



## **Notice of Annual General Meeting**

The Annual General Meeting of the Members of USB Bank PLC will be held on 19 July, 2017 at the Bank's offices on 1<sup>st</sup> Floor, 1 Andrea Chaliou Street, 2408 Engomi, at 12:00 noon to transact the following business:

### **AGENDA**

1. To review and if thought fit to approve the Directors' Report for the year ended 31 December 2016.
2. To review and if thought fit to approve the Consolidated Financial Statements and the Independent Auditors' Report for the year ended 31 December 2016.
3. Election of the members of the Board of Directors in place of those who retire and election of member appointed by the Board of Directors in 2017.
4. Re-appointment of the Independent Auditors and authorisation to the Board of Directors to fix their remuneration.
5. To review and if thought fit to approve the Remuneration Report of the Board of Directors.
6. Any other business, which can be carried out at a General Meeting.

By order of the Board,

Panayiota Charitonos  
Secretary

Nicosia, 19<sup>th</sup> June 2017



## **Explanations for the matters to be considered by the Annual General Meeting**

### **Item 1 and Item 2**

**To consider the Directors' Report, the Independent Auditors' Report and the Consolidated Financial Statements for the year ended 31 December 2016.**

The Reports and the Consolidated Financial Statements of the Bank, which will be considered at the Annual General Meeting (Annual Report), will be available on the website of the Bank at [www.usbbank.com.cy](http://www.usbbank.com.cy) (Investor Relations/Annual Reports) and in hard copy from the Shares Department of the Bank at 83 Digenis Akritas Avenue, 1<sup>st</sup> floor, 1070, Nicosia, Cyprus, tel.+357 22 883 523, email: [shares@usbbank.com.cy](mailto:shares@usbbank.com.cy).

### **Item 3**

**Election of the members of the Board of Directors in place of those who retire and election of member appointed by the Board of Directors in 2017.**

- i. According to the Articles of Association of the Bank, the following members of the Board will retire but are offered for re-election:
  - a. Mr. Philippos Philis
  - b. Mrs. Despo Polycarpou
  - c. Mr. Nadim Kassar
- ii. Furthermore, according to the Articles of Association of the Bank, Mr. Mansour Bteish who was appointed by the Board of Directors on the 31st May 2017, holds such office until this Annual General Meeting and is eligible for re-election.

## **Relevant information in relation to the selection of the members of the Board**

The biographical details of the members of the Board of Directors of the Bank who offer themselves for re-election are the following:

### **Mr. Philippos Philis**

Mr. Philippos Philis was born in 1961. He is the founder of Lemissoler Group and has been Managing Director since its establishment in 1996. He is appointed as Chairperson and Chief Executive Officer of the Group since 2009. The Group is active in the shipmanagement, ship operations and shipowning in a diversified fleet of Bulk Carriers, Containers and Ro-Ro / Paper Carriers. In early 1997, he started IMCL Inter Marine Container Lines, one of the most successful container feeder operators in the Baltic Sea, which has been merged with Unifeeder at the end of 2009 creating the largest short sea and container operator in Europe. He graduated from RWTH Aachen with the title of Dipl. Ing. in Mechanical Engineering. He is specialized in Expert Systems applications in Logistics and completed the Executive Leadership Program (ELP) at the Cyprus International Institute of Management (CIIM). He also completed the Private Equity and Venture Capital (PEVC) executive course at the Harvard Business School (HBS). He is an elected Member of the Board of Directors of the Cyprus Shipping Chamber (CSC) and has been appointed as Vice President of the Chamber. He is a Member of the Board of Directors of the European Communities Shipowners' Associations (ECSA) and a Member of the Board of Directors of the International Chamber of Shipping (ICS). He is an elected Member of America Bureau of Shipping (ABS), a Member of the DNV GL Cyprus Committee and an elected Chairperson of the Cyprus Shipowners Employers Association (CySea). He is a Member of the Cyprus Professional Engineers Association (CPEA), the Scientific & Technical Chamber of Cyprus (ETEK) and the Institute of Marine Engineering, Science & Technology (IMarEST). He is a Member of the Board of Directors of a number of other companies. He speaks fluent Greek, German and English.

