



NATIONAL BANK
OF GREECE

**EXTRAORDINARY GENERAL MEETING
of 21 April 2021**

**Draft Resolution/Board Remarks
on the sole item on the agenda of the Extraordinary General Meeting**

1. Approval of the transaction concerning the sale by the National Bank of Greece of equity holding in the subsidiary "Ethniki Hellenic General Insurance S.A."

Required quorum:	1/5 of total common(*) voting shares
Required majority:	50% of the total voting rights (present or represented by proxy) + 1 (present or represented by proxy)

The revised Restructuring Plan of the National Bank of Greece S.A. ("NBG" or "Bank"), which was approved by the European Commission on 4 December 2015 and extended on 10 May 2019, based on commitments made by the Hellenic Republic vis-à-vis the European Commission relating to the grant of State-aid to the Bank within the context of its recapitalisation, inter alia, provides for the mandatory divestment of the Bank's insurance business in Greece and abroad.

For the disposal of at least 80% of the Bank's 100 % shareholding in The Ethniki, Hellenic General Insurance Company S.A. ("Ethniki Insurance"), an international auction process was conducted with the objective of achieving the most beneficial outcome for the Bank and its shareholders. The process followed was in line with the approved and applicable Divestment Policy of the Bank, whereas the Bank was advised by financial and legal advisers with significant expertise and experience in the successful design and implementation of similar international transactions.

The process included the assessment of potential investors' preliminary interest, the submission of Non-binding Offers based on the Information Memorandum, financial, tax and legal due diligence of Ethniki Insurance by the selected potential investors, the submission of Binding Offers, with all steps taking place from October 2019 to 5 March 2020. Following this, only one Binding Offer was submitted, by CVC Capital Partners ("CVC").

**Please see Number of Shares and Voting Rights below*



During the following months, Ethniki Insurance adjusted its business plan in light of the implications of the pandemic crisis. After having reviewed the updated due diligence material and revised Business Plan provided by NBG, CVC submitted a revised binding offer on 11 September 2020. CVC has performed additional confirmatory due diligence while NBG and CVC negotiated the key terms of the Transaction Documents in parallel.

After negotiation on the Transaction Documents, the BoD of the Bank, at its meeting held on 24 March 2021, approved the divestment of a 90.01% stake in the Ethniki Insurance business through the sale of 100% of the shares of Ethniki Insurance owned by the Bank to a newly incorporated subsidiary of CVC, Ethniki Holdings S.à r.l. ("Purchaser") and the Bank's purchase of 9.99% of the shares in the Purchaser, in each case in accordance with the terms and conditions of the transaction documents ("Transaction"), which include (amongst others):

- the Share Sale and Purchase Agreement between the Bank and the Purchaser ("SPA"),
- the agreement which will govern the future relationship of NBG and a CVC subsidiary as shareholders in the Purchaser (and indirectly, in Ethniki Insurance) ("Shareholders Agreement"),
- a 15-year term agreement for the distribution of Ethniki Insurance's insurance products by the Bank on an exclusive basis ("Bancassurance Agreement"),
- certain other transaction documents (i.e., four (4) Equity Commitment Letters ("ECLs"), a Share Pledge Agreement on the shares of the Purchaser, a Tier 2 Loan agreement up to 125m with Ethniki Insurance), a Credited Purchase Price SPA and ancillary transaction documents, as well as the signing of the necessary documents (all the above documents referred to collectively as "Transaction Documents").

The consent of the Hellenic Financial Stability Fund ("HFSF") to the Transaction has been granted in accordance with the provisions of Law 3864/2010, as amended and in force, and the terms of the Relationship Framework Agreement between the Bank and HFSF dated 3 December 2015.

