

PIRAEUS BANK S.A
ANNUAL GENERAL MEETING OF SHAREHOLDERS OF COMMON SHARES

June 26th 2020

PIRAEUS BANK





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 ANNUAL GENERAL MEETING OF SHAREHOLDERS OF COMMON SHARES
 On **Friday, June 26th, 2020** at **10:00 a.m.**

EXPLANATORY NOTES TO THE AGENDA

The Piraeus Bank shareholders are hereby invited by the Board of Directors (BoD) to discuss and resolve upon the following items of the agenda:

1st Item

Submission and approval of the Annual Financial Report (Bank and Group) for the fiscal year 01.01.2019 - 31.12.2019, along with the relevant Auditors' and Board of Directors' Reports

Required quorum: 1/5 of the share capital

Required majority: 50%+1 of votes represented

Note: *The voting rights attached to the shares acquired by the HFSF in the context of the capital increase decided by the Second Iterative General Meeting of Shareholders dated 23.04.2013 shall not be taken into consideration for the purposes of calculating quorum and majority.*

The Board of Directors proposes the approval of the following:

- a) the Annual Financial Report (Bank and Group) for the fiscal year 01.01.2019 - 31.12.2019, including the Annual Financial Statements, along with the relevant Board of Directors' and the Auditors' reports and statements. The Annual Financial Report 2019, the full year 2019 Press Release and the relevant Presentation are available on Piraeus Bank's website:

<https://www.piraeusbankgroup.com/en/investors/financials/financial-statements>

<https://www.piraeusbankgroup.com/en/investors/financials/financial-results-categories?category=12minou#2019|1>

- b) the non-distribution of dividends to the ordinary Shareholders, in accordance with the current institutional and regulatory framework.
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2nd Item

Announcement of the election of new Board Members

The Board of Directors announces the election of the new Board of Directors' members by the Board during the period 29.06.2019 - 25.06.2020, in replacement of members for the remaining tenure of the Board pursuant to Article 82 par. 1 of Law 4548/2018 as follows:

1. Pursuant to the BoD meeting on 18th December 2019, Mr. Periklis Dontas was appointed as new Representative of the HFSF - Non-Executive BoD Member, according to L. 3864/2010 and the relevant letter sent by the HFSF, in replacement of Mr. Per Anders Fasth.
2. Pursuant to the BoD meeting on 28th May 2020, Mr. Vasileios Koutentakis was elected as new Executive Member, in replacement of Mr. George Georgakopoulos, Executive Member, who has resigned.



3rd Item

Approval of the overall management of the fiscal year 01.01.2019-31.12.2019, according to the article 108 of law 4548/2018 and release of auditors from any liability for the fiscal year 01.01.2019-31.12.2019 according to the article 117 par. 1 case (c) of the law 4548/2018

Required quorum: 1/5 of the share capital

Required majority: 50%+1 of votes represented

Note: The voting rights attached to the shares acquired by the HFSF in the context of the capital increase decided by the Second Iterative General Meeting of Shareholders dated 23.04.2013 shall not be taken into consideration for the purposes of calculating quorum and majority.

The General meeting is required i) to approve, according to the article 108 of the law 4548/2018, the overall management of the Board of Directors in fiscal year of 2019 and ii) to decide, according to the article 117 par. 1 case (c) of the law 4548/2018 on the release of auditors from any liability respectively for the above fiscal year.

4th Item

Appointment of Certified Auditors (regular and substitute) for the fiscal year 01.01.2020-31.12.2020

Required quorum: 1/5 of the share capital

Required majority: 50%+1 of votes represented

Note: The voting rights attached to the shares acquired by the HFSF in the context of the capital increase decided by the Second Iterative General Meeting of Shareholders dated 23.04.2013 shall not be taken into consideration for the purposes of calculating quorum and majority.

The Board of Directors proposes the acceptance of the proposal of the Board, following the relevant recommendation of the Audit Committee (meeting 188/27.03.2020) in accordance with the provisions of Regulation (EU) 537/2014, that the auditing company under the name «Deloitte S.A.» be engaged to conduct the regular audit of the Bank's

standalone and consolidated financial statements for the period from 01.01.2020 to 31.12.2020, at an annual fee of €1,460,000 plus VAT. In order to issue the Annual Tax Certificate, the extra fee of the above auditing firm is €160,000 plus VAT.

