of transactions for sale and leaseback of on asset and requires the conduction of extended disclosures comparing to I.A.S 17.

The Group implemented for the first time I.F.R.S. 16 on January 1, 2019, (date of mandatory implementation), using the modified retrospective approach). All the changes that occurred after the transition to I.F.R.S. 16 were recognized on January 1, 2019, as adjustments to the balance in the beginning of funds of the Statement of Financial Position of the Group (Note 2.3.1.1) without restating the comparative information. The cumulative impact of the previous adjustments was recognized in the open balance of Retained Earnings at the initial implementation date.

b. Valuation of the investments in subsidiaries, associate companies and joint ventures in the corporate financial statements of the Parent Company

Up to 31/12/2018, the financial statements of the Parent company, the subsidiaries, associate companies and joint ventures are registered at acquisition cost less any provisions for impairment. However, since 01/01/2019, the accounting principle has changed and therefore, the Company will valuate these investments at fair value through the profit and loss, since the Management of the Group considers that this way imprints more reliably the return of the investments of the parent Company on its corporate

financial statements. The new accounting principle is described in detail in Section 2.5.8

This change did not have an impact on the funds of the previous years, as the valuation price (acquisition less impairment) of these investments on 31/12/2018 was equal with their fair value at this date.

This change had a positive impact on:

- The profit of fiscal year 2019 by € 543 thous., which derived from the valuation at fair value, and were included in the Fund Other Income in the Statement of Total Comprehensive Income.
- The Earnings per share by € 0.02.

2.4 New standards and interpretations

New IFRS, interpretations and amendments that will enter into force after 2020

New I.F.R.S. 17 "Insurance Contracts" - I.F.R.S. 9 "Financial Instruments"

Effective for annual periods beginning after 01/01/2022.

On 18/05/2017 the International Accounting Standards Board issued IFRS 17 which replaces IFRS 4 "Insurance Contracts". In contrast to IFRS 4, the new standard introduces a consistent methodology for the valuation of insurance contracts. The key principles in IFRS 17 are the following:

An entity:

- identifies as insurance policies those contracts under which the entity accepts the significant insurance risk from another party (the policyholder) by agreeing to compensate the policyholder if a specified uncertain future event affects adversely the policyholder,
- separates specified embedded derivatives, distinct investment components and different performance obligations from the insurance policies,
- divides the contracts into groups that it will recognize and measure
- recognizes and valuates the groups of the insurance policies based on the following:
  i. a risk-adjusted present value of the future cash flows (the fulfillment of cash flows) that incorporates all of the available information about the fulfillment cash flows in a way that is consistent with the observable market information plus (if the value is a liability) or less (if the value is an asset)
  ii. an amount representing the non-accrued profit in the group of policies (the contractual service margin),
- recognizes the profit from a group of insurance contracts during the period that the entity provides insurance coverage, and as the entity is released from the risk. If a group of contracts is or becomes loss-making, an entity recognizes the loss immediately
- presents separately the income from insurance activities, the expenses from insurance services and the income or expenses for financing insurance and discloses information that allow the users of financial information to estimate the impact of the contracts that fall upon the implementation of IFRS 17 on the financial position, financial performance and cash flows.

The detailed implementation of I.F.R.S. 17 is currently evaluated by the Group. In 2019, a series of actions and training seminars were implemented for this new standard. Moreover, the Management of the Group proceeded to a conclusion of an agreement with a consulting company and purchased a specialized software to support the new standard. At the time of preparation of the present report, the Group continues the actions for the total implementation of the standard.

On 17/03/2020, the Accounting Standard Board announced an additional extension of one year, for the implementation of I.F.R.S. 17 "Insurance Contracts", so the date of entry into force of this standard will be 01/01/2023. The Board decided to give this extension for the implementation of I.F.R.S. 9 "Financial Instruments", so that I.F.R.S. 9 and IFRS. 17 could be implemented simultaneously.

On 17/03/2020, the Accounting Standard Board announced an additional extension of one year, for the implementation of I.F.R.S. 17 "Insurance Contracts", so the date of entry into force of this standard will be 01/01/2023. The Board decided to give this extension for the implementation of I.F.R.S. 9 "Financial Instruments", so that I.F.R.S. 9 and IFRS. 17 will be implemented simultaneously.

The Company received this temporary exclusion from the implementation of IFRS 9, up to 01/01/2023, based on the amendment of IFRS 4, since its main activities refer to the insurance sector, based on the high rate of mathematical reserves, technical provisions and liabilities from investment policies as a percentage of the total liabilities of the Company.

Amendment of the International Accounting Standard 1 "Presentation of Financial Statements" and the International Accounting Standard 8 "Accounting Policies, Changes in Accounting Estimates and Errors".

Effective for annual periods beginning after 1/1/2020

On 31/10/2018, the International Accounting Standards Board, within the framework of disclosing initiatives, issued amendments on IAS 1 and IAS 8, to comply the definition of significance in all standards and clarify a few of the points of this definition.

This new definition provides that an information is considered significant when the fact of the omission, concealment or inaccurate disclosure of the information would be expected to have an impact on the decisions that the users of the financial information receive based on the statements that provide financial information for a specific company. The amendments include examples of cases that may lead to concealment of a significant information. Moreover, the Board modified the definition of the significance in the Conceptual Framework, to comply with the new definition according to IAS 1 and IAS 8.

Amendment of the International Financial Reporting Standard 3 "Business Mergers".

Effective for annual periods beginning after 01/01/2020

On 22/10/2018, the International Accounting Standards Board issued an amendment to IFRS 3, aiming to identify difficulties arising when an entity defines whether it has required an entity or a group of assets. The amendments clarify the requirements that must be met to acquire the business, deduct the evaluation of the abilities of the participant in the purchase to replace missing parts, appoints the definition of the gross written premiums, adds directives for the assessment of to what extent, a procedure is essential, imports an optional exercise for the concentration of fair value and adds indicative examples.

The Company examines the impact after the adoption of the above amendment in the financial statements.

IFRS 9, IAS 39, IFRS 7 (Amendments) "Reforming the reference rate" (shall apply for annual accounting period beginning after or on January 1, 2020).

The amendments change a few requirements regarding the risk hedge accounting, so that they provide facilitations on the possible impact of uncertainty that the change of these reference rates may bring. Moreover, the amendments require from the companies to provide additional information to the investors regarding the hedging relationships, which are affected directly by these uncertainties.

The Company examines the impact after the adoption of the above amendment in the financial statements.

IAS 1 (Amendment) "Classification of liabilities as short-term or long-term" (applied in the annual accounting period beginning after or on January 1, 2020).

The amendment clarifies that the liabilities are classified as short-term or long-term based on the rights in force in the end of the reference period. The classification is not affected by the expectations of the entity or by facts after the reporting date. Moreover, the amendment clarifies the significance of the term "Adjustment" of a liability of IAS 1.

The amendment has not been adopted by the European Union.

There are no other IFRS or Interpretation that are not in force and are expected to have a significant impact on the financial statements of the Company.

New IFRS, interpretations and amendments that entered into force after January 1, 2019

The following new standards, amendments and improvements in I.F.R.S. have been issued by the International Accounting Standards Board, have been adopted by European Union and are valid from January 1, 2019.

I.F.R.S. 16 "Leases". IFRS 16 was issued in January 2016 and replaces IAS 17 "Leases". This standard enters a unified standard for the management on behalf of the lessee, that requires the recognition of rights of use of leased assets and financial liabilities for all lease contracts with duration over 12 months, unless the underlying asset is of non-significant value. I.F.R.S 16 determines the principles for the recognition, measurement, presentation and corresponding disclosures of the leases in the financial statements. The accounting of the lessor does not present significant variations comparing to the I.A.S 17.

Regarding the lessee, it is required in the beginning of the lease that the lessee should recognize the right of use asset and a corresponding financial lease liability. The initial measurement of the right of use is performed at the amount of the leasing liability, plus the initial direct expenses, the estimated profit for the restoration of the asset and any payments less the expenses before the starting date. The leasing liability at initial recognition is measured at the present value of the rentals of the lease at this specific date. Then, the measurement of the right of use is performed at the cost less the accumulated depreciations and impairments, with the exception of the leased investment real estate that are kept at fair value.

The Group implemented I.F.R.S. 16 on January, 1 2019. The impact of the implementation of I.F.R.S. 16 in the financial statements is presented in Note 7.2 and Section 2 (Basic Accounting Principles and par.2.18 below.

Amendment of the International Financial Reporting Standard 9: "Financial Instruments": "Prepayment Features with Negative Compensation" (Regulation 2018/498/22.3.2018).

On 12/10/2018, the International Accounting Standards Board issued an amendment on IFRS 9, that allows prepayment of financial instruments with negative compensation, which would otherwise be measured at fair value through profit and loss, to be measured at amortized cost or at fair value through the other results that are registered directly in the equity.

The amendment of IFRS 9 clarifies that the contractual terms that govern a financial instrument are exclusively cash flows of the fund and the interest of the unpaid fund that ought to be paid at specific dates (Solely Payments of Principal and Interest - SPPI) regardless of whether the event that causes the premature expiration of the contract and regardless of which the counterparty pays or collects fair remuneration for the premature termination of the contract.

The Group has not yet implemented IFRS 9, as it is also mentioned above

Amendment of the International Accounting Standard I.A.S. 28: "Long-term Investments in Associates and Joint Ventures" (Regulation 2019/237/8.2.2019).

On 12/10/2017, the IAS issued an amendment on IAS 28 to clarify that the accounting treatment of the long-term investments on an associate company or joint venture that are included in the net investment on this associate company or joint venture - for which the equity method is not applied-, must be performed in accordance with IFRS 9, including the impairment requirements. At the implementation of IFRS 9, no adjustment must be taken into consideration in the book value of the long-term investments that arise by the implementation of IAS 28.

The adoption of the above amendment did not have an impact on the financial statements of the Company.

Improvements in the I.F.R.S. 2015– 2017 (Regulation 2019/412/14.3.2019)

Within the framework of the annual improvements of the IAS, the Board issued on 12/12/2017 significant but not mandatory amendments to certain standards.

IFRS 3 "Business merger". This amendment defines the re measurement of the previous rate that a business owns in another with a joint controlled activity, when the business acquires control over it. The adoption of these amendments does not have an impact on the financial statements of the Company.

I.A.S. 12 "Income tax" The amendments clarify that an entity accounts all consequences in the income tax from payments of dividend in the same method. The adoption of these amendments does not have an impact on the financial statements of the Company.

I.A.S. 23 "Borrowing cost". These amendments clarify how an entity manages as part of the general borrowing any loan that was especially received especially for the development of an asset when the asset was ready for its intended use or its sale.

The adoption of these amendments does not have an impact on the financial statements of the Company.

Amendment of the International Accounting Standard 19: "Employee Benefits" – Amendment, Plan Amendment, Curtailment or Settlement (Regulation 2019/402/13/03/2019).

On 07/02/2018, the IASB issued an amendment for IAS 19, through which it clarified the method through which the cost of service should be identified, when there are changes in the defined benefit plan.

According to IAS 19, in case of amendment, curtailment or settlement, a recalculation of the net liability or receivable is required. The amendment of IAS 19 provides that the current cost of service and the interest on the net liability (receivable) for the rest of the reporting period, after the change in the plan, must be calculated based on the assumptions used at the re-calculation of the new liability or receivable.

Moreover, with amendment IAS 19, the impact of such an amendment, curtailment or settlement in the receivables, regarding the limitation in the recognition of the net receivable (asset ceiling) is clarified.

The adoption of the above modification did not have an impact on the financial statements of the Company.

Interpretation of IFRS 23 "Uncertainty over Income Tax Treatment" (Regulation 2018/1595/23/10/2018).

On 07/06/2017, the IASB issued interpretation 23. The Interpretation clarifies that the implementation of the requirements of recognition and valuation for IAS 12, when there is uncertainty on the accounting management of the income tax. More specifically, the Interpretation clarifies the following:

- A fiscal entity will define, whether to examine the uncertainties separately or in combination with other uncertainties depending on which approach foresees better the resolution of the uncertainty.
- The estimates regarding the audit of the accounting treatment from tax authorities must be based on the fact that the tax authorities will examine the amounts that are entitled to use, and to the fact that they will be fully informed during the conduction of the audit.
- For the determination of the taxable profit (tax loss), tax bases, non-used tax losses, non-used credit taxes and tax ratios, the fiscal entity must take into consideration the possibility that the tax authorities will accept the uncertainty in the tax treatment.

The estimates of the fiscal entity must be re-evaluated when changes occur in the facts and conditions, as well as when new information becomes available.

The adoption of the above Interpretation did not have an impact on the financial statements of the Company.

2.5 Consolidated Financial Statements

Subsidiaries are entities in which the Parent Company participates either directly or indirectly with a percentage higher than half of the voting rights or exercises significant influence on their operating and financial policies. The Parent Company is required to consolidate all its subsidiaries from the date of their acquisition, and the consolidation obligation ceases to exist the date that the control of these ceases. The following subsidiaries are included in the consolidated financial statements by the full consolidation method:

Company Name	Registered Offices	Percentage
Alter Ego S.A.	GREECE	97.30%
European Reliance Asset Management M.F.M.C. S.A.	GREECE	99.01%
Reliance Single-Member Insurance Agents S.A.	GREECE	100.00%

Where necessary, the financial statements of these subsidiaries were not amended in order to be consistent with the accounting principles applied.

Intercompany claims - obligations, intercompany revenue - expenses and intercompany profit - losses were written off to determine the actual amount of the Group's assets and results.

2.5.1 Consolidation principles

The consolidated financial statements include the financial statements of the Parent Company and its subsidiaries, which are controlled by the Parent Company. The control applies where the Parent Company has the power to steer the financial and business policies of its subsidiaries, so as to

obtain benefits from their activities. The revenues, expenses and other comprehensive income of the subsidiaries that are acquired or sold during the year are incorporated in the consolidated statement of financial results and consolidated statement of comprehensive income from the date of acquisition of the subsidiaries and cease to be incorporated when the subsidiaries are sold. The net profit and total comprehensive income of the subsidiaries are distributed among the shareholders of the Parent Company and the minority interests even if with this allocation, the minority interests' balance becomes negative. If the subsidiaries apply different accounting principles than those that the Group applies, necessary adjustments are made to their financial statements, in order to provide consistency with the accounting principles of the Group. All intercompany transactions, intercompany balances and intercompany income and expenses are eliminated on consolidation.

2.5.2 Minority interests

Minority interests are initially measured either at fair value or at the proportionate share of the net identifiable assets. This option is conducted per transaction. After the acquisition, the book value of the minority interests is the value of such, at the initial recognition, plus the share of the minority interests in the subsequent changes in the equity. The total comprehensive income is distributed to minority interests, even if this has as a result a debit balance in the minority interests.

2.5.3 Changes in the ownership percentage of the subsidiaries that do not result in loss of control

Changes in ownership percentage in subsidiaries that do not result in loss of control are entered as transactions performed between shareholders. The registered balance of the Parent company's "owner equity of shareholders account" and the "Minority interests" account are readjusted in order to reflect the change in the shareholders' ownership percentage in the subsidiary. Any difference between the adjustment of the minority interests and the fair value of the consideration paid or received is entered directly in the equity that is attributable to shareholders of the Parent company.

2.5.4 Loss of control

If the change results in loss of control of the subsidiary, the profit or loss from the sale is calculated as the difference between (i) the sum of the fair value of the consideration received and the fair value of the participation in the subsidiary and (ii) the pre-sale book value of the assets (including the goodwill), and the minority rights. The unrealized profits or losses that were recognized in other comprehensive income and result from the fair value measurement of the subsidiary's assets are accounted as if the Parent company had directly sold off the assets (transfer to the financial results statement or transfer to profits carried forward, in accordance with the applicable IFRS). The fair value of ownership interest in a subsidiary, which continues to exist after the date of loss of control, is the fair value at the initial recognition, in accordance with IAS 39, or the acquisition cost, if it is recognized as associate or joint venture, in accordance with the applicable standards.

2.5. 5 Contribution of assets to a subsidiary by exchange of shares issued by the subsidiary

If the Parent Company contributes with tangible fixed assets, intangible assets or investment properties to an existing or newly established subsidiary in exchange for shares issued by the subsidiary, the Parent Company registers in its corporate financial statements its ownership value in the book value of the contributed intangible assets. Such transactions do not have an impact on the consolidated financial statements.

2.5.6 Associate companies

An associate company is the company in which the Group holds 20% to 50% of the voting rights and it has a certain influence, but no control. The investments in associate companies are incorporated in the financial statements through the equity method. Under the equity method, investments in associates are initially entered at the acquisition cost. The goodwill that arises at the acquisition of an associated company is included in the acquisition cost of the investment (net of accumulated impairment losses - if any). The value of the investment is increased or decreased depending on the share of the Group in profit or losses of the associate company following the acquisition (and is recognized in the Group's statement of comprehensive income) and from the reserve activities (and is recognized in the Group's reserves). The amount of dividends received by the associate company in the fiscal year, reduces the book value of this investment. Investments in associate companies that were realized for the sole purpose of being sold within one year since the date of purchase, i.e. when the Group's substantial influence is deemed temporary, are recorded as «non-current assets held for sale». Unrealized profits from transactions between the Group and the associate companies are eliminated to the extent of the Group's ownership interest in these companies. Any such losses, which are also eliminated, constitute an indication of the impairment of the value of the transferred asset. Where necessary, the financial information of the associate companies used during the application of the equity method were modified, in order to ensure the consistency with the accounting principles adopted by the Group.

2.5.7 Joint Ventures

A joint venture is defined as an entity in which the Group exercises control jointly with other parties. The Group's rights in joint ventures are accounted according to the equity method.

2.5.8 Investments in subsidiaries, associate companies and joint ventures in the corporate financial statements

The subsidiaries, associate companies, joint mergers are measured in the financial statements of the Parent company

at fair value through profit and loss, as indicatively referred to in section 2.9.3.

Since the shares of these companies are not listed on a regulated market, their valuation is performed at fair value using various valuation methods, such as the Price to book ratio, the Method of the Current Stock exchange price of the share / Earning per Share, Discounted Cash Flows, DCF and Enterprise Value/ Earnings Before Interest, tax, Depreciation & Amortization, EV/ EBITDA.

The above investments are classified in Tier 3 as the valuation of fair value is based on the non-observable data that are supported by few or zero transactions on a regulated market and have a significant impact on the fair value. If the valuation of an asset uses observable data that require significant adjustments based on non-observable data, this instrument is classified at level 3. This includes financial instruments the value of which is calculated using valuation models, discount of cash flows or similar techniques, as well as instruments for which the determination of the fair value requires decision or evaluation by the Management.

2.5.9 Impairment testing of the goodwill of businesses and investments in subsidiaries, associate companies and joint ventures in corporate financial statements

The Group and the Parent Company controls in every reporting period, whether there is any indication that an investment in a subsidiary, associate company or joint venture has been impaired. In this event, the Group estimates the recoverable amount of the investment. When the book value of the investment exceeds its estimated recoverable amount, then the book value is impaired to its recoverable value.

2.6 Business merger

2.6.1 Acquisition method

Business acquisitions falling within the scope of IFRS 3 are entered with the acquisition method. The consideration paid in a business merger is measured at fair value, which is calculated as the sum of the fair values at the acquisition date of the assets contributed by the Group, of liabilities undertaken by the Group to the former owners of the acquired business and equity issued by the Group in exchange for the control on the acquired business. The expenses relating to the acquisition are entered in the financial results statement. At the acquisition date, the assets acquired and the liabilities undertaken are entered at the fair value as at the acquisition date, except for deferred tax claims and liabilities or assets related to employee benefits which are entered in accordance with IAS 12 «Income Tax» and IAS 19 “Employee Benefits”, respectively, liabilities or equity related to benefit plans of the acquired business that depend on the value of shares or benefit plans of the Group that were concluded to replace the benefits plans of the acquired business that depend on the value of the shares registered in accordance with IFRS. 2 Benefits that depend on the value of Shares at the acquisition date, and assets (or groups of assets) held for sale in accordance with IFRS 5 “Non-current Assets Held for Sale and Discontinued Operations” are entered in accordance with this standard.

2.6. 2 Goodwill

Goodwill is entered as the excess amount between (a) the sum of the consideration paid, any minority interests in the acquired business and the fair value of any previous participation in the acquired business and (b) the net asset value as at the acquisition date of the assets acquired and liabilities undertaken. If, after the review, the net value of the assets acquired and liabilities assumed as at the acquisition date, exceed the sum of the paid consideration, any minority interests in the acquired business and the fair value of any previous participation in the acquired business, the difference is recorded directly in the statement of financial results.

2.6.3 Contingent consideration

If the price agreed upon during the business merger includes assets or liabilities resulting from contingent consideration, the contingent consideration is measured at fair value on the acquisition date and is included in the total consideration at the business merger. Changes in the fair value of the contingent consideration, which are included in the adjustments of the period of finalizing the acquisition, are retroactively recognized with a corresponding adjustment of the goodwill. The adjustments in the period of acquisition of the finalization arise from new information obtained in this period (which may not exceed one year since the acquisition date) relating to facts and circumstances that existed at the acquisition date. Changes in the fair value of the contingent consideration that are not included in the adjustments of the acquisition finalization period are accounted based on the classification of the contingent consideration. When the contingent consideration is classified as an equity, it is not re-measured at following reporting periods and its subsequent liquidation is recognized in the equity. If the contingent consideration is classified as an asset or liability, it is re-measured in subsequent reporting periods, in accordance with IAS 39 or IAS 37 and the result of the valuation (profit or loss) is recognized in the statement of financial results.

2.6.4 Business merger in successive stages

When the business merger proceeds in stages, the participation of the Group held in acquired business by the Group is valued at fair value as at the acquisition date (the date in which the Group acquires control) and the resulting profit or loss is recognized in the financial results statement. Amounts recognized in other comprehensive income and which were generated by the acquired business before the acquisition of its control are recognized in the financial results statement, provided that this is the appropriate handling in the event of purchase.

2.6.5 Provisional accounting

If the values related to the initial entry of a business merger are not finalized by the date of preparation of the financial statements for the period in which the business merger occurs,

the Group enters provisional values for these amounts. The provisional amounts are adjusted during the finalization of the acquisition (see Note 2.5.3 above), or additional assets or the liabilities are recognized to reflect new information about facts and circumstances that existed at the acquisition date, which would affect the amounts recognized on that date, had they been known.

2.7 Transactions in foreign currency

The data contained in the financial statements are expressed in euro (€), which is the Company and the Group's functional currency.

There are no other significant assets and liabilities in other currencies.

Transactions in foreign currencies are translated into the functional currency using the foreign exchange rates that applied at the dates of the transactions.

Foreign exchange profit and losses resulting from the settlement of such transactions and from the conversion of monetary assets and liabilities in foreign currencies are recognized in the Statement of Comprehensive Income.

The foreign exchange differences from the conversion of securities and other monetary financial assets that are re- measured at fair value are included in the Statement of Comprehensive Income.

Foreign exchange differences from the conversion of non-monetary assets constitute one of the basic elements of change at fair value.

The Foreign exchange differences, depending on the category of the non-monetary asset, are either recognized in the Statement of Comprehensive Income or in the Owner's Equity Statement, in the event that the non-monetary financial assets are included in the Available for Sale Securities.

2.8 Asset - Liabilities Offsetting

The offsetting of financial assets with liabilities and the presentation of the net amount in the Financial Statements is performed only if there is a legal right to offset the recorded amounts and there is an intention to settle the net amount obtained from the offsetting, for the simultaneous settlement of the total amount of the financial asset and the liabilities.

2.9 Financial assets and liabilities at fair value through profit or loss

This category has two sub-categories:

- Trading portfolio and
- Financial assets and liabilities that have been designated at fair value through profit or loss

2.9.1 Trading portfolio

The trading portfolio includes securities that are acquired either to generate profit from short-term variation in price or the dealer's margin or are securities that belong in a securities portfolio for which there is a history of short-term profit. Derivatives also belong to the trading portfolio, unless they have been designated as and are effective hedging instruments. The trading portfolio may include securities subject to sale and repurchase agreement.

2.9. 2 Financial assets and liabilities that have been designated at fair value through profit or loss

Upon initial recognition, the Group determines any financial asset or liability as a financial instrument measured at fair value through profit or loss when:

i. It eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an "accounting mismatch") that would arise if the related derivative financial products were accounted for as a trading portfolio and the underlying financial instruments were measured at amortized cost, such as loans and claims against insured and financial institutions or liabilities from debt securities.

ii. A group of financial assets, liabilities or both that is managed and its performance is evaluated on a fair value basis, in accordance with the documented risk management or investment management strategy, and the information on the group is provided internally at this level to the Group's management, for example to the BoD or the CEO.

iii. Financial instruments containing one or more embedded derivatives, the existence of which significantly modifies the cash flows and therefore should be shown in separate database, if they were not classified in this category. The determination of a financial asset at fair value through profit or loss is irrevocable.

2.9.3 Measurement

The financial assets and liabilities measured at fair value in the financial results (trading portfolio and defined financial assets recognized directly at fair value in the financial results) are initial recognized at fair value and later measures at fair value.

The realized gains and losses resulting from the provision or acquisition of the above assets and the unrealized gains or losses arising from the changes at fair value, are included in the "Results of financial acts and investment portfolio securities".

The income from dividends are recognized in the statements of financial results in the account "Net other income/ (expenses)", when the right to collect the dividend has been established and this is the approval date of the dividends by the General meeting of Shareholders.

The amount of variance in the period and cumulatively, at the fair values of the financial liabilities and loans and receivables, which is attributed to the changes of the credit risk is calculated as the amount of change of fair value, which is not attributed to changes in market conditions causing increase of market risk.

2.10 Investment portfolio

The Group classifies its investments as available-for-sale and held-to-maturity financial assets. The classification of the investments is decided upon acquisition.

Initial Recognition

Available for sale investments are initially recorded at fair value, which is increased by the transaction costs.

Subsequent Recognition

Subsequent to the purchase date, available for sale securities are measured at fair value. The fair value is individually determined pursuant to the values provided by the regulated markets of securities trading or by models for advance prepayment of future cash flows. Profits and losses arising from variations in the fair value of available for sale securities are recorded in owners' equity, until these securities are sold or disposed in any other way, at which time the corresponding profits/losses are transferred to the profit and loss account.

Impairment

An investment in a security is considered to be impaired when the book value exceeds the recoverable amount and there are indications that the decline in the value has reached a level that makes the invested capital infeasible to recover in the near future. In this case the relative reserve is transferred to the financial results statement. Income from interest and dividends on available for sale assets are recorded in the financial results statement.

The held to maturity investment securities include securities that are not derivatives but are traded on regulated markets, with fixed or determinable payments and fixed maturities for which there is the intention and ability by the Group's management to hold to maturity date. Held to maturity investment securities are recorded at their depreciated value applying the effective interest rate method, less any provision for their impairment. Moreover, the calculation of the depreciable value of held to maturity securities includes the premium or discount on capital stock that arose on the date of acquisition, plus transaction expenses, commissions and paid or received basis points.

The investment securities classified as loans and receivables include securities that are not derivatives but have fixed or determinable payments and are not traded in active markets.

Derecognition

A financial instrument is not reflected in the Company's financial statements from the moment that the Company ceases to have control over the contractual rights that derive from the financial instrument. The control on the rights of the financial instrument ceases to exist when it is sold or when its relevant cash inflows are transferred to an independent third party.

2.11 Transfer of financial instruments

The Group transfers non-derivative securities from the trading portfolio or the available for sale portfolio to the loans and receivables portfolio, provided the securities meet the definition of that category at the date of transfer and the Group has the intention and ability to hold the securities for the foreseeable future or until maturity. Where rare circumstances cause a significant deterioration of the trading activity or greatly influence the market prices of the trading portfolio's non-derivative assets, the Group transfers these assets from the trading portfolio to the held-to-maturity or available-for-sale portfolio, provided that the assets meet the definition of the corresponding category at the date of transfer and the Group does not intend on selling them soon. Such transfers may be made only once for each rare circumstance. If there is a change in its intention or ability to hold a security to maturity, the Group transfers these securities from the available for sale category to the held to maturity category, if the instruments meet the definition of the latter on the date of transfer. For financial instruments that are transferred as stated above, the fair value as at the date of transfer becomes the new depreciated cost as at that date. When instruments being transferred from the trading portfolio contain embedded derivatives at the date of transfer, the Group reassesses if the embedded derivatives need to be separated from the main contract based on the conditions prevailing when the Group acquired the asset.

