

PIRAEUS PORT AUTHORITY S.A.
DRAFT DECISIONS/ BoD PROPOSALS
ON THE ITEMS OF THE AGENDA
OF THE EXTRAORDINARY GENERAL ASSEMBLY OF SHAREHOLDERS
OF 23rd SEPTEMBER 2019

ITEM 1: Approval in accordance with article 110 par.2 of Law 4548/2018 of the Long-Term Incentive Bonus Plan of the Company.

Required Quorum: 20% of the share capital	Required majority: 50% + 1 of the votes represented
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By resolution number 21/23-08-2019, the BoD proposes to the Extraordinary General Assembly of the Company to approve, in accordance with article 110, par 2 of Law 4548/2018, the Long-Term Incentive Bonus Plan of the Company, as below:

PPA S.A. Long-Term Incentive Bonus Plan

The Piraeus Port Authority S.A. ("PPA", or "the Company") adopts this Long-Term Incentive Bonus Plan ("the Plan"), for the purpose of aligning the interests of employees with those of the Company.

1. Vehicle

With reference to the shares of PPA, the vehicle for the Plan is a certain number of award units (the "Units"), linked to the increase of PPA share price on the Athens Exchange.

2. Beneficiaries

Beneficiaries of the Plan are directors, senior management and other key management and business personnel that have major influence on the performance and continuing operation of PPA (hereinafter, each one of them a "Beneficiary", and collectively "Beneficiaries"). Accordingly, Beneficiaries are:

1. Directors (excluding Non-Executive Directors and Independent Non-Executive Directors) and senior management, including Chairman of the Board of Directors. CEO, Deputy CEOs, Chief Financial Officer, Assistants to the CEO and Senior Consultants;
2. Department managers (including chief deputy managers, the Secretary of the Board of Directors and the Chairman of the Hellenic Republic Concession Agreement Monitoring Committee), deputy managers, assistant managers.

Except for the 20% of the total number of Units reserved for Beneficiaries that may join the Company afterwards, the total number of Beneficiaries for the remaining 80% of the

Units will be up to 56 individuals, amounting to approximately 5.47% of total employees of PPA as of February 2019.

3. Total and individual number of Units

The total number of Units of the Plan is six hundred and sixty-six thousand (666,000).

Twenty percent (20%) of the total number, i.e. one hundred thirty-three thousand and two hundred (133,200) Units will be reserved for key management personnel that join the Company after the First Award Date (as defined below, under 4.1.2.) and until 31 October 2020, and will be awarded one year after the First Award Date. Any key management personnel joining the Company after 31 October 2020 will not benefit from the Plan.

The award for the remaining 80% of the Units is equal to five hundred thirty-two thousand and eight hundred (532,800) Units.

The total number of individual Units is allocated in accordance with each Beneficiary's level of position and is also shown below:

Position	Number of Beneficiaries	Individual Units per position
Chairman of the BoD		16,900
CEO		16,900
Deputy CEO		14,100
CFO		14,100
Assistant CEO		12,700
Senior Consultant		13,400
Department Manager		10,200
Deputy Department Manager		7,200
Assistant Department Manager		6,700
Subtotal	Up to 56	532,800
Reserved number (20% of the total number of Units, based on same awarding criteria)		133,200
Total number of Units (including reserved number)		666,000

4. Value of the Units

4.1. Value at the award date

4.1.1. The value of each Unit at the respective award date is determined with reference to the fair value of PPA ordinary shares, and shall be equal to no less than the greater of:

- 1) the closing price of PPA ordinary shares on the respective award date;
- 2) the average closing price of PPA ordinary shares over the last five (5) trading days prior to the respective award date; and
- 3) The nominal value of PPA ordinary shares.

