

March 28, 2024

RESOLUTIONS PASSED AND ADOPTED IN THE 33rd ANNUAL GENERAL MEETING OF THE BANK OF PUNJAB HELD ON THURSDAY, MARCH 28, 2024 AT 5:15 P.M. AT LAHORE

ORDINARY BUSINESS

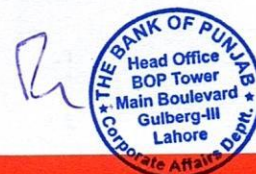
2. **“Resolved that** the annual Audited Financial Statements of the Bank (Standalone and Consolidated) for the year ended December 31, 2023 together with the Report of Directors and the Auditors be and are hereby approved and adopted by the members.”
3. **“Resolved that** final cash dividend for the year ended December 31, 2023 at Rs.1/- per share i.e. 10%, be and is hereby approved.”
4. **“Resolved that** proposal for M/s A.F. Ferguson & Co., Chartered Accountants to continue to act as Bank’s Statutory Auditors for the year ending December 31, 2024, at a remuneration of **Rs.6 million**, for statutory audit of Bank’s Financial Statements and Periodic Review as per Regulatory Requirement along with out of pocket expenses as per actual, be and are hereby recommended to the shareholders for their approval.”

SPECIAL BUSINESS

5. **“Resolved that** subject to approval from SBP and compliance of relevant laws and regulations, establishment of an Exchange Company, as a wholly owned subsidiary of The Bank of Punjab, with an authorized capital of PKR.2.5 billion and paid up capital of PKR. 1.0 billion, be and is hereby approved.”

“Further Resolved that proposal for appointment of a legal advisor to facilitate the Bank for establishing the Exchange Company in an effective and timely manner, be and is hereby approved.”

“Further Resolved that Mr. Khawar Ansari - SEVP is hereby appointed as Coordinator and authorized signatory on behalf of The Bank of Punjab to execute all requisite formalities along with Mr. Kamran Hafeez, Company Secretary of the Bank, Mr. Farid Ahmad Khan, Group Chief Corporate & Investment Banking and Mr. Nadeem Amir, Chief Financial Officer be and is hereby approved.”

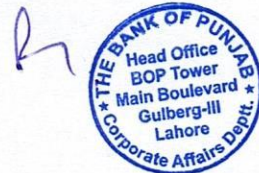


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6. **“Resolved** that the approval of the members of the Bank on notice of meeting be and is hereby accorded for transmission of Annual Reports including Annual Audited Financial Statements to the members for future years commencing from the financial **year 2024** through QR enabled code and Weblink instead of transmitting the same through CD/DVD/USB, as allowed by Securities and Exchange Commission of Pakistan vide its S.R.O.389(I)/2023 dated March 21, 2023, be and is hereby approved.”
7. **“RESOLVED THAT** the issuance of the proposed Additional **Tier-I** capital by the Bank of Punjab (the “Bank”) in the amount of up to PKR 5,000,000,000/- (Pak Rupees Five Billion), inclusive of a green shoe option of up to PKR 1,500,000,000/- (Pak Rupees One Billion Five Hundred Million) (the “TFC Issue”) in the form of rated, privately placed / subsequently listed, unsecured, subordinated, perpetual, fully paid-up and non-cumulative Term Finance Certificates (“TFCs”) is approved”

“FURTHER RESOLVED THAT in accordance with the directions under the ‘Instructions for Basel III Implementation in Pakistan’ (“Basel III Regulations”) issued by the State Bank of Pakistan (“SBP”), the TFCs may be converted into ordinary shares of the Bank (i) if so directed by SBP on the occurrence of a point of non-viability as determined by SBP, at a price equivalent to the market value of the shares of the Bank on the date of trigger of the point of non-viability as declared by SBP, or (ii) upon the occurrence of a pre-specified trigger point pursuant to Basel III Capital Instructions, at a price equivalent to the market value of the shares of the Bank on the date of occurrence of the pre-specified trigger point, or (iii) due to any inability to exercise the lock-in clause or non-cumulative features of the TFCs, on such terms and conditions as may be determined by SBP, in accordance with the applicable rules and regulations of SBP (collectively the “Conversion Events”), which ordinary shares shall be issued other than by way of rights in accordance with Section 83(1)(b) of the Companies Act, 2017 and other applicable laws of Pakistan.”

