

ANNUAL GENERAL MEETING OF SHAREHOLDERS

16 May 2025

Bank of Cyprus Holdings PLC Headquarters

Remarks by Takis Arapoglou

Group Chairman

Dear Shareholders,

With the danger of sounding repetitive, please allow me to start by reminding you of some important recent history.

2023 was a groundbreaking year in which Bank of Cyprus, after 12 whole years and ahead of all peers in the region, was finally permitted by regulators to resume paying dividends, however small - a payout ratio of 14% - for our 2022 profitable performance.

Then followed 2024 in which the payout ratio (combining a cash dividend plus an inaugural buy-back program) for the 2023 performance was increased to 30%, evidencing a steadily increasing and sustainable profitability and robust capital adequacy.

For the present year 2025 and with regulatory constraints regarding distributions now lifted, we have increased the payout ratio further to 50% (again through a combination of cash dividend and a buyback

program) for the Bank's 2024 performance. At the same time, we have increased our payout ratio target range from 2025 onwards to 50-70%.

Lastly, our decision to transfer our primary listing from the London to the Athens stock exchange in 2024 has increased the liquidity of our shares, substantially broadened the size and quality of our investor base and together with continued strong financial performance, increased further our market capitalization to well over Euro 2.0 billion.

Being able to reward you our shareholders in a generous, steadily increasing and sustainable manner, is the best recognition and acknowledgement of our success in the long process of thoroughly restructuring Bank of Cyprus. We focused on drastically cleaning-up our balance sheet, maintaining high liquidity, increasing capital, operating efficiency and revenue growth, and heavily investing to safely compete with the best in the digital transformation race.

All the above achievements are clearly not the result of higher interest rates, as some may hasten to say. High interest rates have certainly played a positive role, yet the fact that our forward guidance shows that we will continue to offer sustainably high returns going forward, even after interest rates stabilize at much lower levels, indicates the success of the bold restructuring initiatives that we have undertaken in the past few years. We intend to continue increasing our payout ratio offering a high dividend yield, prudently and very selectively utilizing excess capital towards future accretive organic and inorganic

growth, always subject to market conditions and sustainable profitability.

A few words on issues we do not control but must actively monitor.

We monitor closely global geopolitical events in the Ukraine and the middle East with little visibility on how long it will take for them to get sustainably and peacefully resolved. So far these have not affected negatively Cyprus or its economy, which continues to perform better than most of its European peers in all measured aspects, comfortably maintaining both the Country's and its major banks' investment grade ratings.

The imposition of trade tariffs by the new U.S. administration created fierce political, economic and financial turmoil around the globe, sending markets into disarray. It is still early days to evaluate the true impact of this tariff war on economies and markets and the resulting severe uncertainties create a continuously changing and complex environment which in turn does not allow us to reach any safe predictions as to the final outcome.

Otherwise, interest rates in view of inflation steadily easing, declined almost in tandem in Europe and the US throughout the year until the third quarter of 2024. Thereafter, resilient inflationary pressures in the US stalled the rate of decline of US dollar rates, although more recent economic data early in the first quarter of 2025, suggested that the Fed had perhaps more room to ease rates further to secure a “soft

landing”. In Europe the ECB continued reducing rates in early 2025 at a much slower pace than before, in support of the struggling key EU economies.

Now, with the tariff war expected to increase inflationary pressures, the Fed is more likely to keep rates higher for longer, contrary to the political wish for the opposite, while in Europe the ECB will most probably continue reducing rates to contain recessionary pressures unless inflation in Europe starts increasing because of tariffs.

As for Cyprus it is quite safe, in our estimation, to say that tariffs will not materially and directly affect the country’s economy, which is expected to remain resilient. Equally, we remain confident that the excess capital adequacy and liquidity of Bank of Cyprus will protect it against any conceivable shortcomings arising from developments in global trade and market risks, allowing us to continue meeting our guidance targets.

Dear shareholders,

After this small, yet very important diversion let’s get back to us, the Bank of Cyprus.

We tend to forget that these complex and bold restructuring initiatives in the past few years have been executed by people, our hard working employees, and it is them and their hard work that I would like all of us

to recognize and celebrate today, thank and congratulate them in appreciation of their achievements and their focus in serving our valuable customers.

During the past few years the profile of our employees has evolved dramatically - in numbers, following extensive voluntary redundancy schemes, in specialization due to the advent of the digital age and due to intensive training. Their adaptability to progressively stricter regulatory and compliance requirements has been exemplary. In acknowledgement of their valuable contribution we have carefully structured best in class reward programs to retain and motivate all with transparency and fairness, knowing well how much we depend on them in enhancing the image of Bank of Cyprus as the country's employer of choice.

For all the above and on behalf of the Bank of Cyprus Board of Directors, I wish to once again congratulate our CEO Panicos Nicolaou and all of his executive team for their seamless cooperation with the Bank's Board of Directors as well as for the perfect execution of our strategic plans and wish them more of the same in the current year.

In closing, I also wish to express my warmest thanks to all my fellow Directors on the Bank of Cyprus Board for their hard work and team spirit in contributing so much to the Bank's success.

Rest assured that we will all continue our intense focus in generously rewarding you by creating and distributing great value to all in the years to come.

Thank you for your continued trust and support.