The Group transfers securities that have been transferred to loans and receivables from the trading portfolio, or the available for sale portfolio to the available for sale portfolio, if the securities are subsequently traded on a regulated market and the Group does not intend to hold them for the foreseeable future or until maturity. The fair value of the securities on the transfer date becomes the new amortized cost as at that date. The difference between the amortized cost immediately prior to transfer and the fair value on the date of transfer is recognized in the available- for sale securities reserve through the statement of other comprehensive income and it is depreciated in the income statement.

2.12 Fair value of the financial assets

The Group calculates the fair value of the financial instruments based on a fair value calculation framework that classifies the financial instruments in a three-level hierarchy of data that are used in the valuation as described below.

Tier 1: Stock market prices on an active market of identical financial instruments. Level 1 includes securities, shares and derivatives traded on an active market. An active market is the market in which transactions are of sufficient frequency and volume so that price information is provided on a going basis and is characterized by low profit margins.

Tier 2: Observed data other than the prices of Level 1, such as stock prices of similar instruments, market prices that are not active, or other data that is observable or can be confirmed by observable data (for example, prices that derive from observable data) for almost the total of the duration of the instrument. Level 2 includes securities with prices on non-active markets, as well as non-marketable securities and derivatives

whose values are calculated using valuation models, cash flow discounts or similar techniques with data that are observable on the market or can be calculated or confirmed by observable data from the market. This category generally includes government and corporate bonds with prices on markets that are not active and some over the-counter derivatives.

Tier 3: Unobservable data supported by few or no transactions in an active market and significantly affecting fair value. If the valuation of an asset uses observable data that required significant adjustments based on non-observable data, this instrument is classified at level 3. This level includes financial instruments the value of which is calculated using valuation models, advance prepayment of cash flows or similar techniques, as well as instruments for which the determination of the fair value requires decision or assessment by the Management.

The level in the fair value hierarchy in which a fair value calculation is determined based on the lower level of data that are used in the calculation of the fair value and have a significant effect. For this purpose, the importance of a data is evaluated in relation to the total fair value.

2.13 Insurance Contracts

The Company issues insurance policies that expose it to insurance risks, financial risk, or combination of these risks. The Company has adopted IFRS 4 and the portfolio has been reclassified as follows:

Separation of financial risks of the insurance policies.

For policies that contain both insurance and financial risk, the Company does not separate the financial risk, when the insurance risk is considered significant.

(a). Insurance policies

The Insurance policies are classified in three categories depending on the nature of the insured risk.

i. Life Insurance Policies

To a large extent, life insurance policies insure events over a long period. Premiums are recognized as revenue when they become payable by the insured. Premiums are presented without the deduction of the relevant commissions.

This category includes policies issued by the Company to cover the risk of death, pension, disability, accident, sickness, plans on an individual and group basis.

Additional Coverages in Life and Health Insurance Policies

The Life Insurance policies may include additional coverage for cases of accidents and disease, for the insured and the dependents.

Policies for Life Insurance policyholders who bear the investment risk (Unit Linked)

These policies transfer the financial risk to the holder of the policy and at the same time the insurance Company undertakes the coverage with guarantee for a part of the financial risk.

ii. Financial Policies - Deposit Administration Funds

It is the group insurance with which the investment management insurance cover (deposit administration fund) is agreed, in which the insurer's benefit is paid either with the withdrawal of the insured member from the working place, for any reason, or after reaching a certain age. The insurance Company pays the benefit to the extent of the sufficiency of the Deposit Administration Fund. If the fund is insufficient, the beneficiary has no claim against the insurance company. The account is either managed freely by the Company, or further by the instruction of the policyholder.

(iii). Non-Life Insurance Policies

The products cover part of the total of general insurances for the cover of personal, trading and industrial risks relevant to the loss of property and third party liability.

Motor Third Party Liability and Land Vehicles

This category includes policies issued by the Company for the coverage of motor third party liability risk.

Other Non-Life

This category includes policies the provide coverage against the risk of fire, earthquake, land vehicles, theft, transportation, third party liability insurance, assistance, vessels, crews, etc.

The non-life insurance policies are recognized as revenues (earned premiums) depending on the duration of the insurance policy. At the date of the financial statements, the amount of the insurance premiums that corresponds to the following year or years for the period from the closing of the financial statements until the end of the period for which the premiums have been recorded, is included in the reserve of non-accrued premiums. Premiums are presented without the deduction of the relevant commissions.

(b). Deferred Acquisition Costs

Commissions and other acquisition costs of new policies and renewals of the following fiscal year are presented in the Assets account "Commissions and other expenses of written premiums for future years" and are allocated to the fiscal years depending on the length of the policy period.

(c.) Insurance provisions

Insurance provisions are the insurance Company's net contractual liabilities stemming from insurance policies. The insurance provisions (mathematical provisions, provisions for unearned premiums, provisions for outstanding claims, benefits payable and unexpired risk reserves) are calculated in accordance with the applicable Greek legislation.

Insurance provisions are analyzed in the following main categories:

Mathematical provisions:

These include the mathematical reserves of life insurance and capitalization policies and correspond to the difference that arises during the closing of the financial statements between

the present value of financial obligations assumed by the insurance Company for every life insurance policy including the reserves of undistributed profits to policyholders and the present value of the net written premiums that are due by the insured and are payable to the insurance company in the following years. The difference is calculated using applicable actuarial methods.

Provisions for non-accrued premiums

They include the rate of gross written premiums that relate to policies paid in advance and are in force at the closing date of the financial statements.

Unexpired risk reserve:

The additional reserve formed at the closing date of the financial statements when the reserve of unearned premiums and rights is estimated not sufficient to cover the estimated losses and expenses of the insurance policies in force on that date.

Provisions for Outstanding claims:

The provisions formed at the date of the preparation of the Of financial statements for the full coverage of liabilities and insurance risks that have occurred before the closing date of the Statement of Financial Position, regardless if these have been reported or not, for which the relative indemnity amounts and relevant expenses have not been paid, or the exact amount has not been determined, or the extent of the insurance company's liability is disputed. The amount of the estimated provision is calculated based on the available information, such as reports, medical reports, court decisions, at the date of preparation of the financial statements.

Payable benefits

These are insurance benefits due to the insured that for various reasons have not been paid by the closing date of the financial statements.

Provisions for life insurance where the policyholders bear the financial risk

These are provisions that are intended to cover the insurance Company's assumptions of liability, which are associated with financial instruments under life policies, whose value or performance is determined in relation to the investments, for which the policyholder bears the financial risk.

They refer to insurance policies that are directly associated with Assets (Unit Linked), whose measurement at the current value gives rise to profits or losses that have direct impact on the amount of the insurance provisions. In such cases, the insurance company equally adjusts the insurance provisions with the measured unrealized profit or losses and the arising difference of the insurance provisions is transferred to the operating account.

With the preparation of the financial statements, the Company shall perform sufficiency audit for the insurance provisions, in accordance with IFRS 4, using current estimates of the future cash flows of the insurance policies, as well as the costs for handling losses.

In the event that the sufficiency audit of the insurance provisions are not satisfactory, according to the estimated future cash flows, the difference is transferred to the account of the financial position.

When the obligation arising from the insurance policy has been fulfilled or expired, the Company does not present any insurance provisions.

Insurance Provisions Sufficiency Reserve (Liability Adequacy Test - "LAT")

The Company evaluates the sufficiency of the identified insurance provisions, applying the sufficiency audit of the insurance payables, using current estimates of the future cash flows of the insurance policies. In case the payables of the Group that arise by the sufficiency audit of the insurance reserves, exceed the insurance reserves, that have been calculated according to the I.F.R.S. 4 "Insurance Contracts", the additional provision increases the reserves of the sectors referred and burdens the results of the fiscal year in which the audit is conducted.

2.14 Receivables against due premiums

Receivables against due premiums include premiums from insured, agents with right to collect and disputed cases. The Group has drawn up contracts for providing time to partners for the collection of premiums. Premiums are generally collected from insured with average collection duration of sixty days since the issuance of the policies. Receivables against due premiums are recorded in the financial statements at the date of issuance of the Insurance Policies.

2.14.1 Provisions for impairment of the value of premium debtors

A provision for the impairment of the value of a receivable is formed when there are reasonable grounds that the Group will not collect the total of receivables due, according to the policy and its initial terms. The Group assesses whether there are reasonable grounds for possible losses in the portfolio of receivables against the insured. An asset is subject to impairment when, under the terms of the policy, it is delayed by more than 120 days and/or when there are reasonable grounds at the valuation date that demonstrate that the premium debtors will not be able to correspond to their obligations. At every balance sheet date, all delayed or doubtful receivables are assessed in order to determine the necessity or not of provision for bad debts. The balance of the specific provision for bad debts is accordingly adjusted at each balance sheet date to reflect the possible, relevant risks. Each balance write-off is debited to the existing provision for bad debts. The Group's policy is to avoid the write-off any debts until all possible practical and legal action have been performed for their collection.

2.15 Reinsurance policies

The part of the reserve that is attributable to the Company's reinsurers is recognized as an asset in the «Receivables from reinsurers» account. Other Receivables and Liabilities to reinsurers mainly concern due reinsurance premiums, and

their proportion in paid or outstanding claims.

The Company examines whether the receivables from reinsurers have incurred impairment in the preparation of the financial statements, it reduces their book value respectively and recognizes the impairment loss in the results.

Receivables from reinsurers are impaired if, and only if:

i. there is objective evidence, as a result of an event that occurred after the initial recognition of the receivable, that the Group may not receive the full amount due under the terms of the policy and

ii. this event has a reliably measurable impact on the amounts that the Group will receive from the reinsurer.

2.16 Tangible fixed assets

include fields and real estate, leasehold improvements, transportation means and equipment, which are held by the Group for operational use or for administrative purposes. They are initially entered at the acquisition cost, which includes all costs required to place a fixed asset into operating status.

Tangible assets, other than real estate, are valued at acquisition cost less the accumulated depreciations using the straight line depreciation method.

Owner-user real estate are measured at readjusted values, as determined by independent valuators. The changes are recognized in the equity.

Expenses incurred after the acquisition of a fixed asset, which is included in the "tangible assets" account, are capitalized only when it is likely that these expenses will yield additional economic benefits for the Group in the future, beyond those that were initially expected at the acquisition of the fixed asset. Otherwise, these costs are transferred directly to the profit or loss account at the time of their realization. The depreciation of a tangible fixed asset begins when it is available for use and ceases only when the tangible fixed asset is sold or transferred. Consequently, the depreciation of a tangible fixed asset that ceases to be used is not terminated, unless it is fully depreciated, but rather its useful life is reassessed. Tangible assets are depreciated using the straight-line depreciation method over their useful lives. The estimated useful life of tangible fixed asset by category is as follows:

Fields	Not depreciated
Buildings	(Own-used) up to 40 years
Buildings	(Non-own-used) up to 40 years
Improvements in rented real estate	Within the remaining lease term, without exceeding 12 years
Furniture and other equipment	Up to 7 years
Transportation means	Up to 9 years
Electronic and other equipment	Up to 4 years

During the reporting period, the Group assesses whether there is any indication that the value of a tangible fixed asset has been impaired. If any such indication exists, the Group estimates the recoverable amount of the tangible fixed asset. When the book value of a tangible fixed asset exceeds the recoverable amount, the Group forms a provision for the impairment in order for the book value of the tangible fixed asset to reflect its recoverable value. The profit and losses from the sale of tangible fixed asset are determined based on their book value and are taken into account when determining the results pre-tax.

2.17 Real estate investments

Investments in Real estate include land and buildings owned by the Company for rental or for capital appreciation and are classified as investment properties. Initially, investments in real estate are recorded at their acquisition value, which also includes their acquisition cost.

After the initial recording, investments in real estate are measured at their fair value as determined by independent valuators. Any changes are recognized in the statement of financial results.

The assets are recognized until their sale or earlier, on the date that the Company ceases to have future economic benefits from the asset. In case of change of use, such as owner occupation, they are transferred to the Tangible Fixed Assets category. The profit or loss arising is recognized in the statement of financial results of the reporting period.

2.18 Leases

The assessment, according to IFRS 16, of whether a contract is or contains a lease is based on the substance of this contract. At the assessment it is required to examine whether: a) the fulfillment of the contract depends on the use of a specific asset or assets and b) the contract conveys the right to use the asset.

The Group as lessee

The Group estimates that if a policy is or contains a lease, in the beginning of the period and recognizes per case an asset with right of use and a payable from the lease for all lease contracts in which the Group is a lessee, apart from short-term leases (defined as leases with duration equal to 12 months or less) and leases of low value asset. For these leases, the Group recognizes the rentals as operating expenses with the straight line method, for the entire leasing period. The contracts that have expired and have "been tacitly renewed" with indefinite leasing duration are considered non enforceable, that is, no executive rights and liabilities derive from these contracts. The Group identifies the rentals relating to these leases as operating expenses in the Statement of Financial Results.

The payable from the lease is initially measured at the present value of rentals that remain outstanding at the starting date of the leasing period, which are prepaid with the constructive interest rate of the lease. If the interest rate cannot be easily determined, the Group uses the incremental borrowing rate. The rentals that are included in the measurement of the payable from the lease consist of:

- Fixed rentals (including the essentially fixed rentals) decreased by any leasing incentives,
- Floating rentals that depend on an index or an interest rate, that are initially measured with the use of the index or the interest rate at the starting date of the leasing period,
- Amounts that lessee is expected to pay, based on the guarantees of the residual value,
- The price for the purchase rights, if it is rather uncertain that the lessee will exercise this right, and
- the payment of a penalty for the termination of the lease, if the leasing duration imprints the right

of the lessee for termination of lease.

The payable from the lease is measured, increasing the book value to imprint the interest rate on the payable from the lease (with use of the real estate interest rate) and by decreasing the book value to imprint the payments of the leases. The Group remeasures the liability from the lease (and makes the required adjustments on the right of use assets) if:

- A change in the duration of the lease occurs or if there is a change in the estimate of the purchase rights, in case this liability from the lease is remeasured by prepaying the revised leases based on the revised prepaid interest rate.
- A modification in the leases occurs, due to the variation in the index or interest rate or amount that are expected to be paid, due to the guarantee of the residual value. In these cases the liability from the lease is measured by prepaying the revised rentals based on the initial discount rate.
- A lease shall be modified and the amendment of the lease will not be handled as a separate lease, in this case this liability from the lease will be remeasured by prepaying the revised rentals and using the revised discount rate.

The payable from the lease is presented in the Consolidated Statement of Financial Position.

The right of use asset includes the amount of the initial measurement of the payable from the lease, the leases that were paid at the starting date of the leasing period or earlier than that and any initial direct expenses.

Subsequently, the right of use assets are measured at the cost decreased by any aggregated depreciations and impairment losses.

The Group applies I.A.S 36 in order to define whether the right of use asset has been impaired.

The right of use asset is depreciated at the shortest time period between the duration of the lease and the useful life of each underlying asset. If, as a result of the leasing contract, the ownership of every underlying asset is transferred, or if the acquisition price of the underlying asset has been integrated in the cost of the right of use asset, provided that the Group is expected to exercise the acquisition right, this right of use asset is depreciated at the useful life of the underlying asset. The depreciation begins in the beginning of the leasing period.

The right of use assets is presented separately in the Consolidated Statement of Financial Position. The floating leases that do not depend from an index or interest rate are not included in the measurement of the liability from the lease, and therefore they are not a key element of the book value of the asset with right of use. The related payments are recognized as an expense before the period in which the event or term for activation of payments occurred.

The Group implemented this practical facilitation of I.F.R.S.

16, according to which the lease is not obliged to separate the non-lease components and therefore handles every lease and related non-lease component as a single contract.

The Group as lessor

The leases in which the Group acts as a lessor are classified either as financial or operational. When, according to the terms of the lease, all risk and benefits are essentially transferred to the lessee, the lease is classified as financial. All other leases are classified as operational leases.

When the Group is the interim lessee, the main leases and subleases are handled as two separate contracts. The sublease is classified as financial or operational depending on the right of use asset arising by the main lease.

The income from operating leases are recognized directly with the straight line method during the applicable lease. The initial direct distribution and handling costs of the agreement of an operational lease are added to the book value of the underlying asset and are recognized with the straight line method during the applicable lease.

The amount that the lessees owe from financial leases are recognized as receivables in the amount of the net investment of the Group in the financial lease. The financial income from the lease is distributed in the reporting periods, so as to reflect the fixed average rate of the return of the Group in the remaining net investment in the financial leases.

When the lease includes lease and non-lease components, the Group implements I.F.R.S. 15, in order to allocate the price of the contract to every component separately.

Main sources of uncertainty of accounting estimates

i. Leasing duration

It is a common practice in the Greek market of trade real estate, that the leaser will continue to use the real estate after the end of the termination date of the leasing contract. The aforementioned tacitly renewed lease contracts have indefinite duration after their expiration date and continue to create executive rights and liabilities, provided none of the counterparties shall not proceed to their termination. According to the Greek Civil Code, each of the counterparties has the right to terminate the lease contract without the imposition of a penalty directly after the end of the short notice period, as defined in the above Civil Code. Provided that the lessee and the lessor have the right to terminate the lease without receiving a relevant license from the counterparty and without requiring the payment of any amount for compensation, the Group assessed that the "tacitly renewed" lease policies do not create executive rights and payables after the end of the contractual effective date and therefore they do not meet the definition of the contract of I.F.R.S 16. Therefore, the Group came to the conclusion that the duration of the lease of the "tacitly renewed" contracts is the initial contractual duration of the contracts. Therefore, the Group identifies the rentals that are related the leases as operating expenses in the Statement of Total Comprehensive Income.

ii. Incremental borrowing rate

For the determination of the incremental borrowing rate, the Group used as reference interest rate the yield curve of the Greek Government bonds which was adjusted with the credit spread of the Group. In order to incorporate into the aforementioned identified incremental borrowing rate the fact that the borrowing is ensured, we used the variance of the margin return between the covered bonds issued by Greek companies and the Greek Government Bonds.

2.19 Intangible assets

They refer exclusively to software programs which are measured at their acquisition value less the accumulated depreciations. For the calculation of depreciations, their useful life is estimated at 3-5 years.

2.19.1 Software

The acquisition value of the software includes costs that are directly associated with specific and distinct software products controlled by the Group and which are expected to generate future economic benefits for more than one year, which will exceed their acquisition costs. Expenses that enhance or extend the operation of the software programs beyond their original specifications are capitalized and added to the initial acquisition value. Software is depreciated using the straight line method during the useful life, however, this period may not exceed 5 years. In particular, internally generated software components are initially equal in value to the sum of the expenditure incurred from the date that the asset meets the recognition criteria. When an intangible asset cannot be recognized, the development costs are recognized in the financial results in the period that they were incurred. Research costs are registered as expenses, when incurred. The internally generated software resulting from development expenses incurred on an individual project is recognized only when the Group can demonstrate that it has the technological ability to complete the internally generated software making it available for use, the intention to complete and use the asset and the ability to use the asset. The Group must also prove that the item will generate future economic benefits, that the Group has sufficient technological, financial and other resources to complete the development and use of the item and that it has the ability to reliably measure the expenses during the development of the asset.

After the initial recognition, internally-generated software items are recorded at acquisition cost less the accumulated depreciations and accumulated impairment losses.

Expenses such as formation and set up expenses of business units or branches, personnel training, advertising and promotion expenses and expenses for relocating or reorganizing part or all of the Group are recognized as expenses when these incurred.

2.20 Impairment of Assets

During the preparation of the financial statements, the Group's management reviews the value of its assets to determine whether there is any indication of asset impairment. If that is the case, it is investigated whether the book value of these assets can be recovered. Otherwise a provision is formed for the impairment. The recoverable value is the higher of fair value less the net selling price and value in use.

2.21 Cash and Cash Equivalents

For the purposes of preparation of the cash flow statement, as cash and cash equivalents we consider the balances of cash and demand deposits in banks and highly liquidity financial assets, such as time deposits and other securities that present low risk of change of the fair value.

2.22 Loans

Loans to personnel, agents and life insured are registered at the date of disbursement at the level of the amount granted plus the direct costs related to the loan. Subsequent to initial recording, loans are measured at the amortized cost using the effective interest rate method.

When a loan qualifies as doubtful, the book value decreases at the estimated recoverable value, which is defined as the present value of the expected future cash flows, including the estimated recoverable amounts from guarantees and physical collaterals, prepaid with the initial effective interest rate of the loan.

2.23 Provisions

The Group/Parent Company forms provisions for liabilities and risks, where the following conditions apply:

a. there is a present legal or constructive obligation as a result of past events,

b. an outflow of resources is probable to settle the obligation, and

c. it is possible to objectively determine the amount of the obligation.

2.24 Employee Benefits

The companies of the Group pay contributions to employee benefit plans after leaving the company. These programs are separated in programs for defined benefits and defined contributions plans.

2.24.1 Defined benefits plans

A defined benefit plan is defined as a post-employment benefit plan, in which benefits are determined based on the economic and demographic assumptions. The most important assumptions, among others, are age, years of service, salary, life expectancy, discount rate, rate of increase in earnings and pensions. In the defined benefit plans, the value of the liability is equal to the present value of the defined benefit payable at the date of preparation of the financial statements less the fair value of the assets of the plan.

The defined benefits obligation and the related expenses are estimated annually with the use of the projected unit credit method. For the discount there has been an interest rate assumption, based on the corporate bond ratio Markit iBoxx AA and taking into consideration the average expected weighted duration for payment of benefits, at valuation date, considering that this is a medium level interest rate for the market, based on the conditions adjusted to the above date. The Service cost (current and past, including cuts) and profit or losses arising from settlements) and the net financial cost of the net liability / (receivable) of defined benefits are recognized in the statement of financial results and are included in the Personnel expenses. The defined benefits net liability (after the deduction of assets) is identified in the statement of financial position, with changes resulting from remeasurement (including actuarial profit and losses, the effect of changes in the assets limits (if any) and the expected return on assets (excluding interest) are recognized immediately in Other comprehensive income, without later transfer in the financial results statement.

2.24. 2 Defined contribution plans

The defined contribution plan defines the retirement benefit plan of the company's employees, according to which the employer pays certain contributions to a fund without any other legal or constructive obligation for further benefits in the case that the Fund does not have the required assets to pay the benefits of the insured for the current and previous periods. The Group's benefits in defined benefit plans are registered in the statement of financial results for the reference period and are included in the account "Personnel Expenses".

2.25 Income tax

Income tax on profit is recognized as an expense in the fiscal year that the profit is realized.

The deferred tax is calculated using the balance sheet method and is determined for all temporary differences arising between the book value of assets and liabilities that are included in the Financial Statements and the tax value attributed to these in accordance with the relevant tax provisions.

The tax benefits, which may arise from unused tax losses, that are carried forward to other fiscal years for offsetting, are recognized as assets, when it is probable that future taxable profits will be realized, which will be sufficient for offsetting accumulated tax losses.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply during the time of recovery/settlement of the assets/liabilities.

The determination of the future tax rates is based on laws that have been voted on the date of preparation of the financial statements. Deferred tax assets and liabilities are not recognized, if the temporary differences arise during the initial recognition of goodwill, or the initial recognition of assets and liabilities (other than the case of business merger), in a transaction that does not affect the taxable profit or the accounting profit.

The recognition of deferred tax assets is based on the Management's conviction, which is based on the available supporting evidence, that the tax benefits associated with temporary differences, such as tax losses carried forward to subsequent years and tax assets, are likely to occur. The book value of the deferred tax assets is reviewed in the preparation of the financial statements and is reduced to the extent that it is no longer likely that there will be sufficient taxable profit to recover all or any part thereof. In order for the Group and the Parent Company to make the decision to recognize these deferred tax assets, they take into consideration all available, positive and negative evidence, including the realization of already existing temporary tax differences, predictions of future taxable profit and recent financial results. Where the Group and Parent Company ascertain that in the future it is likely that they will recover deferred tax assets beyond those that they have already recognized, then they proceed to the increase of the book value of the deferred tax assets. Deferred tax assets and liabilities are offset provided that the tax authorities permit asset and liability offsetting and when assets and liabilities from deferred taxes refer to the same taxation authority and the Management intends to settle the net amount that arises by the offsetting. As deferred income tax it is recognized on temporary differences arising from investments in subsidiaries, associate companies and joint ventures, apart from the cases where the time period of the reversal of the temporary difference can be controlled by the Group and is probable that the difference will not reverse in the foreseeable future.

The assets and liabilities of deferred taxes related to changes in fair value of available-for-sale securities and cash flow

hedges, which are recorded as a debit or credit in "Other comprehensive income", are also entered as a debit or credit of "Other comprehensive income" account and are transferred to the results when related profits or losses are also transferred thereto.

2.26 Earnings per Share

The basic earnings per share index is calculated by dividing the net profit or loss for the period that is attributable to shareholders by the weighted average number of shares outstanding during the year.

2.27 Financial liabilities

A financial liability ceases to be recognized when canceled, expired, or no longer exists. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially amended, such a change or amendment is treated as derecognition of the initial liability and the recognition of a new one and the difference in the respective book values is recognized in the results.

2.28 Transactions with Related Parties

Related parties include companies in which the Parent Company retains control. Related parties are the members of the management of the Group, first-degree relatives, companies that are controlled by these persons, or in which these members have a substantial influence on the management and fiscal policy.

2.29 Revenue Recognition

Revenue is recognized only when it is probable that the economic benefits associated with the transaction will flow into the business. The recognition of revenue from insurance policies is described in paragraph 2.13 herein.

Interest - Interest income is recognized on a time basis based on the effective interest rate.

Dividends: Income from dividend is recognized when the right for collection of income is established after their approval by the General Meeting of Shareholders.

Rental Income - The rental income from investments in real estate is accounted on a systematic basis over the lease term.

The income from non-insurance activities includes the following:

a. Income from the Management of Mutual Funds

The income from the Management of Mutual Funds includes the fair value from the sale of goods, free from the Value Added Tax, discounts and returns.

b. Income from the provision of services

The income from the provision of services is accounted in the period that the services are provided, based on the stage of completion of the provided service in relation to the total of the provided services. The amount of the price of the sale related to the agreement for services that will be provided in the future is recorded in a transitional account and is recognized in the income of the period, in which the services are provided.

c. income from sales contracts:

The income is recognized using the method of effective interest rate, which is an interest rate that discounts with accuracy the future payments in cash or the collections during the expected life of the financial instruments, or when required, for a shorter period of time, in the net book value of the financial asset or the liability. The adoption of IFRS 15 on the Recognition of revenue from interests does not have an impact on the accounting policy of the Company.

The income from sale contracts with a predefined value is recognized based on the stage of completion of the transaction at the date of preparation of the Statement of the Financial Position. According to the method of quantitative completion, the income will be recognized based on the activity for the provision of services and the performance up to that day as a rate for the total services that will be implemented. When the result of the transaction that refers to the provisions of services cannot be estimated validly, the income will be recognized only to the extent that the recognized expenses are recoverable.

In cases that the initial estimates of the income may variate, the expenses or the degree of completion are revised. These revisions may lead to increase or decrease of the estimated income or expenses and are presented in the income of the periods, in which the cases that highlight the need for review, are disclosed to the Management.

2.30 Derecognition of financial assets

A financial asset ceases to be recognized when the contractual rights cease to apply, when it is canceled, expires, or no longer exists. When an existing financial liability is replaced by another from the same lender on substantially different terms, or when the terms of an existing liability are substantially amended, such a change or amendment is considered as derecognition of the initial liability and the recognition of a new one and the difference in the respective book values is recognized in the results.