The key terms included in the SPA are as follows:

- Consideration: The consideration for 100% of Ethniki Insurance is an amount of up to €505m, including (i) an unconditional purchase price of up to €385m ("Unconditional Purchase Price") and (ii) an "earn-out" payment of up to €120m, subject to achieving specific performance targets for the bancassurance channel of NBG from 2022 to 2026 (with the final €30m being subject to the CVC funds achieving their target return on their investment) (the "Earnout"). The Unconditional Purchase Price contains an amount of up to €125m that is deferred for five years after closing ("Deferred Purchase Price" or "DPP"). The upfront component of the Unconditional Purchase Price is subject to adjustment if either the Eligible Own Funds or the Solvency Capital Requirement Ratio on closing of the Transaction is lower than the agreed upon targets based on the Business Plan of Ethniki Insurance. If CVC exits early, in connection with the Earnout, a pro rata payment will be made shortly following exit and a residual Earnout amount may



be payable under the Bancassurance Agreement by either Ethniki Insurance to the Bank in the form of bonus commissions or the Bank to Ethniki Insurance. In connection with the Deferred Purchase Price, either CVC will pay the relevant amount shortly following exit or CVC will provide the Bank with a guarantee guaranteeing payment five years from closing of the Transaction. On Closing, NBG will hold 9.99% of the share capital of the Purchaser.

- Conditions Precedent to Closing: the completion of the Transaction requires the satisfaction of specific conditions, including (amongst others) the administrative approvals / consents by the competent EU and/or national regulatory and supervisory authorities, such as the Bank of Greece, the Romanian and the Cypriot insurance regulators, as well as the Greek and European Competition authorities (to the extent required) and the passing of a resolution at the EGM approving the Transaction. The relevant approvals by the regulatory authorities should be granted without any burdensome condition.

The SPA also includes, according to standard practice, specific warranties and as well indemnities. One of those indemnities relates to certain long-term health insurance policies where there is limited or no possibility to increase premia ("Legacy Health Portfolio"). NBG undertakes to indemnify the Purchaser for a deterioration in the reserves, i.e. Best Estimate Liabilities, of the Legacy Health Portfolio. The indemnity for the Legacy Health Portfolio is capped in time (5 to 10 years from closing of the Transaction) and in amount for certain cashflows arising from the Legacy Health Portfolio, to the extent they exceed projected amounts as determined 5 years post-Closing. Furthermore, it includes a 22.5% risk-sharing mechanism on the part of the Purchaser and adjustments for excess hospital price increases.

The key terms contained in the relevant agreement for the distribution of insurance products via the Bank's network (Bancassurance Agreement) are as follows:

- Appointment of the Bank as insurance agent of Ethniki Insurance for a 15-year term with a possible 5-year extension option, subject to acceptable renegotiated terms and conditions
- Mutual exclusivity for both the Bank and the Ethniki Insurance with a standard perimeter, subject to certain exceptions (e.g. for non-offered products etc.)
- Establishment of an appropriate governance structure for the effective and efficient cooperation between executives from both parties.
- Quarterly Commissions to be paid to the Bank for the sale of Ethniki Insurance's products are based on the technical profits of insurance products sold, rather than volumes premia, subject to annual reconciliation. Moreover, Referral Commissions will be payable for products not offered by the Bank.

The key terms of the Shareholders Agreement include the following:

- NBG will nominate one member in the BoD of Ethniki Insurance for so long as it holds 5% of the ordinary shares of the Purchaser.



- The agreement includes pre-emption rights on a new share capital issues except in specified circumstances, tag-along rights for NBG as well as drag-along rights for CVC.

A security package covers the Unconditional Purchase Price as well as the Earnout :

- The ECLs cover the upfront component of the Unconditional Purchase Price, the DPP as well as the Earnout.
- In addition, the commitments given in the ECL for the DPP are secured by a pledge over the shares held by Lux HoldCo S.à r.l. in the Purchaser.
- The CVC funds provide the equity commitment under the ECL for the upfront component of the Unconditional Purchase Price. Ethniki Holdings Limited provide the equity commitments under the ECLs for the DPP and the Earnout, which, in turn, are backed by the CVC funds, up to the amount of dividends received from Ethniki Insurance.

