askaribank
LIMITED

SECTT/PSX/124/2020
March 16, 2020

The Managing Director
Pakistan Stock Exchange Limited
Stock Exchange Road
Karachi

Dear Sir

Subject: Annual General Meeting of Askari Bank Limited scheduled for March 27, 2020

We write to inform you that Askari Bank's 28th AGM is planned for March 27, 2020 at Topi Rakh Complex (Galaxy Hall) Rawalpindi for which a notice has already been published on March 03, 2020 (copy attached).

In view of the Government's restrictions on public gatherings and SECP's press release dated March 11, 2020 Re: 'Coronavirus contingency planning for general meetings of the shareholders' (copy attached), we write to seek your approval for holding our 28th AGM under 'webinar' arrangements.

Under this arrangement, our directors will consolidate their presence, attendance and voting into a few people through proxies at Askari Bank Board Room located at Head Officer F-8 Markaz Islamabad along with the attendance of the President & CE, Company Secretary and other officials required to attend the AGM at 10:00 am on March 27, 2020.

A video link of the Board room will be notified to all shareholders through a newspaper advertisement and they will be able to login and participate in the AGM proceedings through their smartphones or computer devices from their homes or any convenient location after completing meeting attendance formalities. For this purpose, shareholders interested in attending our 28th AGM will be requested to get their particulars registered with our Company Secretary at least 24 hours before the time of AGM and they will be provided with a security key permitting requisite access.

The Bank undertakes that the quorum provisions of the AGM shall be honored and the minutes will be kept as per regulatory requirements without change.

Yours truly

Umar Shahzad
Acting Company Secretary

Copy to: Securities & Exchange Commission of Pakistan
State Bank of Pakistan

Company Secretary Office Islamabad:
4th Floor, Plot # 18, N.P.T Building, F-8 Markaz Islamabad-Pakistan.
PABX: +92-51-2857424-39 **Fax:** +92-51-2857448 **SWIFT:** ASCMPKKA.

askari bank LIMITED

ADDENDUM TO THE NOTICE OF 28th ANNUAL GENERAL MEETING

Being held on Friday, March 27, 2020 at 10:00 AM at Topi Rakh Complex (Galaxy Hall), Army Heritage Foundation, Ayub National Park, Jhelum Road, Rawalpindi.

Further to Notice of the 28th Annual General Meeting of the Askari Bank Limited [the Bank] already sent to the shareholders and published in the newspapers on March 03, 2020, following special business is being added as an agenda item to transact in the AGM and accordingly hereby circulated to the shareholders of the Bank along with material information under section 134 (3) of the Companies Act, 2017.

Special Business

Agenda Item No. 8:

To consider and, if thought fit, approve "Board Remuneration Policy", as recommended by the Board of Directors of the Bank for the remuneration of the Chairman and other Non-Executive Directors, including Independent Directors and in this connection to pass the following resolution:

"**RESOLVED** that the "Board Remuneration Policy" as recommended by the Board of Directors of the Bank be and is hereby approved."

Statement of Material Facts under Section 134(3) of the Companies Act, 2017

This statement sets out the material facts pertaining to the special business to be transacted at the 28th Annual General Meeting of the Bank to be held on Friday, March 27, 2020.

Board Remuneration Policy

1. In compliance with the requirements of the SBP BPRD Circular No. 03 of 2019 dated August 17, 2019 ("Circular") read with Articles of Association of the Bank, the Board of Directors of the Bank, on recommendation of the "Board Human Resources & Remuneration Committee" has recommended a comprehensive and transparent remuneration policy titled "Board Remuneration Policy" and determined the remuneration to be paid to the Non-Executive Directors, Independent Directors and the Chairman for attending the Board meetings and/or Committees meetings.
2. The Policy has been formulated taking into consideration governance structure, level of responsibility & expertise of the concerned Directors, assets size and the profitability of the Bank while remaining within limits and parameters given in the Circular.
3. Remuneration has been fixed in Pak Rupees invariably; however, the payment of the same can be made to non-resident Directors in equivalent foreign currency (ies), where necessary.
4. No remuneration shall be paid to the Executive Directors except usual TA/DA as per the Bank's standard rules and regulations.
5. The Policy will be reviewed by the Board of Directors of the Bank on need basis and any changes shall be approved by the shareholders of the Bank on post facto basis, in General Meeting.
6. Complete document of the policy is available at the head office of the Bank for the review of the shareholders.