### **Mrs. Despo Polycarpou**

Mrs. Despo Polycarpou was born in 1957. She is a Fellow of the Chartered Institute of Bankers (FCIB) and holds the ACIB degree. She started her career in 1976 in Hellenic Bank until 1999 when she was employed by USB BANK PLC. At USB BANK PLC she held various positions including Manager Banking Operations and Trade Services, Nicosia Regional Manager, Manager Banking Services Development, Manager Retail Sector and currently holds the position of the Assistant General Manager, Manager of Compliance & Projects and also the position of the Manager of Human Resources. She is a Member of the Board of Cyprus Employers & Industrialists Federation (OEB). During the period from 2009 until October 2015, she was the Secretary General of the Cyprus Institute of Financial Services (formerly The Chartered Institute of Bankers, Cyprus).



### **Mr. Nadim Kassar (Vice Chairperson)**

Mr. Nadim Kassar is the Vice-Chairman and General Manager of BLC Bank SAL. He holds currently the following positions: General Manager of Fransabank SAL, Founder and Board Member of Fransa Invest Bank SAL (FIB), Founder and Chairman of Fransabank Al Djazaïr SPA, Board Member of the Association of Banks in Lebanon since 2001, Board Member of USB Bank PLC, Board Member of Lebanese International Finance Executives (LIFE), Co-Manager of A.A. Kassar (France) SARL and General Manager of A.A. Kassar SAL. Mr. Kassar also is a Board Member of the following Institutions: MasterCard Incorporated Asia, Pacific, Middle East & Africa, SAMEA Regional Board of Directors since 2005, NetCommerce, Interbank Payment Network, IPN SAL, Credit Card Management, Founder and Board Member of the American Lebanese Chamber of Commerce. He holds as well the position of Deputy Chairman of Société Financière du Liban.

His social activities includes the Makassed Philantropic Islamic Association in Beirut as a Member of the Board of Trustees, a Member of the Lebanese-Chinese inter-parliamentary friendship committee, a Member of the Lebanese-Tunisian friendship committee and Treasurer of the Comité des Propriétaires-Ouyoun As Simane. Mr. Kassar was born in 1964 and holds a Bachelor's degree in Business Administration from the American University of Beirut.

### **Mr. Mansour Bteish**

Mr. Mansour Bteish joined Fransabank SAL in 1974. Over the course of four decades, Mr. Bteish held various management positions and headed major Central Departments until he was appointed General Manager of Fransabank SAL in 2005. Mr. Bteish is currently a member of the Board of Directors of several subsidiaries in Lebanon and abroad, including Fransa Invest Bank, BLC Bank SAL, BLC Invest Bank, Lebanese Leasing Company, Fransabank (France), Fransabank El Djazaïr SPA (Algeria), USB Bank PLC (Cyprus), and United Capital Bank (Sudan). Born in 1954, Mr. Bteish holds a Bachelor's degree in Business Administration and a Master's degree in Money and Banking from Université Saint Joseph.

It is expected that each of the proposed members of the Board of Directors who may be elected by the shareholders of the Bank, will act as provided in the Central Bank of Cyprus Directive on Governance and Management Arrangements in Credit Institutions of 2014 and will spend sufficient time for the due execution of his duties both as member of the Board of Directors and as a member of any Committee to which he may be appointed.

The Bank considers that the re-appointments of the members of the Board of Directors of the Bank who retire but are offered for re-election are appropriate, given their so far contribution to the Board of Directors and their capabilities and knowledge.

#### **Item 4**

#### **Re-appointment of the Independent Auditors and authorisation to the Board of Directors to fix their remuneration.**

In accordance with section 153 (2) of the Companies Law Cap.113 and in view of the fact that no notice was received by the Bank for the appointment of another Independent Auditor or requesting the removal of the Independent Auditors, and the fact that Messrs Deloitte Ltd remain qualified and wish to be re-appointed, Messrs Deloitte Ltd are automatically re-appointed as Independent Auditors of the Bank for the year 2017.

#### **The Board of Directors proposes the following resolution for approval:**

- To authorise the Board of Directors to fix the auditors' remuneration.

#### **Item 5**

#### **Approval of the Remuneration Report of the Board of Directors.**

The Remuneration Report is included in the Bank's 2016 Annual Report and is available on the Bank's website at [www.usbbank.com.cy](http://www.usbbank.com.cy) (Investor Relations / Annual Reports/ under the Unit "Corporate Governance Report") and is also enclosed herewith.

The Corporate Governance Report can also be obtained from the Corporate Governance Department of the Bank +357 22 883523.



