

**ASKARI BANK LIMITED**

**NOTICE OF THE 31<sup>st</sup> ANNUAL GENERAL MEETING**

Notice is hereby given that the 31<sup>st</sup> Annual General Meeting (AGM) of the shareholders of Askari Bank Limited (“the Bank”) will be held on Wednesday, March 29, 2023 at 11:00 am at Toppi Rakh Complex (Galaxy Hall), Army Heritage Foundation, Ayub National Park, Jhelum Road, Rawalpindi and through Zoom to transact the following business:

**Ordinary Business:**

1. To confirm the minutes of the 30<sup>th</sup> Annual General Meeting held on March 24, 2022.
2. To receive, consider and, if thought fit, adopt the Annual Audited Financial Statements (consolidated and unconsolidated), Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 of the Bank for the year ended December 31, 2022 together with Chairman’s Review Report, Directors’ Report and Auditors’ Reports thereon.
3. To appoint statutory auditors of the Bank for the year ending December 31, 2023 and fix their remuneration. The present auditors of the Bank, M/s. KPMG Taseer Hadi & Co., Chartered Accountants, being eligible, have offered themselves for re-appointment and the Board of Directors has recommended their appointment in its meeting held on February 15, 2023.
4. To elect 10 Directors as per the number fixed by the Board of Directors of the Bank under Section 159 (1) of the Companies Act 2017 (the Act) for a period of next three years commencing from March 29, 2023. The total strength of Board of Directors shall be 11 including President & Chief Executive Officer of the Bank, being a deemed Director under Section 188 (3) of the Act. The following are the names of the retiring Directors, who are eligible for re-election:
  1. Mr. Waqar Ahmed Malik – Chairman
  2. Mr. Sarfaraz Ahmed Rehman
  3. Mr. Arif Ur Rehman
  4. Dr. Nadeem Inayat
  5. Syed Bakhtiyar Kazmi
  6. Mr. Manzoor Ahmed – NIT Nominee
  7. Mr. Mohammad Aftab Manzoor
  8. Mr. Mushtaq Malik
  9. Ms. Zoya Mohsin Nathani
  10. Raja Muhammad Abbas

**Special Business:**

5. To consider and if thought fit, approve as recommended by the Board of Directors, issuance of Bonus Shares for the year ended December 31, 2022 in proportion of 15 ordinary shares for every 100 shares held i.e. 15% to the shareholders of the Bank.

The Statement of Material Facts providing the information as required under Section 134 (3) of the Companies Act, 2017 is appended below.

## Any Other Business:

6. To consider any other business as may be placed before the meeting, with the permission of the Chair.

By Order of the Board

Rawalpindi  
March 8, 2023

Syed Ali Safdar Naqvi  
Company Secretary

## NOTES:

1. Shareholders interested in attending the AGM through electronic/virtual means, are hereby advised to get themselves registered with the Bank by providing their Name, Folio/ CDS Account Number, Number of Share held, Mobile Numbers (active) and Email address in their names with subject "Registration for 31<sup>st</sup> AGM of AKBL" at [ir@askaribank.com.pk](mailto:ir@askaribank.com.pk). Zoom Link to join the 31<sup>st</sup> AGM will be shared with only those shareholders from whom all required particulars, are received at the given email address at least 48 hours before the time of holding the AGM.
2. The Share Transfer books of the Bank will remain closed from March 22, 2023 to March 29, 2023 (both days inclusive). Transfers received at the Bank's Share Registrar Department, CDC Share Registrar Services Limited, Mezzanine Floor, South Tower, LSE Plaza, 19-Khayaban-e-Aiwan-e-Iqbal, Lahore and Share Transfer Office of the Bank at the close of the business hours on March 21, 2023 will be treated in time.
3. A member entitled to attend and vote at the meeting can appoint a proxy to attend and vote for him. No person shall act as a proxy, who is not a member of the Bank except that Government of Pakistan [GoP] or SBP or corporate entity may appoint a person who is not a member.
4. The instrument appointing a proxy should be signed by the member or his/her attorney duly authorized in writing. If the member is a corporate entity (other than GoP and SBP), certified true copy of the instrument authorizing the person to act as proxy shall be provided.
5. The instrument appointing a proxy, together with attested copy of Power of Attorney or Board Resolution, if any, under which it is signed or a certified copy should be deposited, with the Company Secretary, Askari Bank Limited, 4<sup>th</sup> Floor, NPT Building, F-8 Markaz, Islamabad at least 48 hours before the time of holding the meeting.
6. If a member appoints more than one proxy, and more than one instrument of proxy is deposited by a member, all such instruments shall be treated invalid. The proxy form shall be witnessed by two persons whose names, addresses and Computerized National Identity Card (CNIC) numbers shall be mentioned on the form.
7. Copy of the CNIC or passport of the beneficial owners shall be furnished with the proxy form. The proxy shall produce their original CNIC or original passport at the time of attending the meeting.
8. In case of individual shareholder, original CNIC or original passport while for the CDC account holder or sub-account holder and for the person whose securities are in group account and their registration details are uploaded as per the regulations, his / her authentication would be made by showing his / her original CNIC or original passport along with participant(s) ID Number and their account numbers. In case of GoP/SBP/corporate entity, the Board of Directors' resolution/power of attorney with specimen signature shall be submitted along with proxy form to the Bank.

