

Bank of Cyprus Group



Announcement

NOTICE OF ANNUAL GENERAL MEETING

Nicosia, 8 August 2013

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INVITATION TO THE ANNUAL GENERAL MEETING

The Annual General Meeting of Bank of Cyprus Public Company Ltd (“the Company”) will be held at the ‘Filoxenia’ Conference Centre (Thrakis 1311, Aglantzia, Nicosia, Cyprus), on Tuesday, **10 September 2013 at 4.00 pm**, to transact the following business:

ORDINARY BUSINESS:

1. To receive and consider the Directors’ report and the Consolidated Financial Statements for the year 2012*.
2. To appoint the auditors of the Company and authorise the Board of Directors to fix their remuneration*.
3. To fix the remuneration of the members of the Board of Directors.
4. To elect members of the Board of Directors.

*In relation to the ordinary business items set out in subparagraphs 1 and 2 hereinabove, it will be proposed that the aforesaid items of business be adjourned and dealt with in an adjourned meeting which will take place by the end of November 2013 and for which a relevant notice will be sent to the shareholders.

The adjournment of the above business is considered necessary as timely completion of the preparation of the financial statements and their approval by the Board of Directors was not feasible due to the fact that the recapitalisation of Bank of Cyprus was only completed on 30 July 2013.

Ph. Zomenis
Secretary

8 August 2013

EXPLANATIONS FOR THE RESOLUTIONS:

Item 1

To examine the Director's Report and the Consolidated Financial Statements for the year 2012.

The Board of Directors considers necessary and proposes the adjournment of the above item of business because the completion of the preparation of the financial statements and their approval by the Board of Directors was not feasible due to the fact that the recapitalisation of Bank of Cyprus was only completed on 30 July 2013.

Item 2

To appoint the auditors of the Company and authorise the Board of Directors to fix their remuneration.

The decision for the appointment of the auditors is usually considered during the same meeting in which the financial statements of the Company are examined. Therefore, the Board of Directors recommends the completion of the aforementioned business on the same day the Financial Statements of the Company will be examined.

Item 3

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

Following a decision of the interim Board of Directors the remuneration of non executive Directors for the period of 1/5/2013 - 31/12/2013 has been reduced by 20% (on an annual basis) compared to the remuneration approved at the previous General Meeting. This decision was made as part of the effort to reduce the Company's operating expenses.

The remuneration of the Chairman and the Vice-Chairman represents their total remuneration. There is no other additional remuneration for their participation on Board Committees or on the Boards of Group subsidiary companies in Cyprus or abroad. Regarding the remuneration of the members of the Audit Committee, the Remuneration Committee and the Board of Directors considers the differentiation of the remuneration of the members of the Audit Committee to be justified given the large number of issues covered by the Committee and the greater amount of time required for each member to prepare for meetings of the Committee.

In light of the above, the Board recommends the adoption of reduced remuneration for non executive members of the Board as follows:

	Annual remuneration
Chairman	€68.000
Vice-Chairman	€51.000
Non Executive Members	€13.000
Board Committee Chairpersons	€3.300
Board Committee Members	€2.100
Audit Committee Chairman	€6.300
Audit Committee Members	€4.200

For the period 1/1/2013 - 31/3/2013 the remuneration of non executive Directors was based on the decisions of the previous General Meeting of the Company.

Item 4

To elect members of the Board of Directors.

On 5 September 2013 the names of the nominees for election to the Board of Directors of the Company will be announced. On the same day the CVs that have been received by the Company will be uploaded on the Group's website www.bankofcyprus.com (select Investor Relations / Corporate Governance).

As at the date of the current notice, the members of the Board of Directors were Messrs: Sophocles Michaelides (Chairman), Eroll Riza (Vice-Chairman), Lenia Georgiadou, Constantinos Damtsas, Michalis Zannetides, George Theocharides, Philippos Mannaris, Lambros Papadopoulos, Andreas Persianis, Andreas Poetis, Panicos Poulos, Savvakis Savvides, Christos Sorotos, Takis Taoushanis and Costas Hadjipapas. The names of the members of the Board of Directors that will offer themselves for re-election at the Annual General Meeting will be included in the above announcement.

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 titled "The fitness and probity (Assessment Criteria) of Directors and Managers of Banks Directive of 2006 and 2007" (http://www.centralbank.gov.cy/nqcontent.cfm?a_id=4336&lang=en), as well as the Guidelines of the European Banking Authority in relation to the suitability of members of the management body and key function holders (<http://www.eba.europa.eu/regulation-and-policy/internal-governance/guidelines-on-the-assessment-of-the-suitability-of-members-of-the-management-body-and-key-function-holders>).

The election of any new members requires the approval of the Central Bank of Cyprus.

It is noted that according to article of 81 of the Articles of Association of the Company the number of Directors shall not be less than ten (10) nor more than eighteen (18). Also, according to article 98 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.

NOTES TO THE NOTICE OF THE ANNUAL GENERAL MEETING:

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 30 August 2013.
- (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. The proxy holder does not need to be shareholder of the company. If a shareholder owns shares in the Company that are held in more than one Investor Share Code, then that shareholder may, in respect of the Annual General Meeting, appoint separate proxy holders for the shares appearing in each Investor Share Code. A proxy holder holding proxies from several shareholders may cast votes differently for each shareholder.
- (3) The notice of Annual General Meeting and the instrument appointing a proxy, which is enclosed, has been posted on the Group's website www.bankofcyprus.com (under Investor Relations/Announcements) and is available in hard copy at the Company's Shares and Loan Stock Department, 4 Evrou Street, Eurolife House, Strovolos, Nicosia. The proxy must be deposited at the registered office of the Company (51 Stassinos Street, Ayia Paraskevi, Strovolos, 2002 Nicosia, Cyprus, fax +357 22 336258 or 357 2233 6261) **at least 48 hours before the time of the Meeting.**
- (4) If such shareholder is a company, the Form of Proxy must bear the name of the company, and be signed by its duly authorised officer/s. 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. Shareholders should confirm that the form of proxy has been successfully received by the Company by calling the Shares and Loan Stock Department at +357 22121755.
- (5) **Shareholders and/or their proxies who will attend the Meeting must provide their identity card or other proof of identification.**
- (6) Any corporation 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 corporation which he represents as that corporation could exercise if it were an individual member of the Company.
- (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 in voting by distance voting.

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.
- (9) 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.

- (10) 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 vote at the meeting either in person or by proxy.
- (11) In the event that a shareholder does not vote on a particular resolution, then it is considered as abstention (it is not calculated) for 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 allowed by the Articles of Association of the Company (i.e. 18) 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. The first 18 candidates with the highest number of positive votes whose appointment is approved by the Central Bank of Cyprus will be elected to the Board of Directors.

MINORITY RIGHTS AT THE ANNUAL GENERAL MEETING

- (13) Pursuant to article 127B of Companies Law Cap 113, shareholders of the Company have 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 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 Stasinou Steet,
Strovolos 2002, Nicosia, Cyprus

or by fax at +357 22 379655

Electronic address: investors@bankofcyprus.com

- (14) Pursuant to section 128C of the Companies Act Chapter 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 6 September 2013) to the Company Secretary of the Bank at Bank of Cyprus, 51 Stasinou, Ayia Paraskevi, Strovolos 2002, Nicosia, Cyprus or by fax at +357 2237 9655 or by email to investors@bankofcyprus.com.