



Bank AL Habib Limited

Notice of Annual General Meeting

Notice is hereby given that the Thirty-first Annual General Meeting of Bank AL Habib Limited will be held at the Registered Office of the Bank located at 126-C, Old Bahawalpur Road, Multan, on Tuesday, March 29, 2022 at 10:30 a.m. to transact the following business. The shareholders may also attend the meeting through electronic means as advised by Securities and Exchange Commission of Pakistan (SECP).

- To receive and adopt the Audited Annual Accounts and Consolidated Accounts of the Bank for the year ended December 31, 2021 together with the Reports of Chairman, Directors and Auditors.
- To consider and approve payment of cash dividend @ 70%, i.e., Rs.7.0 per share of Rs.10/- each for the year ended December 31, 2021 as recommended by the Board of Directors.
- To appoint auditors for the year 2022 and to fix their remuneration. EY Ford Rhodes, Chartered Accountants, being eligible, offer themselves for re-appointment.
- To elect Directors of the Bank in accordance with Section 159(1) of the Companies Act, 2017. The number of Directors to be elected pursuant to Section 159(1) of the Companies Act, 2017 has been fixed at 10 (ten) by the Board of Directors including one female Director in compliance with Clause 7 of the Listed Companies (Code of Corporate Governance) Regulations, 2019.
The following are the retiring Directors, who may offer themselves for election:
Mr. Abbas D. Habib, Mr. Anwar Haji Karim, Ms. Farhana Mowjee Khan, Syed Mazhar Abbas, Mr. Qumail R. Habib, Mr. Safar A.Lakhani, Syed Hasan Ali Bukhari, Mr. Murtaza H. Habib, Mr. Arshad Nasar, and Mr. Adnan Afridi - NIT Nominee.

5. To consider any other business of the Bank with the permission of the Chair.

Special Business

- To Consider and approve increase in Authorized Capital of the Bank from Rs.15,000,000,000 (Rupees Fifteen Billion) to Rs.25,000,000,000 (Rupees Twenty Five Billion).
- To consider and approve the conversion terms of Tier 2 Term Finance Certificates of the Bank, issued in 2021 in the amount of Rs. 5,000,000,000 (Rupees Five Billion) into Ordinary Shares of the Bank upon occurrence of a conversion event if so required by the State Bank of Pakistan.
- To consider and approve the conversion terms of Tier 1 Term Finance Certificates of the Bank, intended to be issued in 2022 in the amount of Rs.7,000,000,000 (Rupees Seven Billion) into Ordinary Shares of the Bank upon occurrence of a conversion event if so required by the State Bank of Pakistan.
- To consider and approve remuneration payable to Executive Director of the Bank.

Statements under Section 166(3) for Item No.4, and under Section 134(3) of the Companies Act, 2017 in respect of special business contained in Item Nos.6, 7, 8 & 9, are being sent to all shareholders.

Karachi: March 08, 2022

By order of the Board
Mohammad Taqi Lakhani
Company Secretary

Notes:

1. Participation in the Annual General Meeting (AGM) through Electronic Means

The entitled shareholders who are interested to attend AGM through online platform and whose names appeared in the Books of the Bank by the close of business on March 18, 2022 are hereby requested to get themselves registered with the Company Secretary Office by providing the following details at the earliest but not later than 48 hours before the time of AGM (no account shall be taken of any part of the day that is not a working day) at agm@bankalhabib.com

Name of Shareholder	CNIC No.	Folio Number/ CDC No.	Cell Number	Email Address

Upon receipt of the above information from interested shareholders, the Bank will send the login details at their email addresses. On the AGM day, shareholders will be able to login and participate in the AGM proceedings through their smartphones or computer devices from any convenient location.

The login facility will be opened 30 minutes before the meeting time to enable the participants to join the meeting after identification and verification process.

The entitled shareholders (whose names appeared in the Books of the Bank by the close of business on March 18, 2022) along with the details mentioned above may send their comments/suggestions for the proposed Agenda Items at the above email address atleast 48 hours before the time of AGM (no account shall be taken of any part of the day that is not a working day).