The transaction is expected to be capital accretive for NBG, increasing the Group's Total Capital Ratio by 58 bps, pro-forma for 31 December 2020.

Pursuant to the above, it is proposed that the EGM approves the Transaction, in accordance with the key terms described above, the Transaction Documents and the relevant approval of the BoD.

In this context, it is further proposed that the EGM approves all actions taken so far by the executive and non-executive members of the Bank's BoD and of other executives of the Bank in relation to the Transaction, including the signing of certain of the Transaction Documents on 26 March 2021 by the Chief Executive Officer Mr. Pavlos Mylonas, as well as all actions which are necessary to be taken for the consummation of the aforesaid transaction, including the signing of any other Transaction Document and/or ancillary transaction documents by the Chief Executive Officer Mr. Pavlos Mylonas.



ANNEX 1

HOW SHAREHOLDERS CAN EXERCISE THEIR SHAREHOLDER RIGHTS

Any person listed as a shareholder (i.e. holder of common registered shares of the Bank) in the registry of the Dematerialized Securities System ("DSS") managed by the Hellenic Central Securities Depository S.A. ("HCSD"), at the start of the 5th day prior to the date of the Extraordinary General Meeting, i.e. on 16 April 2021 ("Record Date"), is entitled to participate in the General Meeting. Each common share is entitled to one vote. The aforementioned record date is applicable for the Repeat Meeting of 27.04.2021 as well.

The Hellenic Financial Stability Fund participates in the General Meeting as per Law 3864/2010, as amended.

Status of shareholder is verified by any means provided by law and in any case by means of information obtained by the Bank electronically from the HCSD through the Bank's online connection to the DSS. In order to participate and vote at the General Meeting, the shareholder is not required to submit any written confirmation from HCSD. Anyone who has shareholder status on the aforementioned Record Date shall have the right to participate and vote at the General Meeting.

To exercise the said rights, it is not necessary to block the shares or follow any other similar process that may restrict the ability to sell and transfer shares in the period between the Record Date and the relevant General Meeting (EGM or Repeat EGM).

Shareholders that do not comply with the deadline in par. 4 of article 128 of Law 4548/2018, i.e. that do not submit in writing or by electronic means the appointment of proxies or representatives to the Bank at least forty-eight (48) hours before the appointed date of the General Meeting, participate at the General Meeting unless the General Meeting refuses this participation for good reason which justifies this refusal.

REMOTE PARTICIPATION AND VOTE AT THE GENERAL MEETING IN REAL TIME BY TELECONFERENCE

In order for shareholders to participate and vote at the Extraordinary General Meeting on 21 April 2021 or at the Repeat meeting thereof which will take place remotely, in real-time by teleconference and by the use of electronic means, without their physical presence, they or their proxies must create and use an electronic shareholder account at the internet platform that has been developed by the Athens Exchange Group to provide remote General Meeting services, in real-time, by teleconference to listed companies on the website <https://axia.athexgroup.gr/en/home>

The internet platform is provided by the company "Hellenic Central Securities Depository S.A.", while the WEBEX tool/service team from Cisco Hellas SA is used for the teleconference.



In order to access the internet platform, a personal computer, a smartphone or a tablet is required, a browser installed, and internet access.

In order for a shareholder or his/her proxy to create an account on the internet platform above, a valid electronic mail (email) account and a mobile telephone number are required by the shareholder or his/her proxy.

If, on accessing the internet platform, the above information entered by the shareholder does not match the data registered in the Dematerialized Securities System and provided to the Bank by the Hellenic Central Securities Depository as part of its services to facilitate shareholder identification for remote general meetings which are provided to listed companies in accordance with Decision No 8 of the Board of Directors of the Hellenic Central Securities Depository, "Electronic information services (2-factor authentication) to facilitate investor access to electronic services of ATHEXCSD", shareholders must provide or update the information above, in order to create the account.