Deloitte S.A., having its registered office in Marousi Attikis (Fragoklissias 3a & Granikou), is a member of SOEL, under SOEL Reg. No. 120, registered on Hellenic Accounting and Auditing Standards Oversight Board (ELTE) and is authorized to carry out statutory audits in Greece, intends to assign the statutory audit to its member, Koutsopoulos Dimitrios, (SOEL Reg. No 26751), as statutory auditor, and its member Giannopoulou Fotini, (SOEL Reg. No 24031), as his substitute, in case of impediment of the statutory auditor.

It is noted, as presented in detail in the table below, that the total auditor's fees of the Bank for the fiscal year 2019 amounted to € 2,1 mn, out of which €1,6 mn (78%) for audit related fees and €0,5 mn (22%) for non audit related fees.

(amounts in thousand euros)	31.12.2019
Statutory audit fees	1,360
Tax audit fees	160
Other audit related fees	106
Other non audit related fees	451
Total	2,077

5th Item

Approval of remuneration paid in respect of 2019 and preliminary approval for remuneration to be paid to members of the Board of Directors in respect of 2020

Required quorum: 1/5 of the share capital

Required majority: 50%+1 of votes represented

Note: The voting rights attached to the shares acquired by the HFSF in the context of the capital increase decided by the Second Iterative General Meeting of Shareholders



dated 23.04.2013 shall not be taken into consideration for the purposes of calculating quorum and majority.

The BoD proposes the approval of fees and remunerations paid to members of the BoD with respect to the fiscal year 2019. Following the relevant proposal of the Remuneration Committee, which consists of non-executive members of the Board (out of which, 3 independent non-executive members), and having taken into consideration the applicable legislative and regulatory framework, as in force, the total net fees and remunerations for all members of the Board amounted to €784,534.60

It is noted that no bonus was paid to members of BoD during the fiscal year 2019.

Furthermore, the BoD suggests the preliminary approval of remunerations to be paid to the members of the BoD for the fiscal year 2020, the amount of which has been determined on the basis of the relevant proposal of the Remuneration Committee.

Detailed information on the paid remunerations for the fiscal year 2019 and the proposal of the preliminary approval of the remunerations for the fiscal year 2020 is available on Piraeus Bank's website <https://www.piraeusbank.gr/~media/2F64D62D3996493A95EE2C9318ED20DD.ashx>

In all cases, the remunerations are paid, in compliance with the legislation and relevant regulatory framework, as in force.

6th Item

Submission of the Remuneration Report for the year 2019 for discussion and vote by the General Meeting, according to article 112 of Law 4548/2018

Required quorum: 1/5 of the share capital	Required majority: 50%+1 of votes represented
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Note: *The voting rights attached to the shares acquired by the HFSF in the context of the capital increase decided by the Second Iterative General Meeting of Shareholders*

dated 23.04.2013 shall not be taken into consideration for the purposes of calculating quorum and majority.

Following respective recommendation of the Remuneration Committee, the BoD submits for discussion and vote by the General Meeting the Remuneration Report for the year 2019 in accordance with article 112 of Law 4548/2018.

Said Report includes a comprehensive overview of the total remuneration paid to the members of the BoD for the year 2019, as prescribed by article 112 of Law 4548/2018.

The Remuneration Report for the year 2019 is and will remain available on the corporate website for a time period of ten (10) years, as required by Law <https://www.piraeusbank.gr/~media/73AA684A211B4772A160951EE6063DD4.ashx>

It is noted that, according to paragraph 3 of Article 112 of Law 4548/2018, the shareholders' vote on the submitted Report is advisory. The BoD will explain in the following Remuneration Report the way the advisory vote of the General Meeting have been taken into account.

7th Item

Election of the new Board of Directors due to expiration of its term and appointment of independent non-executive members of the Board, according to Law 3016/2002, as in force

Required quorum: 1/5 of the share capital	Required majority: 50%+1 of votes represented
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Note: *The voting rights attached to the shares acquired by the HFSF in the context of the capital increase decided by the Second Iterative General Meeting of Shareholders dated 23.04.2013 shall not be taken into consideration for the purposes of calculating quorum and majority.*

The Board of Directors proposes the election of a new Board of Directors due to the expiration of the term of the current Board of Directors elected on the 28th of June 2017, and the appointment of Independent Non – Executive Members to the



Board, in accordance with the applicable legislative and regulatory framework as in force.