- Any member desirous to contest the election of Directors shall file the following with Company Secretary of the Bank at its Registered Office located at 126-C, Old Bahawalpur Road, Multan, not later than 14 days before the day of the above said meeting:
 - His/her intention to offer himself/herself for the election in terms of Section 159(3) of the Companies Act, 2017. He/she should also confirm that:
 - He/she is not ineligible to become a director of the Bank under any applicable laws and regulations.
 - 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.
 - He/she is not serving as a director in more than seven listed companies simultaneously.
Provided that this limit shall not include the directorships in the listed subsidiaries of a listed holding company.
 - In case of Independent Director, a declaration of Independence in terms of Section 166(2) of the Companies Act, 2017 as required under Clause 6(3) of Listed Companies (Code of Corporate Governance) Regulations, 2019.
 - Consent to act as Director in Form 28 under Section 167 of the Companies Act, 2017.
 - Fit and Proper Test Proforma, Affidavit, Declarations, and Questionnaire as provided in "Corporate Governance Regulatory Framework" issued by SBP vide BPRD Circular No.5 dated November 22, 2021.
- In terms of the criteria prescribed by SBP, a person shall not be eligible to become a Director of a bank, if the person:
 - is disqualified/ineligible under Banking Companies Ordinance, 1962, Companies Act, 2017, and other applicable laws, rules and regulations;
 - is in default of payment of dues owed to any financial institution in personal capacity;
 - 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;
 - 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;
 - is a designated person/proscribed person or is associated directly or indirectly with any designated person/proscribed person;
 - 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 regulations 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.

- A copy of relevant documents may be obtained from the office of the Company Secretary of the Bank or may be downloaded from the website of SBP.
- A detailed profile along with office address will be available on website as required under SECP's SRO 1196 (I)/2019, dated October 03, 2019.
- The share transfer book of the Bank will remain closed from March 21, 2022 to March 29, 2022 (both days inclusive). Transfers received in order at the office of our Share Registrar, CDC Share Registrar Services Limited, located at CDC House, 99-B, Block-B, S.M.C.H.S., Main Shahrah-e-Faisal, Karachi-74400, by the close of business on March 18, 2022 will be treated in time for payment of cash dividend (subject to approval of the members). Members are requested to promptly communicate any change in their addresses to our above-mentioned Share Registrar.
- A member entitled to attend and vote at this meeting is entitled to appoint a proxy to attend, speak and vote on his/her behalf. A proxy (except for a corporation) must be a member of the Bank. Proxy form, in order to be effective, must be received at the Registered Office of the Bank located at 126-C, Old Bahawalpur Road, Multan, duly stamped and signed not less than 48 hours before the time of meeting (no account shall be taken of any part of the day that is not a working day).
- The entitled shareholders are requested to keep with them their original Computerized National Identity Cards (CNICs)/Passport along with their folio numbers/participant(s) ID numbers and CDC account numbers at the time of attending the Annual General Meeting in order to facilitate identification of the respective shareholders. The proxy shall also produce his/her original CNIC or Passport at the time of the meeting. In case of a corporate entity, the Board of Directors' Resolution/Power of Attorney with specimen signatures shall be submitted along with Proxy Form in the Bank.

9. Payment of Cash Dividend through Electronic Mode

Under the provision of Section 242 of Companies Act, 2017 and Companies (Distribution of Dividends) Regulations, 2017, it is mandatory for a listed company to pay cash dividend to their shareholders only through electronic mode directly into the bank account designated by the entitled shareholders instead of issuing physical dividend warrants.

In order to receive cash dividend directly into the designated bank account, members who have not yet provided the bank account details are requested to fill and sign the "E-Dividend Bank Mandate Form" available on the Bank's website link, <https://www.bankalhabib.com/download-forms>, and send to the relevant Participants/Investor Account Services of the CDC/Share Registrar of the Bank (as the case may be) latest by March 18, 2022 along with a copy of their valid CNICs. The aforesaid form is also available in the Annual Report of the Bank.