9. The current prescribed rates for the deduction of withholding tax under Section 150 of the Income Tax Ordinance, 2001 for the payment of dividend paid by the Bank are as under:

- a) For filers of income tax returns: 15 %
- b) For non-filers of income tax returns: 30 %

The income tax is deducted from the payment of dividend according to the Active Tax-Payers List (ATL) provided on the website of FBR. All those shareholders who are filers of income tax returns are therefore advised to ensure that their names are entered into ATL to enable the Bank to withhold income tax from payment of cash dividend @ 15% instead of 30%.

According to Federal Board of Revenue (FBR), withholding tax will be determined separately on 'Filer/Non-Filer' status of Principal Shareholder as well as Joint-Holder(s) based on their shareholding proportions in case of joint accounts held by the shareholders.

In this regard all Shareholders who hold shares jointly are requested to provide the shareholding proportions of Principal Shareholder and Joint-Holder(s) in respect of shares held by them to our Share Registrar M/s. CDC Share Registrar Services Limited in writing as follows:

Folio/ CDC Account No.	Total Shareholding	Principal Shareholder		Joint Shareholder		Signature
		Name of Shareholder & CNIC No.	Shareholding Proportion (No. of Shares)	Name of Joint Shareholder & CNIC No.	Shareholding Proportion (No. of shares)	

The required information must reach to Share Registrar by **March 21, 2023** otherwise it will be assumed that the shares are equally held.

### **Special Notes to the Shareholders**

#### **10. Submission of Copies of CNIC (Mandatory)**

As per SECP directives the payment of dividend to the shareholders whose CNICs are not available with the Share Registrar are being withheld. All shareholders having physical shareholding are, therefore, advised to submit a photocopy of their valid CNICs to our Share Registrar. In case of non-receipt of information, the Bank will be constrained to withhold payment of dividend to shareholders.

A printed copy of notice in English & Urdu language for submission of photocopy of valid CNIC has been dispatched in DVD pack to all shareholders of the Bank whose photocopy of valid CNIC is not available with the Bank's Share Registrar.

#### **11. Payment of Cash Dividend Electronically (e-Dividend)**

Section 242 of Companies Act 2017, requires that in case of a listed company, any dividend payable in cash shall only be paid through electronic mode directly into the bank account (International Bank Account Number-IBAN) designated by the entitled shareholders. Provision of IBAN for cash dividend payments is mandatory and in order to comply with this regulatory requirement of direct credit of dividend amount in shareholder's IBAN, shareholders are requested to provide relevant information to:

1. Their respective CDC Participant/CDC Investor Account Services (in case their shareholding is in Book Entry Form) OR
2. Share Registrar M/s. CDC Share Registrar Services Limited, Mezzanine Floor, South Tower, LSE Plaza, 19-Khayaban-e-Aiwan-e-Iqbal, Lahore (in case their shareholding is in Physical Form).

**12. Unclaimed/Unpaid Dividend and Bonus Shares**

Shareholders of the Bank are hereby informed that as per the record, there are many unclaimed/uncollected / unpaid dividends and shares; details whereof are appearing on the Bank's website [www.askaribank.com](http://www.askaribank.com). As per the provisions of section 244 of the Companies Act, 2017, any shares issued or dividend declared by the Bank which have remained unclaimed/unpaid for a period of three years from the date on which it was due and payable, are required to be deposited with SECP to the credit of Federal Government after issuance of notices to the shareholders to file their claim. Shareholders are requested to ensure that their claims for unclaimed dividend and shares are lodged promptly. In case, no claim is lodged, the Bank shall proceed to deposit the unclaimed/unpaid amount and shares with the Federal Government pursuant to the provision of Section 244(2) of Companies Act, 2017.

**13. Transmission of Audited Financial Statements & Notices to Shareholders through email (Optional) or CD/DVD/USB**

Annual Audited Financial Statements of the Bank for the financial year ended December 31, 2022 have been placed on the Bank's website i.e., [www.askaribank.com](http://www.askaribank.com).