“FURTHER RESOLVED THAT the issuance of such shares upon the occurrence of any of the Conversion Events shall be subject to a cap of 1,122,394,441 (One Billion One Hundred Twenty Two Million Three Hundred Ninety Four Thousand Four Hundred Forty One) additional ordinary shares being issued and shall further be subject to approval of the Securities and Exchange Commission of Pakistan in accordance with section 83(1)(b) of the Companies Act, 2017 and other applicable laws of Pakistan.”



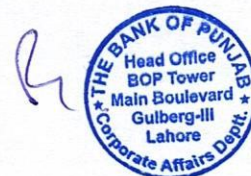
“FURTHER RESOLVED that any two of (i) Mr. Farid Ahmed Khan – Group Chief Corporate & Investment Banking, (ii) Mr. Khawar Ansari – Global Treasurer and (iii) Mr. Nadeem Amir - Chief Financial Officer (the “Authorized Representative”), be and are hereby authorized to take all steps necessary, ancillary, and incidental to the above-mentioned resolutions, as and when required, and are further authorized to sign, execute, and deliver all necessary documents, agreements, and letters on behalf of the Bank, as may be deemed appropriate and as may be required for the purposes above-mentioned.”

The Bank intends to issue rated, privately placed/listed, unsecured, subordinated, perpetual, fully paid-up and non-cumulative Term Finance Certificates (“TFCs”) of up to PKR 5,000,000,000/- (Pak Rupees Five Billion), inclusive of a green shoe option of up to PKR 1,500,000,000/- (Pak Rupees One Billion Five Hundred Million), as Additional Tier 1 capital in accordance with the Basel III regulations as implemented vide SBP’s Circular BPRD Circular No. 06 dated August 15, 2013 (“SBP Circular”), which prescribes a loss absorption feature for ADT-I capital instruments pursuant to which the TFCs will be converted into ordinary shares of the Bank (i) at the Point of Non-Viability (“PONV”) trigger event as determined by SBP, or (ii) upon the occurrence of a pre-specified trigger point pursuant to the SBP Circular, or (iii) due to any inability to exercise the Lock-in Clause or Non-Cumulative features of TFCs, on such terms and conditions as may be determined by SBP (collectively the “Conversion Events”). In accordance with the requirements of the SBP Circular, the Bank has agreed with the SBP for the issuance of up to a maximum of 1,122,394,441 (One Billion One Hundred Twenty Two Million Three Hundred Ninety Four Thousand Four Hundred Forty One) shares against subject ADT-I in case of the occurrence of any Conversion Events.

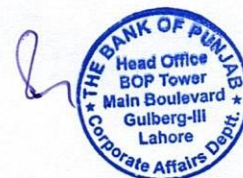
In light of the above contemplated Conversion Events, the Bank is required to obtain all approvals (in advance) for the issuance of such additional shares, however, it may be noted that issuance of such additional shares shall further be subject to approval of the Securities and Exchange Commission of Pakistan in accordance with S. 83(1)(b) of the Companies Act, 2017.

The information required to be annexed to the notice is set out below:

Name and brief profile of the banks/financial institutions to whom such shares are proposed to be issued	The shares will be issued to the TFC ADT-1 holders (at that time) in accordance with the directions of SBP at the time of trigger of PONV.
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Price at which the proposed shares will be issued	The price of the shares shall be issued at the market value of the shares of the Bank, on the relevant date of trigger of PONV as declared by SBP however, total no. of shares to be issued are capped at 1,122,394,441 (One Billion One Hundred Twenty Two Million Three Hundred Ninety Four Thousand Four Hundred Forty One) additional ordinary shares
Purpose of the issue of shares other than right, utilization of the proceeds of the issue and benefits to the Bank and its shareholders with necessary details	To convert the outstanding TFC ADT1 amount (in whole or part) into shares of the Bank, as per the directions of the SBP.
Existing shareholding of the banks / financial institutions to whom the proposed shares will be issued	Not Applicable
Total shareholding of the banks / financial institutions after the proposed issue of shares	Not Applicable
Whether the banks/financial institutions have provided written consent for purchase of such shares	The terms of the TFC Issuance Agreement for the TFC Issue contain the details regarding such conversion.
Justification as to why proposed shares are to be issued otherwise than rights and not as rights shares	This is in accordance with the requirements of the SBP vide its Circular No. 6 of Banking Policy and Regulation Department dated August 15, 2013 and further directions of SBP in this matter.
Justification, with details of the latest available market price and break-up value per share, if such price differs from par value.	Not Applicable
Details of the average market price during the last 3 (three) months and 6 (six) months preceding the board announcement as well as the latest available market price.	Not Applicable



The shares issued will rank pari passu in all respects with the existing shares of the Bank. The issue of shares other than by way of rights is subject to approval from the Securities and Exchange Commission of Pakistan.