In case of non-receipt or incorrect International Bank Account Number (IBAN) with other related details or non-availability of valid CNICs, the Bank will withhold cash dividend of such members.

- The Government of Pakistan through Finance Act, 2021 has made certain amendments in Section 150 of the Income Tax Ordinance, 2001 whereby different rates are prescribed for deduction of withholding tax on the amount of cash dividend paid by the companies/banks. These tax rates are as follows:
 - For filers of income tax returns 15%
 - For non-filers of income tax returns 30%

To enable the Bank to make tax deduction on the amount of cash dividend @ 15% instead of 30% all the shareholders whose names are not entered into the Active Taxpayers List (ATL) provided on the website of Federal Board of Revenue (FBR), despite the fact that they are filers, are advised to make sure that their names are entered into ATL before the date of payment of cash dividend i.e., March 29, 2022; otherwise tax on their cash dividend will be deducted @ 30% instead of 15%.

According to FBR, withholding tax will be determined separately on 'Filer/Non-Filer' status of principal shareholder as well as joint-shareholder(s) based on their shareholding proportions, in case of joint accounts. Members that hold shares with joint-shareholder(s) are requested to provide shareholding proportions of principal shareholder and joint-shareholder(s) in respect of shares held by them to the Bank's Share Registrar in writing in the following format:

Bank Name	Folio / CDC Account No.	Total Shares	Principal Shareholder		Joint-Shareholder(s)	
			Name and CNIC	Shareholding Proportion (No. of Shares)	Name and CNIC	Shareholding Proportion (No. of Shares)

In case the required information is not provided to our Share Registrar latest by March 18, 2022, it will be assumed that the shares are equally held by them.

In case of corporate entity, withholding tax exemption from dividend income shall only be allowed if copy of valid tax exemption certificate is made available to our Share Registrar latest by March 18, 2022.

As per instructions of Securities & Exchange Commission of Pakistan (SECP) and Central Depository Company of Pakistan (CDC) Circular No.6 of 2018, the shareholders are hereby informed that the CDC has developed Centralized Cash Dividend Register (CCDR) on eServices Web Portal which contains details of cash dividend such as either paid or unpaid, withheld by the Bank, total amount of cash dividend, tax and Zakat deductions and net amount credited into designated bank account of shareholders. The shareholders are requested to register themselves to CDC's eServices Portal link, <https://eservices.cdcaccess.com.pk> to obtain the aforesaid information.

11. Audited Financial Statements through E-mail

SECP through its Notification SRO 787(I)/2014 dated September 8, 2014 has allowed the circulation of Audited Financial Statements along with Notice of Annual General Meeting to the members through e-mail. Soft copies of Annual Report 2021 including Audited Financial Statements and Notice of Annual General Meeting are being e-mailed to the members who have provided their e-mail addresses for the said purpose. Other members of the Bank who wish to receive soft copy of Annual Report are requested to send their e-mail addresses to our Share Registrar through consent form. The said consent form for electronic transmission can be downloaded from the Bank's website link, <https://www.bankalhabib.com/reports> Audited Financial Statements and reports are being placed on the aforesaid link.

Members are also requested to intimate change (if any) in their registered e-mail addresses to our Share Registrar for the above-mentioned purpose.

Additional Information for Shareholders:

a. Unclaimed/Unpaid Cash Dividend and Share Certificates:

In compliance of Section 244 of the Act, the Bank has already requested through individual letters to shareholders and also through newspaper dated May 25, 2021 to collect their unclaimed shares/unpaid cash dividend, if any. Shareholders are once again requested to lodge a claim for unclaimed shares/unpaid cash dividends with the Bank's Share Registrar i.e. CDC Share Registrar Services Limited.

b. Deposit/Conversion of Physical Shares into Book-Entry Form:

The shareholders having shares in physical share certificates of the Bank are advised to place/convert their physical shares into Book-Entry Form in CDC as required under the provisions of Section 72 of the Companies Act, 2017.