3. Accounting Estimates

The significant assumptions adopted by the Group for the estimate of certain accounting figures, as well as the sources of uncertainty that affect these estimates, are similar to those adopted in the preparation of the annual Financial Statements of the fiscal year ending on December 31, 2018.

Insurance policies

The Company continues to implement the same accounting policies for the recognition and valuation of liabilities from insurance policies (including the acquisition costs and other related intangible insurance assets) and the reinsurance pol-

icies owned. The Management at its judgment has created a total of accounting policies for the recognition and valuation of liabilities and rights from insurance policies issued and re-insurance policies owned, including the extended sufficiency audit (4.2.1), so as to provide the most useful information to the users of the Financial Statements of the Company.

The estimate of the final liabilities deriving from outstanding claims that are covered by insurance policies is the largest accounting estimate of the Company. There are many sources of uncertainty that need to be taken into consideration in the calculation of the total liabilities of the Company arising from such cases. The estimation of the total liabilities is performed by an Actuary with the use of the known actuarial methods.

The Reserve of Outstanding Claims is constantly reviewed.

The Company performs provisions on the estimated final cost of all outstanding claims by deducting the amounts already paid, either these are related to events that occurred in the current fiscal year, or in previous fiscal years and regardless of whether they have been reported to the Company. The outstanding insurance claims are recognized as liabilities when there are satisfying indications for their acceptance and their size can be calculated. If the existence of such a liability is known but there is uncertainty on its final amount, there is a provision based on the previous experience from similar cases.

The insurance claims may represent either a special amount or a total liability regarding a category of turnover or events.

Impairment of the value of the financial assets

The Company ascertains that the financial instruments available for sale have been impaired when their fair value is for a longer maximum duration increasingly lower than the acquisition value. This verification requires the use of estimates. It refers to the ratios that are co-estimated for such judgments, such as the normal fluctuation at the price of the share, the fiscal health of the issuer Company, the performances of the sector, the technological changes and the financial cash flows.

Impairment of the value of liabilities and other financial assets at amortized cost

The Company forms provisions for the impairment of assets, when there are reasonable grounds that the total receivables required will not be collected within the framework of the related existing policies. In every date in the Statement of Financial Position all delayed and doubtful debts are re-estimated in order determine the height of the provision. No receivable shall be written off, if the legal and practical actions for its collection have not been exhausted.

Regarding the other financial assets presented at amortized costs, a significant estimate of the Management refers to the recoverability of the cash flows related to the function of the asset. The determination of the expected future flows is related to the fixed asset and the calculation assumptions affect the evaluation of the book value of this asset.

Income Tax

The provision for income tax according to IAS 12 is calculated with estimate of the taxes paid in the tax authorities in the current fiscal period and in future periods and includes the current income tax for every fiscal year and the provision for deferred taxes. The final liquidation of the income tax may possibly deviate from the relevant amounts, that are recorded in the Financial Statements.

Deferred taxes

The deferred tax assets that refer to evaluative loss of bonds, shares and mutual funds and deductible temporary differences are recognized to the extent that it is probable that in the future, there will be taxable profit sufficient to cover the tax losses and deductible temporary differences. For the determination of the amount of deferred tax assets recognized, a judgment is required which will be based on the estimate of the possible timing and level of realization of the taxable profit in combination with the future tax planning.

Cost of the defined benefits plan

The net cost of the defined benefits plans is estimated with actuarial methods with the use of assumptions for the discount rate, the remuneration increase, the mobility of the personnel and the expected return of assets of plans. The increase of the remuneration is formed based on the annual remuneration policy of the Group.

4. Risk Management

4.1 Risk Management Framework

In European Reliance General Insurance Co S.A. Group of Companies we believe that an effective framework for risk management is the key factor for the minimization of risk exposure of the Group and protection of the shareholders and the insured.

For this purpose, the Group has applied risk management practices and methodologies, taking into consideration all relevant directives and requirements of the Supervisory Authority - the Department of Private Insurance Supervision of the Bank of Greece and applies the Solvency II Legislation.

The Board of Directors has established Committees, such as the Risk Management Committee and the Investment and Asset & Liability Management Committee (ALCO). The executive function of Risk Management has been assigned to the Department of Risk Management. The most significant risks in which the Company is exposed to are the Underwriting Risk and the risks for the Company's assets, that include the underwriting risk, the market risk, the liquidity risk, the credit risk, the foreign exchange risk, the market concentration risk. An extremely important risk for the sustainability of the Company is the Operational Risk.

The Risk Management System includes procedures for the identification, measurement, monitoring, audit and reporting

of risks. The risk management policies are reviewed periodically, in order to incorporate changes in market conditions and the activities of the Company. The supervision of the compliance of the risk management policies and procedures is undertaken by the Company's Board of Directors which has the final responsibility for the management of these risks, assisted by the Risk Management Committee, the Investment and Asset & Liability Committee (ALCO) and the Board of Directors.

4.1.1 Risk Management Committee

The Board assigns to the Risk Management Committee (RMC) responsibilities relevant to the management of risks so that all forms of risks are effectively monitored, including the operational and insurance risks, and so that their integrated control, their specialized handling and the required coordination for the insurance company are ensured. More specifically, the Risk Management Committee:

- The Committee is responsible for the strategic undertaking of every form of risks and fund management.
- Provides for the development of the internal risk management system and its integration in the procedure of business decision making.
- Determines the principles required for Risk Management in terms of identification, forecasting, measurement, monitoring, audit and handling of the risks.
- It receives and assesses the reports of the Risk Management Department which are submitted every quarter, notifies the Board about the most serious risks that have been underwritten by the Company.
- Evaluates the sufficiency and effectiveness of the Company's Risk Management Policy.
- Evaluates on an annual basis the appropriateness of the limits, the adequacy of the provisions and the adequacy of the equity comparing to the height and the form of the undertaken risks.

4.1.2 Investment and Asset & Liability Management Committee ("ALCO")

The Asset & Liability management policy aims to organize the balance sheet in a way that eliminates the liquidity risk and the exposure to the interest risk and other market risks. For this purpose the Investment and Asset & Liability Management Committee ("ALCO") has been established for the planning and the implementation of the strategy and the policy for structure and asset liability management, within a certain framework defined by the Bank of Greece. "ALCO" meets at least on a monthly basis. The monitoring of the Asset & Liability Management has been assigned to the Investment and Asset & Liability Management Committee.

4.1.3 Management of Underwriting and Financial Risks

The Management of Underwriting and Financial Risks is entrusted with the following duties:

- Identifying, quantifying, monitoring and controlling risks.
- Providing appropriate risk management methodologies and tools.
- Coordinating and providing assistance for risk management-related issues to the Company's divisions and departments.
- Monitoring the risk management system.
- Monitoring the Company's risk profile.
- Preparing and updating the Risk Management Strategies and Policies.
- Informing the Board of Directors on issues related to the business strategy, investments and other operations.
- Identifying emerging risks and evaluating potential impact.

4.2 Risk Analysis

The risks covered by the risk management framework are as follows:

4.2. 1. Underwriting Risk

It is the risk of a future uncertain event that will adversely affect the insured. With the conclusion of the insurance policy, this risk is transferred from the insured to the insurer. The Company transfers part of the underwriting risk to the reinsurer and controls its risk underwriting policy on a regular basis, so that the frequency and the height of the claims would be within the limits estimated at the pricing. The basis for the calculation of the underwriting risk are the Technical Provisions.

Certain life insurance policies provide guaranteed amounts or interest rates, that are included in the terms of the policies. The Company performs audits in the existing products for the adequacy of the mathematical reserves

More specifically, the risks to which the Company is exposed regarding the underwriting risk are the following:

I. Traditional Life Insurance Policies:

***Mortality Risk*:** The risks arising by the differentiation of the actual number of deaths comparing to the expected number of deaths.

Longevity Risk: It is the risk arising due to higher life expectancy of the insured comparing to the expected life expectancy.

Investment Performance Risk: It is the risk arising due to variation in the actual performance of the investments, comparing to the expected performance.

Expenses Risk: It is the risk arising by the deviation of the actual expenses in relation to the initial estimates.

Lapse Risk: It is defined as the current or future risk for profit and funds arising from changes in the actual number of Cancellations and Purchases comparing to the expected number.

Assumptions

The selection of assumptions that are used in the calculation of insurance Payables based on the experience of the Company, the historical data of the Underwriting Portfolio and the market conditions. The most important Assumptions, in which the insurance provisions present highest sensitivity, are the following:

Mortality: The assumptions are based on Mortality Tables and are differentiated per gender and per homogenous group of Insurance products.

Investment Performance: The return on investments that affect the expected level of future benefits are based on the current returns of the Bond market and the expected movements of the future Bond Returns.

Expenses: The estimates on the operating expenses include the estimated operational costs of the policies in force. The future inflation is taken into consideration in these estimates.

Lapse Rates: The cancellations refer to termination of policies due to non-payment of the policy fees or the voluntary termination of the policies by the insured. The lapse rates arising by the Statistical Analysis on the Cancellations of the Insurance Portfolio and are differentiated per homogeneous group of products.

Discount interest rate curve: This curve is based on the risk free interest rate curve, as estimated by EIOPA. The interest rate curve is used for the discount of future cash flows (income- expenses), in the evaluation of which the sufficiency of the liabilities is based.

Percentage of Exercise of the Right of Purchase in the Beginning of Retirement: The rate of the insured in individual pension plans that choose the single payment method instead of the monthly payments, estimated based on the Company's experience.

Individual Traditional Plans Sufficiency Audit

The audit was based on the projection of future cash flows using a total of Assumptions. These assumptions are analytically presented above. The sufficiency audit revealed the need for formation of an additional reserve.

Sensitivity Analysis

The results of the sensitivity analysis are presented in the Table below and refer to the factors that are considered important and their variation has an impact on the Technical Provisions.

Individual Traditional Plans

31/12/2019 Assumption Scenario	Variance in Assumptions	Impact on Liabilities (amounts in thous. €)
Discount Interest Rate	+ 50 basis points	-2,698
	- 50 basis points	2,977
Lapse Rates	+10%	2
	-10%	-32
Mortality rates:	+15%	269
	-15%	-273
31/12/2018 Assumption Scenario		
Discount Interest Rate	+ 50 basis points	-1,736
	- 50 basis points	2,067
Lapse Rates	+10%	260
	-10%	-295

Additional Coverages in Life and Health Insurance Policies

The main risks on which the Company is exposed in the additional coverages of Life Insurance policies are:

Morbidity Risk: It is defined as the current or future risk for profit and funds arising from variations in the Compensations cost relevant to hospital care coverage comparing to the estimated cost.

Expenses Risk: It is defined as the current or future risk for profit and funds arising from the fact that the timing and/or the amount of expenses incurred differs from those expected.

Lapse Risk: It is defined as the current or future risk for profit and funds arising from variations in the actual number of Cancellations comparing to the expected number.

Assumptions

The selection of assumptions that are used in the calculation of insurance payables are based on the expertise of the Company, the historical data of the Underwriting Portfolio and the market conditions. The most important Assumptions, in which the insurance provisions present highest sensitivity, are the following:

Morbidity: The frequency and intensity and their variation per age and type of coverage are based on the historical expertise of the Portfolio.

Disability: The disability rates for the additional Life coverage with benefits in cases of disability of the insured are based on the rates of the active Reinsurance policies and the historical data of the Underwriting Portfolio.

Mortality: The assumptions are based on mortality tables and are differentiated per gender.

Lapse Rates: The cancellations refer to termination of policies due to non-payment of the policy premiums. The lapse rates arise from the Statistical Analysis on the Cancellations of the current Underwriting Portfolio and are differentiated per homogeneous group of products.

Discount interest rate curve: This curve is based on the risk free interest rate curve, as estimated by EIOPA. The interest rate curve is used for the discount of future cash flows (income- expenses), in the evaluation of which the sufficiency of the liabilities is based.

Sufficiency Audit for Additional Coverage of Life Insurance & Health Policies

The audit was based on the projection of future cash flows using a total of Assumptions. These assumptions are analytically presented above. For Group Insurance policies, the Company completes sufficiency audits following a prescribed methodology in the Non-Life Insurance Policies. The Sufficiency Audit revealed the need for formation of an additional reserve.

Sensitivity Analysis

The results of the sensitivity analysis are presented in the Table below and refer to the factors that are considered important and their variation has an impact on the Technical Provisions.

Health care Programs		
Assumption scenario 31/12/2019	**Variance in Assumptions**	**Impact on Liabilities (amounts in thous. €)**
Discount Interest Rate	+ 50 basis points	8
	- 50 basis points	-9
Lapse Rates	+10%	15
	-10%	-18
Morbidity Rates	+5%	288
	-5%	-288
Expenses rates (Group risks)	+10%	2
	-10%	-2
Additional Coverage		
Assumption scenario 31/12/2019	**Variance in Assumptions**	**Impact on Liabilities (amounts in thous. €)**
Discount Interest Rate	+ 50 basis points	89
	- 50 basis points	-94
Lapse Rates	+10%	196
	-10%	-217
Mortality rates	+15%	3
	-15%	-3

Health care Programs		
Assumption scenario 31/12/2018	**Variance in Assumptions**	**Impact on Liabilities (amounts in thous. €)**
Discount Interest Rate	+ 50 basis points	14
	- 50 basis points	-15
Lapse Rates	+10%	9
	-10%	-9
Morbidity Rates	+5%	274
	-5%	-275
Expenses rates (Group risks)	+10%	6
	-10%	-6
Additional Coverages		
Assumption scenario 31/12/2018	**Variance in Assumptions**	**Impact on Liabilities (amounts in thous. €)**
Discount Interest Rate	+ 50 basis points	113
	- 50 basis points	-120
Lapse Rates	+10%	135
	-10%	-142

Policies for Life Insurance policyholders who bear the investment risk (Unit Linked)

These policies transfer the financial risk to the holder of the policy and at the same time the insurance Company undertakes the coverage with guarantee for a part of the financial risk. Moreover, the policies entail an important underwriting risk (cover for death, disability, accident and sickness).

The main risks on which the Company is exposed are similar to the traditional Life Insurance policies.

A sufficiency audit is under process with a methodology similar to the individual traditional life policies.

Sensitivity Analysis

The results of the sensitivity analysis are presented in the Table below and refer to the factors that are considered important and their variation has an impact on the Technical Provisions.

Unit Linked

Assumption scenario 31/12/2019	Variance in Assumptions	Impact on Liabilities
Discount Interest Rate	+ 50 basis points	6
	- 50 basis points	-6
Lapse Rates	+10%	-14
	-10%	15
Mortality rates	+15%	0
	-15%	0
Assumption scenario 31/12/2018	**Variance in Assumptions**	**Impact on Liabilities**
Discount Interest Rate	+ 50 basis points	-8
	- 50 basis points	9
Lapse Rates	+10%	-26
	-10%	28

Financial Policies - Deposit Administration Funds

Deposit Administration Funds Sufficiency Audit (DAF)

The audit was based on the forecasting of the future cash flows using assumptions relative to individual insurance policies. The Sufficiency Audit revealed the need for formation of an additional reserve.

Sensitivity Analysis

The results of the sensitivity analysis are presented in the Table below and refer to the factors that are considered important and their variation has an impact on the Technical Provisions.

Group Pension Funds (DAF)

Assumption scenario 31/12/2019	Variance in Assumptions	Impact on Liabilities (amounts in thous. €)
Discount Interest Rate	+ 50 basis points	-407
	- 50 basis points	452
Lapse Rates	+10%	-5
	-10%	5
Mortality rates	+15%	2
	-15%	-2
Assumption scenario 31/12/2018	**Variance in Assumptions**	**Impact on Liabilities (amounts in thous. €)**
Discount Interest Rate	+ 50 basis points	-277
	- 50 basis points	301
Lapse Rates	+10%	2
	-10%	-2

II. Non-Life Insurance Policies

Sufficiency Audit

The sufficiency audit of technical provisions is conducted in all Sectors. More specifically, the historical data for every accident year after 2003 were processes and a range of various method of Reserve Management was implemented. Moreover:

- The Company performs comparative analysis of Outstanding Claims (Case File) for each period.
- Audits the provisions of previous fiscal periods compared to the progress of the outstanding claims and gives explanations on the deviations.

The progress of the paid and outstanding claims of the Motor Sector (Motor Third Party Liability Sector and Land Vehicles), which is the biggest of the non-life sector of the Company, as well as the Fire Sector, are presented in the Table below:

Development of the Claims of land vehicles and motor third party liabilities (amounts in thous. €)

Accident year	Reserves before 2010	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	Total
Accident year		34.992	38.158	49.521	52.085	60.406	59.211	59.908	60.927	66.893	**68.337**	
After one year		37.622	45.288	51.717	55.366	60.323	57.910	58.852	59.996	64.356		
After two years		37.737	43.333	49.323	52.427	56.111	55.230	59.075	58.403			
After three years		36.751	42.259	46.767	48.077	50.512	51.502	56.412				
After four years		34.440	41.116	45.214	44.832	45.636	50.215					
After five years		33.539	39.834	43.739	41.270	45.431						
After six years		32.152	37.361	43.125	40.910							
After seven years		31.484	36.625	43.167								
After eight years		31.244	36.629									
After nine years		31.110										
Current estimate of accumulated claims		**31.110**	**36.629**	**43.167**	**40.910**	**45.431**	**50.215**	**56.412**	**58.403**	**64.356**	**68.337**	
Accident year		-16.592	-17.085	-21.612	-20.910	-21.293	-22.611	-22.109	-24.895	-24.358	**-25.544**	
After one year		-22.479	-25.106	-29.781	-29.429	-30.169	-31.783	-33.305	-38.041	-37.771		
After two years		-24.546	-28.062	-33.114	-31.559	-32.103	-34.531	-37.206	-41.156			
After three years		-26.826	-29.559	-34.755	-32.814	-34.427	-37.520	-40.123				
After four years		-28.417	-30.759	-36.611	-34.241	-36.001	-40.264					
After five years		-29.213	-32.530	-38.162	-36.027	-37.624						
After six years		-29.587	-33.579	-39.569	-37.397							
After seven years		-30.377	-34.281	-40.336								
After eight years		-30.323	-34.855									
After nine years		-30.402										
Accumulated paid claims		**-30.402**	**-34.855**	**-40.336**	**-37.397**	**-37.624**	**-40.264**	**-40.123**	**-41.156**	**-37.771**	**-25.544**	**-365.472**
Total Reserve of outstanding claims	**4.259**	**708**	**1.774**	**2.831**	**3.513**	**7.808**	**9.952**	**16.289**	**17.247**	**26.586**	**42.793**	**133.758**

Development of Fire sector claims (amounts in thous. €)

Accident year	Reserve before 2010	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	Total
Accident year		3.213	2.904	3.474	1.894	2.679	3.445	2.802	2.614	7.485	**3.384**	
After one year		2.815	2.342	3.183	1.898	2.403	3.340	2.519	2.072	7.370		
After two years		2.808	2.285	3.095	1.736	2.085	3.256	2.254	2.023			
After three years		2.608	2.267	2.929	1.676	2.067	3.453	2.266				
After four years		2.573	2.138	2.842	1.602	2.047	3.411					
After five years		2.550	2.161	2.842	1.604	2.058						
After six years		2.544	2.172	2.836	1.605							
After seven years		2.545	2.164	2.836								
After eight years		2.543	2.224									
After nine years		2.528										
Current estimate of accumulated claims		**2.528**	**2.224**	**2.836**	**1.605**	**2.058**	**3.411**	**2.266**	**2.023**	**7.370**	**3.384**	
Accident year		-759	-577	-1.905	-705	-963	-736	-709	-677	-2.899	**-1.314**	
After one year		-2.031	-1.899	-2.627	-1.444	-1.404	-2.649	-1.939	-1.663	-6.471		
After two years		-2.046	-1.952	-2.795	-1.572	-1.441	-2.766	-2.236	-1.877			
After three years		-2.054	-1.950	-2.787	-1.582	-1.487	-2.904	-2.241				
After four years		-2.526	-1.990	-2.786	-1.585	-1.495	-2.922					
After five years		-2.524	-2.012	-2.789	-1.588	-1.524						
After six years		-2.522	-2.026	-2.783	-1.589							
After seven years		-2.523	-2.033	-2.784								
After eight years		-2.521	-2.098									
After nine years		-2.521										
Accumulated claims paid		**-2.521**	**-2.098**	**-2.784**	**-1.589**	**-1.524**	**-2.922**	**-2.241**	**-1.877**	**-6.471**	**-1.314**	**-25.341**
Total Reserve of outstanding claims	**1.295**	**8**	**126**	**52**	**16**	**534**	**489**	**25**	**146**	**899**	**2.070**	**5.659**

4.2.2 Market Risk

The current or future risk for profit and funds arising from fluctuations of the level and/or fluctuation of the market values of assets and liabilities. Market Risk consists of the following risk subcategories:

Interest Rate Risk

The current or future risk for profit and funds of the Group arising from a change in the direction, fluctuation or correlation of the interest rates, the shape of the yield curve, as well as the difference between the various interest rates that affect the assets and liabilities.

Below we present the variance of the Equity, due to the parallel transition of the yield curve by ±25 basis points.

Group Of Companies	Variance	Impact on the Equity			
31/12/2019 (amounts in thous. €)		Up to 1 Year	1-2 years	2-5 years	Over 5 years
Bond Portfolio	+25 basis points	-124	-154	-860	-1,470
	-25 basis points	124	154	860	1,470

Group Of Companies	Variance	Impact on the Equity			
31/12/2019 (amounts in thous. €)		Up to 1 Year	1-2 years	2-5 years	Over 5 years
Bond Portfolio	+25 basis points	-102	-71	-949	-1,579
	-25 basis points	102	71	949	1,579

Parent Company	Variance	Impact on the Equity			
31/12/2019 (amounts in thous. €)		Up to 1 Year	1-2 years	2-5 years	Over 5 years
Bond Portfolio	+25 basis points	-124.	-153	-857	-1,468
	-25 basis points	124	153	857	1,468

Parent Company	Variance	Impact on the Equity			
31/12/2018 (amounts in thous. €)		Up to 1 Year	1-2 years	2-5 years	Over 5 years
Bond Portfolio	+25 basis points	-102	-71	-944	-1,576
	-25 basis points	102	71	944	1,576

Equity Risk

The current or future risk for profit and funds of the Group arising from the change in the direction, fluctuation or correlation of the prices of shares/ratios that affect the Company's assets.

The table below presents the variance of the Equity due to fluctuations of the prices of the equity portfolio by ±30%.

31/12/2019 (amounts in thous. €)	Variance	Impact on the Equity
Equity Portfolio	+30%	8,484
	-30%	-8,484

31/12/2018 (amounts in thous. €)	Variance	Impact on the Equity
Equity Portfolio	+30%	6,402
	-30%	-6,402

Guarantee risk

The traditional life insurance policies provide guaranteed return based on the technical interest rate and the Life Insurances related to investments (Unit Linked) ensure a guaranteed provision at maturity. The negative deviation between the guaranteed provision/ technical interest rate and the achieved performance creates a guarantee risk. The Group in order to measure the risk, charges with the most conservative interest rate comparing to the maximum limit defined by the supervisory authority.

4.2.3 Liquidity Risk

Refers to the Risk of untimely match of the Assets and Liabilities. The Company monitors its obligations and ensures for their proper repayment by monitoring the cash inflows and outflows and ensuring sufficient cash equivalents. The management of this specific risk includes the policy for the management of liquidity risk, as approved by the Board of Directors.

Liquidity risk is the risk that the Group or the Company may not be able to fulfill its financial obligations on time. Liquidity Risk is kept at low levels, by retaining sufficient cash equivalents and credit limits that ensure the Company's ability to meet its financial obligations. The Group's cash equivalents on 31/12/2019 and 31/12/2018 amount to € 16,266 thous., and € 9,093 thous., respectively. In addition, the Group has access to sufficient short-term lending (although it has not received loans over the past seventeen years) for the coverage of extraordinary monetary needs, if required.

Moreover, it is worth noting that the ALCO, Investment and Asset & Liability Management Committee, systematically monitors this risk using the appropriate tools.

The Group and the Parent Company manage the liquidity risk with the constant monitoring of cash flows (inflows and outflows). The table below presents the maturity of the unexpected, non discounted inflows from investments in Bonds and expected non discounted outflows of Mathematical Reserves and Technical provisions and outflows of other liabilities. The inflows include the amounts of the vouchers and the inflows from the Bond Fund. It is noted that the tables above, do not include all funds of the Statement of Financial Position, but only funds that refer to the liquidity.

Group

31/12/2019 **(amounts in thous. €)**	**Up to 1 year**	**1-3 years**	**4-8 years**	**Over 8 years**	**Total**
Assets					
Financial instruments available for sale					
Bonds	109,969	125,478	75,774	23,651	**334,872**
Financial instruments held to maturity					
Bonds	0	0	0	0	**0**
Financial instruments at fair value through profit and loss					
Bonds	30	591	215	0	**836**
Investments for account of the Life Insurance Policyholders that bear the investment risk (UNIT LINKED)					
Bonds	832	1,808	1,746	397	**4,783**
Insurance Receivables	**16,006**	**0**	**0**	**0**	**16,006**
Reinsurance Receivables	**9,924**	**0**	**0**	**0**	**9,924**
Commissions and other GWP expenses	**19,123**	**0**	**0**	**0**	**19,123**
Other Assets	**0**	**19,398**	**0**	**0**	**19,398**
Total Assets	**155,884**	**147,275**	**77,735**	**24,048**	**404,942**
Liabilities					
Mathematical Reserves and technical insurance provisions	**95,407**	**79,674**	**46,191**	**55,002**	**276,274**
Payables to insurance agents, insurance brokers and sales agents	**5,700**	**0**	**0**	**0**	**5,700**
Payables to reinsurers	**269**	**0**	**0**	**0**	**269**
Deferred tax liabilities	**0**	**0**	**4,689**	**0**	**4,689**
Other Liabilities	**23,268**	**0**	**0**	**0**	**23,268**
Provisions	**2,659**	**0**	**0**	**0**	**2,659**
Current income tax	**0**	**0**	**0**	**0**	**0**
Total Liabilities	**127,303**	**79,674**	**50,880**	**55,002**	**312,859**
Variance Assets- Liabilities	**28,581**	**67,601**	**26,855**	**-30,954**	**92,083**

Group					
31/12/2019 (amounts in thous. €)	Up to 1 year	1-3 years	4-8 years	Over 8 years	Total
Assets					
Financial instruments available for sale					
Bonds	100,729	104,752	69,648	52,068	**327,197**
Financial instruments held to maturity					
Bonds	524	0	0	0	**524**
Financial instruments at fair value through profit and loss					
Bonds	35	597	377	0	**1,009**
Investments for account of the Life Insurance Policyholders that bear the investment risk (UNIT LINKED)					
Bonds	546	1,309	1,028	1,046	**3,928**
Insurance Receivables	**14,332**	**0**	**0**	**0**	**14,332**
Reinsurance Receivables	**11,488**	**0**	**0**	**0**	**11,488**
Commissions and other GWP expenses	**17,591**	**0**	**0**	**0**	**17,591**
Other Assets	**0**	**20,005**	**0**	**0**	**20,005**
Total Assets	**145,245**	**126,663**	**71,053**	**53,114**	**396,074**
Liabilities					
Mathematical reserves and technical insurance provisions	**82,924**	**81,772**	**46,775**	**57,784**	**269,254**
Payables to insurance agents, insurance brokers and sales agents	**4,222**	**0**	**0**	**0**	**4,222**
Payables to reinsurers	**182**	**0**	**0**	**0**	**182**
Deferred tax liabilities	**0**	**0**	**206**	**0**	**206**
Other Liabilities	**20,741**	**0**	**0**	**0**	**20,741**
Provisions	**2,434**	**0**	**0**	**0**	**2,434**
Current income tax	**28**	**0**	**0**	**0**	**28**
Total Liabilities	**110,531**	**81,772**	**46,981**	**57,784**	**297,067**
Variance Assets-Liabilities	**34,714**	**44,891**	**24,072**	**-4,670**	**99,007**

Parent Company					
31/12/2019 (amounts in thous. €)	Up to 1 year	1-3 years	4-8 years	Over 8 years	Total
Assets					
Financial instruments available for sale					
Bonds	109,969	125,478	75,774	23,651	**334,872**
Financial instruments held to maturity					**0**
Bonds	0	0	0	0	**0**
Financial instruments at fair value through profit and loss					**0**
Bonds	0	0	0	0	**0**
Investments for account of the Life Insurance Policyholders who bear the investment risk (UNIT LINKED)					**0**
Bonds	832	1,808	1,746	397	**4,783**
Insurance Receivables	**16,006**	**0**	**0**	**0**	**16,006**
Reinsurance Receivables	**9,924**	**0**	**0**	**0**	**9,924**
Commissions and other GWP expenses	**19,123**	**0**	**0**	**0**	**19,123**
Other Assets	**0**	**16,444**	**0**	**0**	**16,444**
Total Assets	**155,854**	**143,730**	**77,520**	**24,048**	**401,152**
Liabilities					
Mathematical reserves and technical insurance provisions	**95,407**	**79,674**	**46,191**	**55,002**	**276,274**
Payables to insurance agents, insurance brokers and sales agents	**5,700**	**0**	**0**	**0**	**5,700**
Payables to reinsurers	**269**	**0**	**0**	**0**	**269**
Deferred tax liabilities	**0**	**0**	**4,815**	**0**	**4,815**
Other liabilities	**21,011**	**0**	**0**	**0**	**21,011**
Provisions	**1,968**	**0**	**0**	**0**	**1,968**
Current Income tax	**0**	**0**	**0**	**0**	**0**
Total Liabilities	**124,355**	**79,674**	**51,006**	**55,002**	**310,037**
Variance Asset Liabilities	**31,499**	**64,056**	**26,514**	**-30,954**	**91,115**

Parent Company					
31/12/2019	**Up to 1 year**	**1-3 years**	**4-8 years**	**Over 8 years**	**Total**
Amounts in thous, €					
Assets					
Financial instruments available for sale					
Bonds	100,729	104,752	69,648	52,068	**327,197**
Financial instruments held to maturity					
Bonds	524	0	0	0	**524**
Financial instruments at fair value through profit and loss					
Bonds	0	0	0	0	**0**
Investments for account of the Life insurance policyholders that bear the investment risk (UNIT LINKED)					
Bonds	546	1,309	1,028	1,046	**3,928**
Insurance Receivables	**14,332**	**0**	**0**	**0**	**14,332**
Reinsurance Receivables	**11,488**	**0**	**0**	**0**	**11,488**
Commissions and other GWP expenses	**17,591**	**0**	**0**	**0**	**17,591**
Other Assets	**0**	**17,180**	**0**	**0**	**17,180**
Total Assets	**145,210**	**123,241**	**70,676**	**53,114**	**392,240**
Liabilities					
Mathematical reserves and technical insurance provisions	**82,924**	**81,772**	**46,775**	**57,784**	**269,254**
Payables to insurance agents, insurance brokers and sales agents	**4,222**	**0**	**0**	**0**	**4,222**
Reinsurance payables	**182**	**0**	**0**	**0**	**182**
Deferred tax liabilities	**0**	**0**	**206**	**0**	**206**
Other Liabilities	**18,694**	**0**	**0**	**0**	**18,694**
Provisions	**2,026**	**0**	**0**	**0**	**2,026**
Current Income Tax	**0**	**0**	**0**	**0**	**0**
Total Liabilities	**108,048**	**81,772**	**46,981**	**57,784**	**294,584**
Variance Assets- liabilities	**37,162**	**41,469**	**23,695**	**-4,670**	**97,656**

The above classification of the Payables was performed taking into consideration the cash flows arising from the calculation of the Best Estimate.

