

Bank of Cyprus



Announcement

Notice of Annual General Meeting

Nicosia, 3 October 2016

Group Profile

Founded in 1899, Bank of Cyprus Group is the leading banking and financial services group in Cyprus. The Group provides a wide range of financial products and services which include retail and commercial banking, finance, factoring, investment banking, brokerage, fund management, private banking, life and general insurance. The Group operates through a total of 131 branches, of which 125 operate in Cyprus, 1 in Romania, 4 in the United Kingdom and 1 in the Channel Islands. Bank of Cyprus also has representative offices in Russia, Ukraine and China. The Bank of Cyprus Group employs 4.279 staff worldwide. At 30 June 2016, the Group's Total Assets amounted to €22,7 bn and Total Equity was €3,1 bn.



Bank of Cyprus
The Best Bank in Cyprus 2016

INVITATION TO THE ANNUAL GENERAL MEETING

The Annual General Meeting (“AGM”) of the Bank of Cyprus Public Company Ltd (“the Company” or “the Bank”) will be held at the Company’s Headquarters (51 Stassinou Street, Ayia Paraskevi, 2002 Strovolos, Nicosia, Cyprus) on **Tuesday, 25th of October 2016 at 10:00 a.m.** to transact the following business:

ORDINARY BUSINESS:

1. To receive and consider the Directors’ Report, the Auditors’ Report and the Consolidated Financial Statements for the year 2015.
2. To re-appoint the Auditors of the Company and authorise the Board of Directors to fix their remuneration.
3. To examine the Board of Directors’ Remuneration Report and to fix the remuneration of the Members of the Board.
4. To conduct the business set out in Articles 93 to 97 (both inclusive) and in Article 99 of the Company’s Articles of Association regarding the rotation of the Company’s Directors.

Katia Santis
Secretary
3 October 2016

EXPLANATIONS FOR THE MATTERS TO BE CONSIDERED BY THE ANNUAL GENERAL MEETING

Item 1

To consider the Directors' Report, the Auditors' Report and the Consolidated Financial Statements for the year 2015.

The Directors' Report, the Auditors' Report and the Consolidated Financial Statements for the year 2015 are available on the Company's website www.bankofcyprus.com (select Investor Relations / Financial Information / Annual Reports).

Item 2a

Re-appointment of Ernst & Young as Auditors for 2016.

In accordance with Section 153 (2) of the Companies Law Cap.113, and in view of the fact that no resolution was received by the Company for the appointment of another auditor or requesting the removal of the Auditors, and the fact that Ernst & Young Cyprus remain qualified and wish to be re-appointed, Ernst & Young Cyprus are automatically re-appointed as Auditors of the Company for 2016.

Item 2b

Authorisation of the Board of Directors to fix the Auditors' remuneration.

With regard to the remuneration of the Auditors, the Board of Directors proposes the following resolution for approval:

Resolution 1: To authorise the Board of Directors to fix the Auditors' remuneration.

Item 3a

To approve the Directors' Remuneration Report.

The Board of Directors' Remuneration Report for 2015 is available on the Company's website at www.bankofcyprus.com (select Corporate Governance / Annual Corporate Governance Report).

Resolution 2: To approve the Directors' Remuneration Report.

Item 3b

To fix the remuneration of the Members of the Board of Directors.

The Board of Directors proposes the following Resolution for approval:

Resolution 3: To fix the remuneration of the Members of the Board of Directors at the same level as last year.

Explanation for Resolution 3:

The remuneration of non-executive Members of the Board of Directors approved at the latest Annual General Meeting held on 24/11/2015 appears below:

Position	Annual Remuneration (€000's)
Chairman	120
Vice Chairman	80
Senior Independent Director	70
Non-Executive Members	45
Audit Committee Chairperson	45
Audit Committee Members	25
Risk Committee Chairperson	45
Risk Committee Members	25
Human Resources & Remuneration Committee Chairperson	30
Human Resources & Remuneration Committee Members	20
Nominations & Corporate Governance Committee Chairperson	30
Nominations & Corporate Governance Committee Members	15

Item 4

Resolution 4: To re-elect the members of the Board of Directors.

Explanation for Resolution 4:

All the Directors below have been members of the Board since the previous Annual General Meeting of the Company, except for Dr Michael Heger whose appointment as member of the Board was approved by the European Central Bank (ECB) on 9 June 2016 and Ms Lyn Grobler who was appointed as member of the Board on 30 August 2016, subject to ECB approval.