In line with shareholders' approval accorded in 25<sup>th</sup> AGM of the Bank held on March 31, 2017, DVDs have been dispatched to all shareholders. In addition, hard copies of Annual Report 2022 have also been dispatched to Shareholders as per their demand.

**14. Consent for Video Conference Facility**

Pursuant to Section 132 (2) of the Companies Act 2017, shareholders may avail video conference facility to attend 31<sup>st</sup> AGM provided the Bank receives consent from the shareholders holding aggregate 10% or more shareholding at least seven days prior to the date of the meeting. Please fill the following form and submit its signed copy to the Company Secretary, Askari Bank Limited, 4<sup>th</sup> Floor, NPT Building, F-8 Markaz, Islamabad or email signed form at [ir@askaribank.com.pk](mailto:ir@askaribank.com.pk):

I/We, ----- of ----- being a Member of Askari Bank Limited, holder of ----- Ordinary Share(s) as per Registered Folio No/CDC Sub-Account No.----- hereby opt for video conference facility at -----.

\_\_\_\_\_  
Signature of Member

**15. Deposit of Physical Shares into Central Depository System**

As per Section 72 of the Companies Act, 2017, all listed Companies are required to replace shares issued by them in physical form to book-entry form within four years of the promulgation of the Act.

Accordingly, all shareholders of the Bank having physical folios/share certificates are requested to convert their shares into book-entry form at the earliest. Maintaining shares in book-entry form will make the process of share handling more efficient and risk-free. Further, this will facilitate shareholders in safe custody of shares with the CDC, instant credit of entitlements (bonus shares and rights share), eliminate the risk of loss; and readily available for sale/purchase in the open market etc. The shareholders may contact the Share Registrar of the Bank at address, M/s. CDC Share Registrar Services Limited, Mezzanine Floor, South Tower, LSE Plaza, 19-Khayaban-e-Aiwan-e-Iqbal, Lahore.

16. **Change of Address / Particulars**

Shareholders are requested to immediately notify any change in their addresses to the Bank's Shares Registrar, M/s. CDC Share Registrar Services Limited, Mezzanine Floor, South Tower, LSE Plaza, 19-Khayaban-e-Aiwan-e-Iqbal, Lahore. To facilitate the shareholders, a Form for Change of Particulars of Shareholders has been made available on the website of the Bank.

17. **Zakat Declaration (CZ-50)**

Zakat will be deducted from the dividends at source at the rate of 2.5 % of the paid-up value of the share (Rs. 10/- each) and will be deposited within the prescribed period with the relevant authority. In case of claiming exemption, please submit your Zakat Declarations under Zakat and Ushr Ordinance, 1980 and Rule 4 of Zakat (Deduction and Refund) Rules, 1981, CZ-50 Form to the Share Registrar mentioning Askari Bank's name and respective Folio and CDC Account Nos.

18. **Postal Ballot/E-voting**

In accordance with the Companies (Postal Ballot) Regulations, 2018, Section 143 and 144 of the Companies Act 2017 and under Postal Ballot Regulation, 2018 latest amendments circulated through SRO dated December 05, 2022, SECP has directed all listed companies for the purpose of Polling on Special Business / election of directors, if the number of persons who offer themselves to be elected is more than the number of directors fixed under Section 159 (1) of the Companies Act, 2017, shareholders will be allowed to exercise their right to vote through postal ballot i.e. by post or e-voting, in the manner and subject to the conditions contained in the aforesaid regulations. Detail will be circulated in due course.

**Procedure for Election of Directors**

Any member desirous to contest the election of Directors shall file the following with Company Secretary, Askari Bank Limited, 4<sup>th</sup> Floor, NPT Building, F-8 Markaz, Islamabad, not later than 14 days before the day of the 31<sup>st</sup> AGM:

- a. Notice of his/her intention to offer him/herself for the election to the office of director in terms of Section 159(3) of the Companies Act, 2017 (the Act).
- b. Consent to act as director of the Bank along with consent on Form 28 prescribed under the Act.
- c. Detail profile along with office address as required under SECP's SRO 1196 (I) 2019 dated October 3, 2019.
- d. Declaration under Regulation 3 of the Listed Companies (Code of Corporate Governance) Regulations 2019 and Section 155 of the Act.
- e. Declaration that he/she is not ineligible to become a director of the Bank in terms of Section 153 and 177 of the Act. Neither he/she nor his/her spouse is engaged in the business of brokerage or is a sponsor, director or officer of a corporate brokerage house.
- f. Fit and Proper Test Proforma, Affidavit, Declarations, and Questionnaire as provided in "Corporate Governance Regulatory Framework" issued by State Bank of Pakistan (SBP) vide BPRD Circular No. 5 dated November 22, 2021.
- g. Manner and selection of independent director shall be as per requirements of Section 166 of the Act. Furthermore, a declaration of Independence in terms of Section 166(2) of the Act will be required under clause 6(3) of Listed Companies (Code of Corporate Governance) Regulations, 2019 and SBP's Corporate Governance Regulatory Framework 2021.
- h. An independent director must be holding 500 qualification shares of the Bank at the time of filing of his/her consent to act as director.