4.2.4. Credit Risk

The current or future risk arising from the inability of the party liable to meet the terms of any contract or any other obligation that was agreed with the Company. The term liable party includes counterparties, such as insurance brokers and reinsurers, issuers of securities, as well as any debtor and guarantor.

Exposure to credit risk

The table below present the maximum exposure of the Group and the Parent Company to the credit risk per financial asset (without taking into consideration any guarantees and/or collaterals) as they are presented in the statement of financial position. It is noted that the tables above, do not include all funds of the Statement of Financial Position, but only funds that refer to the credit risk.

		Group		**Parent Company**	
(amounts in thous. €)	**Note.**	**31/12/2019**	**31/12/2018**	**31/12/2019**	**31/12/2018**
Financial instruments available for sale	7.5	345,553	307,028	345,553	307,028
Financial instruments held to maturity	7.6	0	502	0	502
Financial instruments at fair value through profit and loss	7.7	1,572	1,352	0	0
Investments for account of the Life Insurance Policyholders that bear the investment risk (UNIT LINKED)	7.9	11,005	9,729	11,005	9,729

		Group		Parent Company	
(amounts in thous. €)	**Note.**	**31/12/2019**	**31/12/2018**	**31/12/2019**	**31/12/2018**
Loans to personnel, insurance agents, Life insured	7.11	1,893	2,391	1,893	2,391
Insurance Receivables	7.12	16,006	14,332	16,006	14,332
Reinsurance Receivables	7.13	9,924	11,670	9,924	11,670
Other Receivables	7.16	17,505	17,614	14,551	14,789
Cash and cash equivalents	7.17	16,266	7,483	15,572	6,982
Total		**372,101**	**414,504**	**367,423**	**367,423**

The table below provides the analysis of the financial instruments on 31/12/2019 and 31/12/2018 per credit rating.

Group 31/12/2019

(amounts in thous. €)	**AAA**	**AA**	**A**	**BBB**	**BB**	**B**	**CCC**	**CC**	**C**	**Not Rated**	**Total**
Financial instruments available for sale	25,463	52,440	25,575	61,789	123,960	0	481	0	0	55,844	**345,553**
Financial instruments held to maturity	0	0	0	0	0	0	0	0	0	0	**0**
Financial instruments at fair value through profit and loss	0	0	0	0	555	0	0	0	0	1,017	**1,572**
Investments for account of the Life Insurance Policyholders that bear the investment risk (UNIT LINKED)	0	0	0	0	0	0	0	0	0	11,005	**11,005**
Loans to personnel, insurance agents and Life insured	0	0	0	0	0	0	0	0	0	1,893	**1,893**
Insurance Receivables	0	0	0	0	0	0	0	0	0	16,006	**16,006**
Reinsurance Receivables	0	2,685	6,214	0	0	0	0	0	0	1,025	**9,924**
Other Receivables (Except for Time Deposits	0	0	0	0	0	0	0	0	0	13,813	**13,813**
Time Deposits	0	0	0	0	0	0	3,692	0	0	0	**3,692**
Cash and cash equivalents	0	0	2,490	0	0	0	13,659	0	0	117	**16,266**
Total	**25,463**	**55,125**	**34,279**	**61,789**	**124,515**	**0**	**17,832**	**0**	**0**	**100,720**	**419,724**

Group 31/12/2018

(amounts in thous. €)	**AAA**	**AA**	**A**	**BBB**	**BB**	**B**	**CCC**	**CC**	**C**	**Not Rated**	**Total**
Financial instruments available for sale	49,845	77,400	29,557	30,320	611	77,882	0	0	0	41,413	**307,028**
Financial instruments held to maturity	0	0	502	0	0	0	0	0	0	0	**502**
Financial instruments at fair value through profit and loss	0	0	0	0	0	507	0	0	0	845	**1,352**
Investments for account of the Life Insurance Policyholders that bear the investment risk (UNIT LINKED)	0	0	0	0	0	0	0	0	0	9,729	**9,729**
Loans to personnel, insurance agents and Life insured	0	0	0	0	0	0	0	0	0	2,391	**2,391**
Insurance Receivables	0	0	0	0	0	0	0	0	0	14,332	**14,332**
Reinsurance Receivables	0	4,416	6,084	0	0	0	0	0	0	1,170	**11,670**
Other Receivables (Except for Time Deposits	0	0	0	0	0	0	0	0	0	14,924	**14,924**
Time Deposits	0	0	0	0	0	0	2,690	0	0	0	**2,690**
Cash and cash equivalents	0	0	759	0	0	207	5,471	0	0	1,046	**7,483**
Total	**49,845**	**81,816**	**36,902**	**30,320**	**611**	**78,597**	**8,161**	**0**	**0**	**85,849**	**372,101**

The Parent Company 31/12/2019

(amounts in thous. €)	AAA	AA	A	BBB	BB	B	CCC	CC	C	Not Rated	Total
Financial instruments available for sale	25,463	52,440	25,575	61,789	123,960	0	481	0	0	55,844	**345,553**
Financial instruments held to maturity	0	0	0	0	0	0	0	0	0	0	**0**
Financial instruments at fair value through profit and loss	0	0	0	0	0	0	0	0	0	0	**0**
Investments for account of Life Insurance Policyholders who bear the investment risk (UNIT LINKED)	0	0	0	0	0	0	0	0	0	11,005	**11,005**
Loans to personnel, insurance agents and Life insured	0	0	0	0	0	0	0	0	0	1,893	**1,893**
Insurance Receivables	0	0	0	0	0	0	0	0	0	16,006	**16,006**
Reinsurance Receivables	0	2,685	6,214	0	0	0	0	0	0	1,025	**9,924**
Other Receivables (except for time deposits)	0	0	0	0	0	0	0	0	0	10,859	**10,859**
Time Deposits	0	0	0	0	0	0	3,692	0	0	0	**3,692**
Cash and cash equivalents	0	0	2,490	0	0	0	12,967	0	0	115	**15,572**
Total	**25,463**	**55,125**	**34,279**	**61,789**	**123,960**	**0**	**17,140**	**0**	**0**	**96,747**	**414,504**

The Parent Company 31/12/2018

(amounts in thous. €)	AAA	AA	A	BBB	BB	B	CCC	CC	C	Not Rated	Total
Financial instruments available for sale	49,845	77,400	29,557	30,320	611	77,882	0	0	0	41,413	**307,028**
Financial instruments held to maturity	0	0	502	0	0	0	0	0	0	0	**502**
Financial instruments at fair value through profit and loss	0	0	0	0	0	0	0	0	0	0	**0**
Investments for account of Life Insurance Policyholders who bear the investment risk (UNIT LINKED)	0	0	0	0	0	0	0	0	0	9,729	**9,729**
Loans to personnel, insurance agents and Life insured	0	0	0	0	0	0	0	0	0	2,391	**2,391**
Insurance Receivables	0	0	0	0	0	0	0	0	0	14,332	**14,332**
Reinsurance Receivables	0	4,416	6,084	0	0	0	0	0	0	1,170	**11,670**
Other Receivables (except for time deposits)	0	0	0	0	0	0	0	0	0	12,099	**12,099**
Time Deposits	0	0	0	0	0	0	2,690	0	0	0	**2,690**
Cash and cash equivalents	0	0	759	0	0	207	5,461	0	0	555	**6,982**
Total	**49,845**	**81,816**	**36,902**	**30,320**	**611**	**78,089**	**8,151**	**0**	**0**	**81,689**	**367,423**

4.2.5 Foreign Exchange Risk

The current or future risk for profit and funds of the Group arising from the change in the direction, fluctuation or correlation of exchange rates that affect assets and liabilities. The Company's transactions are made in Euro and therefore the foreign exchange risk is limited. The receivables of the Parent Company in foreign currency for 2019 represent 0.97% of its total assets, versus 0.46% in 2018. The corresponding amount for the Group amounts to 0.96%, versus 0.46% in 2018.

The table below presents the variance of the Equity, after the variance of the foreign exchange rates by ±25%.

12/2019 (amounts in thous. €)	Variance	Impact on the Equity			
		USD	GBP	Other	Total
Investment portfolio in foreign exchange	+25%	555	287	248	**1,090**
	-25%	-555	-287	-248	**-1,090**

31/12/2018 (amounts in thous. €)	Variance	Impact on the Equity			
		USD	GBP	Other	Total
Investment portfolio in foreign exchange	+25%	265	115	111	**491**
	-25%	-265	-115	-111	**-491**

4.2.6 Market Concentration Risk

It is defined as the current or future risk for the Group's profits and funds, arising from excessive overall exposure to a counterparty or group of counterparties in the financial transactions.

The Group evaluates the Concentration Risk for Investments and has established an appropriate policy for the investments and the limits for deposits and securities and insurance policies that ensures the diversification of the portfolio.

The Group measures the Concentration Risk according to the provisions of Solvency II Directive. The Solvency Capital requirements for the Market Risk amounted to € 1,583 thous. on 31/12/2019, versus zero at 31/12/2018, due to the increase of the Group's exposure to Time deposits of a specific credit institution equal to € 8,368 thous.

4.2.7 Operational Risk

The current or future risk for profit and funds arising from inappropriate or inadequate internal procedures or from inappropriate or inadequate personnel or inappropriate or inadequate operating systems or from external events.

The management of the operational risk includes:

- Recorded policies and operating procedures for the total of the business units of the Company.
- The existence of sufficient systems and procedures for the identification of any material source of Operational Risk, the monitoring, assessment (measurement) and report of the underwritten risks and corrective actions, when this is found necessary.

To mitigate this risk, the Company has established adequate audit mechanisms to identify, assess and manage the Operational Risk. The mechanisms include the recording of internal procedures and audit mechanisms, the allocation of competences, continuous education, approval and agreement procedures, as well as the supervision of the Internal Audit and Compliance Department. In cases where the consequences of Operational Risk exceed the established limits, the Company has developed a plan for reducing the operational risk to the allowed limits.

4.2.8 Fund Management

Since January 1, 2016, Law 4364/2016 entered into force for the insurance undertakings in Greece. The new law replaced the previous law 400/1970 for insurance undertakings and established the requirements of the Solvency II Directive 2009/138/EU.

The Parent Company monitors regularly, at least on a quarterly basis the capital adequacy according to the new supervisory framework of Solvency II Directive, by examining the Solvency Capital Requirements Ratio and the Minimum Capital Requirement, against the limits set by the European and national regulatory frameworks and the limits established internally by the Company.

The table below presents the results of the Minimum Capital Requirement Ratio (MCR) and the Solvency Capital Requirements Ratio (SCR).

Capital Requirements	31/12/2019	31/12/2018
Ratio of Eligible Own Funds to the Minimum Capital Requirement (MCR ratio)	424.82%	401.19%
Minimum Capital Requirement MCR) (amounts in thous. €)	30,528	28,265
Ratio of Eligible Own Funds to Solvency Capital Requirements (SCR ratio)	167.63%	159.81%
Solvency Capital Requirement (SCR) (amounts in thous. €)	77,363	70,955

The calculation of the Solvency Capital Requirements was based on the standard formula, using the following transitional measures which do not require approval by the Supervisory Authority.

- Long-term guarantees measures due to volatility (Volatility Adjustment).
- Use of the lowest rate of standard parameter, for equities that the Company purchased up to 01/01/2016.

5. Operating Sectors

a. The Group has four sectors. Life insurance, Motor (including Motor Third Party Liability and Land Vehicles), Other Non-Life Insurance and Other Services, including Finance and Sales provided by the subsidiaries.

b. The accounting policies for the operating sections are the same as those described in the basic accounting policies of the annual financial statements.

c. The performance of the sectors is measured on the basis of the pre-tax income, profit or loss from operating activities and without taking into consideration the administrative expenses, provision costs and other income - expenses.

d. The cross-sectoral sales have the prices that are valid for customers other than the Group's.

e. The operating sectors are units that provide insurance services of various risk and result. They are monitored and managed separately by the Board of Directors (CODM), as they provide services of a different nature and result.

Geographical information: The Group operates in Greece and therefore all income - expenses of the fiscal year relate to transactions within the country. Exception to this are the financial transactions with reinsurers, who are companies established abroad that have their place of business within the European Union.

31/12/2019

(amounts in thous. €)	**Life Insurance**	**Motor Insurance**	**Other Non-Life Insurance**	**Fiscal Sector**	**Sales**	**Total**
Net accrued written premiums and other related income	64,117	101,800	42,381			208,298
Less: Reinsurance Premiums	-1,045	-670	-15,351			-17,066
Less accrued commissions and gross written premiums expenses	-11,546	-21,620	-9,768			-42,934
Less paid claims - Own Retention	-38,982	-55,489	-7,355			-102,186
Variance of mathematical and other provisions -Own Retention	-8,773	-7,110	187			-15,696
Net investment income	10,869	1,368	262			12,499
Profit (loss) from insurance policies	**14,640**	**17,919**	**10,356**	**0**	**0**	**42,915**
Income (Turnover)				1,086	11,835	12,921
Cost of Sales				-197	-11,667	-11,864
Gross Result				889	168	1,057
Total Gross Result of the Group	**14,640**	**17,919**	**10,356**	**889**	**168**	**43,972**
Administrative expenses /Distribution expenses and other expenses						-21,575
Net Pre-tax Result of the Group						**22,397**

31/12/2018

(amounts in thous. €)	Life Insurance	Motor Insurance	Other Non-Life Insurance	Fiscal Sector	Sales	Total
Net accrued written premiums and other related income	49,786	99,512	40,265			189,563
Less: Reinsurance Premiums	-612	-709	-14,303			-15,624
Less accrued commissions and gross written premiums expenses	-9,898	-21,211	-9,296			-40,405
Less paid claims - Own Retention	-30,778	-54,830	-7,944			-93,552
Variance of mathematical and other provisions -Own Retention	-6,854	-3,529	445			-9,938
Net investment income	4,319	648	252			5,219
Profit (loss) from insurance policies	**5,963**	**19,881**	**9,419**	**0**	**0**	**35,263**
Income (Turnover)				1,041	10,315	11,356
Cost of Sales				-209	-10,126	-10,335
Gross Result				832	189	1,021
Total Gross Result of the Group	**5,963**	**19,881**	**9,419**	**832**	**189**	**36,284**
Administrative expenses /Distribution expenses and other expenses						-20,897
Net Pre-tax Result of the Group						**15,387**

6. Notes on the Statement of Total Comprehensive Income

It is noted that when the Group's amounts are not mentioned, they are identical with those of the Parent Company. When the Motor Sector is mentioned, it includes Motor Third Party Liability and Land Vehicles Sectors.

6.1 Gross Written Premiums and related income

It refers to insurance premiums and policy fees (direct insurance activity) of the parent Company, analyzed per insurance sector as follows:

(amounts in thous. €)	Parent company	
	31/12/2019	**31/12/2018**
Life Sector	64,065	49,786
Motor Sector	105,483	100,634
Other Non-Life Sectors	42,845	40,588
Total	**212,393**	**191,008**

6.2 Ceded premiums to reinsurers

Ceded premiums are analyzed per insurance sector as follows:

(amounts in thous. €)	Parent company	
	31/12/2019	**31/12/2018**
Life Sector	-1,045	-612
Motor Sector	-670	-708
Other Non-Life Sectors	-15,351	-14,304
Total	**-17,066**	**-15,624**

6.3 Variance of the reserves of non-accrued premiums

	Parent Company					
(Amounts in thous. €)	Total Variance	Reinsurer's Share	Company's Share	Total Variance	Reinsurer's Share	Company's Share
	31/12/2019			31/12/2018		
Life Sector	78	-26	52	-650	0	-650
Motor Sector	-3,684	0	-3,684	-1,122	0	-1,122
Other Non-Life Sectors	-920	457	-463	-782	459	-323
Total	**-4,526**	**431**	**-4,095**	**-2,554**	**459**	**-2,095**

6.4 Investment income

(amounts in thous. €)	Group		Parent Company	
	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Financial Instruments available for sale				
Securities' Interest Rates	3,040	2,613	3,040	2,613
Total	**3,040**	**2,613**	**3,040**	**2,613**
Financial Instruments at fair value through profit and loss				
Securities' Interest Rates	30	27	0	0
Total	**30**	**27**	**0**	**0**
Other Investments				
Income from investments in real estate (rents)	619	600	646	626
Credit Interests from Deposits	47	30	47	30
Other	127	167	127	167
Total	**793**	**797**	**820**	**823**
Total Investment Income	**3,863**	**3,437**	**3,860**	**3,436**

6.5 Profit/ Loss from the sales of financial instruments

(amounts in thous. €)	Group		Parent Company	
	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Financial instruments available for sale				
Mutual Funds	817	103	817	103
Bonds	5,045	2,311	5,045	2,311
Total	**5,862**	**2,414**	**5,862**	**2,414**
Financial instruments at fair value through profit and loss				
Mutual Funds	4	8	0	0
Bonds	0	22	0	0
Total	**4**	**30**	**0**	**0**
Overall Total	**5,866**	**2,444**	**5,862**	**2,414**

6.6 Profit/ Loss from the valuation of financial instruments

(amounts in thous. €)	Group		Parent Company	
	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Unit Linked Investments	2,183	-605	2,183	-605
Mutual Funds	105	-33	0	0
Bonds	60	-24	0	0
Reevaluation of real estate investments	621	0	621	0
Total	**2,969**	**-662**	**2,804**	**-605**

6.7 Income from non-insurance activities

It refers to the income of the subsidiaries as follows:

(amounts in thous. €)	Group	
	31/12/2019	31/12/2018
Income from the provision of services and other sales services	11,835	10,315
Income from the management of Mutual Funds	1,086	1,041
Total	**12,921**	**11,356**

6.8 Cost of non- insurance activities

Refers to the cost of income from non-underwriting activities analyzed as follows:

(amounts in thous. €)	Group	
	31/12/2019	31/12/2018
Cost of sold merchandize (a)	**-651**	**-611**
Cost of services		
Personnel remuneration and expenses	-8,437	-7,152
Other Remuneration to third parties	-2,479	-2,200
Leaflets and stationery	-5	-7
Depreciations	-95	-49
Telecommunications	-21	-23
Transport and travel expenses	-46	-40
Other expenses	-130	-253
Total cost of services (b)	**-11,213**	**-9,724**
Overall total (a)+(b)	**-11,864**	**-10,335**

6.9 Other Income

(amounts in thous. €)	Group		Parent Company	
	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Income from commissions	618	479	618	479
Liabilities Write-offs	700	36	677	36
Release of provisions	0	96	0	193
Valuation of subsidiaries	0	0	543	0
Other	74	18	72	15
Total	**1,392**	**629**	**1,910**	**723**

6.10 Insurance Claims

	Parent Company					
(amounts in thous. €)	Total	Reinsurer's Share	Company's Share	Total	Reinsurer's Share	Compa-ny's Share
	31/12/2019			31/12/2018		
Life Insurance	-39,397	415	-38,982	-31,168	390	-30,778
Motor Sector	-55,926	77	-55,849	-54,904	75	-54,829
Other Non-Life Sectors	-12,315	4,960	-7,355	-11,370	3,426	-7,944
Total Claims	**-107,638**	**5,452**	**-102,186**	**-97,442**	**3,891**	**-93,551**

6.11 Accrued commissions

(amounts in thous. €)	Parent Company					
	Accrued GWP Commissions	Income from re-insurer's commis-sions	Total	Accrued GWP Commissions	Income from reinsurer's commis-sions	Total
	31/12/2019			31/12/2018		
Life Insurance	-9,607	37	-9,570	-8,199	79	-8,120
Motor Insurance	-18,578	0	-18,578	-18,419	0	-18,419
Other Non-Life Sectors	-9,733	1,758	-7,975	-8,988	1,293	-7,695
Net accrued GWP Commis-sions	**-37,918**	**1,795**	**-36,123**	**-35,606**	**1,372**	**-34,234**

6.12 Costs from insurance provisions

(amounts in thous. €)	Parent Company					
	Total Vari-ance	Reinsurer's Share	Company's Share	Total Vari-ance	Reinsurer's Share	Compa-ny's Share
	31/12/2019			31/12/2018		
Life Insurance	-9,098	324	-8,774	-6,088	-116	-6,204
Motor Insurance	-6,851	-259	-7,110	-2,125	-1,404	-3,529
Other Non-Life Sectors	3,619	-3,431	188	-1,798	2,243	445
Total	**-12,330**	**-3,366**	**-15,696**	**-10,011**	**723**	**-9,288**

6.13 Financial cost

(amounts in thous. €)	Group		Parent Company	
	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Interests from reinsurance liabilities	0	-12	0	-12
Interests from leases of fixed assets	-29	0	-25	0
Banking expenses	-133	-99	-100	-63
Total	**-162**	**-111**	**-125**	**-75**

6.14 Distribution Expenses

(amounts in thous. €)	Group		Parent Company	
	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Personnel remuneration and expenses	-10,033	-9,147	-9,864	-8,980
Remuneration of third parties	-215	-250	-543	-663
Promotion and advertising expenses	-1,541	-1,248	-1,533	-1,248
Leaflets & Stationery	-211	-210	-211	-209
Depreciations	-1,051	-538	-1,046	-534
Taxes Fees	-13	-30	-11	-28
Telecommunications	-407	-385	-405	-384
Rents	-635	-1,189	-633	-1,185
Repairs- Maintenance	-5	-3	-4	-1
Participations Contributions	-59	-49	-58	-49
Donations	-181	-41	-181	-41
Insurance Premiums	-32	-29	-32	-29
Transportation and Travel Expenses	-122	-160	-120	-158
Water supply- Lightning	-198	-208	-198	-208
Public Costs	-89	-88	-89	-87

(amounts in thous. €)	Group		Parent Company	
	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Other	-20	-50	-19	-35
Total	**-14,812**	**-13,625**	**-14,947**	**-13,839**

6.14.1 Depreciations

The total depreciations that burdened the administrative expenses, the provision costs and the cost of income from non-insurance activities are the following:

(amounts in thous. €)	Group		Parent Company	
	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Tangible assets	-1,322	-664	-1,232	-622
Intangible assets	-845	-559	-820	-537
Total	**-2,167**	**-1,223**	**-2,052**	**-1,159**

6.14.2 Personnel Remuneration

The total cost of personnel that burdened the administrative expenses, the provision costs and the cost of income from non-insurance activities are the following:

(amounts in thous. €)	Group		Parent Company	
	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Wages and Salaries	-17,793	-15,632	-10,709	-9,573
Social insurance	-5,254	-4,793	-3,446	-3,229
Provision for dismissal compensations	-308	-246	-222	-202
Other benefits	-2,188	-2,056	-1,984	-1,922
Total	**-25,543**	**-22,727**	**-16,361**	**-14,926**

Other benefits refer mainly to the group insurance premiums and training expenses.

The number of the employees of the Company are as follows:

	Group	Parent Company
31/12/2019	1,125	444
31/12/2018	1,175	444

6.15 Administrative Expenses

(amounts in thous. €)	Group		Parent Company	
	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Personnel Remuneration and expenses	-7,073	-6,424	-6,497	-5,946
Other Remuneration- Benefits to Third Parties	-1,927	-2,740	-1,847	-2,763
Leaflets & Stationary	-90	-89	-86	-86
Participations - Contributions	-569	-544	-464	-448
Depreciations	-1,021	-635	-1,006	-625
Telecommunications	-677	-693	-665	-685
Rents	-49	-62	-42	-50
Repairs - Maintenance	-622	-223	-694	-321
Promotion & advertising expenses	-77	-79	-63	-77

(amounts in thous. €)	Group		Parent Company	
	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Insurance Premiums	-86	-52	-85	-52
Transportation and travel expenses	-113	-108	-106	-96
Taxes/fess	-220	-216	-168	-154
Water supply - Lightning	-105	-121	-105	-121
Public costs	-63	-131	-128	-131
Collection expenses	-463	-430	-463	-430
Other expenses	-191	-261	-155	-218
Total	**-13,346**	**-12,808**	**-12,574**	**-12,203**

6.16 Other Expenses

(amounts in thous. €)	Group		Parent Company	
	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Liquidation of the Account of Direct Payment System	-149	-227	-149	-227
Provisions for bad debts	-563	-679	-537	-676
Write off of bad debts	-404	-195	-404	-195
Losses in assets	-8	-5	-8	0
Taxes - Fees	-461	0	-402	0
Other	-72	-48	-67	-28
Total	**-1,657**	**-1,154**	**-1,567**	**-1,126**

6.17 Income tax

The analysis of the income tax is as follows:

(amounts in thous. €)	Group		Parent Company	
	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Income tax of the year (current)	-4,037	-4,295	-3,875	-4,073
Tax from previous fiscal years	-80	0	0	0
Deferred tax	-774	-378	-881	-371
Total	**-4,891**	**-4,673**	**-4,756**	**-4,444**

The tax on pre-tax profit differs from the notional amount that would derive from the use of the weighted tax rate on profit. The difference is as follows:

(amounts in thous. €)	Group		Parent Company	
	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Pre-tax profit	22,397	15,387	22,450	14,941
Income tax rate	**24%**	**29%**	**24%**	**29%**
Current Income Tax	-5,375	-4,462	-5,388	-4,333
Tax from non-deductible expenses	-446	-424	-391	-351
Income tax non subject to taxation	1,172	30	1,172	30
Income tax of the previous fiscal years	-80	-8	0	0
Change of tax rate	-162	191	-149	210
Total	**-4,891**	**-4,673**	**-4,756**	**-4,444**

According to Law 4646/2019, the key income tax ratio for legal entities in Greece for the fiscal year ending on 31/12/2019 decreased to 24% in fiscal year 2019 and afterwards.