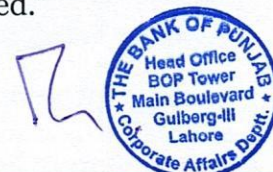
The directors of the Bank have no personal interest in the resolutions except in their capacity as shareholders of the Bank to the extent of their respective shareholding.

8. **“RESOLVED THAT** the issuance of the proposed **Tier 2** capital by the Bank of Punjab (the “Bank”) in the amount of up to PKR 10,000,000,000/- (Pak Rupees Ten Billion), inclusive of a green shoe option of up to PKR 2,500,000,000/- (Pak Rupees Two Billion Five Hundred Million) (the “TFC Issue”) in the form of rated, privately placed / subsequently listed, unsecured, subordinated and redeemable Term Finance Certificates (“TFCs”) is approved.”

“FURTHER RESOLVED THAT in accordance with the directions under the ‘Instructions for Basel III Implementation in Pakistan’ (“Basel III Regulations”) issued by the State Bank of Pakistan (“SBP”), the TFCs may be converted into ordinary shares of the Bank if so directed by SBP on the occurrence of a point of non-viability as determined by SBP, at a price equivalent to the market value of the shares of the Bank on the date of trigger of the point of non-viability as declared by SBP in accordance with the applicable rules and regulations of SBP and Basel III Regulations (the “PONV Event”), which ordinary shares shall be issued other than by way of rights in accordance with Section 83(1)(b) of the Companies Act, 2017 and other applicable laws of Pakistan.”

“FURTHER RESOLVED THAT in case of conversion of the TFC Issue (in part or full) upon the occurrence of the PONV Event, the maximum number of shares shall be subject to a cap of 2,244,788,883 (Two Billion Two Hundred Forty-Four Million Seven Hundred Eighty-Eight Thousand Eight Hundred Eighty-Three) additional ordinary shares being issued and shall further be subject to approval of the Securities and Exchange Commission of Pakistan in accordance with section 83(1)(b) of the Companies Act, 2017 and other applicable laws of Pakistan.”

“FURTHER RESOLVED THAT any two of (i) Mr. Farid Ahmed Khan – Group Chief Corporate & Investment Banking, (ii) Mr. Khawar Ansari – Global Treasurer and (iii) Mr. Nadeem Amir - Chief Financial Officer (the “Authorized Representative”), be and are hereby authorized to take all steps necessary, ancillary, and incidental to the above-mentioned resolutions, as and when required, and are further authorized to sign, execute, and deliver all necessary documents, agreements, and letters on behalf of the Bank, as may be deemed appropriate and as may be required for the purposes above-mentioned.”

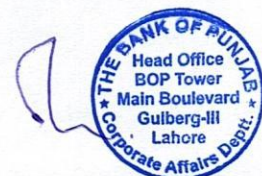


The Bank intends to issue rated, privately placed/subsequently listed, unsecured, subordinated and redeemable Term Finance Certificates (“TFCs”) of up to PKR 10,000,000,000/- (Pak Rupees Ten Billion), inclusive of a green shoe option of up to PKR 2,500,000,000/- (Pak Rupees Two Billion Five Hundred Million) as Tier 2 capital, in accordance with the Basel III regulations as implemented vide SBP’s Circular BPRD Circular No. 06 dated August 15, 2013 (“SBP Circular”), which prescribes a loss absorption feature for Tier 2 capital instruments pursuant to which the TFCs may be converted into ordinary shares of the Bank if so directed by the State Bank of Pakistan (“SBP”) on the occurrence of a point of non-viability as determined by SBP, at a price equivalent to the market value of the shares of the Bank on the date of trigger of the point of non-viability as declared by SBP in accordance with the applicable rules and regulations of SBP and Basel III Regulations (“PONV Event”). In accordance with the requirements of the SBP Circular, the Bank has agreed with the SBP for the issuance of up to a maximum of 2,244,788,883 (Two Billion Two Hundred Forty-Four Million Seven Hundred Eighty-Eight Thousand Eight Hundred Eighty-Three) ordinary shares against subject Tier 2 in case of the occurrence of the PONV Event.

In light of the above contemplated PONV Event, the Bank is required to obtain all approvals (in advance) for the issuance of such additional shares, however, it may be noted that issuance of such additional shares shall further be subject to approval of the Securities and Exchange Commission of Pakistan in accordance with S. 83(1)(b) of the Companies Act, 2017.