For this purpose, shareholders are requested to contact without delay the Operator of their Account where the shares of the Bank are kept, or any other intermediary, that provides them with custody services for the shares of the Bank, as the case may be, in order to notify them or to update their valid email address and mobile telephone number for identification.

Further instructions to participate at the General Meeting by teleconference will be posted on the Bank's website and will be sent via email to shareholders that have completed the above procedure and are eligible to participate at the Extraordinary General Meeting or the Repeat meeting thereof.

For any questions and for instructions, shareholders may contact the Bank's Subdivision for Shareholder Register, General Meetings and Corporate Announcements by email at GIANNOPOULOS.NIK@NBG.GR or by calling +30 2103343460, +30 2103343415, +30 2103343419, +30 2103343422 and +30 2103343411 (daily between 09.00 – 17.00).

Furthermore, starting with the publication of the present and until the end of the General Meeting, a help desk will operate that will provide information and support to shareholders and their representatives at + 30 210 3366 120 or by email at AXIAeShareholdersMeeting@athexgroup.gr

Shareholders that will participate at the Extraordinary General Meeting by teleconference in real-time are taken into consideration for the formation of the quorum and majority and will be able to exercise their rights effectively during the General Meeting.

Shareholders who are successfully connected to the internet platform will be able to participate in the Extraordinary General Meeting in real-time by teleconference through a link that will either be sent to them via email or will be available on the online platform.

By activating the Cisco Webex application through the link at the beginning of the Extraordinary General Meeting, the Shareholders will have the ability to:



- a) follow the proceedings of the EGM by using electronic or audio-visual means,
- b) be given the floor and address the General Meeting orally during the EGM,

and at the same time, through the internet platform they will have the ability to:

- c) vote in real time during the EGM on the matter of the agenda,
- d) receive information on the recording of their vote.

PROCEDURE FOR REMOTELY PARTICIPATING IN THE VOTE BEFORE THE GENERAL MEETING (MAIL VOTE)

I. In addition, shareholders have the option to participate remotely, **in person or by proxy**, at the vote on the sole item of the Extraordinary General Meeting that will take place **before the General Meeting**.

Specifically, Shareholders that wish to participate in and vote remotely on the sole item of the Extraordinary General Meeting that will take place before the General Meeting, can make use of the following options:

a) Either exercise the right to vote before the General Meeting through the internet platform <https://axia.athexgroup.gr/en/home> in which they have previously created an account and have successfully registered as described in B. above, during the time period **from Saturday 17.04.2021 at 11.00 am and until twenty-four (24) hours before the date of the General Meeting (i.e. until 11.00 am on 20.04.2021 at the latest)**.

b) Or complete and send to the Bank's Subdivision for Shareholder Register, General Meetings and Corporate Announcements the "Mail vote document" with the signature authenticated, at: ground floor, 93 Eolou St., 10551 Athens Greece or by fax to +30 2103343410 and +30 2103343095, or file with any branch of the Bank's network, or send digitally signed by using a recognized digital signature (qualified certificate) by the proxy or the shareholder, via e-mail to GIANNOPOULOS.NIK@NBG.GR , **at least twenty-four (24) hours before the date of the General Meeting (i.e. by 11.00 am on 20.04.2021 at the latest)**.

The "Mail vote document" is available to shareholders in hard copy through the Bank's branch network, and in electronic form on the Bank's website (<https://www.nbg.gr/en/the-group/investor-relations/general-assemblies>)

Shareholders that vote as above before the General Meeting are counted to form the quorum and majority, provided that the votes in question have been received by the Bank **by 11.00 am on 20.04.2021 at the latest**.

II. It is noted that shareholders that wish to appoint proxies to participate remotely at the vote on the item of the Extraordinary General Meeting which will take place before the General Meeting, **can appoint up to one (1) proxy**; the appointment must be made **at the latest forty-eight (48) hours before the date of the General Meeting (i.e. by 11.00 am on 19.04.2021 at the latest)**, as specifically described below in D II.