Due to the decrease of the tax ratio, from the re measurement of the receivables and liabilities of deferred taxation, a deferred income tax derived (expense) equal to € 162 thous. for the Group and € 149 thous. for the Company respectively.

All of the Group's companies have not been audited by Tax Authorities for fiscal years 2011-2018, except for the subsidiary "ALTER EGO S.A." which has been audited for fiscal years 2016-2017. In 2017, the parent company conducted a tax audit for fiscal year 2010 and confirmed additional taxes and total increase of € 4,228 thous.

According to the relevant acts for imposition of taxes, the Company appealed to a Higher administrative Court, according to Art. 63, L. 4174/2013. The Department of Dispute of Settlements with the Decision No. 2118/20/04/2018 canceled the Final Act for the Determination of Tax on Insurance Premiums equal to € 4,139 thous., due to write off of the fiscal year, and with Decision 2119/20/04/2018 the Department decided that the fiscal year had not been written off and adjusted the Final Stamp Duty Act by decreasing the debt from € 89 thous, to € 76 thous. The Company has appealed to the Administrative Court of First Instance against this Decision.

In 2019, the subsidiary "ALTER EGO S.A." completed a tax audit for fiscal years 2016 -2017 and the additional taxes and increases were verified, equal € 135 thous.

For fiscal years 2011-2013, we have received a Tax Certificate without prejudice from the Independent Certified Public Accountants of these years, in accordance with art. 82, par. 5 of L. 2238/1994. Moreover, for fiscal years 2014-2017 the Independent Certified Public Accountants have issued a Tax Certificate, without prejudice, in accordance with Art. 65A Par. 1, L. 4174/2013. It is noted that the Administrative Courts, according to recent decisions on similar cases (indicatively: Council of State 1738/2017, Council of State 675/2017 and Τρ. ΔΕφΑθ 1490/2016), have concluded that fiscal year 2011 has been written off for tax purposes (write off after 5 years).

For fiscal year 2019, the tax audit for the issuance "Tax Compliance Report" is already conducted by the Independent Certified Public Accountants. This audit is in progress and significant obligations are not expected to arise, other than those recorded and presented in the Financial Statements.

According to Article 56 of L. 4410/03.08.2016, for fiscal years after 01/01/2016, the issuance of the tax certificate is considered optional. The Companies of the Group aim to continue to receive tax certificates.

6.18 Earnings/ Loss Per Share

The calculation of the main earnings per share is as follows:

(amounts in thous. €)	**Group**		**Parent Company**	
	31/12/2019	**31/12/2018**	**31/12/2019**	**31/12/2018**
Earnings after tax	17,506	10,714	17,694	10,497
Average weighted number of shares	27,469,071	27,503,677	27,469,071	27,503,677
Basic and decreased profit per share - (amounts in €)	**0.6373**	**0.3895**	**0.6442**	**0.3817**
Profit (loss) of the Parent company	17,504	10,713	17,694	10,497
Earnings per share of the parent company- (amounts in €)	**0.6372**	**0.3895**	**0.6442**	**0.3817**

The earnings per share have been calculated based on the average weighted number as a total of shares, in the reporting period, by deducting the weighted average rate of the own shares.

On 31/12/2019, the number of shares in circulation amounted to € 27,503,677 shares. It is noted that the Company on 31/12/2019 holds 208,729 Own Shares.

7. Notes on the Statement of Financial Position

7.1 Tangible fixed assets

The transaction of the tangible fixed assets of the Parent Company and the Group is as follows:

Group						
(amounts in thous. €)	**Fields and Land**	**Buildings**	**Means of transport**	**Furniture and other equip-ment**	**Improvement in leased real estate of third parties**	**Total**
Beginning						
Acquisition cost	14,952	12,382	354	12,022	486	40,196
Remeasurement at fair value	294	41	0	0	0	335
Accumulated depreciations and impairments	-4,190	-6,733	-326	-10,685	-290	-22,224
Amortized acquisition cost as 01/01/2018	**11,056**	**5,690**	**28**	**1,337**	**196**	**18,307**
Plus:						
Additions/ Transfers	0	104	12	665	51	832
Less:						
Sales/Write offs	0	0	-6	-58	0	-64
Remeasurement at fair value	0	0	0	0	0	0
Depreciation of the period	0	-139	-7	-481	-36	-663
Amortized acquisition cost as 31/12/2018	**11,056**	**5,655**	**27**	**1,463**	**211**	**18,412**
Plus:						
Addition/ Transfers	0	387	29	517	19	952
Remeasurement at fair value	753	2,762	0	0	0	3,515
Less:						
Sales/Write-offs	0	0	-25	0	0	-25
Remeasurement at fair value	0	0	0	0	0	0
Depreciation of the period	0	-146	-7	-493	-37	-683
Amortized acquisition cost 31/12/2019	**11,809**	**8,658**	**24**	**1,487**	**193**	**22,171**
Summary						
Acquisition cost	14,952	12,486	360	12,629	537	40,964
Remeasurement at fair value	294	41	0	0	0	335
Accumulated depreciations and Impairments	-4,190	-6,872	-333	-11,166	-326	-22,887
Amortized acquisition cost 31/12/2018	**11,056**	**5,655**	**27**	**1,463**	**211**	**18,412**
Acquisition cost	14,952	12,873	364	13,146	556	41,891
Remeasurement at fair value	1,047	2,803	0	0	0	3,850
Accumulated depreciations and impairments	-4,190	-7,018	-340	-11,659	-363	-23,570
Amortized acquisition cost 31/12/2019	**11,809**	**8,658**	**24**	**1,487**	**193**	**22,171**

Parent Company

(amounts in thous. €)	Fields and Land	Buildings	Means of transport	Furniture and other equipment	Improvement in leased real estate of third parties	Total
Beginning						
Acquisition cost	14,952	12,382	207	10,932	413	38,886
Remeasurement at fair value	294	41	0	0	0	335
Accumulated depreciations and impairments	-4,190	-6,733	-193	-9,830	-260	-21,206
Amortized acquisition cost 01/01/2018	**11,056**	**5,690**	**14**	**1,102**	**153**	**18,015**
Plus:						
Additions/ Transfers	0	104	7	531	49	691
Less:						
Sales/Write-offs	0	0	0	-16	0	-16
Remeasurement at fair value	0	0	0	0	0	0
Depreciation of the period	0	-139	-5	-444	-34	-622
Amortized acquisition cost 31/12/2018	**11,056**	**5,655**	**16**	**1,173**	**168**	**18,068**
Plus:						
Additions/ Transfers	0	384	29	454	19	886
Remeasurement at fair value	753	2,762	0	0	0	3,515
Less:						
Sales/Write-offs	0	0	-25	0	0	-25
Remeasurement at fair value	0	0	0	0	0	0
Depreciation of the period	0	-143	-5	-443	-37	-628
Amortized acquisition cost 31/12/2019	**11,809**	**8,658**	**15**	**1,184**	**150**	**21,816**
Summary						
Acquisition cost	14,952	12,486	214	11,447	462	39,561
Remeasurement at fair value	294	41	0	0	0	335
Accumulated depreciations and impairments	-4,190	-6,872	-198	-10,274	-294	-21,828
Amortized acquisition cost 31/12/2018	**11,056**	**5,655**	**16**	**1,173**	**168**	**18,068**
Acquisition cost	14,952	12,870	218	11,901	481	40,422
Remeasurement at fair value	1,047	2,803	0	0	0	3,850
Accumulated depreciations and impairments	-4,190	-7,015	-203	-10,717	-331	-22,456
Amortized acquisition cost 31/12/2019	**11,809**	**8,658**	**15**	**1,184**	**150**	**21,816**

The latest readjustment on the value of the own used real estate was on 31/12/2017 by an independent certified valuator. The valuation report of the valuator meets all requirements of the International Valuation Standards - IVS of the European Valuation Standards EVS, TEGoVa.

The estimate was performed based on the "Fair Value" which is defined as follows: " The value that would occur by the sale of an asset, or would be paid for the transfer of an asset from liabilities to a smooth transaction between the market factors at the critical valuation date". Fair value, for purposes of accounting, based on the International Financial Reporting Standard (IFRS) 13 is equal to the Market Value, which is limited to "the estimated amount for which a property may be transferred at valuation date, between a prospective buyer and a prospective seller, in a free trade within the framework of a market and after the appropriate promotion, where one of the contributing parties has acted with awareness, prudence and without force".

Impairment Audit

Based on the latest research on the acquisition of real estate, the Greek real estate market, after a decade of declining trend presented visible signs of recession.

According to the above, and to the information in the International Accounting Standards IAS 16 and IAS 36 on the valuation of real estate, the Group estimated that there are sufficient indications that the value of assets has changed to a degree that required impairment for the period 31/12/2019. After the above, the valuation of the Company's real estate was appointed to a certified real estate valuator.

The amounts of the impairments of the buildings are included in the administrative expenses, the distribution costs and the cost of non-insurance activities.

7.2 Rights on the use of tangible assets

Group (amount in thous. €)			
Cost	**Field & Land**	**Means of transport**	**Total**
Balance 1/1/2019	**1,131**	**303**	**1,434**
Additions	604	0	604
Withdrawals	-52	0	-52
Conversions	0	0	0
Foreign exchange transfers	0	0	0
Balance 31/12/2019	**1,683**	**303**	**1,986**
Accumulated depreciations			
Balance 1/1/2019	**0**	**0**	**0**
Depreciations	-510	-120	-630
Balance 31/12/2019	**-510**	**-120**	**-630**
Amortized Balance 31/12/2019	**1,173**	**183**	**1,356**

Company (amounts in thous. €)			
Cost	**Field & Land**	**Means of transport**	**Total**
Balance 1/1/2019	**1,131**	**180**	**1,311**
Additions	604	0	604
Withdrawals	-52	0	-52
Conversions	0	0	0
Foreign exchange transfers	0	0	0
Balance 31/12/2019	**1,683**	**180**	**1,863**
Accumulated depreciations			
Balance 1/1/2019	**0**	**0**	**0**
Depreciations	-510	-84	-594
Balance 31/12/2019	**-510**	**-84**	**-594**
Amortized balance 31/12/2019	**1,173**	**96**	**1,269**

Impact from the adoption of I.F.R.S 16

According to I.A.S. 17, the Group classified every lease (as a lessee) at the starting date of every leasing period, either as financial or as operational lease. With the adoption of I.F.R.S. 16, the Group implemented a unified approach for the recognition and measurement for all leases, except for the short-term leases and leases of low-value assets.

The Group selected to recognize as expenses the rentals of short-term leases and leases of low value asset, using the straight line method, for the entire lease period. The Group shall apply the practical facilitation provided by the standard to the lessees, so as not to divide the non leasing assets from the leasing assets and recognize every leasing and related non leasing asset as unified leasing asset. The Group decided to measure at the transition the assets with right of use with an amount equal to the payable from the lease, adjusted to the amount of paid or earned rentals related to the lease.

Moreover, the Group did not use the practical facilitation during the transition to I.F.R.S. 16, regarding the possibility of non-re-evaluation of whether a contract is or includes a lease. Therefore, the definition of the lease and the relevant guidance of I.F.R.S. 16 was implemented to reevaluate all leasing contract applicable on 01/01/2019. The re-evaluation did not affect to a large extend the contract that meet the definition of lease for the Group.

In implementing IFRS 16, the Group chose to use the following practical facilitations provided by the Standards at the date of its initial implementation: (a) exclusion of the initial direct expenses at the measurement of the asset with right of use, (b) instead of the act for impairment audit the Group was based on the evaluation before the date of the initial implementation of the Standard on whether the leases are weighty, by applying I.A.S. 37 and, (c) use of the past, acquired knowledge on the determination of the duration of the lease, when the contract includes rights of extension or termination of the contract.

Excluding the short-term leases and leases of low value assets, the Group recognized as right of use assets the corresponding payables from the lease and all rentals that were previously classified as operational. There were no weighty policies for leasing that required adjustment in the right of use at the date of the initial implementation. The payables from leases were recognized based on the current value of the rest of the rental, discounted with incremental borrowing rate at the date of initial implementation.

The impact from the implementation of IFRS 16 on December 31, 2019 is as follows:

(amounts in thous. €)		**Group**	**Company**
Assets	**Report**		
Tangible Assets	(i)	0	0
Right of use asset	(ii)	1,356	1,269
Other Receivables	(iii)	0	0
Total Assets		**1,356**	**1,269**
Payables			
Payables from leases	(ii)	1,375	1,279
Other payables	(i)	0	0
Total Liabilities		**1,375**	**1,279**

i. The book value of the financial assets that were previously classified as financial leases and the corresponding payables from financial leases were reclassified from “Tangible Assets” and “Other Payables” to “Right of use asset” and “Payables from leases”.

ii. The implementation of I.F.R.S. 16 in leases that were previously classified as operational, led to the recognition of “Right of use asset” and “Payables from leases”.

iii. The book value of the discounted leases / guarantees that were previously recognized in the funds ‘Other Receivables” were transferred to the fund “Right of use asset”.

The above adjustments did not cause any cumulative impact on the open balance of the retained earnings at the date of the initial implementation. Moreover, there was no impact on the leases in which the Group acts as a lessor.

(amounts in thous. €)	Group	Parent Company
Commitments from operating leases at December 31, 2018	**0**	**0**
Less:		
Commitments that refer to short-term benefitsς	0	0
Commitments that refer to leases of low-value asset	0	0
Policies reevaluated as agreement for the provision of services	0	0
Adjustments due to the different handling of the rights of extension and termination of certain policies	0	0
Adjustment related to the changes of the ratio or the interest rate that affects the floating leases	**0**	**0**
Plus:		
Commitments that refer to leases that were previously classified as financial leases	0	0
Adjustment Commitments from operating leases as of January 1, 2019	**0**	**0**
Impact of discount with the use of incremental borrowing rate	0	0
Payables from leases as of January 31, 2019	**1,375**	**1,279**
Out of which:		
Long-term payables from leases	1,375	1,279
Short-term payables from leases	0	0
	1,375	1,279

The weighted average incremental borrowing rate of the lessor that was implemented for the determination of the liabilities from leases at December 31, 2019 was 1.63%.

Analysis of the amounts that were recognized in the Financial Statements

I. Leasing activities of the Group

The Group leases a series of assets, including real estate & property, means of transport and machinery, for its administrative and corporate needs. The terms of the leasing contracts are traded on an individual basis and contain a wide range of various terms and conditions. The majority of these leases, apart from the defined fixed leases, contain extra payments which are mainly in connection with the variance of the Consumer Price Index or depend from an index or an interest rate, such as the Consumer Price Index. The duration of the real estate leases is mainly fixed and is estimated from 1 to 5 years.

There are no significant commitments from leasing contracts that have not entered into force up to the end of the reporting period. The total cash inflow for leases on December 31, 2019 amounted to € 694 thous. for the Group. (The amount of € 675 thous refers to the Company).

The amounts that are related to the leasing activities of the Company and the Group were recognized in the Results of the period ending at December 31, 2019 are the following:

(amounts in thous. €)	Group	Parent Company
Amounts recognized in the Results	**1/1 – 31/12/2019**	**1/1 – 31/12/2019**
Expenses from the depreciation of right of use assets	640	604
Expenses of interests on the payables from leases	30	25
Expenses that refer to short-term leases	694	675
Expenses that refer to leases of low-value asset	0	0
Expenses from floating leases that have not been included in the measurement of payables from leases	0	0
Expenses from leases related to policies that were “tacitly” renewed	0	0
Income from the sublease of right of use assets	0	0

II. Right of use assets

Group (amounts in thous. €)				
Right of use assets	**Field & Land**	**Machinery**	**Means of transport**	**Total**
Net book value				
January 1, 2019	1,131	0	303	1,434
Additions	604	0	183	1,356
Withdrawals	-52	0	0	0
Conversions	0	0	0	0
Foreign exchange transfers	0	0	0	0
Depreciation for the period ending as of December 31, 2019	-510	0	120	630
Balance, December 31, 2019	**1,173**	**0**	**183**	**1,356**

Company (amounts in thous. €)				
Right of use assets	**Field & Land**	**Machinery**	**Means of transport**	**Total**
Net book value				
January 1, 2019	1,131	0	180	1,311
Additions	604	0	0	604
Withdrawals	-52	0	0	-52
Conversions	0	0	0	0
Foreign exchange differences	0	0	0	0
Depreciation for the period ending,	-510	0	-84	-594
December 31, 2019	**-510**	**0**	**-84**	**-594**
Balance, December 31,2019	**1,173**	**0**	**96**	**1,269**

III. Lease Liabilities

(amounts in thous. €)	**Group**		**Parent Company**	
	31/12/2019	**1/1/2019**	**31/12/2019**	**1/1/2019**
Long-term	1,375	1,434	1,279	1,311
Short-term	0	0	0	0
Total lease liabilities	**1,375**	**1,434**	**1,279**	**1,311**
Maturity analysis of lease liabilities				
In one year	60	0	60	0
In the second year	350	202	313	202
From 3 to 5 years	918	1005	859	882
From 6 to 10 years	47	227	47	227
After 10 years	0	0	0	0
Total contractual cash flows	**1,375**	**1,434**	**1,279**	**1,311**

The Company and the Group do not face any significant liquidity risk regarding the liabilities from leases. The liabilities from leases are under the monitoring of the fund management service of the Group.

7.3 Real estate investments

The investments in real estate are analyzed as follows:

(amounts in thous. €)	Group	Parent company
Value 01/01/2018	15,750	15,750
Plus:		
Additions	108	108
Less:		
Sales/ Transfers	0	0
Remeasurement at fair value (fiscal year)	0	0
Value 31/12/2018	**15,858**	**15,858**
Plus:		
Additions	478	478
Less:		
Sales/ Transfers	0	0
Remeasurement at fair value (fiscal year)	621	621
Value 31/12/2019	**16,957**	**16,957**

The latest readjustment on the value of the investments on real estate was performed on 31/12/2019, by an independent certified valuator.

The valuation report of the valuator meets all requirements of the International Valuation Standards - IVS of the European Valuation Standards EVS, TEGoVa.

The estimate was performed based on the "Fair Value" which is defined as follows: " The value that would occur by the sale of an asset, or would be paid for the transfer of an asset from liabilities to a smooth transaction between the market factors at the critical valuation date". Fair value, for purposes of accounting, based on the International Financial Reporting Standard (IFRS) 13 is equal to the Market Value, which is limited to "the estimated amount for which a property may be transferred at valuation date, between a prospective buyer and a prospective seller, to a free trade within the framework off market and after the appropriate promotion, where one of the contributing parties has acted with awareness, prudence and without force".

The income from real estate investments amounted to € 646 thous., which are included in Section 6.4 "Investment Income".

7.4 Intangible assets

(amounts in thous. €)	Group	Parent Company
Value 01/01/2018	865	804
Plus:		
Additions	1,149	1,122
Less:		
Depreciations	-559	-537
Value 31/12/2018	**1,455**	**1,389**
Plus:		
Additions	1,165	1,145
Less:		
Depreciations	-845	-820
Value 31/12/2019	**1,775**	**1,714**

7.5 Financial Instruments available for sale

(amounts in thous. €)	Group		Parent Company	
	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Corporate Listed Bonds	41,598	40,779	41,598	40,779
Government Bonds	257,941	225,351	257,941	225,351
Greek Mutual Funds	45,416	40,730	45,416	40,730
Greek Listed shares	598	168	598	168
Total	**345,553**	**307,028**	**345,553**	**307,028**

On November 15, 2017, the Greek Government announced the invitation for exchange of 20 Greek Government Bonds issued in 2012, within the PSI framework, with maturity date from 2023 up to 2042, with five bonds of the Greek Government with maturity dates 2023, 2028, 2037 and 2042. The purpose of the exchange was to balance the terms of the debt of the Hellenic Republic with the figures of the market for the government issuers of debt, providing to the market a restricted number of bonds in circulation, resulting to increase of the liquidity ratio comparing to the previous and therefore normalization of the relevant yield curve.

Every Greek Government Bond issued in 2012 was exchanged with one or two titles with defined exchange ratio at nominal value. The Group participated voluntarily in the exchange with amount of nominal value equal to € 24,975 thous. and received new bonds of nominal value € 25,226 thous. that were presented in the financial statements as amendment of the contractual terms of the exchanged bonds. The new titles have a fixed coupon that varies between 3.5% to 4.2%.

According to the interpretive circular 1174/16.11.2017 of the Independent Authority for Public Revenue, the profit arising by the participation of the Bank to the exchange program for bonds of Greek Government, is discharged from any taxation, with implementation of the provision of paragraph 6 of article 42 of L. 4172/2013.

The Group, on 31/12/2019 owns in its Portfolio, Bonds of this classification with nominal value € 8,287 thous. and fair value at € 9,981 thous.

7.6 Financial instruments held to maturity

(amounts in thous. €)	Group		Parent Company	
	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Bonds				
Corporate Listed	0	502	0	502
Government	0	0	0	0
Total	**0**	**502**	**0**	**502**

7.7 Financial Instruments at fair value through profit & Loss

(amounts in thous. €)	Group		Parent Company	
	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Bonds				
Corporate Listed	237	354	0	0
Government	555	507	0	0
Greek Mutual Funds	780	491	0	0
Total	**1,572**	**1,352**	**0**	**0**

The Company classified the above financial instruments (Available for sale and Held to maturity and at fair value through profit & loss the following levels of fair value:

Tier 1: Investments measured at fair value based on the stock prices on active markets.

Tier 2: Investments measured at fair value based on the valuation models in which all data that affect the fair value are based on obse able market data.

Tier 3: Investments measured at fair value based on the valuation models in which all data that affect the fair value are not based on observable market data.

Group 31/12/2019	Tier 1	Tier 2	Tier 3	Total
Corporate Bonds Listed	41,835	0	0	41,835
Government Bonds	258,496	0	0	258,496
Greek Mutual Funds	46,196	0	0	46,196
Greek Listed Shares	598	0	0	598
Total	**347,125**	**0**	**0**	**347,125**

Group 31/12/2018	Tier 1	Tier 2	Tier 3	Total
Corporate Bonds Listed	41,635	0	0	41,635
Government Bonds	225,858	0	0	225,858
Greek Mutual Funds	41,221	0	0	41,221
Greek Listed Shares	168	0	0	168
Total	**308,882**	**0**	**0**	**308,882**

Parent Company 31/12/2019	Tier 1	Tier 2	Tier 3	Total
Corporate Bonds Listed	41,598	0	0	41,598
Government Bonds	257,941	0	0	257,941
Greek Mutual Funds	45,416	0	0	45,416
Greek Listed Shares	598	0	0	598
Total	**345,553**	**0**	**0**	**345,553**

Parent Company 31/12/2019	Tier 1	Tier 2	Tier 3	Total
Corporate Bonds Listed	41,281	0	0	41,281
Government Bonds	225,351	0	0	225,351
Greek Mutual Funds	40,730	0	0	40,730
Greek Listed Shares	168	0	0	168
Total	**307,530**	**0**	**0**	**307,530**

7.8 Investments in subsidiaries

Parent Company (amounts in thous. €)		31/12/2019		31/12/2018	
Participation	**Headquarters**	**% Participation**	**Book value**	**% Participation**	**Book value**
European Reliance Asset Management M.F.M.S.A.	Greece	99.01%	2,335	99.01%	1,943
Alter Ego S.A..	Greece	97.30%	1,573	97.30%	1,422
Reliance Single Member Insurance Agents S.A.	Greece	100.00%	90	100.00%	60
Total			**3,998**		**3,425**

Group (amounts in thous. €)		31/12/2019		31/12/2018	
Participation	**Headquarters**	**% Participation**	**Book value**	**% Participation**	**Book value**
Partner Hotel S.A.	Greece	50.00%	12	50.00%	12
Total	**12**	**12**	**12**		**12**

The subsidiary company "ALTER EGO S.A." holds 50% of the company "PARTNER HOTEL S.A.", with main objective the provision of services to tourism industries

In the current year, the Company performed increase of the share capital of the subsidiary "RELIANCE SINGLE-MEMBER INSURANCE AGENTS S.A.", equal to € 30 thous.

In the current fiscal period, the Company performed a valuation study of the subsidiary companies "European Reliance Asset Management M.F.M.S.A." and "Alter Ego S.A. which resulted to goodwill of € 392 thous. and € 151 thous. respectively.

In the valuation of the above companies all of the modern valuation methods were applied and more specifically, a) Price to book ratio, b) Method of the Current Stock exchange price of the share / Earnings per Share, c) (Discounted Cash Flow, DCF) and d) Enterprise Value/ Earnings Before Interest, tax, Depreciation & Amortization, EV/ EBITDA).

Key financial figures of the subsidiaries

Figures (amounts in thous. €)	Alter Ego S.A.	European Reliance Asset Management M.F.M.S.A.	Reliance S.A.
Minority Interests	2.70%	0.99%	0.00%
Non-current assets	606	412	0
Current assets	3,588	1,862	0
Long-term payables	737	77	0
Short-term payables	2,272	475	1
Income	12,355	1,415	0
Pre-tax Profit/Loss	171	323	-5
Aggregated total results	-95	202	-5

In the Corporate financial statements, the investments in subsidiaries are measured at acquisition cost less any impairment costs. For the consolidation of the subsidiaries the Group applied the method of total consolidation according to IFRS 3 and IFRS 10.

7.9 Investments for Policyholders in the life insurance Sector who bear the investment risk Unit-Linked

(amounts in thous. €)	Group		Parent company	
	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Mutual Funds	10,443	9,711	10,443	9,711
Bonds	400	0	400	0
Bank deposits	162	18	162	18
Total	**11,005**	**9,729**	**11,005**	**9,729**

The fair value of the above securities is classified at Tier 1.

7.10 Deferred tax Assets/ Liabilities

(amounts in thous. €)	Group		Parent Company	
	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Readjustment of depreciations of intangible assets	**112**	**123**	**112**	**123**
Provisions for bad debts	2,179	2,292	2,016	2,123
Pension and other benefits after termination of service	583	559	472	506
Insurance Provisions	216	744	216	744
Valuation of subsidiaries	0	5	-126	5
Insurance contributions for distribution of profit	7	0	6	0
Rights on the use of tangible assets	3	0	2	0

(amounts in thous. €)	Group		Parent Company	
	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Readjustment of the value of financial instruments	-2,270	616	-2,229	624
Offsettable Tax Losses (PSI)	1,087	1,196	1,087	1,196
Readjustment of the value of own-used real estate	-3,394	-2,639	-3,394	-2,639
Readjustment of value of investment real estate	-2,977	-2,888	-2,977	-2,888
Accrued Interests of Financial Instruments	-4	-4	0	0
Balance in the end of the fiscal year	**-4,458**	**4**	**-4,815**	**-206**

The agreement on the deferred tax is as follows:

(amounts in thous. €)	Group	Parent Company
Balance 01/01/2019	**4**	**-206**
Tax in the results	-774	-881
Tax in the equity	-3,688	-3,728
Balance 31/12/2019	**-4,458**	**-4,815**

7.11 Loans to personnel, insurance agents and life insured

The balance refers to the Parent Company and is analyzed as follows:

(amounts in thous. €)	31/12/2019	31/12/2018
Loans to personnel, insurance agents	2,305	2,820
Loans to Life Insured	236	219
Provisions of the fiscal year	-648	-648
Total	**1,893**	**2,391**

The transactions of the account of the provisions is as follows:

(amounts in thous. €)	Parent Company	
	31/12/2019	31/12/2018
Balance in the beginning of the fiscal year	648	800
Release	0	-152
Balance in the end of the fiscal year	**648**	**648**

The overdue non impaired balances are analyzed as follows:

	31/12/2019	31/12/2018
Up to 90 day	2,316	2,554
from 91 to 180 days	43	95
over 180 days	182	390
Total	**2,541**	**3,039**

The effective interest rate of loans to personnel and insurance agents amounts to 5.25%, the loans to insured of the Individual Life Sector to 5.25% and loans to Group Life Insured to 3.35%.