4.1.2. The award date shall be a PPA shares trading date and shall be determined by the Board of Directors following the approval of the Plan by the General Assembly of Shareholders of PPA. Notwithstanding the provisions of sections **4.1.3.** and **4.1.4.** below, the award date for the first 532,800 Units (the “First Award Date”) cannot be later than 31 October 2019 and the award date for the reserved 133,200 Units (the “Second Award Date”) cannot be later than 31 October 2020.

4.1.3. The award date cannot be any date:

- within thirty (30) days before the date of the Board meeting for approving the Company’s results for any year, half-year, quarterly or any other interim period; or
- within thirty (30) days before the date of the Board announcing the Company’s results for any year, half-year, quarterly or any other interim period; or
- within the period commencing from major deals or other major events that may affect share price being contemplated by the Company to two (2) trading days after public announcement of such events.

4.1.4. In case any one of the First or Second Award Date coincides with any of the dates in section **4.1.3.**, the Board of Directors shall postpone the respective award and shall designate the immediately next eligible award date, under the condition that Units cannot be and shall not be awarded after the third anniversary of the approval of the Plan by the General Assembly of Shareholders of PPA.

4.2. Value at redemption date

4.2.1. The value of Units at all redemption dates shall be the highest closing price of PPA ordinary shares in the period between 1st August and 30th September of the respective year when redemption is scheduled according the Redemption Schedule of section 6. below, on the conditions that:

1. PPA annual report has been released;

2. individual appraisals of the Beneficiaries have been approved by the administration board of PPA; and

3. the results of benchmarking group have been obtained by the Company.

4.2.2. The redemption amount to be paid each time to the Beneficiaries is calculated as follows:

Total number of Units * (value of one Unit at redemption date – value of one Unit at award date).

5. Effective Period

The Plan shall be effective upon its adoption by the General Assembly of Shareholders of PPA. Unless terminated in advance by the General Assembly of Shareholders of PPA or according to its terms, the Plan shall expire upon the last redemption of Units to the Beneficiaries, in accordance with the Redemption Schedule of section 6. below.

6. Block Period and Redemption Schedule

6.1. The block period for the Units in this Plan is 24 months after each award date, during which Units awarded at such award date cannot be redeemed.

6.2. Upon fulfillment of the performance criteria attached to the plan, the Units shall be redeemed at dates in accordance with the following redemption schedule:

6.2.1. Tranche 1 redemption date: 33% of the total number of Units shall be redeemed on the first business day following the second (2nd) anniversary of the First Award Date;

6.2.2. Tranche 2 redemption date: 33% of the total number of Units shall be redeemed on the first business day following the third (3rd) anniversary of the First Award Date;

6.2.3. Tranche 3 redemption date: the remaining number of Units shall be redeemed on the first business day following the fourth (4th) anniversary of the First Award Date.

6.3. Under the condition that the performance criteria at redemption date have been met, Units that have not been redeemed due to the fact that their value at redemption date was equal to or lower than their value at award date, will not be cancelled and will be redeemed at the immediately following redemption date at which their redemption value will be higher than their award value. Accordingly, Units that have not been redeemed for this reason in accordance with section 6.2. above, can be redeemed on the first business day following the fifth (5th), sixth (6th) or seventh (7th) anniversary of the First Award Date, it being understood that no redemption shall take place after the seventh (7th) anniversary of the First Award Date.

7. Performance Criteria

7.1. The redemption of Units will be subject to the attainment of pre-determined company and individual performance criteria.

7.1.1. Company performance criteria

The Company performance indicators are Return on Equity (ROE), Revenue Compound Annual Growth Rate (Revenue CAGR) and Economic Value Added (EVA). In respect of ROE and Revenue CAGR, the performance is measured in comparison to the respective indicators of the benchmarking group attached in the Appendix. The benchmarking group selection criteria are core business segment, geographic location, business scale and shareholding and management structure similar to PPA's.