Dr Josef Ackermann (Chairman), Wilbur Ross (Vice Chairman), Maksim Goldman (Vice Chairman), Michael Spanos (Senior Independent Director),

John Patrick Hourican (Executive Member), Dr Christodoulos Patsalides (Executive Member), Arne Berggren, Marios Kalochoritis and Ioannis Zographakis.

Furthermore, in accordance with the Company's Articles of Association the following Directors retire and, being eligible, offer themselves for re-election:

1. Mr Maksim Goldman
2. Mr Michael Spanos
3. Mr Arne Berggren
4. Dr Michael Heger
5. Ms Lyn Grobler

The curriculum vitae (CVs) of the Directors who offer themselves for re-election are available on the website of the Company at www.bankofcyprus.com (select Corporate Governance / Board of Directors / BoD Composition).

According to Article 97 of the Articles of Association of the Company no person other than a Director retiring at the Meeting shall, unless recommended by the Directors, be eligible for election to the office of Director at any General Meeting, unless not less than six nor more than twenty-one days before the date appointed for the Meeting, there shall have been left at the registered office of the Company notice in writing, signed by a member duly qualified to attend and vote at the Meeting for which such notice is given, of his intention to propose such person for election, and also notice in writing signed by that person of his willingness to be elected.

On 19 October 2016 the names of any nominees for election to the Board of Directors of the Company will be announced. On the same day the CVs that will have been received by the Company will be uploaded on the Company's website www.bankofcyprus.com (select Investor Relations / Annual General Meeting).

It is noted that the nominees for election to the Board of Directors of the Company must satisfy the criteria included in the Central Bank of Cyprus Directive on the Assessment of the Fitness and Probity of the Members of the Management Body and Managers of Authorised Credit Institutions of 2014 (www.centralbank.gov.cy/nqcontent.cfm?a_id=14506&lang=en).

Any newly elected persons will be subject to approval by the European Central Bank.

NOTES TO THE NOTICE OF THE ANNUAL GENERAL MEETING:

A. ENTITLEMENT TO PARTICIPATE IN THE ANNUAL GENERAL MEETING

1. Any person appearing as a shareholder in the Register of Members of the Company on the Record Date is entitled to participate in the Annual General Meeting. Each ordinary share is entitled to one vote. The Record Date for determining the right to vote at the Annual General Meeting is 17 October 2016. Transactions which will be taking place on the 14th of October 2016 and thereafter, will not be considered in determining the right to vote at the Annual General Meeting. Shareholders who have their shares registered on the Dematerialised Securities System of the Hellenic Exchanges do not need to block their shares in order to vote and/or be represented at the Annual General Meeting.
2. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on his behalf. Shareholders may appoint the Chairman of the Annual General Meeting or any person as their proxy. Such proxy does not need to be a shareholder of the Company. A proxy holder holding proxies from several shareholders may cast votes differently for each shareholder. Shareholders, who appoint the Chairman or any other person as a proxy to vote on their behalf, but wish to specify how their votes should be cast, should indicate accordingly in the relevant boxes on the Form of Proxy.
3. The Form of Proxy, which is hereto attached, has been posted on the Group's website www.bankofcyprus.com (select Investor Relations / Annual General Meetings) and is available in hard copy at the Company's Shares and Loan Stock Department, 4 Evrou Street, EuroLife House, 2003 Strovolos, Nicosia, Cyprus. The Form of Proxy must be deposited at the registered office of the Company (51 Stassinou Street, Ayia Paraskevi, 2002 Strovolos, Nicosia, Cyprus, fax +357 22 336258 or +357 22 336261) **at least 48 hours before the time of the Meeting**. Shareholders may confirm that the Form of Proxy has been successfully received by the Company by calling the Shares and Loan Stock Department at +357 22 126055.
4. **Shareholders and/or their proxies who will attend the Meeting must provide their identity card or other proof of identification.**
5. Alternatively a legal entity which is a shareholder of the Company may by resolution of its directors or other governing body authorise such person as it thinks fit, to act as its representative at any Meeting of the Company or any class of members of the Company, and the person so authorised shall be entitled to exercise the same powers on behalf of the legal entity which he represents, as that legal entity could exercise if it were an individual member of the Company.