By Order of the Board

Umar Shahzad
Acting Company Secretary

Rawalpindi
March 12, 2020

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3. To approve, as recommended by the Board of Directors, payment of cash dividend @ 15% i.e., Rs. 1.5 per share for the financial year ended December 31, 2019.
4. To appoint auditors for the year ending December 31, 2020 and to fix their remuneration.
   The retiring Auditors, M/s A.F. Ferguson & Co., Chartered Accountants have completed five consecutive years and in compliance of Listed Companies (Code of Corporate Governance) Regulations 2019, new external auditors are to be appointed. The Board's Audit Committee has proposed appointment of M/s KPMG Taseer Hadi & Co., Chartered Accountants, as auditors of the Bank for the year ending December 31, 2020 which is recommended by the Board of Directors.
5. To elect 10 (Ten) Directors as per the number fixed by the Board of Directors of the Bank under Section159 (1) of the Companies Act 2017 (the Act) for a period of next three years commencing from March 27, 2020. The total strength of Board of Directors shall be 11 including President & Chief Executive 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. Lt Gen Syed Tariq Nadeem Gilani, HI (M) (Retd)
   2. Lt Gen Javed Iqbal, HI (M) (Retd)
   3. Lt Gen Tariq Khan, HI (M) (Retd)
   4. Dr. Nadeem Inayat
   5. Mr. Rehan Laiq
   6. Mr. Manzoor Ahmed
   7. Mr. Kamal A. Chinoy
   8. Syed Ahmed Iqbal Ashraf
   9. Mr. Mushtaq Malik
   10. Brig Saleem Ahmed Moeen, SI (Retd)

Special Business:

6. To consider and, if thought fit, approve the conversion of the Term Finance Certificates (TFCs) into Ordinary Shares of the Bank upon the occurrence of a conversion event as determined by the State Bank of Pakistan and in that connection to pass the following resolution:
   RESOLVED that in respect of the TFC issue of up to PKR 7,000,000,000/- (Pak Rupees Seven Billion) issued by the Bank ("TFC Issue"), pursuant to the terms of the Trust Deed dated December 24, 2019 and in accordance with the instructions of the State Bank of Pakistan ("SBP") under the 'Instructions for Basel III Implementation in Pakistan' ("Basel III Rules") issued under BPRD Circular No. 06 dated August 15, 2013, as amended from time to time, regarding loss absorbency, in the event the TFCs are converted into common shares upon the declaration by the SBP on the occurrence of a Point of Non-Viability event (PONV), such ordinary shares shall be issued other than by way of rights in accordance with the proviso provided under section 83(1)(b) of the Companies Act, 2017 ("Additional Shares").
   FURTHER RESOLVED that the issuance of such Additional Shares shall be based on the market value of the shares of the Bank on the date of trigger of PONV as declared by SBP and shall be subject to a cap of 245,042,630 (two hundred forty five million forty two thousand six hundred thirty) additional ordinary shares being issued, or such other number as may be agreed to in consultation with the SBP and shall further be subject to approval of the Securities and Exchange Commission of Pakistan in accordance with the applicable provisions of the Companies Act, 2017.
   FURTHER RESOLVED that the President & Chief Executive, and/or Group Head-Corporate & Investment Banking Group of the Bank, or their delegates (the "Authorized Representatives") of the Bank, be and are hereby singly authorized to take all steps, necessary, ancillary and incidental to the above, 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 abovementioned.
7. To consider and, if thought fit, pass the following resolutions with or without amendments/modifications for the acquisition of 26% shareholding of Askari Securities Limited (ASL), a 74% owned subsidiary of the Bank from Army Welfare Trust (AWT) to acquire 100% shareholding in ASL in accordance with the provisions of Section 199 of the Act:
   "**RESOLVED THAT** the Bank be and is hereby authorized to acquire 26% shareholding (5,980,000 ordinary shares) of Askari Securities Limited (ASL) from Army Welfare Trust (AWT) at a price of Rs. 8.50 per share subject to obtaining and fulfillment of applicable legal and regulatory requirements and consents.
   FURTHER RESOLVED that the President & Chief Executive, and/or Group Head-Corporate & Investment Banking Group of the Bank, or their delegates (the "Authorized Representatives") of the Bank, be and are hereby singly authorized to take all steps, necessary, ancillary and incidental to the above, 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 statement of material facts under section 134 (3) of the Companies Act 2017 is being dispatched to all members alongwith printed copy of the Notice of AGM.

Other Business:

8. 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 03, 2020

Umar Shahzad
Acting Company Secretary

NOTES

1. The Share Transfer books of the Bank will remain closed from March 20, 2020 to March 27, 2020 (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 the Registrar and Share Transfer Office of the Bank at the close of the business hours on March 19, 2020 will be treated in time.
2. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote for him/her. 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.
3. 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), its common seal should be affixed on the instrument.
4. 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 notarially certified copy thereof, should be deposited, with the Company Secretary, Askari Bank Limited, 4th Floor, NPT Building, F-8 Markaz, Islamabad not less than 48 hours before the time of holding the meeting.
5. If a member appoints more than one proxy, and more than one instrument of proxy is deposited by a member, all such instruments of proxy shall be rendered invalid. The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
6. Copy of the CNIC or passport of the beneficial owners shall be furnished with the proxy form. The proxy shall produce his / her original CNIC or original passport at the time of attending the meeting.
7. In case of individual shareholder, Original Computerized National Identity Card (CNIC) or original passport while for the CDC account holder or sub-account holder and or 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.
8. The Government of Pakistan through the Finance Act, 2019 has made certain amendments in terms of Section 150 of the Income Tax Ordinance, 2001 whereby the rates are enhanced for deduction of withholding

The required information must reach our Share Registrar by March [illegible], 2020 otherwise it will be assumed that the shares are equally held.