	First Tranche	Second Tranche	Third Tranche
Return on Equity (ROE)	The ROE of PPA in the fiscal year before redemption (i.e. 2020) is no less than 15.0%, and not lower than 75% of the benchmarking group's average ROE	The ROE of PPA in the fiscal year before redemption (i.e. 2021) is no less than 15.2%, and not lower than 75% of the benchmarking group's average ROE	The ROE of PPA in the fiscal year before redemption (i.e. 2022) is no less than 15.4%, and not lower than 75% of the benchmarking group's average ROE
Revenue CAGR	The Revenue CAGR against fiscal year 2018 in the fiscal year before redemption (i.e. 2020) is no less than 9.3%, and not lower than 75% of the benchmarking group's average Revenue CAGR	The Revenue CAGR against fiscal year 2018 in the fiscal year before redemption (i.e. 2021) is no less than 9.8%, and not lower than 75% of the benchmarking group's average Revenue CAGR	The Revenue CAGR against fiscal year 2018 in the fiscal year before vesting (i.e. 2022) is no less than 10.1%, and not lower than 75% of the benchmarking group's average Revenue CAGR
EVA	The EVA in the fiscal year before redemption (i.e. 2020) meets the target set by the BoD upon budget approval for such fiscal year and positive ΔEVA ($\Delta\text{EVA}=\text{current year EVA}-\text{previous year EVA}$) is achieved	The EVA in the fiscal year before redemption (i.e. 2021) meets the target set by the BoD upon budget approval for such fiscal year and positive ΔEVA ($\Delta\text{EVA}=\text{current year EVA}-\text{previous year EVA}$) is achieved	The EVA in the fiscal year before redemption (i.e. 2022) meets the target set by the BoD upon budget approval for such fiscal year and positive ΔEVA ($\Delta\text{EVA}=\text{current year EVA}-\text{previous year EVA}$) is achieved

7.1.2. Individual Performance criteria

In addition to the Company performance criteria above, for each Beneficiary, the redemption of such Beneficiary's Units is subject to the attainment of the below criteria, as such are determined by the Beneficiary's personal performance assessment result,

which is based on the appraisal system of the Company, as in force at the date of appraisal:

7.1.2.1. Personal performance result at or higher than 75%, all Units will be redeemed;

7.1.2.2. Personal performance result at or higher than 60% but lower than 75%, 80% of the Units will be redeemed;

7.1.2.3. Personal performance result lower than 60%, none of the Units will be redeemed.

7.2. The performance criteria shall not be modified in any way, except in extraordinary situations such as the delisting or change of core business segment of peer companies of the benchmarking group. Under such circumstances, the BoD is entitled to modify the indicators so that the performance criteria remain substantially identical to the performance criteria determined in paragraph 7.1. above.

8. Taxation

8.1. The amounts received from this Plan are subject to personal income tax and to all other applicable tax laws (including social security contributions deductions, according to Greek Law).

8.2. According to applicable laws and regulations, the Company has the right to deduct taxes from the bonus payable to Beneficiaries under this Plan.

8.3. Beneficiaries are liable to personal income tax or/and other taxes for the bonus received from the Plan according to applicable laws and regulations.

9. Conditions of the Plan

Participation in the Plan is subject to the following conditions:

9.1. Non-Transferability: The Units may not be assigned, alienated, pledged, attached, sold or otherwise transferred or encumbered by the Beneficiary.

9.2. No Misconduct: Beneficiaries must avoid misconduct which is materially injurious to the interests of the Company, including breaching of the block period. In case of such misconduct, part or all of the Units of the Beneficiary, redeemed or not, shall be cancelled, and the Company may have recourse to the bonus already received by the Beneficiary.

9.3. Units will be redeemed only to Beneficiaries who will have remained in the Company for the entire calendar year (01 January to 31 December) to which the personal performance assessment relates.

10. Special Circumstances

10.1. Special circumstances relating to the Company

In case of changes in the share capital of the Company, the number and value of the Units at each award date will change accordingly.