According to article 8 of the Bank's Articles of Association, the new Board of Directors has a term of three years, namely until the 26th of June, 2023, which may be extended until the Annual General Meeting convened after such term has lapsed.

It is noted that it will be proposed that the new Board of Directors will consist of thirteen (13) members (including the HFSF Representative), of which eight (8) members will be Independent Non Executive, in accordance with the provisions of Law 3016/2002 and the Law 3864/2010, as in force. The Independent Non Executive Members will be appointed by the General Meeting.

In parallel with the application of the legislative and supervisory framework regarding the Governance of Financial Institutions Management, those members who will be appointed should have the appropriate formal and professional qualifications, in order to ensure the effective monitoring of the Bank's activities as a whole. Particularly, the members of the Board of Directors should have an appropriate mix of financial services or commercial banking experience and sufficient time to adequately oversee the operations of the Bank. Some of the members should have solid financial management, accounting, auditing and risk & capital management experience. BoD members should also have an understanding of the legal and regulatory banking requirements. In any case the composition of the Board of Directors as a whole shall reflect a sufficiently large spectrum of knowledge and experience per area of activity, so that it may collectively comprehend the activities of the Bank, including the principal risks to which it is or may be exposed.

It is also noted that all new Board of Directors members are assessed by the Single Supervisory Mechanism (SSM) of the European Central Bank, as well as by the HFSF, in accordance with the legislative framework.

Detailed information of the criteria of the composition of the Board of Directors is available on the 2019 Annual Financial Report – Corporate Governance Statement that is posted on the Bank's website (through the following link

<https://www.piraeusbankgroup.com/en/investors/financials/financial-statements>.

In the context of the aforementioned and upon the relevant recommendations of the Nominations Committee, the election of thirteen (13) members will be proposed to the General Meeting will be proposed, of which eight (8) members have the qualifications of Independent Non Executive Members.

The proposed composition as a whole meets the requirements of the legislative and regulatory framework regarding the management of credit institutions, ensuring a competent and efficient Board of Directors for the Bank. In particular, the proposed thirteen (13) members make up a set of the necessary collective skills and knowledge required by the existing regulatory framework for credit institutions. In this way, the systemic stability, the good relationship of the Bank with the Regulatory Authorities and the avoidance of administrative gaps in the operation of the Bank are promoted.

A detailed table with the proposed candidates for the new Board of Directors is available on Piraeus Bank's website

<https://www.piraeusbank.gr/~media/ABCE8B22009B4DD1A37672BC5F30BF67.ashx>

The CVs of the above mentioned persons are available on the Bank's website

<https://www.piraeusbank.gr/~media/E968B8680C7247CEAA87BFF98DEE5FEA.ashx>

8th Item

Appointment of members of Audit Committee according to article 44 of Law 4449/2017

Required quorum: 1/5 of the share capital

Required majority: 50%+1 of votes represented

Note: The voting rights attached to the shares acquired by the HFSF in the context of the capital increase decided by the Second Iterative General Meeting of Shareholders



dated 23.04.2013 shall not be taken into consideration for the purposes of calculating quorum and majority.

Following submission of the relevant recommendation of the Nomination Committee, the Board of Directors proposes four (4) members for the composition of the Audit Committee. The HFSF Representative will also participate in the Committee.

The proposed composition of the Audit Committee is available on Piraeus Bank's website <https://www.piraeusbank.gr/~media/ABCE8B22009B4DD1A37672BC5F30BF67.ashx>

In accordance with the current legislative and regulatory framework, the Audit Committee consists of at least three members. The members of the Audit Committee are either Non-Executive BoD Members or Non-Members of the BoD who are elected by the General Meeting especially in order to participate in the Committee. The members of the Committee are mostly Independent, within the meaning of the provisions of Law 3016/2002 as in force, and have documented sufficient knowledge of areas in which the Bank is active. At least one member has documented sufficient knowledge in accounting and auditing (international standards). The Chairman of the Committee must satisfy the independence conditions set out in Law 3016/2002, as in force.

Moreover, according to article 10 Law 3864/2010 and the Relationship Framework Agreement between the Bank and the HFSF, at least 3/4 of the members of the Committee (excluding the HFSF representative) are Independent Non-Executive Members, while the Chairman of the Audit Committee is appointed amongst one of the international experts who participates on the Board of Directors.

