

# ANNUAL GENERAL MEETING OF THE SHAREHOLDERS OF PIRAEUS BANK S.A.

Thursday, April 30th, 2009 at 10:00 a.m.  
Grand Ballroom, «Grande Bretagne» Hotel (1, Vas. Georgiou A, Athens)

## EXPLANATORY NOTES TO THE AGENDA

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

### 1<sup>st</sup> Item

**Submission and approval of the Annual Financial Statements for the fiscal year 01.01.2008 - 31.12.2008, together with the relevant Auditors' and Board of Directors' Reports, and approval of the distribution of profits.**

Required quorum: 1/5 of the share capital	Required majority: 50%+1 of votes represented
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The Board of Directors proposes the approval of the Annual Financial Statements for the fiscal year 01.01.2008-31.12.2008, along with the relevant Board of Directors' and the Auditors' reports. The 2008 Annual Financial Report and the relative press release are available on Piraeus Bank's website: <http://www.piraeusbank.gr/ecportal.asp?id=233250&nt=19&lang=2&txtSearch=>.

### 2<sup>nd</sup> Item

**Release of the members of the Board of Directors and the Auditors from any liability for indemnity with respect to the fiscal year 01.01.2008 - 31.12.2008.**

Required quorum: 1/5 of the share capital	Required majority: 50% + 1 of votes represented
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The General Meeting, in accordance with article 35 of law 2190/1920, shall resolve on discharging the members of the Board of Directors and the Auditors from any liability for damages with respect to the fiscal year 01.01.2008 - 31.12.2008.

### 3<sup>rd</sup> Item

**Nomination of (regular and substitute) Certified Auditors for the fiscal year 01.01.2009 - 31.12.2009.**

Required quorum: 1/5 of the share capital	Required majority: 50% + 1 of votes represented
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The Board of Directors, following pertinent proposal of the Bank's Audit Committee, suggests that the regular audit of the parent and the consolidated financial statements for the period 01.01-31.12.2009 be assigned to PriceWaterhouseCoopers SA.

The remuneration of certified auditors by Piraeus Bank amounted to €1.2 mn in 2008, plus V.A.T.. This amount was totally related to auditing activities, while there was no remuneration related to other activities. The auditing activities include, apart from the regular audit, services provided by the certified auditors with regards to the issue of debt instruments.

### 4<sup>th</sup> Item

**Approval of year 2008 fees and remunerations paid and preliminary approval for year 2009 to be paid to members of the Board of Directors.**

Required quorum: 1/5 of the share capital	Required majority: 50% + 1 of votes represented
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The Board of Directors proposes the approval of fees and remunerations paid to members of the Board of Directors with respect to the fiscal year 2008. Following the relevant proposal of the Board of Management Compensation and Evaluation Committee, which consists of non-executive members of the Board, total net fees and remunerations for the executive members of the Board, amount to € 2,696,346 (45% decrease compared to 2007), while total remunerations for the non-executive members amount to € 958,664 (6% increase compared to 2007). The aforementioned amounts also include fees paid to members of the Board that resigned within the same fiscal year. It is noted that no bonus was paid to executive members or to members of the Board of Directors having a contractual association with the Bank during the fiscal year 2008.

Furthermore, the Board of Directors suggests the preliminary approval of remunerations to be paid to the members of the Board of Directors for the fiscal year 2009. Following the relevant proposal of the Management Compensation and Evaluation Committee, the suggested fixed remuneration for all the executive members of the Board of Directors is reduced by 53% compared to 2008. The non-executive members of the Board of Directors that don't have a contractual association with the Bank quitted from their annual remuneration for year 2009.

#### **5<sup>th</sup> Item**

**Election of new Board of Directors due to expiration of its term and appointment of at least two (2) independent non executive members of BoD, according to the provisions of law 3016/2002, as currently in force.**

Required quorum: 1/5 of the share capital	Required majority: 50% + 1 of votes represented
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The Board of Directors proposes the re-election of the current 14 members of the Board of Directors, plus the 3 existing independent non-executive members. The Board of Directors' tenure is three years.