10.2. Special circumstances relating to Beneficiaries

10.2.1. Provided all conditions of the Plan are met, the redemption of Units is not affected by a subsequent transfer of a Beneficiary to a parent company of PPA or other subsidiaries of such parent company.

10.2.2. For exceptional cases where the employment contract of a Beneficiary is terminated before the completion of the entire calendar referred in clause 9.3 above for reasons such as retirement, death, disability or loss of full capacity for civil conduct, such Beneficiary shall be assessed for the shorter period of his/her employment and related Units may still be redeemed, provided all other performance criteria and conditions of the Plan are met. In case of death, the Units will be redeemed to the Beneficiary's legal heirs, according to Greek Law.

10.2.3. If the employment contract of a Beneficiary is terminated due to underperformance or illegal acts, all un-redeemed Units will be cancelled, and the Beneficiary will not be entitled to redemption thereof.

10.2.4. If a Beneficiary is transferred to other positions in the Company, entitlement to redemption of the Units according to the Plan remains unchanged.

10.2.5. In any other special circumstances than those listed above, the Board of Directors is authorized to decide the fair and appropriate treatment, based on principles consistent with the above.

11. Amendment and termination of the Plan

11.1. The General Assembly of Shareholders of PPA, as the governing body of the Company, considers and approves the Plan. Should any provisions of the Plan conflict with applicable laws and regulations, the Plan shall be governed and construed in accordance with the applicable laws and regulations. Any material changes to the provisions of the Plan must be approved by the General Assembly of Shareholders.

11.2. The General Assembly of Shareholders authorizes the Board of Directors for the administration of the Plan, including the implementation, non-material revision of the Plan and (if necessary) the approval application to regulators.

11.3. The Board of Directors is authorized to amend the terms of the Plan as necessary:

- in order to conform to laws and regulations applicable each time;
- in order to preserve the appropriateness of the benchmarking group, including right to substitute or delete peer companies in extraordinary situations, such as delisting from stock exchange or change of core business of such peer companies.

11.4. The General Assembly of Shareholders of PPA may terminate the Plan before its expiry and decide whether Units already awarded will be redeemed or not.

Appendix: Benchmarking group for company performance conditions

Stock Code	Company Name
0NBI.L	HAMBURGER HAFEN
GPH.L	GLOBAL PORTS HOLDING PLC
71FG.L	NOVOROSIYSK COMMERCIAL SEA PORT
DPW.L	Dp World Ltd
NS8U.SG	Hutchison Port Holdings Trust
OLTH.AT	Thessaloniki Port Authority
SUH.L	Sutton Harbour Group plc
PSA	PSA International Pte Ltd
PPA	Philippine Ports Authority
1199.HK	COSCO SHIPPING Ports Limited
0152.HK	Shenzhen International Holdings Limited
2880.HK	Dalian Port (PDA) Company Limited
3378.HK	Xiamen International Port Co.,Ltd
600018.SH	Shanghai International Port (Group) Co., Ltd
601018.SH	Ningbo Zhoushan Port Company Limited
600317.SH	Yingkou Port Liability Co.,Ltd
000582.SZ	Beibu Gulf Port Co., Ltd.
001872.SZ	China Merchants Port Group Co., Ltd.
600017.SH	Rizhao Port Co.,Ltd.
601008.SH	Jiangsu Lianyungang Port Co.,Ltd.

After voting, the General Assembly by.....votes, i.e. by a majority of% of the votes represented in the General Assembly approves the in accordance with article 110 par.2 of Law 4548/2018 of the Long-Term Incentive Bonus Plan of the Company, pursuant to the BoD Decision 21/23-08-2019.

Shareholders representingvotes vote against and shareholders representingvotes abstain from the vote.

ITEM 2: Approval in accordance with article 110 par.2 of Law 4548/2018, of the corresponding amendment to the existing Remuneration Policy of the Company, due to the addition of the Long - Term Incentive Bonus Plan.