In the context of the above, it is noted that the proposed persons, have very good knowledge in the field of banking and general economic sector and their participation in the Audit Committee, will ensure the proper performance by the Committee of its responsibilities, in accordance with applicable law. In addition, the proposed persons (with the exception of the HFSF Representative appointed by the Fund) have already been proposed to be elected as BoD Members by the General Meeting.

9th Item

Granting of permission, as per article 98 par. 1 of law 4548/2018, to the Members of the Board of Directors and Managers of the Bank, to participate on the board of directors or in the management of the Group's subsidiaries and affiliates.

Required quorum: 1/5 of the share capital

Required majority: 50%+1 of votes represented

Note: *The voting rights attached to the shares acquired by the HFSF in the context of the capital increase decided by the Second Iterative General Meeting of Shareholders dated 23.04.2013 shall not be taken into consideration for the purposes of calculating quorum and majority.*

The Board of Directors in accordance with article 98, par. 1 of the law 4548/2018 proposes the granting of permission to the Bank's BoD members and Managers to participate in the management of subsidiaries and affiliated companies of the Bank, with a view to coordinating operations at Group level. Granting relevant permission to BoD members is common practice at group of companies.

10th Item

Approval of contracts in accordance with articles 99 et seq. of Law 4548/2018

Required quorum: 1/5 of the share capital

Required majority: 50%+1 of votes represented

Note: *The voting rights attached to the shares acquired by the HFSF in the context of the capital increase decided by the Second Iterative General Meeting of Shareholders dated 23.04.2013 shall not be taken into consideration for the purposes of calculating quorum and majority.*

It is proposed that that the General Meeting grants its specific permission to conclude new engagement contracts essentially continuing the existing contracts of Messrs. Georgios Handjinicolaou and Christos Megalou in accordance with the provisions of Articles 99 et seq. of Law 4548/2018 on the transparency of related party transactions, on



condition that the above members are re-elected by the General Meeting and are subsequently appointed as Chairman and CEO, respectively, by the new Board of Directors of the Bank at its constitution as a body.

In particular, it is noted that the Ordinary General Meeting of the Bank's shareholders of 28.06.2017 approved the mandate contracts of Messrs. George Handjinicolaou and Christos Megalou for a fixed initial term covering the tenure of the departing Board, in accordance with the provisions of the then applicable article 23a of codified law 2190/1920 on societies anonymes. In view of the upcoming lapse of such initial term and the proposal of the Board of Directors for the re-election of Messrs. George Handjinicolaou and Christos Megalou as members of the Board of the Bank by the General Meeting, as well as following the abolition of C.L. 2190/1920 and the entry into force of the new law 4548/2018 on societies anonymes, it is proposed to enter into new contracts for a term of three (3) years, i.e. until the expiration of the term of the newly elected Board of Directors. The approval of the General Meeting is sought as a result of the adoption in Greece of the new legal framework on societies anonymes and the transparency rules for transactions with related parties, in compliance also with the Board of Directors' Remuneration Policy, so that said contracts will fully cover the term of the newly elected Board of Directors. It is also particularly noted that the entry into said contracts for a 3-year term is proposed under identical financial terms to those that were applicable for the initial mandate contracts and were approved by the Ordinary General Meeting of 28.06.2017, i.e. without any increase whatsoever to the contracts' financial terms.

Therefore, it is proposed that the General Meeting grants, under the above conditions, its specific permission to conclude the following mandate contracts for a 3-year fixed term, i.e. until the expiry of the tenure of the new Board to be elected by this General Meeting:

1. A non-executive member mandate, between the Bank and Mr. George Handjinicolaou, Chairman of the Board, for a total annual gross remuneration of 253,800 euros, participation in the Bank's insurance programs, coverage of professional expenses and

- severance redress equal to 2 years aggregate pay in the event of termination of the contract by the Bank without cause; and

2. An executive member mandate, between the Bank and Mr. Christos Megalou, Managing Director, for a total annual gross remuneration 318,000 euros (including pension plan costs), participation in the Bank's insurance programs, coverage of professional expenses and severance redress equal to 2 years aggregate pay in the event of termination of the contract by the Bank without cause.

11th Item

Miscellaneous announcements

This item usually includes announcements regarding issues that the Board of Directors wishes to disclose to the General Meeting, but does not require voting or resolution (e.g. announcement of the resignation or replacement of a member of the Board of Directors, pursuant to the law and the articles of association of the Bank, the course of the Bank's operations since the beginning of the fiscal year, etc.).