SPECIAL NOTES TO THE SHAREHOLDERS

9. **Submission of Copies of CNIC (Mandatory)**
   Please note that 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, once again advised to submit a photocopy of their valid CNICs to our Share Registrar.
10. **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. Please note that 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 detail, shareholders are requested to provide the relevant information to:
    1. Their respective CDC Participant / CDC Investor Account Services (in case their shareholding is in Book Entry Form) **OR**
    2. Our 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)
11. **Transmission of Audited Financial Statements & Notices to Members through email (Optional) or CD/DVD/USB**
    Annual Audited Financial Statements of the Bank for the financial year ended December 31, 2019 have been placed on the Bank's website i.e. www.askaribank.com.
    In accordance with the Shareholders' approval accorded in 25th AGM of the Bank held on March 31, 2017, DVDs have been dispatched to all shareholders. In addition, hard copies of Annual Report 2019 have also been dispatched to Shareholders as per their demand.
12. **Consent for Video Conference Facility**
    In compliance of Circular No. 10 dated May 21, 2014 of SECP read with section 134(1) (b) of the Companies Act 2017, shareholders of the Bank are informed that they can avail video conference facility in Karachi and Lahore. In this regard please fill the following form and submit the same with the Company Secretary, Askari Bank Limited, 4th Floor, NPT Building, F-8 Markaz, Islamabad atleast ten (10) days before holding of general meeting. If the Bank receives consent from members holding in aggregate ten percent (10%) or more shareholding, the Bank will arrange video conference facility in that city subject to availability of such facility in that city.

    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
13. **Change of Address / particulars**
    Members 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.
14. **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 with our Share Registrar mentioning Askari Bank's name and their respective Folio and CDC Account Nos.
15. **Unclaimed/Unpaid Dividend and Share Certificates**
    In compliance of Section 244 of the Companies Act 2017, a final notice was given by the Bank on January 26, 2018 that the shares of Askari Bank Limited/dividends declared by Askari Bank Limited; details whereof are appearing on the Bank's website www.askaribank.com have remained unclaimed or unpaid for a period of three years from the date these have become due and payable. In case of non-receipt of any claim by respective shareholder(s) to above referred Final Notice, the Bank shall proceed to deposit the unclaimed/unpaid amount with the Federal Government pursuant to the provisions of sub-section (2) of section 244 of the Companies Act 2017.
16. **Postal Ballot / E-voting**
    In accordance with the Companies (Postal Ballot) Regulations, 2018, for any agenda item subject to the requirements of Section 143 and 144 of the Companies Act, 2017, shareholders will be allowed to exercise their right of vote through postal ballot i.e. by post or e-voting, in the manner and subject to the conditions contained in the aforesaid regulations.

PROCEDURE FOR ELECTION OF DIRECTORS

Any person who seeks to contest the election to the office of a director, whether he is a retiring director or otherwise, shall file the following documents with the Company Secretary Office, 4th Floor, NPT Building, F-8 Markaz, Islamabad not later than 14 days before the date of 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).
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 634 (I) 2014 dated July 10, 2014.
d. Declaration under Clause 3 of the Listed Companies (Code of Corporate Governance) Regulations 2019.
e. Declaration that he/she is not ineligible to become a director of the Bank in terms of Section 153 of the Act.
f. As per requirements under SBP, BPRD Circular No. 04 dated April 23, 2007, and the Prudential Regulation (G-1), the Directors can not assume the charge of their respective offices until their appointments are approved in writing by SBP. All requests for seeking clearance from State Bank of Pakistan (SBP) for appointment of Directors of the Bank will be routed through the Bank along with the following documents:
   - Proforma regarding Fit & Proper Test ("Annexure-I" of the above referred SBP circular).
   - Affidavit on Non-Judicial Stamp Paper ("Annexure-II" of the above referred SBP circular)
   - Answered questionnaire for assessing "Fit & Proper Test" (Attachment to the above referred SBP Circular).
   - Attested copy of valid CNIC/NICOP/Passport(s).
   - Copies of all academic & professional degrees / certificates.
   - Copies of employment certificates received from previous employers.
   - Detailed CV having date-wise employment history, if any
   - Tax Clearance Certificate

   In terms of the above referred SBP circulars, association of the following persons as a director is undesirable and against public interest:
   - A person who has been associated with any illegal activity, especially relating to the banking business and
   - A person, who in his individual capacity or a proprietary concern of any company or any listed public company (of which he has been a proprietor, partner, director or shareholder), has been in default of payment of any taxes.

   Further, please note that as per SBP requirements, a person is not permitted to be a director of more than one