In terms of the criteria prescribed by SBP, a person shall not be eligible to become a Director of a Bank, if the person:

- a) is disqualified/ineligible under Banking Companies Ordinance 1962, Companies Act 2017, and other applicable laws, rules and regulations.
- b) is in default of payment of dues owed to any financial institution in personal capacity.
- c) is associated as executive director/sponsor director/nominee of the sponsor and/or President & CEO of a proprietary concern, partnership firm, or corporate body excluding public sector organization, which is in default of dues owed to any financial institution.
- d) has contravened any of the requirements and standards of SBP or equivalent standards/requirements of other local or foreign regulatory authorities, professional bodies, or government bodies/agencies of such a nature that makes such person's association with the bank/DFI undesirable.
- e) is a designated person/proscribed person or is associated directly or indirectly with any designated person/proscribed person.
- f) is convicted of or is associated directly or indirectly with any person convicted of any serious offence, including any Money Laundering/ Terrorism Financing offence or any predicate offence set out in Schedule I of the Anti-Money Laundering Act, 2010.

It should also be noted that under SBP directives, a person is not permitted to be a Director of more than one financial institution, and the Directors will not assume the charge of their respective offices until their appointments are approved in writing by SBP.

### **Statement Under Section 166(3) of the Companies Act, 2017 in respect of the Appointment of Election of Independent Directors**

#### **Agenda Item No. 4**

#### **Election of Independent Directors**

Any person who is eligible under section 153 and meets the criteria under Section 166(2) of the Companies Act, 2017 and the Companies (Manner and Selection of Independent Directors) Regulations 2018, may submit a nomination to be elected as an independent director. However, it is noteworthy to mention here that independent directors shall be elected in the same manner as other directors are elected in terms of section 159 of the Companies Act, 2017 to meet the requirements of Corporate Governance. Final list of the contesting directors will be published in Newspapers not later than seven days before the date of the said meeting in terms of section 159(4). Further, the website of the Bank will also be updated with the required information for each Director.

### **Statement under Section 134(3) of the Companies Act, 2017 in respect of Special Business**

The following statement sets out the material facts pertaining to the special business to be transacted in the 31<sup>st</sup> Annual General Meeting of the Bank to be held on Wednesday, March 29, 2023:

#### **Item No. 5 of the Notice – Issue of Bonus Shares**

The Board of Directors of the Bank in its meeting held on February 15, 2023 has recommended issuance of Bonus Shares for the year ended December 31, 2022 in proportion of 15 ordinary shares for every 100 shares i.e. 15% to the shareholders of the Bank.

In order to give effect to the aforesaid, if thought fit, pass the following resolutions as Special Resolutions:

***“RESOLVED THAT a sum of Rs. 234.669 million be utilized out of the share premium account of the Bank and a sum of Rs. 1,655.721 million be capitalized out of the reserves of the Bank and applied towards issue of 189,039,027 ordinary shares of Rs. 10 each to be allotted as fully paid bonus shares in proportion of 15 ordinary shares for every 100 shares i.e. 15% held by the shareholder of the Bank.*”**

***FURTHER RESOLVED THAT these Bonus Shares will be issued to those members whose names appear in the register of members at the close of business on March 21, 2023 and that the shares so issued be treated for all purpose as an increase in the paid-up-capital of the Bank.***

***FURTHER RESOLVED THAT these Bonus Shares shall rank pari passu in all respects with the existing ordinary shares of the Bank.***

***FURTHER RESOLVED THAT the members entitled to fractions of shares shall be given sale proceeds of their fractional entitlement for which purpose the fractions shall be consolidated into whole shares and sold in the stock market.***

***FURTHER RESOLVED THAT the President & Chief Executive Officer and Company Secretary of the Bank be and are hereby authorized and empowered either singly or jointly to give effect to above resolutions and to do or cause to be done all acts, deeds and things that may be necessary or required for the issue, allotment and distribution of bonus shares, and payment of sale proceeds of the fractional shares.”***

The present Directors are interested in the Ordinary Business and Special Business to the extent that they are eligible for re-election as Directors of the Bank and Issuance of Bonus Shares.