Following this deadline, it will not be possible to participate by proxy in the vote that will take place **before the General Meeting**.



III. If the quorum, as required by Law and the Bank's Articles of Association in order to decide on the item of the agenda, is not achieved during the meeting of 21 April 2021, at the Repeat General Meeting which will take place on 27.04.2021 at 11.00 am, the right to vote remotely, by mail vote **must be exercised again**, by a vote that will take place before the Repeat General Meeting, in the following ways:

a) Either by exercising again the right to vote before the Repeat General Meeting through the internet platform <https://axia.athexgroup.gr/en/home> in which they have previously created an account and have successfully registered as described in B. above, **during the time period from Friday 23.04.2021 at 11:00 am and until twenty-four (24) hours before the date of the Repeat General Meeting (i.e. until 11.00 am on 26.04.2021 at the latest).**

b) Or by completing and sending to the Bank's Subdivision for Shareholder Register, General Meetings and Corporate Announcements the "Mail vote document", with the signature authenticated at: ground floor, 93 Eolou St., 10551 Athens Greece or by fax to +30 2103343410 and +30 2103343095, or filing with any branch of the Bank's network, or sending digitally signed by using a recognized digital signature (qualified certificate) by the proxy or the shareholder, via e-mail to GIANNOPOULOS.NIK@NBG.GR, **at least twenty-four (24) hours before the date of the Repeat General Meeting (i.e. by 11.00 am on 26.04.2021 at the latest).**

Shareholders that vote as above before the Repeat General Meeting are counted for the formation of the quorum and majority, provided that the votes in question are received by the Bank **by 11.00 am on 26.04.2021 at the latest.**

IV. For the potential Repeat General Meeting on 27.04.2021, shareholders that had not appointed a proxy for the initial General Meeting, or shareholders that wish to replace the proxy that had been appointed, in order to participate remotely at the vote that will take place before the Repeat General Meeting, **can appoint up to one (1) proxy, whose appointment must be made at least forty-eight (48) hours before the date of the Repeat General Meeting (i.e. by 11.00 am on 25.04.2021 at the latest), as specifically mentioned below in D II.**

After that date, it will not be possible to participate by proxy at the vote that will take place **before** the Repeat General Meeting.

For any questions and for instructions, shareholders may contact the Bank's Subdivision for Shareholder Register, General Meetings and Corporate Announcements by email at GIANNOPOULOS.NIK@NBG.GR or by calling +30 2103343460, +30 2103343415, +30 2103343419, +30 2103343422 and +30 2103343411 (daily between 09.00 – 17.00).

In addition, shareholders are asked to confirm that the "Mail Vote document" is successfully sent to and received by the Bank, and can, for this purpose, call the above numbers (Bank's Subdivision for Shareholder Register, General Meetings and Corporate Announcements).

PARTICIPATION PROCESS AND VOTE BY PROXY

I. The shareholder may participate in the EGM and may vote either in person or by proxy. Each shareholder may appoint up to 3 proxy holders. However, if the shareholder owns shares in the Bank that are held in more than one Investor Securities Account, such limitation shall not prevent the shareholder from appointing, in respect of the EGM, separate proxy holders for the shares appearing in each Account. A proxy appointment can be freely



recalled. A proxy holder holding proxies from several shareholders may cast votes differently for each shareholder.

Shareholders may appoint a proxy for one or more General Meetings and for a specific period of time. The proxy votes in accordance with the shareholder's instructions, if there are any. Non-compliance by the proxy with the instructions received does not affect the validity of the decisions of the General Meeting, even if the proxy's vote was decisive in achieving the majority. The shareholder's proxy shall file the voting instructions for at least one (1) year from the date of the Extraordinary General Meeting or the Repeat General Meeting.