7.12 Insurance Receivables

The insurance receivables refer to amounts from insurance policies issued up to the date of preparation of the financial statements and remain uncollected. If their collection is not possible within the provided time limits, the policy is canceled.

The balance of these receivables is analyzed as follows:

(amounts in thous. €)	Parent Company	
	31/12/2019	31/12/2018
Open Balance	22,310	20,016
Bills and receivable cheques	1,462	1,545
Bad Debt provision	-7,766	-7,229
Closing Balance	**16,006**	**14,332**

The transaction of the account of provisions of bad debts from insured is as follows:

(amounts in thous. €)	Parent Company	
	31/12/2019	31/12/2018
Balance in the beginning of the year	7,229	6,963
Release	-125	-96
Write-off of the fiscal year	-22	-36
Provisions of the fiscal year	684	398
Closing Balance	**7,766**	**7,229**

The non-impaired open balances on 31/12/2019 and 31/12/2018 of € 15,011 thous. and € 13,248 thous., respectively are analyzed as follows:

	31/12/2019	31/12/2018
Up to 90 days	13,323	11,726
from 91 to 180 days	763	89
over 180 days	8,224	8,201
Total	**22,310**	**20,016**

The non-impaired Bills and Receivable Cheques on 31/12/2019 and 31/12/2018 equal to € 994 thous. and € 1,084 thous. respectively are analyzed based on the maturity date as follows:

	31/12/2019	31/12/2018
Up to 31/12/2018	122	43
After 31/12/2018	872	1,041
Total	**994**	**1,084**

The provisions for bad debts are formed separately for each customer, as long as there are obvious indications that the debts will not be collected as a whole.

Non-receivable balances are considered the balances that were delayed for more than a year. In these cases, the provisions reflect the amount of the receivable that is not expected to be collected. The provisions are re-examined in every balance sheet. The maximum exposure to the credit risk at 31/12/2019 and 31/12/2018 amounts to € 16,006 thous. and € 14,332 thous. respectively. The aforementioned increase is the result of the new group insurance policies of large corporate customers. These policies are served normally and based on the credit regulation of the Company. Respectively the insurance receivables, as a rate of the gross written premiums, amounted on 31/12/2019 to 7.5%, unchanged comparing to 31/12/2018. Moreover, the Group, despite the large diversion of its customer base, and after its operation in an environment of credit risks, continues to form, based on the conservative approach, provisions for impairment of the insurance receivables.

7.13 Reinsurance Receivables

The reinsurers undertake part of the insured risk against the reinsurance premiums and participate in the claims and the insurance reserves.

The transaction of the reinsurer's account is as follows:

(Amounts in thous. €)	31/12/2019	31/12/2018
Balance in the beginning	**11,488**	**9,018**
Reinsurance premiums	-17,066	-15,623
Commissions	1,795	1,372
Participation in the Unearned Premiums Reserve	430	414
Participation in outstanding claims	-3,048	2,209
Participation in paid claims	5,452	3,891
Interests on the reserves	0	-12
(Payments)/Collection	10,604	10,219
Balance in the closing	**9,655**	**11,488**

The transaction of the account for provisions for bad debts from reinsurers is as follows:

(amounts in thous. €)	Parent Company	
	31/12/2019	31/12/2018
Balance in the beginning	2,900	2,900
Provisions of the fiscal year	0	0
Balance in the closing	**2,900**	**2,900**

7.14 Receivables from Reinsurance Activities

The transaction of the account of the cedant is as follows:

(amounts in thous. €)	
Balance 01/01/2018	**429**
Bad debts provision	-429
Balance 31/12/2018	0
Balance 31/12/2019	**0**

The transactions of the account for provisions of bad debts from cedant is as follows:

(amounts in thous. €)	Parent Company	
	31/12/2019	31/12/2018
Balance in the beginning	429	0
Provisions for fiscal year	0	429
Balance in the end	**429**	**429**

7.15 Commissions and other GWP expenses of future fiscal years

The balance of the account is analyzed as follows:

(amounts in thous. €)	Parent Company		
	Life Insurance	Non - Life Insurance	Total
Commissions and other GWP expenses of future fiscal years 31/12/2018	5,778	11,813	17,591
Commission and other GWP expenses of future fiscal years 31/12/2019	5,949	13,174	19,123

7.16 Other Receivables

Other Receivables are analyzed as follows:

(amounts in thous. €)	Group		Parent Company	
	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Financial Instruments (cheques etc.)	37	32	0	0
Sales Debtors	3,204	3,245	0	0
Receivables from credit institutions	3,692	2,690	3,692	2,690
Prepaid expenses	3,024	2,640	2,931	2,554
Advance Prepayment of taxes and other tax assets	323	100	323	100
Accrued interests and commissions	2,473	3,115	2,473	3,115
Advanced Payment and credit accounts	37	192	4	0
Guarantees	2,315	3,231	2,058	2,975
Related undertakings	0	0	374	485
Compensation from the Direct Payment System	960	802	960	802
Recoverable paid claims	904	1,221	904	1,221
Other receivables	1,091	904	832	847
Total, except the provisions	**18,060**	**18,172**	**14,551**	**14,789**
Less Provisions	555	558	0	0
Total	**17,505**	**17,614**	**14,551**	**14,789**

Other receivables of € 1,091 thous. and € 904 thous. for years 2019 and 2018 respectively mainly refer to the receivables from the Lifecard Product, and the receivables from recoveries.

The transactions of the account of provisions is as follows:

(amounts in thous. €)	Group		Parent Company	
	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Balance in the beginning	558	426	0	0
Release of the provisions	-6	0	0	0
Provisions of the fiscal year	3	132	0	0
Balance in the end	**555**	**558**	**0**	**0**

7.17 Cash and Cash Equivalents

The accounting balances of cash and deposits approach the fair value at 31/12/2019 and 31/12/2018. For the purposes of preparation of the Statement of Cash Flows, as cash and cash equivalents we consider the balances with maturity less than 3 months than the starting date. The balance of the account is analyzed as follows:

(amounts in thous. €)	Group		Parent Company	
	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Cash	106	546	105	545
Current Deposits	16,160	6,937	15,467	6,437
Total	**16,266**	**7,483**	**15,572**	**6,982**

7.18 Mathematical Reserves and Technical Insurance Provisions

The balances of the accounts refer to the Parent Company and are analyzed as follows:

The transactions of the account of insurance provisions are as follows

Technical Pprovisions (amounts in thous. €)	31/12/2019			31/12/2018		
	Company's Share	Reinsurer's Share	Total	Company's Share	Reinsurer's Share	Total
Life Insurance						
Traditional- Additional-Health, DAF						
Mathematical Reserves, Sufficiency Reserves and Reserves of Non-accrued Premiums	77,288	113	77,400	69,745	138	69,883
Reserves of outstanding claims	11,125	573	11,698	10,808	249	11,057
Total individual and group life insurance	**88,413**	**686**	**89,099**	**80,553**	**387**	**80,940**
Unit Linked						
Life Insurance provisions where the policyholders bear the investment risk (Unit Linked)	11,484	0,5	11,485	10,300	1	10,300
Guarantees Reserve	83	0	83	406	0	406
Total Unit Linked	**11,567**	**0**	**11,568**	**10,706**	**0,5**	**10,707**
Total Life Insurance	**99,980**	**686**	**100,666**	**91,259**	**388**	**91,647**
Non-life Insurance						
Motor third party liability and land vehicles						
Outstanding claims	133,107	651	133,758	126,291	592	126,883
Non-accrued Premiums	36,857	0	36,857	33,173	0	33,173
Other Insurance Provisions	1,229	0	1,229	1,253	0	1,253
Total third party liability vehicles and land vehicles	**171,192**	**651**	**171,844**	**160,717**	**592**	**161,309**
Other Non-Life Insurance						
Outstanding Claims	8,968	5,582	14,550	8,867	9,014	17,881
Non-accrued Premiums	10,505	4,745	15,250	10,042	4,288	14,330
Other Insurance Provisions	249	0	249	537	0	537
Total other non-life insurance	**19,722**	**10,327**	**30,049**	**19,446**	**13,302**	**32,748**
Total non-life insurance	**190,915**	**10,978**	**201,893**	**180,163**	**13,894**	**194,057**
General total technical provisions	**290,895**	**11,664**	**302,559**	**271,422**	**14,282**	**285,704**

The transaction of the account of insurance provisions is as follows:

(amounts in thous. €)	31/12/2019	31/12/2018
Life Insurance		
Traditional-Additional Life Insurance & Health coverages		
Balance in the beginning of the fiscal year	**64,883**	**62,100**
Release of the reserve for deaths, maturities, acquisitions, lapses, etc.	-4,211	-1,336
Portfolio maturity	4,657	1,041
Variance due to changes in the assumptions:		
Lapses	0	712
Expenses	0	-342

(amounts in thous. €)	31/12/2019	31/12/2018
Mortality	0	0
Discount yield	-3	79
New gross written premiums	2,809	2,453
LAT	-2,243	0
Other variance in the fiscal year	-157	176
Balance in the end of fiscal year	**65,735**	**64,883**
Group Pension Funds		
Balance in the beginning of the year	16,059	11,314
Release of the reserve	5,895	576
Portfolio maturity	-18	297
Variance due to changes in the assumptions:		
Lapses / Mortality	3	823
Expenses	-3	-28
Discount yield	546	278
New gross written premiums	881	3,914
Other variance of the fiscal year	0	-1,115
Balance in the end of the fiscal year	**23,363**	**16,059**
Unit Linked		
Balance in the beginning of the year	10,707	11,497
Release of the reserve for deaths, maturities, acquisitions, lapses, etc.	666	-1,508
Portfolio maturity	18	239
Variance due to changes in the assumptions:		
Lapses	-3	184
Expenses	1	21
Mortality	0	0
Return of mutual funds	51	-83
Discount yield	-9	1
New gross written premiums	223	193
Other variance of the fiscal year	-87	162
Balance in the end of the year	**11,568**	**10,707**
Total Life Insurance	**100,666**	**91,648**
Non-Life Insurance		
Land Vehicles Third Party Liability		
Balance in the beginning of the year	**152,292**	**148,941**
Variance of Unearned Premiums Reserve	1,787	261
Variance of Unexpired Risk Reserve	-24	1,253
Claims reserve of current year	65,792	67,985
Variance in the claims reserve of previous years	-13,138	-19,148
Paid claims of current year	-23,245	-23,687
Paid claims of previous years	-24,301	-23,312
Balance in the end of the fiscal year	**159,162**	**152,292**
Other Non-Life Insurance		
Balance in the beginning of the year	**41,765**	**39,290**
Variance of Unearned Premiums Reserve	2,817	1,643
Variance of Unexpired Risk Reserve	-288	282
Claims reserve of current year	20,546	21,571
Variance in the claims reserve of previous years	-1,414	-1,747

(amounts in thous. €)	31/12/2019	31/12/2018
Paid claims of current year	-12,410	-12,111
Paid claims of previous years	-8,284	-7,164
Balance in the end of the fiscal year	**42,730**	**41,764**
Total Non-Life	**201,893**	**194,056**

Total technical provisions	**302,559**	**285,704**

The insurance provisions are calculated based on the provisions of the Greek Insurance Legislation and the Company continuously performs sufficiency audits for the reserves, which from 12/31/2019 is as follows:

7.18.1 Life Sector

The insurance policies falling upon the activity of the Sector were classified depending on the nature of the corresponding covers in five major categories:

Individual traditional programs (basic death insurance, endowment, pensions plans with participation in the profit, etc.)

The liability was calculated by taking into account the future cash flows for the forecasted remaining policy period of the insurance policies. The assumption for key valuation parameters, that is mortality, interest rates, sustainability and expenses were estimated as follows:

Mortality: As mortality table we used the current Greek table, as it was readjusted in the Company's portfolio.

Discount Interest Rate Curve: The estimation on the sufficiency of the liabilities is based on future cash flows of the Company's income and expenses. The future cash flows are prepaid using the yield curve which is based on the risk-free yield curve, as estimated by EIOPA, increased by the Liquidity Risk Return of a properly selected Bonds Portfolio.

Lapse Rates: The lapse rates arise from the Statistical Analysis of the current Underwriting Portfolio and are differentiated per homogeneous group of products. The insurance coverage is canceled due to non-payment of the premium or due to purchase of the policy.

Expenses: The expenses were analyzed and estimated per code of product.

Rate for the Exercise of Purchase rights in the Beginning of Retirement: In pension programs, the insured can choose the single payment of the pension. This rate reflects this behavior and is estimated according to the Company's experience.

In the aforementioned procedure there was no or need for creation of an additional reserve.

Individual life insurance policies in which the policyholder bears the investment risk (unit-linked)

Both the risks associated with the key parameters (mortality, interest rate) and those related to guaranteed benefits on the maturity of insurance policies were analyzed.

There was no need for formation of additional reserves in this category.

Group policies (DAF):

The implementation of a similar methodology in the individual insurance policies revealed the need for formation of an additional reserve of € 632 thous..

Additional Hospital Care coverage Expenses

The liability was calculated by taking into account the future cash flows. Since the Company is entitled to partly modify the future insurance premiums in a way that they fully reflect the undertaken risks, the cash flows are developed up to the next annual anniversary of the insurance policy. The assumptions for the key valuation parameters were estimated as follows:

Mortality: As mortality table we used the current Greek table.

Discount Interest Rate Curve: The estimation on the sufficiency of the liabilities is based on future cash flows of the Company's income and expenses. The future cash flows are discounted using the yield curve based on the risk-free yield curve, as adjusted by EIOPA, increased by the Liquidity Risk Return of a properly selected Bonds Portfolio.

Morbidity: Morbidity was based on the Company's experience, as arising by the study of its historical data.

Increase in Premiums: The increase of premiums was estimated in relation to the provided medical inflation, the overall inflation, the increase of the morbidity due to age.

Lapse Rates: The lapse rates arise from the Statistical Analysis of the current Underwriting Portfolio and are differentiated per homogeneous group of products. The insurance coverage is canceled due to non payment of the premium.

Expenses: The expenses were analyzed per homogeneous group of products.

In the above-mentioned procedure there was no need for creation of an extra reserve.

For the outstanding claims, the Loss Development Triangle method was applied, using data from 2006 to 2018. The implementation of the above-mentioned methodology did not require the creation of an additional reserve.

For group insurance risk, the methodology described in Non-Life Sectors was developed using data from 2008 to 2018. The implementation of this methodology created the need for an additional reserve of € 233 thous.

Other Additional coverages

The liability was calculated by taking into account the future cash flows for the projected remaining term of the insurance policy. The assumptions for the measurement of the key parameters were evaluated as follows:

Mortality: As mortality table we used the current Greek table, as it was readjusted in the Company's portfolio.

Discount Interest Rate Curve: The estimation on the sufficiency of the liabilities is based on future cash flows of the Company's income and expenses. The future cash flows are prepaid using the yield curve which is based on the risk-free yield curve, as estimated by EIOPA, increased by the Liquidity Risk Return of a properly selected Bonds Portfolio.

Disability: Disability and possibility for death due to an accident was based on the Company's experience, from study of its historical data.

Lapse Rates: The lapse rates arise from the Statistical Analysis on the Cancellations of the current Insurance Portfolio and are differentiated per homogeneous group of products. The insurance coverage is canceled due to non payment of the premium.

Expenses: The expenses were analyzed per homogeneous group of products.

In the above-mentioned procedure there was no need for creation of an extra reserve.

For the outstanding claims, the Loss Development Triangle method was applied, using data from 2006 to 2018. The implementation of the above-mentioned methodology did not require the creation of an additional reserve.

For outstanding claims in the form of annuities, the calculation of the liabilities was based on the development of cash flows, as mentioned above. The implementation of this methodology created the need for an additional reserve of € 34 thous.

7.18.2 Non-Life Sector

Historical data was examined based on the detailed movements per loss for each accident year between 2008 and 2019. Regarding the Motor Sector, losses were classified into two broad categories, the Third-Party Liability and Other Cases of the Motor Insurance Sector apart from the Third Party Liability. The Loss Development Triangle methodology was used for the loss categories. The calculations did not include any amount that was wrongly paid by the Company and is to be recollected. The implementation of this methodology created the need for an additional reserve of € 11,517 thous.

7.19 Other liabilities

The balance of Other Liabilities is analyzed as follows:

(amounts in thous. €)	Group		Parent Company	
	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Creditors and suppliers	9,941	8,183	8,365	6,766
Received guarantees	83	82	83	82
Liabilities from taxes and fees	9,917	8,704	9,520	8,467
Insurance organizations	1,088	1,048	696	663
Paid dividends	40	44	40	44
Paid expenses and income of future fiscal years	2,199	2,652	2,188	2,644
Related undertakings	0	28	119	28
TOTAL	**23,268**	**20,741**	**21,011**	**18,694**

7.20 Provisions

a) Provisions for employee benefits

The programs for employee benefits regarding the compensation upon termination of service, fall upon the defined benefits plans, in accordance with the IAS 19 "Employee Benefits". The liability entered in the balance sheet for defined benefits' plans are the present value of commitment for the defined benefit, the variations arising from actuarial profit and loss and the cost

of the work experience. The commitment of the defined benefits is estimated annually by an actuary with the method of the projected unit credit method. The total of actuary profit and losses arising from the review of the assumptions of the actuarial study is recognized directly in the financial results through the comprehensive income statement.

The liabilities to personnel per fiscal year are as follows:

	Group		Parent Company	
(amounts in thous. €)	**31/12/2019**	**31/12/2018**	**31/12/2019**	**31/12/2018**
Balance in the beginning of the year	2,261	1,791	2,026	1,602
Cost of current employment	269	205	175	143
Cost of the provision in the end of the employment	19	-5	7	18
Cost of Interests	45	33	40	30
Actuarial result	-48	300	-216	286
Paid claims	-89	-63	-64	-53
Total	**2,457**	**2,261**	**1,968**	**2,026**

Regarding the assumption made for the calculation of the above liabilities, the following apply:

Company	**European Reliance General Insurance Company S.A.**		**Alter Ego S.A.**		**European Reliance Asset Management M.F.M.S.A.**	
	31/12/2019	**31/12/2018**	**31/12/2019**	**31/12/2018**	**31/12/2019**	**31/12/2018**
Discount Interest Rate	1.10% iBoxx (duration 10+ - Corporate bond AA)	1.80% iBoxx (duration 10+ - Corporate bond AA)	1.10% iBoxx (duration 10+ - Corporate bond AA)	1.70% iBoxx (duration 10+ - Corporate bond AA)	1.10% iBoxx (duration 10+ - Corporate bond AA)	1.80% iBoxx (duration 10+ - Corporate bond AA)
Remuneration Increase	2.00%	1.00%	2.00%	2.00%	2.00%	1.00%
Inflation	1.70% ECB 31/12/2019	1.90% ECB 31/12/2018	1.70% ECB 31/12/2019	1.90% ECB 31/12/2018	1,70%	1,90% ECB 31/12/2018
Mortality	EAE2005P	EAE2005P	EAE2005P	EAE2005P	EAE2005P	EAE2005P
Age of Normal Retirement	67	67	67	67	67	67
Other causes of Leaving the Company	2.80%	0.20%	0-1 14.20% 1 -2: 3.60% 2 and above: 1.40% (professional experience in years)	0-1 14.20% 1 -2: 3.60% 2 and over: 1.40% (professional experience in years)	0.00%	0.20%

In the following table, we present the sensitivity analysis in the present value of the accumulated liabilities, with a change in the key assumptions at 31/12/2019 and 31/12/2018 respectively.

Company 31/12/2019	**European Reliance General Insurance Company S.A.**	**Alter Ego S.A.**	**European Reliance Asset Management M.F.M.S.A.**
Discount Interest Rate +50 basis points	1,824	382	68
Salary increase Rate +50 basis points	2,104	441	87

Company 31/12/2018	European Reliance General Insurance Company S.A.	Alter Ego S.A.	European Reliance Asset Management M.F.M.S.A.
Discount Interest Rate +50 basis points	1,842	175	40
Salary increase Rate +50 basis points	2,170	207	51

b) Other Provisions.

The subsidiary "EUROPEAN RELIANCE ASSET MANAGEMENT M.F.M.S.A." has formed a provision for bad debts equal to € 202 thous. and € 173 thous. on 31/12/2019 and 31/12/2018, respectively. Based on the above (a) + (b), the total provisions for the Group, amounts to € 2,659 thous. and 2,434 thous. on 31/12/2019 and 31/12/2018 respectively.

7.21 Share capital & Share premium account

After the decision of the Ordinary General Meeting of the Company's Shareholder on 07/05/2008, the company's share capital decreased by € 128,240.00, with decrease of the total number of common nominal shares from 27,717,411 to 27,503,677 due to cancellation of 213,734 own shares, in accordance with the provisions of art. 16 of C.L. 2190/1920. After this decrease, the share capital of the Company amounts to € 16,502,206.20 and is divided into 27,503,677 common nominal shares, of nominal value of € 0.60 per share, and the shares premium account reserve amounts to € 18,998,918,64. The shares were canceled on 12/06/2008.

On December 30, 2014, the Ministry of Development and Competitiveness approved with the Decision No.79031 the decision of the Extraordinary General Meeting of Shareholders of 16/12/2014 for the increase of the Share Capital equal to € 825.110,31. This increase came from the capitalization of tax-free reserves of € 667,156.44, decreased by the relevant income tax, according to the application of art. 72 of L. 4172/2013 as the capitalization of the variance of reserves from issuance of the shares premium account of € 157,953.87, with an increase in the nominal share by € 0.03 per share. After the above, the Share Capital of the Company amounts to € 17,327,316.51, divided into 27,503,677 common nominal shares of nominal value € 0.63 each.

Own Shares

The Ordinary General Meeting of Shareholders of 21/05/2019 approved the plan for reacquisition of own Shares by the Company, according to the provisions of art. 49 of L. 4548/2018, as applicable and authorized the Board of Directors, to implement this plan. More specifically, the BoD approved the acquisition of maximum 2,750,367 common nominal shares within a time period of twenty-four (24) months, within the date of the current decision, which will correspond to 10% of the total shares of the Company with voting right, with market prices € 2.00 per share (minimum) and € 6.00 per share (maximum). The acquisition of own shares will be performed for their cancellation, upon decision of the General Meeting of Shareholders.

In the implementation of this plan, on 31/12/2019, the Company owns 208,729 own shares, at acquisition cost of € 1,018 thous.

7.22 Reserves

The reserves are analyzed as follows:

(amounts in thous. €)	Group		Parent Company	
	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Statutory Reserve	18,638	18,638	18,418	18,418
Extraordinary reserves	1,514	1,514	1,465	1,465
Reserve from the readjustment of the value of real estate	5,826	3,131	5,826	3,131
Reserve from the readjustment of the value of the financial instruments available for sale	11,996	2,328	11,996	2,328
Reserves taxed according to art. 8, L. 2579/98	-204	-204	-204	-204
Reserves of special provisions of Law	158	158	158	158
Reserves from income taxed in a special manner	1,040	1,040	1,050	1,050
Own Shares	0	0	0	0
Other Reserves	11	11	4	4
Total	**38,979**	**26,616**	**38,713**	**26,350**

Statutory Reserve: Based on the Greek, commercial law, the Companies are required to transfer on an annual basis at least 5% of the annual profit (after deducting the income tax) to the account of statutory reserve, until this reserve reaches the 1/3 of the share capital. The above reserve may not be distributed during the operation of the Company.

Reserve of property's readjustment value: It refers to the goodwill (decreased by the relevant tax) arising by the readjustment of real estate at fair value. The last readjustment was at 12/31/2019.

Reserve of readjustment of value for available for sale financial instruments: This reserve has been formed by the valuation of the available for sale financial assets and is transferred to the profit or losses of these assets at fair value.

Extraordinary reserves: They are formed from the past, based on the decision of the General Meeting of the Parent Company and include extraordinary reserves from merger of subsidiary companies

Tax-free and specially taxed reserves: The tax-free and specially taxed reserves represent interest revenues, which are either tax-free or they have been already taxed. These reserves are tax-free, provided that there is the sufficient profit required for the formation of a tax-free reserve. Based on the Greek tax legislation, these reserves are exempted from the income tax, provided that they will not be distributed to shareholders.

8. Transactions with Related Parties

Related parties include companies in which the Parent Company has the control. Related parties are the members of the management of the Group, first-degree relatives, companies that are controlled by these persons, in which these members have a substantial influence on the management and fiscal policy.

All transactions with related parties are made on the same terms that apply for similar transactions with non-related parties. Transactions and balances between the Group's companies are eliminated at the consolidation.

The amounts from the Company's transactions with related parties and persons within the framework of I.A.S. 24, cumulatively from the beginning of the fiscal year, until the end of the current year, are as follows (amounts in thous. €).

a) Transactions of the Parent Company with Subsidiaries

	31/12/2019		31/12/2018	
	Income from provision of services and rents	Expenses from provision of services	Income from the provision of services and rents	Expenses from the provision of services
Alter-Ego S.A.	72	457	67	589
Reliance S.A.	1	1	1	0
European Reliance M.F.MS.A..	79	80	72	80
Total	**152**	**538**	**140**	**669**

	31/12/2019		31/12/2018	
	Receivables	Liabilities	Receivables	Liabilities
Alter-Ego S.A.	361	94	474	3
Reliance S.A.	0		0	0
European Reliance M.F.M.S.A.	14	25	11	25
Total	**375**	**119**	**485**	**28**

b) Transactions with Executive Directors and members of the Management

	Group		Parent Company	
	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Short-term benefits	1,774	2,200	1,550	2,005
Benefits after leaving the company	935	732	935	732

	Group		Parent Company	
	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Receivables	0	0	0	0
Payables	2,546	2,687	2,546	2,687

The "short-term" benefits to Executive Directors and Board members are the salaries, remuneration, employers' social contributions and other charges. The fund "Benefits after leaving the company" includes the cost for schemes for benefits after leaving the company.

The "Payables" to Executive directors and Board members refer to the group pension insurance scheme. The payables deriving from this scheme amount to € 2,546 thous., on 31/12/2019 and € 2,687 thous., on 31/12/2018, including the Life insurance actuarial reserves.

The Parent Company and the Group have not provided, nor received guarantees or commitments of any kind for the related parties.

9. Dividends

For the period ending 31/12/2019

On May 21, 2019, the Ordinary General Meeting of Shareholders approved the distribution of dividend of total amount of 3,575,478.01, that is € 0.13 per share.

10. Additional Data and Information

10.1 Sub judice or under arbitration disputes

There are no disputes in the Group, either sub judice or under arbitration, nor any decisions of courts or arbitration bodies, which may considerably affect the Group's financial condition and operation.

10.2 Guarantees

The Parent Company on 31/12/2019 had issued guarantee agreements for participation in tenders and good performance of insurance policies, equal to € 1,551 thous..

10.3 Liens

None of the Group's assets are secured by any liens.

10.4 Personnel

The total employees on 31/12/2019 were 1,125 for the Group and 444 for the Company and on 31/12/2018 were 1,175 for the Group and 444 for the Company.

On 31/12/2019, the Group and the Company had created a provision for personnel compensation after leaving the company equal to € 2,457 thous., and € 1,968 thous. respectively.