The information required to be annexed to the notice is set out below:

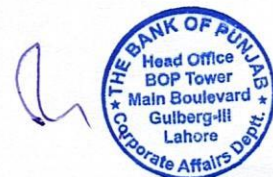
Name and brief profile of the banks/financial institutions to whom such shares are proposed to be issued	The shares will be issued to the TFC holders (at that time) in accordance with the directions of SBP at the time of trigger of PONV.
Price at which the proposed shares will be issued	The price of the shares shall be issued at the market value of the shares of the Bank, on the relevant date of trigger of PONV as declared by SBP however, total no. of shares to be issued are capped at 2,244,788,883 (Two Billion Two Hundred Forty-Four Million Seven Hundred Eighty-Eight Thousand Eight Hundred



	Eighty-Three) additional ordinary shares
Purpose of the issue of shares other than right, utilization of the proceeds of the issue and benefits to the Bank and its shareholders with necessary details	To convert the outstanding TFCs amount (in whole or part) into shares of the Bank, as per the directions of the SBP.
Existing shareholding of the banks / financial institutions to whom the proposed shares will be issued	Not Applicable
Total shareholding of the banks / financial institutions after the proposed issue of shares	Not Applicable
Whether the banks/financial institutions have provided written consent for purchase of such shares	The terms of the TFC Issuance Agreement for the TFC Issue contain the details regarding such conversion.
Justification as to why proposed shares are to be issued otherwise than rights and not as rights shares	This is in accordance with the requirements of the SBP vide its Circular No. 6 of Banking Policy and Regulation Department dated August 15, 2013 and further directions of SBP in this matter.
Justification, with details of the latest available market price and break-up value per share, if such price differs from par value.	Not Applicable
Details of the average market price during the last 3 (three) months and 6 (six) months preceding the board announcement as well as the latest available market price.	Not Applicable

The shares issued will rank pari passu in all respects with the existing shares of the Bank. The issue of shares other than by way of rights is subject to approval from the Securities and Exchange Commission of Pakistan.

The directors of the Bank have no personal interest in the resolutions except in their capacity as shareholders of the Bank to the extent of their respective shareholding.



9. **“Resolved** that enhancement in Bank’s Authorized Capital to Rs.100.00 billion subject to amendment in Section 04 of The Bank of Punjab Act, 1989, be and is hereby approved.”
10. **“Resolved that** increase in scale of Directors’ remuneration including remuneration paid to Chairman for attending Board and Sub - Committee meetings, other than the President & CEO, to Rs. 295,000/- net of taxes, be and is hereby recommended to the shareholders for approval.”

“Further resolved that the Board's Remuneration Policy-2020 be amended as follows:

Clause 4.1.2:

The remuneration of Board members for attending a Board meeting shall be Rs. 295,000/- (net of taxes).

Clause 4.3.1:

A Director shall be remunerated for any additional work assigned by the Board of Directors. The remuneration of a Director performing extra services shall not exceed 20% of the remuneration already set for him / her. In any case, remuneration paid to a Director for performing one such extra service / additional work should not exceed Rs. 59,000/- (net of applicable taxes), and the total payments made to one director for performing extra services should not exceed 20% of the total amount paid to a director for attending Board/Sub-Committee meeting, in a year.

A director will be provided Protocol and Car services, if required, for attending Board & Committee meetings.

Clause 4.3.2:

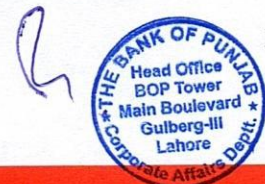
A director shall be remunerated additionally upto 20% of the remuneration set for him for holding the position of Chairman of the Board and Committee for attending Board and Sub-Committee meetings other than President & CEO.

Clause 5.1.2:

The remuneration of members of Board's Sub Committees for attending a Board's Committee meeting shall be Rs. 295,000/- (net of taxes).

Clause 5.1.4:

The remuneration of Director(s) for attending a Board’s Sub-Committee meeting on Special Invitation shall be Rs. 295,000/- (net of taxes).



Clause 6.13.1:

The remuneration of Chairman for attending Board and Sub-Committee(s) meetings shall be Rs. 295,000/- (net of taxes).”

“**Further resolved that** amendments placed above in the Board’s Remuneration Policy, be and are hereby recommended to the shareholders on pre-facto basis.”

The subject revisions shall be effective from the date of approval of the shareholders in the General Meeting.

**CERTIFIED TO BE TRUE COPY
ON BEHALF OF THE BOARD**



**KAMRAN HAFEEZ
Secretary to the Board**