#### **6<sup>th</sup> Item**

**Delegation of authority to Directors and executive officers of the Bank to participate in the management of affiliated (pursuant to article 42e, par. 5, law 2190/1920) companies of the Bank, in accordance with article 23, law 2190/1920.**

Required quorum: 1/5 of the share capital	Required majority: 50% + 1 of votes represented
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The Board of Directors requires permission for its members of the Board of Directors and the Bank's executive officers to participate in the management of affiliated companies of the Bank, for the purpose of coordinating all activities at Group level. Granting such permission is common practice in groups of companies.

#### **7<sup>th</sup> Item**

**Amendment of article 15 of the Bank's Articles of Association in order to provide to managers of the branch network the right of representation of the Bank for the execution judicial and procedural actions.**

Required quorum: 1/5 of the share capital	Required majority: 50% + 1 of votes represented
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The Board of Directors proposes the amendment of article 15 par. 2 of the Bank's Articles of Association, in order to provide to managers of the branch network the right to represent the Bank for the execution of judicial and procedural actions before the Courts and notary publics, so as to facilitate the pursuit of claims and therefore protect the Bank's interests. The full text of the Article 15 of the Bank's Articles of Association as proposed by the Board of Directors is available in the Appendix.

#### **8<sup>th</sup> Item**

**Amendment of article 6 of the Bank's Articles of Association in order to authorise an increase in the Bank's share capital through the issuance of shares of only one category, pursuant to para. 7, article 13 of codified law 2190/1920.**

Required quorum: 1/5 of the share capital	Required majority: 50% + 1 of votes represented
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Following the resolution of the Extraordinary General Meeting of the Shareholders dated 23/01/2009, the Bank's increased share capital will consist of both common and preferred shares, such preferred shares to be subscribed by the Greek Government in accordance with the provisions of article 1 of law 3723/2008. Pursuant to that, the Board of Directors proposes the harmonization of article 6 of the Bank's Articles of Association with the provisions of art. 13 par. 7 of law 2190/1920, as amended by law 3604/2007, so as to provide for the possibility to increase the Bank's share capital through shares of only one category. The full text of the Article 6 of the Bank's Articles of Association, as proposed by the BoD, is available in the Appendix.

### **9<sup>th</sup> Item**

#### **Miscellaneous announcements.**

This item usually includes announcements regarding issues that the Board of Directors wishes to disclose to the General Meeting, but do not require voting or resolution (e.g. the course of the Bank's operations since the beginning of the fiscal year, etc.).

## **APPENDIX**

### **ARTICLE 15**

#### **POWER – COMPETENCES OF THE BOARD OF DIRECTORS**

1. The Board of Directors represents the Bank and is qualified to resolve, without any restriction, on any issue concerning the Bank's management, the administration of its property and the promotion of its business scope in general. The Board of Directors may not resolve on issues which, in accordance with the law or the Articles of Association, fall into the exclusive competence of the General Meeting.

2. The Bank is represented by the competent manager or assistant manager of each branch, acting separately or jointly, specifically with respect to the submission of complaints and lawsuits; the Bank's attendance as injured party before Courts at any degree of jurisdiction; the exercise of legal remedies against decisions and orders of Penal Courts; the Bank's attendance before Courts in its capacity as claimant for the registration in its favour or defendant for the deletion of prenotations of mortgages, as well as auctions for the collection of Bank receivables, including outbidding and collecting the proceeds of such auctions.

3. The Board of Directors, by a majority of 2/3, may resolve on the issuance of bonds, other than those under article 3b of Codified Law 2190/20. Such authority of the Board of Directors cannot be delegated; the Board of Directors may, however, resolve to authorise one or more of its members to determine specific terms of the bond issue other than matters relating to the type and amount of such issue.

### **ARTICLE 6**

#### **SHARE CAPITAL INCREASE**

1. The Bank's share capital may be increased through issuance of redeemable shares. These shares may be issued as voting or non-voting preference stock, according to the provisions of article 3 of Codified Law 2190/1920. Redemption is effected by a declaration of the Bank, in accordance with the procedure defined by a resolution of the competent corporate body deciding on the increase and is valid only upon refund of the contribution, while it is subject to the provisions of Codified Law 2190/1920 in force.

2. If the Bank has already issued several categories of shares among which the voting rights or the profit participation or the distribution of the product of liquidation differ, it is possible to increase the capital through shares of only one of these categories. In this case, the preference right is granted to the other categories shareholders only after no exercise of such right by the shareholders of the category to which the new shares correspond.