10.5 Provisions

The subsidiary "EUROPEAN RELIANCE ASSET MANAGEMENT M.F.M.S.A." has created a provision for legal disputes of € 202 thous.

10.6 Remuneration of Certified Public Accountants

The remunerations of the accountants for fiscal years 2019 and 2018 are the following:

(amounts in thous. €)	31/12/2019	31/12/2018
Remuneration for Ordinary Audit	110	100
Remuneration of other auditing services	41	33
Remuneration of other non-auditing services	0	17
Total	**151**	**150**

10.7 Seasonality

The productivity circle of the Group is not subject to major seasonality fluctuations.

10.8 Reclassifications

The Company performed reclassification of the amounts of the Operating Sector, as well as the Notes on the Statements of Financial Statement and Other Comprehensive Income in the figures of the previous fiscal year (31/12/2019). More specifically, the Land Vehicles sector (No. 12) is included in the Motor Sector and not in the Other Non-Life Sectors.

10.9 Events after the date of the closing Balance Sheet

- For the fiscal year that ended on 31/12/2019, the Board of Directors will propose to the Ordinary General Meeting of Shareholders, the distribution of dividend from the profit of fiscal year 2019 equal to € 6,600,882.48, which corresponds to € 0.24 per share. It is noted that the above paid up dividend per share will be increased depending on the number of the Own Shares that the Company holds, at the Record Date.
- For the fiscal year that ended on 31/12/2019, the Board of Directors proposes to the Ordinary General Meeting of Shareholders the distribution of profit of fiscal year 2019, equal to € 544,685.00.
- On 06/02/2020 the Group European Reliance, staying stable at its principles for the development of the Renewable Energy Resources as a mean of sustainable development performed acquisition of 100% of the share capital of the company AEM ENERGY SYSTEMS P.C., which is now one of the Group's subsidiaries. Through this acquisition, European Reliance has in its position a photovoltaic station in the prefecture of Larissa, of nominal power 0.5 MWh, which is connected to the medium voltage network of the Public Power Station.
- On 11/03/2020, the World Health Organization announced the Covid-19 Pandemic. COVID-19 appeared in Greece on February 2020 and the Greek State adopted drastic restrictive measures on population movement for the limitation of the epidemic, that had a significant impact on the society, and therefore on the Group, our customers, insurance agents, suppliers and the personnel. The parent company, despite its strong financial position on 31/12/2019, during this phenomenon of the pandemic, estimates the possible impact on the money markets, which affect the valuation of assets and performance of sufficiency of technical provisions, the increase of its gross written premiums, the claims in Life and Non-Life Sectors, the liquidity ratio and the valuation of the investments and real estate. Up to the present day, we estimate that any consequences will be within the limits of the acceptable limits, according to Solvency II Directive, as the insurance coverages for these risks are low in amounts and sum insured and therefore, it is too early to estimate the total financial impact of the pandemic.

Apart from the above, there are no other events, after the publication of the Financial Statements that are related to the Group and the Company and ought to be reported.

Chalandri, April 3, 2020

The Chairman of the Board of Directors	The CEO	The Chief Financial Officer	The Accounting Manager	The Appointed Actuary
Nikolaos Ch. Chalkiopoulos	Chris I. Georgakopoulos	Stefanos I. Verzovitis	Char. G. Vaksevanis	Ant. A. Monogiou
ID No.: AH 105272	ID No.: AN 085012	ID No.: AE 139108	ID No.: AK 579313	ID No.: AK 142009

F.

The Website for the Announcement of the Financial Information

The annual financial statements of the Company, the Audit Report of the Certified Public Accountant and the Management Report of the Board of Directors are registered in the Internet in the website https://ir.europaikipisti.gr/en-us/home/europisti-investor-relations-home-page.

The annual Financial Statements of the subsidiaries of the Group European Reliance, including the audit certificates of the certified Public Accountants and the Management Reports of the Board of Directors of the subsidiaries will be published in the Company's website https://ir.europaikipisti.gr/en-us/home/europisti-investor-relations-home-page after their finalization.

Investor Relations Department

274 Kifisias Avenue, Chalandri, 15232

Tel: 2108119655, Fax: 2106841325

email: ir@europisti.gr

G.

Non-Financial Information Report of L. 4403/2016.

The Present Report is an integral part of the Consolidated Management Report of the Board of Directors and Statement of Corporate Governance for fiscal year 2019.

Introduction

Dear Shareholders,

Social and environmental responsibility is an integral part of our culture and an essential growth factor of our Group during its years of operation.

The priority of our Group, our 1,125 employees and 5,730 insurance agents is to follow a sustainability model that allows financial growth and simultaneously respects the environment and the society.

The achievements of European Reliance have been accomplished via initiatives and actions that create mutual benefit for our people and for the total of the society in which we act and work.

Since 2011, European Reliance applied the Principles of International Financial Reporting Standards ISO 26000 for the total of its functions, by describing on an annual basis, the result of our efforts in combination with the Guidelines of GRI G4 and the 17 Sustainable Development Goals - SDGs), covering axis, such as corporate governance, protection of human rights, labor practices, protection of the environment, practices of fair operation, as well as responsibility towards its insured.

Regarding our social performance, in 2019, with intense interest, we supported initiatives of local social bodies, we participated in voluntary initiatives for the environmental energy upgrade of our country, we supported the need for qualitative education and employment of young people and we contributed actively in the alleviation of poverty, through new innovative programs, such as “Asfalistikos Goneas”, which is provided for free and ensures the expenses of a household in case of an accident.

The summarized sustainability report, according to Law 4403/2016, is a report that aims to inform all interested parties of the Group on the strategy, plans, actions and future objectives of the Group.

In a domestic and international environment full of challenges, European Reliance remains a responsible corporate citizen, focusing on the development of its activities, that would have a positive impact on the society and dedication to the protection of the environment.

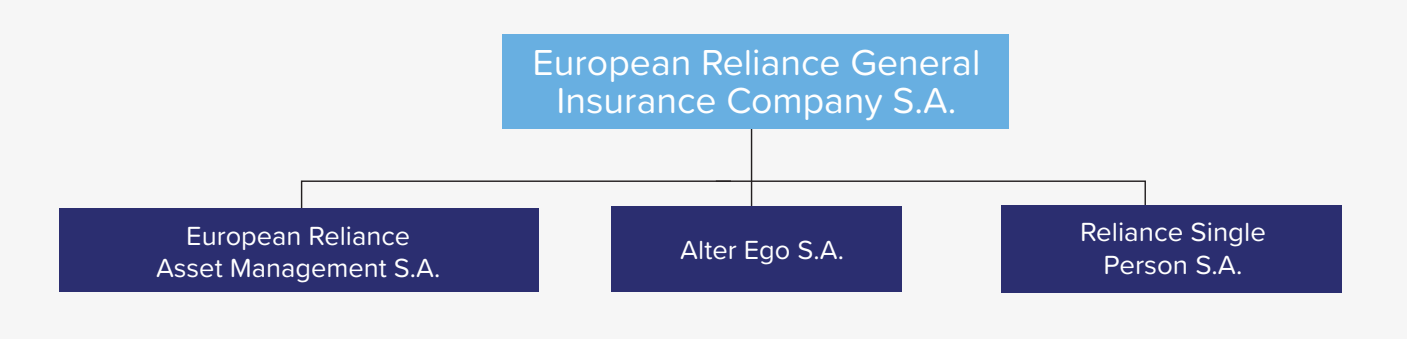
Enjoy your reading,

European Reliance Group Profile

European Reliance General Insurance CO. S.A. (S.A. Reg. No. 12855/05/B/86/35), General Electronic Commercial Registry (G.E.M.I.) No. 322801000) was established in 1977. The Company's objective, according to Art. 4 of its Articles of Association, is to provide all kinds of insurance and reinsurance coverage except for credit and guarantee insurance. The registered offices of the Group are in 274 Kifisias Avenue, 15232, Chalandri.

The Group, on 31/12/2019 consists of the following companies:

- European Reliance General Insurance Co. S.A. (Parent Company)
- Alter Ego S.A.
- European Reliance Asset Management Mutual Funds Management S.A.
- Reliance Single-Member Insurance Agents S.A.



Parent Company

European Reliance General Insurance Co. S.A. is a comprehensive insurance company active in all modern sectors of insurance, providing full insurance coverage to individuals and companies. The Company has developed innovative and flexible insurance schemes and continuously invests in new and pioneering technologies.

Since 1997, the company has been publicly listed on the Main Market of the Athens Stock Exchange and at the moment is the only listed insurance Company.

Furthermore, European Reliance is the first Insurance Company rewarded for its services with ISO 9001:2000 Certification in 2002 and nowadays retains this certification, holding the new **ISO 9001:2015** certification.

In 2017, the Company received a Certification by the Inspection and Certification Body "TÜV HELLAS (TÜV NORD)", in accordance with international standard **ISO 27001:2013** Certification, which defines the requirements for the Information Security Management System and refers to all of the Company's procedures. This certification ensures that European Reliance manages and protects the valuable information assets and complies with the applicable Legislation and Regulations.

Moreover, with the above certification, the Company proves in action that the shielding of the information security of customers is of significant importance.

The main insurance products and services of European Reliance General Insurance Co. S.A. are offered to individuals and companies in all modern sectors of insurance coverage, such as:

- Family
- Child
- Motor
- Home
- Health
- Quality Life
- Group Insurance
- Cargo
- Financial Loss
- Pension

Subsidiaries

European Reliance Asset Management M.F.M. S.A. was established in 1990 and specializes in the management of mutual funds. The company is active in sectors of Portfolio Management, Corporate Finance, Venture Capital and develops Investment Banking for investment services. European Reliance General Insurance Company S.A. owns 99.01% of European Reliance Asset Management M.F.M.S.A.

The purpose of European Reliance Asset Management M.F.M.S.A. is to build long-term relationships with its clients that are based on trust, emphasizing the quality of the provided services and the human factor. The Company consists of a team of experienced agents and acknowledged executives, that apply all modern technologies and guarantee the Company's effectiveness.

Alter Ego S.A. is one of the largest companies that provides integrated Facility Management services. The Company operates throughout Greece, providing its services to leading Greek and multinational companies. And its active customer base includes more than 65 private companies.

European Reliance General Insurance Company S.A. owns 97.30 % of European Reliance Asset Management M.F.M.S.A.

Since its first establishment in 1986, Alter Ego Facilities Management S.A. pursues long-term business relationships, through customer-oriented approach, based on the win-win model.

Alter Ego S.A. has more than 670 employees and manages customers' facilities exceeding 800.000 sq.m. The Company specializes in the management of commercial real estate (office buildings, hospitals, shopping centers, chain stores, industrial and storage facilities) and its services are in total compliance with the International Standards of Quality, Occupational Health and Safety Management Systems and Environmental Management.

Alter Ego S.A. is certified with ISO 9001:2015 Certification and this international standard is related with quality management and traceability in all productive stages. Alter Ego S.A. strictly applies the standard for the total of its services, aiming to upgrade its services and the overall result, which is customer's satisfaction.

Moreover, Alter Ego S.A. has been certified with the ISO 14001:2004 Certification, the international standard that determines the requirements to identify, audit and monitor the environmental consequences of every productive procedure, as well as the factors that will make the entire system manageable and improved. With the implementation of this certification, Alter Ego S.A. focuses on the establishment of an operational and administrative model that is based on its commitments for the prevention of pollution, continuous improvement of the environmental performance and compliance with the applicable legislation.

Furthermore, Alter Ego S.A. has been certified with ISO 18001:2007 Certification, an international standard that set the principle values for the management of health and safety systems, so that a company will be able to control the risks and improve its performance. Alter Ego S.A. acknowledges that the health and safety in the working environment is one of the most important matters of modern work and for this reason it applies the above standards, aiming to prove in actions the interest for the safety of its employees and its customers.

Furthermore, Alter Ego has been selected by major international companies in the fields of Real Estate, Property Management and Facilities Management as one of the key partners in the Greek market and is a founding member of the independent Hellenic Facility Management

Sustainability Material Issues

The key topics raised by GRI G4 Guidelines and L. 4403/2016, are analyzed in the following chapters and consist our Company's Sustainability Framework, according to GRI G4 Guidelines. The key sustainability material issues, as defined by ISO 26000 certification, are present below:

Corporate Governance	1
Human Rights	2
Labour relationships-Labour practices	3
Environment	4
Responsible provision of equitable services	5
Consumer Issues	6
Social Responsibility	7

1. Corporate Governance

The system of governance of the Company and the statement of Corporate Governance are presented in detail in Section A of the Management Report of the Board of Directors and the Statement of Corporate Governance.

2. Human Rights

European Reliance Group of Companies voluntarily participates in the UN Global Compact aiming to apply the terms of sustainable business function and sustainable business development in its policies by standing for and promoting the principles that concern human rights, labor rights, the protection of the environment and the fight against corruption.

The UN Global Compact encourages businesses to promote and apply the ten principles for the human rights, labor, environment and the fight against corruption, that are based on the following documents:

- Universal Declaration of Human Rights
- Declaration on Fundamental Principles and Rights at Work
- Rio Declaration on Environment and Development,
- United Nations Convention against Corruption

The Principles of the United Nations Global Compact on human rights and the actions of European Reliance, in compliance with the following principles:

Principle No. 1 Businesses should support and respect the protection of internationally proclaimed human rights.

Principle No.2 Businesses should make sure that they are not complicit in human rights abuses.

Our Group is in total compliance with the Greek and international legislation and the implementations of policies of Human Rights.

For the Group, these principles are self-evident values and are adhered to all of our partnerships.

The internal regulation and function of the Group is governed by principles of justice, respect of personality, objectivity, meritocracy, complete abstinence from any form of discrimination and harassment and equal opportunities with further provisions for the maximum safety of the personnel, in the case of an unfortunate event.

The company provides for the confidentiality of the information and meets all Principles for the Protection of Personal Data.

Since the beginning of 2017, our Group has performed all necessary actions and has complied with the new General Data Protection Regulation (GDPR), the new European Insurance Distribution Directive (IDD) and the new Regulation (EU) No. 1286/2014 of the European Parliament and of the Council of 26th November 2014 regarding the key information documents for packaged retail investment and insurance products (PRIIP)

3. Labor relationships - Labor practices

Our people's education and high training levels in their working field is a major pillar for our Company. Their constant training and experience are the key elements that make the Group competitive in the Greek insurance market.

The goal of European Reliance Group of Companies is to adopt policies and practices that enhance the personal development and advancement of the employees. In European Reliance, daily work gives meaning to the life of the employee, purpose and a feeling of self-fulfillment, as the employee participates in a valuable project. The Code of Conduct of European Reliance General Insurance Co S.A. creates a framework that is based on the principles of good faith, trading practices and professional conduct, so that all employees will be aware of the Company's applied principles for good practice and ethics. The Internal Regulation of Operations contributes to the creation of a healthy, safe and pleasant working environment, promoting transparency in all of our Group's activities.

The Principles of the UN Global Compact on labor rights and the actions of European Reliance that are in in compliance with the following principles:

Principle No.3 Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.

Principle No.4 Businesses should uphold the elimination of all forms of forced and compulsory labour.

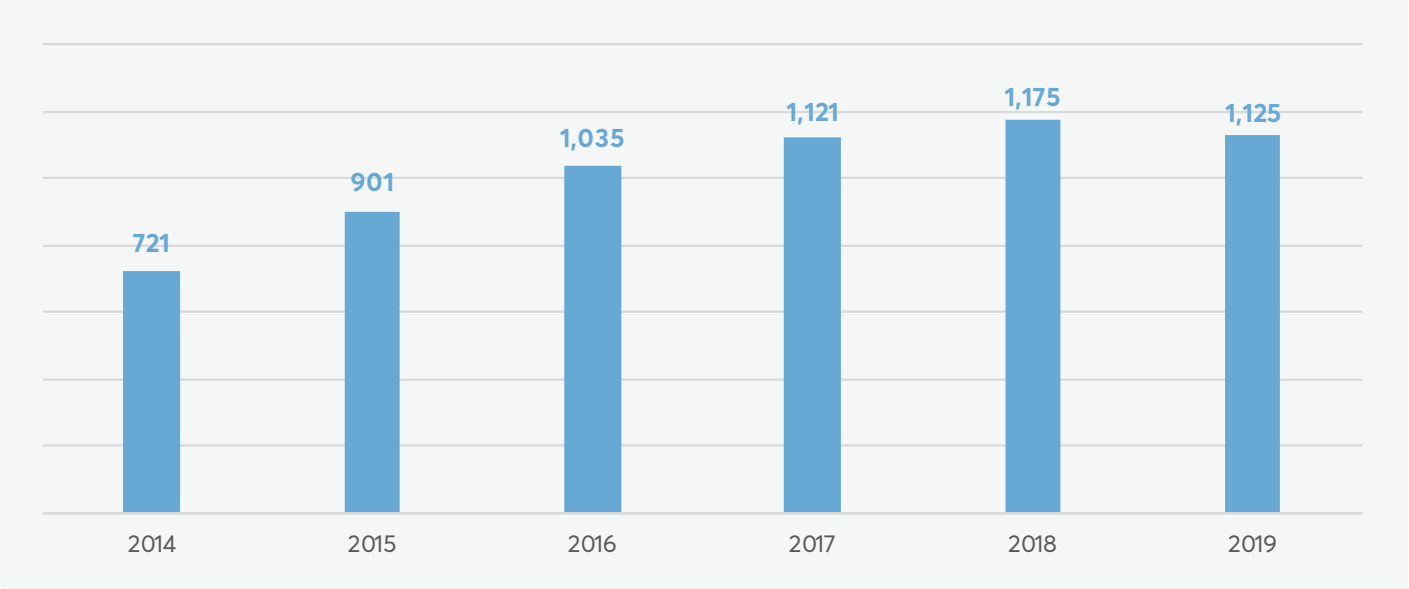
Principle No.5 Business should uphold the effective abolition of child labour.

Our Group of Companies respects and supports the internationally proclaimed human rights and fully complies with the Greek and European legislation.

Moreover, it applies all the collective labour agreements, hires male and female employees from various nationalities and provides opportunities for continuing education and professional development.

European Reliance is proud for its published figures on labor practices and the Groups' financial results. The Group's employees in 2019 amounted to 1,125 people and our Group constantly ensures the provision of equal opportunities.

Number of Personnel of the Group



The provision of opportunities for training and education with fair participation to all of our employees is one of the main pillars for the sustainable development of our Group.

Therefore, we organize education and reward programs, that aim to provide improved customer's services and integrated value-added services, that are in fully compliance with our Group's approach on customer's service.

The labor relations and practices of our Group of Companies involve:

- The recruitment, continuous training and progress of our employees
- The creation of medium-term and long-term working positions
- The transfer of employees in different working positions to achieve continuous training and education practices
- Excellent working environment
- The successful cooperation of our employees in working groups
- Public debate regarding labour issues and social concerns
- Employees' reward for voluntary initiatives on Corporate Social Responsibility

European Reliance sets the bar high on issues of labour practices and relations. More specifically, the Group:

- Creates working conditions that enable our employees to balance their private life and professional duties (96% of our employees has full-time, permanent contracts and, according to the latest research of our Human Resources Department, 89% of our employees is fully satisfied with their position in the Company)
- Creates new working positions. Since 2014, the European Reliance Group of Companies has increased its personnel to 404 people.
- Accepts the return of every employee that for personal reason interrupted the employment contract for a certain time period (100% of the employees requesting to return to their working position was accepted)
- Ensures the health and safety of the employees in the working spaces and complies with all relevant regulations (In 2019 there has not been a single injury recorded)
- Applies fair remuneration policies, according to the productivity and the professional experience of each employee
- Provides insurance coverage for all employees that have been working in the company for more than one year, under special privileges, like the Group Health Insurance Coverage
- Actively supports woman's right to pregnancy
- Stands up for the equal opportunities of women (66% of the employees and 45% of the executive directors are female)
- Has a very high regard for the knowledge and experience of the older employees of the company and urges them to undertake mentoring and coaching roles to the new employees
- Promotes public debate in working groups and in social networks based on the employees' common interests
- Supports life-long learning programs for the employees with seminars and trips in Greece and abroad, aiming at their best training and therefore ultimate customer service experiences.
- Maintains a clear attitude on "money laundering" and has established procedures to prevent cases of money laundering (every financial /administrative officer involved in issues of compliance and internal audit has attended relevant seminars)
- Rewards employees for their social work and initiatives for Corporate Social Responsibility.

Employee Benefits

The benefits of the employees of European Reliance Group of Companies are listed below:

- Group health insurance program for all employees
- Group Health insurance program for the families of the employees (spouse- children)
- Teleworking
- Company's Blood Banking
- Medical doctor
- Safety Technician
- Discount up to 30% in the insurance premiums of the employees and their families
- Continuous external and internal Training and Seminars
- Corporate events and celebrations
- Wedding presents
- Christmas celebration with presents for the children of employees
- Opportunities for the employee's children to acquire Professional Experience
- Discount and privileged prices in cooperating companies

Summarized Statistics of the Human Resources of European Reliance General Insurance Co. S.A.

	2019	2018	Variance %
Total Employees	444	444	0.0%
Voluntary Exit	2.6%	0.2%	+2.4%
Male	33%	34%	-1.0%
Female	67%	66%	+1.0%
Age Of Employees			
18-33 Years Old	38.1%	37.2%	+0.9%
34-49 Years Old	49.7%	50.0%	-0.3%
50+ Years Old	12.2%	12.8%	-0.6%
Women In Top Managerial Positions	45.0%	43.0%	+2.0%
Total Training Hours	10.190	8.526	+19.5%
Total Salary Costs	€14.3 mil.	€14.0 mil.	+2.1%

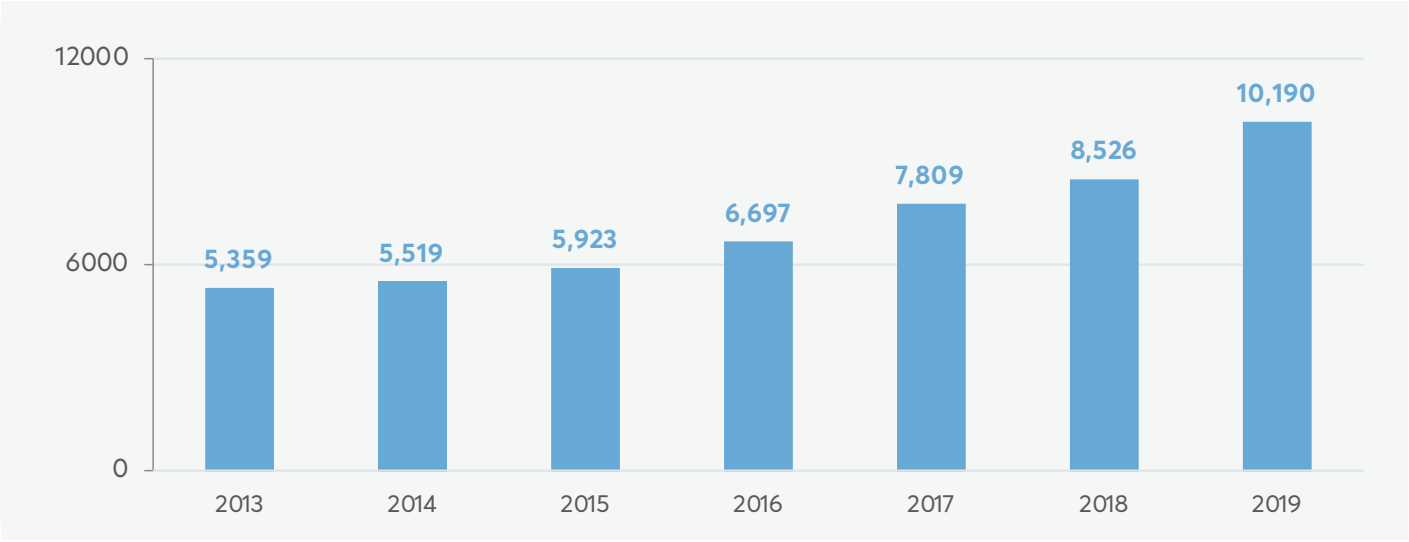
2019 Training Program Report

The 2019 training objectives were oriented towards the empowering of our human resources, their preparation in order to cope with the new, modern challenges of our times and the improvement of their performance to be able to contribute to the Company's growth. More specifically, we performed,

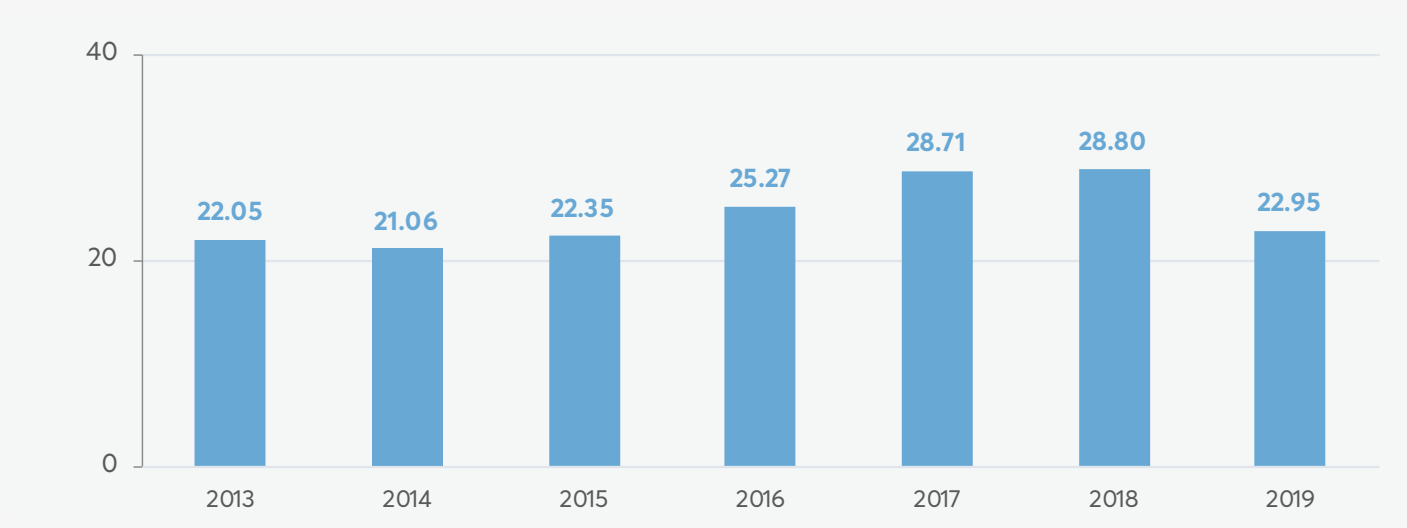
- Training on the General Data Protection Regulation -GDPR (451 participants /1,353 training hours).
- Training on Cyber Security (459 participants / 1,836 training hours).
- Training on the Operational Risk (208 participants / 616 training hours)
- Training for the Departments of Customer Service, Call Center & Management Call Center on effective communication & management of complaints (35 participants / 270 training hours).
- Training of the secretaries on effective communication and service of emotionally charged people (60 participants / 480 training hours).
- Training on "Professional Success" to enhance endurance (54 participants / 648 training hours).
- Training of the team of Directors on "Mindset Coaching" (20 participants/ 160 training hours).

The total training hours in 2019 amounted to 10,190 hours and presented 19.5% increase comparing to 2018.