Required Quorum: 20% of the share capital	Required majority: 50% + 1 of the votes represented
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By resolution number 22/23-08-2019, the BoD proposes to the General Assembly to approve, in accordance with article 110, par 2 of Law 4548/2018, the amendment to the existing Remuneration Policy for the members of the BoD, due to the addition of the Long - Term Incentive Bonus Plan as below:

PPA S.A. - Remuneration Policy

1. Following consultation, the Board of Directors submits for approval to the General Assembly of Shareholders the present Remuneration Policy for the members of the Board of Directors, according to the provisions of article 110 par.2 of Law 4548/2018, as in force.

2. The vote of Shareholders with respect to the approval or non-approval of the present policy is binding and the maximum period of the validity of the policy cannot exceed four (4) years following its approval by the General Assembly. The Company is obliged to submit the policy for re-approval by the General Assembly each time a material change occurs in the circumstances the preparation of the policy was based on, and in any case every four (4) years following its approval by the General Assembly.

3. The Board of Directors considers that the present policy is simple, fair and reasonable with regards to the state of remuneration of all PPA S.A. employees, as well as compatible with the business strategy, the long-term objectives and sustainability of the Company for the following reasons:

- (i) the remuneration provided is not disproportionately higher than the average remuneration of The Company's staff per position of responsibility;
- (ii) lower level executives benefit proportionally from the variable component of the policy;
- (iii) it does not encourage excessive risk taking;
- (iv) it links the variable component with the individual performance as well as with the financial performance of the company, which in turn is compared to the performance of companies from the same broader sector operating abroad;
- (v) members who do not receive salary do not receive the variable component of the remuneration either;
- (vi) its cost is low in relation to the total turnover of the company.

4. Remuneration components

The total remuneration of the members of the BoD of the Company can be the sum of the following components:

(i) Fixed components

The fixed remuneration of the members of the BoD of the Company can be the sum of the following fixed components:

- i. Fixed fee received by all members of the BoD for their participation to the Board and to the Board Committees, as approved each time by the General Assembly of Shareholders, following respective recommendation of the Board of Directors.
- ii. Gross salary (i.e. the aggregate amount received on a regular basis prior to any deductions such as employee pension contribution, personal income tax and social contribution tax) received only by members of the BoD under an employment contract, in accordance with the average market level for similar offices and positions. The employment contracts of such members of the BoD are contracts of indefinite duration with the usual provisions of similar contracts, according to Greek labour law. In case of termination of the employment contract of a member of the BoD at the initiative of the Company, indemnity is paid, as provided in the relevant contractual provision and the Greek labour law, with no extra pay-outs or particular notice deadlines. Such employment contracts do not provide the return of any remuneration already paid.
- iii. Health insurance program, received by all members of the BoD (offered also to all employees of the Company). This benefit may at any time be recalled or amended at the Company's discretion.
- iv. Company car, mobile phone, laptop, received only by members of the BoD under an employment relationship. This benefit may at any time be recalled or amended at the Company's discretion.

(ii) Variable components

As reward and recognition of any members' of the BoD contribution to the attainment of outstanding financial results which lead to simultaneous increase of the shareholder value, a variable additional compensation for such members of the BoD can be approved by the General Assembly of Shareholders, following respective recommendation from the Board of Directors.

Actually, the Company implements the Long - Term Incentive Bonus Plan, which motivates and rewards the implementation of the long-term business strategy and the achievement of performance targets.

The Long-Term Incentive Bonus Plan is attached as an Annex to this policy.

After voting, the General Assembly:

Approves, by.....votes, i.e. by a majority of% of the votes represented in the General Assembly, the amendment, in accordance with article 110, par 2 of Law

4548/2018, to the existing Company's Remuneration Policy for the members of the BoD, due to the addition of the Long - Term Incentive Bonus Plan, as proposed by the BoD. Shareholders representingvotes vote against and shareholders representingvotes abstain from the vote.