6. In the case of joint shareholders, the Form of Proxy can only be signed by the person whose name appears first in the Register of Members.
7. The Articles of Association of the Company do not provide for participation in the General Meeting by electronic means, without the Shareholder attending the Meeting in person, at the place where the Meeting is held. Similarly, the Articles of Association do not provide for participation by distance voting.

B. VOTING PROCEDURES AT GENERAL MEETINGS

8. At any General Meeting a resolution put to the vote of the Meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded: (a) by the Chairman, or (b) by at least ten members present in person or by proxy, or (c) by any member or members present in person or by proxy and representing not less than one-tenth of the total voting rights of all the members having the right to vote at the Meeting, or (d) by a member or members holding shares in the Company conferring a right to vote at the Meeting being shares on which an aggregate sum has been paid up, equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.

If a poll is demanded in the manner aforesaid, it shall be taken at such time (within fourteen days) and place, and in such manner, as the Chairman shall direct, and the result of the poll shall be deemed to be resolution of the Meeting at which the poll was demanded. The demand for a poll may be withdrawn.

9. Any decision regarding the normal business of the Annual General Meeting will be reached (unless otherwise provided in the Articles of Association) with an Ordinary Resolution. An Ordinary Resolution is a resolution passed at a General Meeting by a simple majority (50%+1) of members of the Company entitled to vote and who vote at the Meeting either in person or by proxy.
10. A special resolution by a company shall be a resolution passed at a General Meeting by a majority of not less than three-quarters of such members of the company as, being entitled so to do, vote in person or by proxy, at the Meeting for which relevant notice of at least twenty one days has been given pursuant to Section 135 of the Companies Law Cap 113 specifying the intention to propose the resolution as a special resolution.
11. In the event that a shareholder does not vote on a particular resolution, then it is considered as abstention (not calculated) in counting the votes for the specific resolution.
12. In relation to the resolutions for the election of members of the Board of Directors, in the event the number of candidates who obtain more positive than negative votes is greater than the maximum number of directors

provided by the Articles of Association of the Company, then, subject to the compliance with the relevant obligations and requirements (resulting from the Corporate Governance Code of the Cyprus Stock Exchange and the relevant Directives issued by the Central Bank of Cyprus regarding the composition of the Board of Directors), such candidates will be ranked based on the number of positive votes received in relation to them.

C. MINORITY RIGHTS AT THE ANNUAL GENERAL MEETING

13. Pursuant to Section 127B of Companies Law Cap. 113, shareholders of the Company had the right (i) to put an item on the agenda of the Annual General Meeting, provided that the item is accompanied by a written explanation justifying the inclusion of the item or a proposed resolution for approval at the General Meeting, and (ii) to table a draft resolution for inclusion in the agenda of a General Meeting provided that:

- a) the shareholder holds or group of shareholders hold at least 5% of the issued share capital of the Company, representing at least 5% of the voting rights of shareholders entitled to vote at the meeting for which an item has been added on the agenda, and
- b) the shareholders' request to put an item on the agenda or resolution (as described above) is received by the Bank's Secretary in hard copy or electronically at the addresses indicated below at least 42 days prior to the relevant Meeting.

Delivery Address for Hard Copy:

Secretary

Bank of Cyprus Public Company Limited

51 Stassinou Street, Ayia Paraskevi, Strovolos 2002, Nicosia, Cyprus
or by fax at +357 22 378456

Electronic address: investors@bankofcyprus.com

14. Pursuant to Section 128C of the Companies Law Cap. 113, shareholders have a right to ask questions related to items on the agenda and to have such questions answered by the Board of Directors of the Company subject to any reasonable measures the Company may take to ensure the identification of shareholders. An answer is not required if (a) it would interfere unduly with preparation for the Meeting or the confidentiality or business interests of the Company, or (b) an answer has already been given on the Company's website in the form of a "Q&A", or (c) the Chairman deems that it is undesirable in the interests of good order of the Meeting that the question be answered.

Before the Annual General Meeting, shareholders may submit questions in writing by sending a letter, together with evidence of their shareholding, at least four days before the Meeting (i.e. by 21 October 2016) to the Company Secretary at Bank of Cyprus, 51 Stassinou Street, Ayia Paraskevi, Strovolos 2002, Nicosia, Cyprus or by fax at +357 22378456 or by email to investors@bankofcyprus.com.

D. OTHER INFORMATION

15. As at the date of this Notice, the outstanding issued share capital of the Company is €892.294.453,30 divided into 8.922.944.533 ordinary shares of the Bank of nominal value €0,10 each.