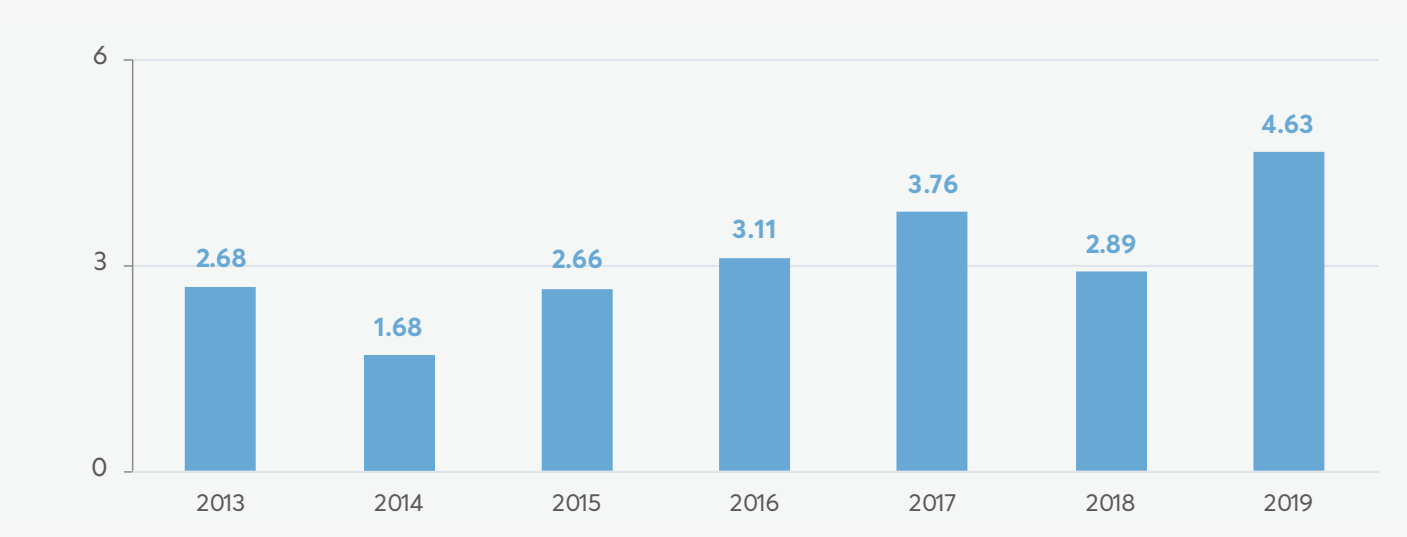
Total training hours



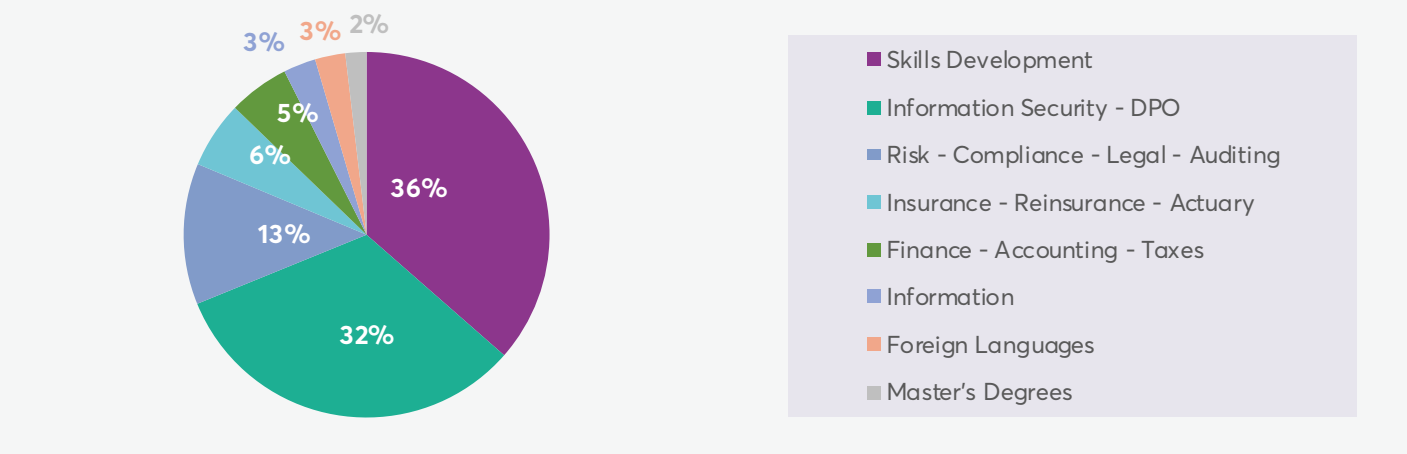
Average training hours / employee



Seminars/ Employee



Training hours per field



Goals of the 2020 Training program

The training challenges for 2020 are significant and vary. The Company for the following year will implement a series digital transformation procedures. For this purpose, the Company organizes specialized training plans to sensitize the employees and provide knowledge of digital literacy to be able to respond to the arising demands. Moreover, the head officers of the various departments in their meetings discussed the need for strengthening of the Departments in matters of cooperation and communication through Team Building exercises, to enhance their performance and respond better to the requirements of the new fiscal year.

Moreover, the regulations and directives require continuous training of employees on regulatory matters. The required IT developments that can ensure the function on the modern technological environment and excellent customer service, require high level of training for the IT executive of the Company..

Social Welfare Actions of the Personnel

In 2019, the social welfare activities of the employees of our Group of Companies have been of great importance. More specifically, we achieved:

- Contribution to the regeneration of the seaside "Kokkino Limanaki" in Rafina, in cooperation with the Committee of the Affected Residents "Kokkino Limanaki" and the Municipality of Rafina- Pikermi, aiming to provide relief to the environment. Over 80 employees participated in this action of social welfare.
- Employees' Massive Participation in the 8th race for breast cancer "Greece Race for the cure".
- Daily collection of plastic caps for the Association "Prevention of Road Accident of Children -Love for Life".
- Voluntary participation of employees of the Human Resources of the Company in the career days of Alba Graduate Business School. Our employees met and informed the new graduates of the Master's Degrees on the professional life.
- 2 voluntarily blood donations in cooperation with "Laiko" Hospital and total collection of 136 blood units.
- Participation of employees in Spirit of Belron Challenge Triathlon in London.
- Organization of a Christmas Bazaar in cooperation with the Special Junior High School and High School of Athens.

4. Environment

European Reliance, as a responsible corporate citizen, perceives the concept of sustainable development as an attempt to create a competitive economy of minor pollutants that uses its resources effectively and takes into account the protection of the environment.

The use of new sustainable technologies and audit methods that contribute to the reduction of emissions, is our active participation in the efforts for improvement of the environment, the prevention of biodiversity loss and for ecosystem protection.

More specifically, European Reliance Group of Companies embraces the idea of sustainable development, as defined in the Declaration of the United Nations in Africa in September 2002: "Johannesburg Declaration on Sustainable Development" and as developed in Rio de Janeiro in June 1992: "Rio Declaration on Environment and Development". The initiative for new patterns of corporate behavior is part of our strategy, not a communications plan.

CO_2 Emissions Measurement

For the seventh consecutive year, our Group meets its obligation toward the community to measure the company's gas emissions produced by its operations. This measurement helps the Group to improve, aiming at targeted actions towards the reduction of these pollutants. The total emissions of the three companies of our Group in 2019 are estimated as follows:

Prices in t CO_2 eq	Electric Power	Natural Gas	Employee Transfers	Transportation Of Corporate Vehicles	Paper And Toner	Total
European Reliance General Insurance Company S.A.	1,158	125	103	23	2,1	1,411
European Reliance Mutual Funds Management S.A.	35	4	5	1	0,2	45
Alter Ego S.A.	129	14	6	26	0,2	175
Group of Companies	**1,322**	**143**	**114**	**50**	**3**	**1,632**

The consumption of electrical power and natural gas refers to the pollutants produced by the main building of the Group (Europlaza).

The total pollutants of the Company increased by 290 tn CO2 comparing to the corresponding period mainly due to the increase of consumption of electric power and natural gas. It is noted that within fiscal year 2019, very high and low temperatures were recorded, in the Winter and Summer, and in the same year, our Company performed significant operations for the renovation and energy upgrade of the main building. These renovations justify the large increase in the consumption of electric power and natural gas.

Moreover, it appears that, apart from the measures for the decrease of the buildings' infrastructure (Central Building's Energy Upgrade), the philosophy of the Company's Management has contributed to maintaining the production of emissions to the same low levels, fully accepted and promoted by the personnel. The Management awards all employees that select

environmental ways in their transportation to and from their workplace, such as carpooling. The overall pollutants from the transportation of the personnel are presented decreased by 26%. The reason for these decreases is the practice of carpooling for which the Management of the Group motivates the personnel and the personnel has wholeheartedly accepted and implemented these actions. Moreover, the total pollutants from the transport of the corporate vehicles of European Reliance General Insurance Co. S.A. Present 21% increase, as a result of the provision of corporate vehicles to insurance agents that achieve the corporate objectives.

Central Building's Energy Upgrade

The decrease of the carbon footprint, within the framework of our efforts to improve our energy profile, has been a real challenge for European Reliance. However, our 2011 investment on the Energy Management and Monitoring Information System for the decrease of the energy consumption per employee has proven to be a very strategic step. More specifically, we have created a personal energy profile for every employee and for every device in our central offices and we have determined our average energy needs. Every energy consuming device has been time programmed to shut down automatically, after the termination of the work shift of the employees.

Since 2011, the effort increased our environmental awareness and reduced the carbon footprint of every working position in the central offices of European Reliance General Insurance Co. S.A. In 2018, we achieved 4% decrease of energy consumption (decrease per 107 kw/ week) through the fine tunning (not including the decrease in light consumption). We are very satisfied with these results and we plan to further improve our environmental sensitivity. The aforementioned system is annually modified and is based on the needs of the Group for lower energy consumption and higher performances.

Investment in Renewable Energy Sources (R.E.S.)

Our Group supports the use of Renewable Energy Sources as a mean of sustainable development and in October 2012 undersigned a contract with the Public Power Corporation (Operator of Electricity Market) to sell the electric power produced by the Group's investment in an fixed equipment of 130 photovoltaic power systems. The actions of the Group, for creation of a photovoltaic power station on the rooftop of our central building- Europlaza-, is part of our actions for the minimization of pollutant power sources and the reduction of the carbon footprint. According to the Operator of the Electricity Market, the total electricity production of the R.E.S. of our Group in 2019 amounted to 19,313 kWh.

Led Lighting Investment

Within the framework of using Renewable Energy Sources, our Group has committed to replace all traditional lamps in our Central Offices (274 Kifissias Avenue, Chalandri) with energy efficient LED lamps of the new generation. The capital required for the completion of such an investment proves the Company's liquidity ratio and sustainable development, and its ability to guarantee amortization of a big investment.

The energy modernization project in our Group's central offices began in 2012, with the replacement of lamps in two floors, and was completed by the end of 2013 with the total replacement of all lamps (including the outdoor projector lamps). It is estimated that we achieved decrease of the produced carbon dioxide equal to 31 tones/ per year in the atmosphere (according to the GreenHouse Gas Protocol calculation method ,where 1 MWh of electrical power consumption produces 0,812 tn CO2) and the saving of energy resources amounts to 54%.

The significance of this project is due to the saving of valuable resources, the decrease of the local temperature in the building's central offices, the formation of a better working environment due to improved luminance and the fact that this change directly affected the Group's energy profile, without hindering the working methods of the employees. Since this change had benefited the internal and outdoor spaces of the Organization, it was positively accepted by all employees.

Water Resources Conservation

Within the Sustainability framework, all socially responsible companies, try to reduce the environmental footprint, with respect to the vulnerable social groups, try to reduce the environmental footprint, aim at the conservation of water resources and the sensitization of all interesting parties. European Reliance, since the first Sustainability Report (2011), actively participates in the Millennium Development Goals (Water Scarcity Issue).

European Reliance has invested in environmentally-friendly hydraulic facilities and in water supply systems with sensor technology for reduced daily water consumption. It is noted that the water consumption in the headquarters of the Group is estimated at 2,032 m3, slightly decreased comparing to 2018 by 2.3%.

Recycling

Since 2012, our Group began a recycling program in our central offices and the revenues from the collection and sales of the recycling materials, such as paper, plastic and aluminum, shall be donated to vulnerable social groups (since 2013 the revenues have been donated the Institution "Hope" and since 2016 to Community actions of Green Angels).

The importance of recycling for the employees of European Reliance can be summarized as follows:

- Reduce of waste and waste management problems
- Energy and natural resources conservation. Long-term reduction or stability of the products' prices, since raw materials' production is not required
- Reduction of air, ground and groundwater pollution
- Save the energy required for the above products and procedures.
- Creation of new working positions in energy sustainability fields.

- Through the recycling of 1 tone of paper, we can save 17 trees and 40,000 liters of water, minimize air pollution by 95% and saving 130-170 kg of oil.

European Reliance since the first effort for total waste management in 2012 has managed to monthly recycle about 1,725kg of various materials (paper, aluminum, plastic). More specifically, in 2019 our Group recycled 16.3 tons and destroyed confidential documents of weighting 0.49 tons.

	Paper	Aluminum	Plastic	Destruction Of Digital Files	Lamps	Non-Recyclable Materials
European Reliance	9,413	1,255	1,883	377	79	177
Asset Management	611	82	122	25	5	12
Alter Ego	2,201	293	440	88	18	41
Total	**12,225**	**1,630**	**2,445**	**490**	**102**	**230**

European Reliance, a proud member of Green Angels Community

Since 2015, European Reliance is an active member of the first Greek Society of environmentally responsible businesses, under the discrete title “Green Angels”. The Green Angels society operates under the auspices of the Ministry of Environment and Energy and the Athens Stock Exchange. The goal of this initiative is to reduce the carbon footprint of Greece through constant improvement of the environmental performance and the protection of Greek forests.

Carbon Footprint Neutralization of the Group’s Website

The operation of our Group’s website consumes electric power and therefore contributes to the emission of greenhouse gases. European Reliance, within the framework of adoption of Sustainable Development practices, wants to have a responsible attitude towards the protection of the environment and since 2011 calculates the greenhouse gas emissions caused by the operation of the portal www.europaikipisti.gr and takes all necessary measures for the protection of the environment, in accordance with the Green Evolution Certification CO2 NEUTRAL SEAL,and the certified project ‘Dak Psi 3 and 4 Hydropower’, with ID: 103000000003083, operating in Vietnam, in order to carbon neutralize the website and proudly carry the discrete title “CO2 NS/Website.

Europlaza Central Heating

Natural gas reduces energy consumption and the carbon footprint of European Reliance General Insurance Co. S.A. Among all conventional fuels, natural gas emits fewer pollutants and contributes to the reduction of greenhouse, acid rain effect, the average fuel consumption and the atmospheric pollution. European Reliance, aiming to create an environmentally friendly profile, has renovated the heat generators of the central building and has invested in modern building insulation materials for the best possible cooling with minimum electric power consumption. In 2015, our Group shielded all of our building facilities, to cover our needs with the least possible energy resources. In all of our efforts for improvement of the energy profile, we have been supported by our subsidiary Alter Ego Facilities Management and its specialized services (Sustainable Management Solutions).

Europlaza Building Technical Maintenance

The technical maintenance of the buildings’ facilities and the constant audits applied by our technicians aim at the best possible function of the facilities (highest profit with less resources). The improvement of our regulations, the immediate record of faulty points and the prompt intervention for their correction, contribute to energy conservation without obstructing the daily rhythm of the company. Moreover, the subsidiary company, Alter Ego, uses high quality and environmentally friendly cleaning materials certified by ISO:9001, ISO:14001 & OHSAS. The Ecolabel products are certified and have their own registration date and number.

Fleet of Corporate Vehicles

The Group owns a fleet of long-term leased vehicles and has selected new technology vehicles, according to the E.U requirements, with low carbon dioxide emissions, low energy consumption and engines with Euro 5 specifications, that can daily circulate in the center of Athens.

Corporate leaflets - Printings

The majority of the Group's leaflets (100% of the Subsidiary Alter Ego) is certified with FSC and CO2 Neutralseal.

The FSC Certification refers to responsible forest practices and responsible use of products that derive from forests (like wood and paper). CO2 Neutral Seal is a certification that provides complete transparency to the carbon offset process. Below, we present the total printings for fiscal year 2019:

Paper Printings	European Reliance General Insurace CO.S.A.	Alter Ego	Asset Management
Black And White	5,850,070	97,385	76,800
Colour	334,639	18,499	42,560
Total	6,184,709	115,884	119,360

The total printings of the Group (6,419,953) presents 2.8% increase, as a result of the increase of the insurance premiums by 4.3% comparing to 2018.

Paper Orders	European Reliance General Insurace CO.S.A.	Alter Ego	Asset Management	Total
	4,793,333	426,074	106,519	5,325,925

The overall paper orders of the Group (5,325,925) presents 13.8% decrease mainly due to the reserves, owned by the Company in its facilities. Moreover, in 2019, the Company received the international ISO 50001:201 Certification by the Inspection and Certification Body "TÜV HELLAS (TÜV NORD)". It is noted that European Reliance is the only Insurance Company that has received this certification. European Reliance establishing proper energy management practices, reduces the emissions of greenhouse gases, limits the risks related to energy safety and establishes a framework for decrease of the energy cost for its operations.

This certificate refers to the energy management system, according to which companies are encouraged to act in a sustainable way and save resources. Through this certification, companies contribute to the protection of the environment and the climate and at the same time benefit from energy conservation.

5. Responsible provision of equitable services

As a responsible corporate citizen, European Reliance aims through its institutional bodies and representatives, to improve the corporate governance practices and the insurance sector's culture. The Group cooperates with all institutional bodies (Hellenic Management Association, Hellenic Association of Insurance Companies, Direct Payment System) and accepted the Solvency II legislation and the requirements of the Supervisory Authority (Bank of Greece) being fully aware of the responsibilities.

The Group's Management, in order to ensure the responsible and fair provision of services has performed a series of successive actions, including the formation of the Compliance Department.

The Compliance Department ensures that the operations of the insurance company are in full compliance with the applicable legislation and the regulatory decisions. Compliance is applied in all sectors of European Reliance as a standard of corporate culture, enhancing our corporate identity, as it is a part of our philosophy and a commitment of the Company's Management.

Our Group's Compliance is based on the 4 following pillars that contribute to our Company's responsible and fair provision of services:

- Safety of the fiscal system
- Business Ethics
- Market Integrity
- Customers' Interest.

Moreover, our Group pays great attention to the received complaints, and apart from the Policies and procedures established for their most effective management, has additionally established a Complaints Committee. The Complaints Committee meets for the collection of information for the common causes of complaints, to draw conclusions, create and observe a plan of corrective actions for the limitation of the complaints and their impact on the quality of the company's provided services to the customers.

In European Reliance we are completely centered in our Customer's needs. For this reason, European Reliance has 4 different Departments that operate with sole objective the customers' service:

- Customer Service: The Department aims at the smooth absorption of products and services by our customers and solves possible problems. It provides information, resolves problems and assures high levels of satisfaction among our customers.
- Call Center: The Department communicates with customers in order to present and inform them about our Company's products.
- Bancassurance: The Department manages insurance products and products of alternative networks, according to the Company's and the Banking Institutions' policies defined by special contracts that ensure their proper compliance.
- Bank Office- Analytical CRM: The Bank Office - Analytical CRM Department organizes the planning and implementation of our strategy, the retention and expansion of the Company's customer base, through the maximum utilization of the resources of the CRM Division.

6. Consumer's Issues

Customer care is part of the Group's corporate behavior. The precise and honest update of our present and future customers consists one of the main priorities of European Reliance. Additionally, to the compliance with the legislative framework and the trading practices, European Reliance applies an internal code of business conduct in all stages of creation, product promotion and customer service.

Every customer is an integral part of the productive process of the Group, a fellow and a working partner. Our philosophy is not only expressed in our motive "It pays immediately", but it is applied in our daily actions.

In European Reliance the customer's satisfaction is our first priority and the greatest measure of success. Therefore, the Group's quality policy is based on the complete satisfaction of the customers, in all of their transactions, and in the continuous quality improvement of our provided insurance services, to fully cover our customers' insurance needs.

In 2019, according to the annual audit by the certification body TUV NORD, European Reliance successfully completed all the required actions and received the ISO 9001:2015 certification. This certificate totally complies with the objectives of the Group, to retain its name as a synonym of high quality in the provision of insurance services and to remain one of the top Organizations in the insurance market.

Moreover, European Reliance follows the UN guidelines for consumer protection, as initially formed and agreed in 1985 and as they were enhanced in 1999 with the proposals on Sustainable Consumption. We embrace the promotion and protection of the financial interests of the customer, create a framework that allows consumers to make informed choices, forward consumer's information and promote the principles for sustainable consumption.

European Reliance ensures that the promote of our products and services is performed with precision and with respect to the public. For this reason, we apply a fair marketing strategy, without false statements, term inconsistencies or concealment of truth. This obligation consists an integral part of our business ethics of our Group and a commitment to any of our contracting parties.

In 2019, European Reliance invested in the sincerity and transparency in the communication with the public (in television and digital media advertisements and in "below the line" actions).

Moreover, our Group fully acknowledges the enormous potential of the Internet. Through the incredible amount of information available in the website of our Group, social networks, and domains, every consumer has the opportunity to make comparisons, start discussions and conclude to the best suitable product or service.

Through this process, we aim to start an open dialogue with our current and future customers, improve our performances and become better listeners.

In May 2019, in cooperation with seven Departments of the Company (Customer's Services, Call Center, Regulatory Compliance, Legal Service, Marketing, Procedure Management and CRM) we conducted an annual research on customer's satisfaction. The results did once again confirm the solvency and credibility levels of the Company. A few of the research's findings are the following:

- 89% of our customers remains extremely satisfied by the total of our services (92% in 2018)
- 89% of our customers believes that they have an insurance plan that covers all of their needs (92% in 2018)
- 95% of our customers believes that the Company's insurance agent is almost always available and willing to provide consulting services (94% in 2018)
- 88% of our customers are very pleased with the claims procedure (87% in 2018)
- 95% of our customers would recommend our Company and 93% would recommend our insurance agent to new customers (95% and 96% in 2018 respectively)

7. Social Contribution

The objective of our Group, as a responsible corporate citizen, is the expansion and enhancement of its social role through actions that contribute to social cohesion. Especially nowadays, that the citizens of Greece experience the consequences of the economic crisis, it is our responsibility to strengthen social institutions and promote collective actions.

European Reliance, along with the main corporate activities, aims to contribute to our society. We set high standards for corporate social actions through the continuous cooperation with various local organizations and we contribute to the improvement of living standards, by combating social

exclusion.

Thought the development of special mechanisms and procedures, our Group registers and prioritizes issues related to Corporate Social Responsibility, depending on their importance for the Interested Parties, the external Environment. Our actions as a responsible corporate citizen derive from open debates, the effort for communication and are subject to constant evaluation and reviews.

Regarding the corporate social responsibility, we follow the Millennium Declaration for the 8 Millennium Development Goals (as mentioned above in Section 2 "Human Rights").

The method to achieve the aforementioned goals requires certain policies and the decision to proceed to cooperation with a social institution depends on its values, unique knowledge, special abilities and the Company's resources. One of the common characteristics and our goals for the future is the elimination of human suffering and its consequences.

In 2019, our Group we completed almost 88 actions of corporate social responsibility, some, of which are:

Social Contribution:

- Regeneration of the seaside "Kokkino Limanaki" in Rafina, in cooperation with the Committee of the Affected Residents "Kokkino Limanaki" and the Municipality of Rafina- Pikermi, aiming to provide relief to the environment. 80 employees participated to this action.
- Donation to the Institute of Child Health for the coverage of fiscal needs.
- Donation on the participation of 10 athletes to the NBA BASKETBALL SCHOOL CAMP.
- Donation to the basketball sport group of the Municipality of Melissia for the coverage of the financial needs to be able to participate in the contest of the Second Basketball League.
- Donation of hoeing equipment in the Agricultural University of Athens and the Association of Affected Residents "Kokkino Limanaki" from the catastrophic fire in Mati.
- Donation to the Association of Women with Breast Cancer and donation of the insurance coverage for the contest "Greece Race for the Cure".
- Collection of money by the personnel and donation of the company for the request of "Raphael" for the transportation of the child to the U.S.A. And donation to the MDA Hellas to support people with neuromuscular disabilities.
- Donation in the organization NGFL Fashion & Art, that presented new creators in the field of art and fashion and the total of the expenses is granted to Hadjipaterion Center for restoration and support of children.
- Donation of Insurance premiums to the NGO for the Care and Protection of Mother and Child "Ark of the World".
- Support of the organization "Make a wish" for their information campaigns
- Donation to the Organization "Coeurs pour Tous" for children.
- Support of the Association of Thracomacedones and completion of Medical Preventive Examinations for the children of the association (Pathological examination, ECG, etc).
- Donation to the Organization "Smile of a Child" for the coverage of their increased needs.
- Donation to the Palliative Care Unit "Galilee" of the Holy Metropolis of Mesogaia and Lavreotiki.
- Donation to the Global Sustainability Forum 2019
- Donation to the Basketball Team of Penteli
- Donation to the Sport Team of Chaidari "Achilleus"

Contribution to Education:

- Donation and support of the TEDEX event of the Athens University of Economics.
- Support of the annual event "Career Days" of the Athens University of Economics and Business
- Donation to AIESEC of the Athens Kapodestrian University.
- Donation to the Ralleion High School for the participation of the students in the global robot contest "WORLD ROBOT OLYMPIAD 2019"
- Donation of 5 scholarships to exceptional students of the Department "Business and Organization Management" of the National and Kapodestrian University of Athens.
- European Reliance supports actions and programs that forward education and culture. Over the past 4 years and along with the assistance of IT Division, the Company has assisted the modernization of 52 universities-schools - associations by the donation of IT equipment or a monetary fund.

Other Information

- It is noted that the Company does not own activities in the field of research or development.
- The Company on 31/12/2019 owns 110 Retail Offices. The detailed list of the Retail Offices has been announced in the Company's website and it is being informed on a constant basis.

Table for the sustainability material issues

The material issues were highlighted in discussions with representatives of the interested parties of the company's internal operations. These issues define the business orientation and the sustainability factors of the Group and affect the expectations, decisions and actions, as the interesting parties estimate that these may have financial, social and environmental consequences on the Group's activities.

Contribution to the 17 Sustainable Development Goals of the United Nations

Through our actions, the Group actively contributes to the following sustainable development goals of the United Nations:

Through the commitment for continuous support of the Non-Governmental Organizations operating for the protection of vulnerable social groups, including the protection of children.

Through the commitment for continuous support of the Non-Governmental Organizations operating for the provision of food to vulnerable social groups.

Through the campaign for decrease of road accidents caused to alcohol consumption. Through the promotion of sports. Through the benefits and group insurance of the employees. Through the promotion of healthcare services.

Through the provision without exclusions of fair and qualitative training and life-long learning programs to the employees. Through the strengthening of the educational programs and programs that promote the entrepreneurship of state universities and other organizations as well as the provision of awards to students. Through the provision of material equipment to schools.

Through defending the equality of genders at work and ensuring the creation of equal opportunities for women in top managerial positions and in decision taking.

Through the system of water management in our building's facilities and through the project of neutralization of carbon emissions in a project in Vietnam.

Through the establishment of photovoltaic power systems in the rooftop of our central building and replacement of lamps in the Group's facilities.

Through the orientation of the Group towards development, creation of working positions for all, creativity and innovation. Through the support in start-up businesses. Through the support and integration of people with disabilities in the working place. Through the financial support for the coverage of the living expenses of university students living abroad.

Through the investments in innovative solutions and cooperation with other organizations for the promotion of research and technology.

Through the provision of competitive benefits to the employees. Through the assurance of provision of equal opportunities and avoidance of any form of discrimination at work.

Through the practices of our Group for employees' transportation to and from their working place. Through the strengthening of actions and events that promote cultural heritage. Practices applied for management of waste.

Commitment of our Group for the proper use and protection of natural resources. Decrease of the production of waste through prevention, decrease and recycling. Publication of our performance on sustainability issues.

Promotion of education and raising awareness on issues such as the mitigation of climate change, decrease of its impact and adoption of responsible corporate culture.

It does not apply in our Group.

Use of paper certified for the responsible forest practices and responsible consumption of products deriving from the forest (wood, paper) for corporate leaflets.

Minimization of any form of corruption and bribery and promotion of transparency in all business relationships of the Group. Protection of freedom and implementation of the Code of Conduct.

Through the implementation of commonly acceptable frameworks and guidelines for the sustainable development and cooperation for the promotion of good sustainability practices.

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