Before the EGM commences, the proxy holder must disclose to the Bank any particular facts that may be of relevance for shareholders in assessing the risk that the proxy holder may pursue interests other than those of the shareholder. Within the meaning intended in this paragraph, a conflict of interest may arise in particular when the proxy holder: (i) is a controlling shareholder of the Bank or is another entity controlled by such shareholder; (ii) is a member of the Board of Directors or in general the management of the Bank, or of a controlling shareholder or an entity controlled by such shareholder; (iii) is an employee or an auditor of the Bank, or of a controlling shareholder or an entity controlled by such shareholder; (iv) is a spouse or close relative (first degree) of a natural person referred to in (i) to (iii) hereinabove.

The appointment and revocation or replacement of a proxy holder shall be made in writing or by electronic means that are submitted to the Bank at least forty-eight (48) hours prior to the date of the EGM. Notification of the appointment and revocation or replacement of the proxy by electronic means is by electronic mail at the email address on the Invitation to the General Meeting.

II. Specifically for shareholder participation by proxy at the Extraordinary General Meeting on 21.04.2021 (or the Repeat Meeting thereof), remotely in real-time by teleconference, or for shareholder participation by proxy at the vote on the sole item of the Extraordinary General Meeting that will take place before the General Meeting, shareholders or their custodian can appoint up to one (1) proxy, whose appointment must be made at least forty-eight (48) hours before the date of the General Meeting (i.e. by 11.00 am on 19.04.2021 at the latest).

Upon receipt of the information above by the Bank, and based on the email address and mobile telephone of the proxy, as declared in the proxy document, an account is created for the proxy on the internet platform; the proxy is informed by email in order to activate the account in order to exercise the rights of the shareholder in accordance with what is referred to in B. and C. above.

The Bank has made available documents:

- a) To appoint a proxy to participate in the Extraordinary General Meeting of Shareholders on 21.04.2021, remotely in real-time by teleconference; and
- b) To appoint a proxy to vote on the sole item of the Extraordinary General Meeting that will take place before the General Meeting.

These documents are available to shareholders in hard copy through the Bank's branch network, and in electronic form on the Bank's website (<https://www.nbg.gr/en/the-group/investor-relations/general-assemblies>).

The abovementioned documents must be filled-in, signed, with the signature authenticated, and filed with the Bank's Subdivision for Shareholder Register, General Meetings and Corporate Announcements (ground floor, 93 Eolou St., Athens) or any branch of the Bank's



network, or sent by fax to +30 2103343410 and +30 2103343095, or digitally signed by using a recognized digital signature (qualified certificate) by the representative of the shareholder or the shareholder by e-mail to GIANNOPOULOS.NIK@NBG.GR at least forty-eight (48) hours prior to the date of the General Meeting. Shareholders are requested to confirm the successful dispatch of the appointment in writing and receipt by the Bank and may contact by telephone for this reason: +30 2103343460, +30 2103343415, +30 2103343419, +30 2103343422 and +30 2103343411 (Bank's Subdivision for Shareholder Register, General Meetings and Corporate Announcements).



ANNEX 2
BALLOT PAPER FOR THE EXTRAORDINARY GENERAL MEETING OF
SHAREHOLDERS 21 APRIL 2021 (and of any adjourned or postponed
meeting thereof)

	AGENDA ITEM	FOR	AGAINST	ABSTAIN
ITEM 1:	Approval of the transaction concerning the sale by the National Bank of Greece of equity holding in the subsidiary "Ethniki Hellenic General Insurance S.A."			



NATIONAL BANK OF GREECE

***Number of shares and voting rights**

In line with the provisions of Article 123.3 (b) of Law 4548/2018, as in force, National Bank of Greece hereby discloses the total number of shares and voting rights existing as at 29.03.2021, the date of the invitation to shareholders to attend the Bank's forthcoming Extraordinary General Meeting:

Specifically, the total share capital of the Bank amounts to 914,715,153 common registered shares, all of which with the right to vote on the sole item of the EGM, including the 13,481,859 common registered shares owned by the HFSF by virtue of the share capital increase of 2013, which as provided for by Article 7a, Par. 2 and 3 of Law 3864/2010, as in force, also have a voting right on the sole item of the EGM.