## Notes to the Notice of the Annual General Meeting

### ENTITLEMENT TO PARTICIPATE IN THE ANNUAL GENERAL MEETING

(1) Any person appearing as a Member in the Register of Members of the Bank on the record date (hereinafter referred to as the "Member") 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 set to be the 17 of July 2017.

(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/her behalf. Members may appoint any person as their proxy. Such proxy need not be a Member of the Bank.

In the case of joint holders, the vote of the senior of such joint holders who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders and for this purpose, seniority shall be determined by the order in which the names of such holders stand in the register of Members.

(3) The instrument appointing a proxy which is enclosed and has been posted on the Bank's website at [www.usbbank.com.cy](http://www.usbbank.com.cy), must be deposited at the registered office of the Bank at 83 Digenis Akritas Avenue, 5th floor, CY-1070, Nicosia, Cyprus, P.O. Box 28510, CY – 2080 Nicosia, Cyprus, Fax +357 22 767175, at least 48 hours before the time of the Annual General Meeting.

Members should confirm that the form of proxy has been successfully received by the Bank, by calling the Shares Department of the Bank +357 22 883 523 or by electronic transmission to the email address: [shares@usbbank.com.cy](mailto:shares@usbbank.com.cy).

(4) The instrument appointing a proxy shall be in writing under the hand of the appointee or of his attorney duly authorized in writing, or, if the appointee is a corporation, either under seal, or under the hand of an officer or attorney duly authorized.

(5) Members and/or their proxies who will attend the Annual General Meeting are requested to carry with them their identity card or other proof of identification.

(6) Any legal entity, which is a Member of the Bank, 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 Bank or of any class of Members of the Bank 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 Bank.



- (7) The Articles of the Company do not provide for participation in the General Meeting by electronic means or voting by correspondence without the Member attending the Meeting in person or by proxy at the place where the Meeting is held.

#### **VOTING PROCEDURES AT GENERAL MEETINGS**

- (8) At any general meeting, any resolution put to the vote of the meeting shall be decided on a show of hands, or upon verbal declaration, unless a poll is demanded (before or on the declaration of the result of the show of hands or verbal declaration).
- (a) by the Chairman or
  - (b) by at least three Members present in person or by proxy or
  - (c) by any Member or Members present in person or by proxy and representing at least one tenth of the total of all the Members entitled to vote at the meeting, or
  - (d) by a Member or Members holding shares in the Bank affording the right to vote at the meeting, for which a total amount has been paid equal to at least one tenth of the total amount paid on all the shares granting such right.
- (9) A poll demanded on the election of a Chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time as the Chairman of the Meeting directs, and any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of a poll.
- The demand for a poll may be withdrawn.
- (10) In a vote by ballot at a general meeting, a Member, which attends either in person or through a proxy and has the right of more than one vote does not need, if he does vote, to use all the votes or cast all the votes he will use in the same way.
- (11) 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 at the meeting who are present in person or by proxy.
- (12) A resolution by a Company shall be a special resolution passed at a general meeting by majority of not less than three-fourths of the number of Members of the Company entitled to vote at the meeting who are present in person or by proxy, for which relevant notice has been given pursuant to Article 135 of the Companies Law, Cap 113 (as amended) specifying the intention to propose the resolution as a special resolution.

- (13) A resolution pursuant to article 59A of Companies Law Cap. 113 (as amended) shall be a resolution, which has been approved by a properly convened general meeting (a) by a majority of two thirds of the Members represented at the meeting or (b) with a simple majority where at least half of the issued share capital of the Bank is represented at the General Meeting.

#### **OTHER INFORMATION AND AVAILABLE DOCUMENTS**

- (14) As at 19 of June 2017 (being the latest practicable date to the issue of this Notice), the total issued share capital of the Bank and voting rights is €32,173,733 divided into 321,737,330 ordinary shares of nominal value of €0.10 each.
- (15) The Notice of the Annual General Meeting and the Form of Proxy shall be made available in electronic form on the website of the Bank at [www.usbbank.com.cy](http://www.usbbank.com.cy) (Investor Relations/General Meetings) and in hard copy at the Shares Department at 83 Digenis Akritas Avenue, 1st floor, 1070, Nicosia, Cyprus, tel. +357 22 883 523.
- (16) The Board of Directors' Remuneration Report for the year 2016 is enclosed herewith and is also available on the website of the Bank [www.usbbank.com.cy](http://www.usbbank.com.cy) (Investor Relations > Annual Reports > Annual Report 2016 (section 4)).