



Bank AL Habib Limited

Notice of Annual General Meeting

Notice is hereby given that the Twenty-ninth 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 Wednesday, March 25, 2020 at 10:30 a.m. to transact the following business:

1. To receive and adopt the Audited Annual Accounts and Consolidated Accounts of the Bank for the year ended December 31, 2019 together with the Reports of Chairman, Directors and Auditors.
2. To consider and approve payment of cash dividend @35%, i.e., Rs. 3.50 per share of Rs. 10/- each for the year ended December 31, 2019 as recommended by the Board of Directors.
3. To appoint auditors for the year 2020 and to fix their remuneration. EY Ford Rhodes, Chartered Accountants, being eligible, offer themselves for re-appointment.
4. To consider any other business of the Bank with the permission of the Chair.

Special Business

5. To consider and approve acquisition of remaining 70% of the issued and paid-up share capital of Habib Asset Management Limited ("HAML") (in addition to our existing 30% shareholding) from its existing shareholders at a price of Rs. 7.25 per share, amounting to Rs. 152,250,000 to become Bank's wholly owned subsidiary, and to inject additional equity amounting up to Rs. 450,000,000 into HAML in order for HAML to meet the minimum capital requirements prescribed by the Securities & Exchange Commission of Pakistan and to further support the business operations of HAML.
6. To consider and approve "Policy and Procedure for Fixing Remuneration of Directors" for attending Board Meeting and Sub-Committee Meeting of the Board.
7. To consider and approve amendment in Article No. 106 of Articles of Association of the Bank related to "Remuneration of Directors".
8. To consider and approve the remuneration payable to the Executive Director of the Bank.

For Item Nos. 5, 6, 7 & 8, a statement under Section 134(3) of the Companies Act, 2017 relating to the aforesaid Special Business to be transacted at the said Annual General Meeting is being sent to all shareholders.

By Order of the Board

Mohammad Taqi Lakhani
Company Secretary

Karachi: March 4, 2020

Notes:

1. The share transfer book of the Bank will remain closed from March 16, 2020 to March 25, 2020 (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 13, 2020 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.
2. 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 the meeting.
3. The CDC account/sub account holders are requested to bring with them their original Computerized National Identity Cards (CNICs)/Passport along with participant(s) ID Number and their 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.
4. **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 are requested to fill and sign the "E-Dividend Bank Mandate Form" available on the Bank's website link, <https://www.bankalhabib.com/downloads/E-Dividend-Bank-Mandate-Form.pdf>, 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 13, 2020 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.

5. The Government of Pakistan through Finance Act, 2019 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:
 - (a) For filers of income tax returns 15%
 - (b) 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 Tax-payers 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 25, 2020; 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 13, 2020, 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 13, 2020.

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.

6. 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 2019 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.

7. Consent for video-link facility

For this Annual General Meeting, under following conditions, Members can also avail video-link facility at Karachi.

If the Bank receives consent from members holding at least 10% shareholding residing at a geographical location, to participate in the meeting through video-link facility at least 7 days prior to the date of meeting, the Bank will arrange video-link facility in that city. The Bank shall arrange the aforesaid facility for such members prior to the date of the meeting to participate through video-link facility, and will intimate them regarding venue before the date of general meeting.

In this regard, members who wish to participate through video-link facility at Karachi should send a duly signed request as per the following format to the registered address of the Bank at least 7 days before the date of general meeting.

I/We, _____ of _____ being a member of Bank AL Habib Limited, holder of _____ ordinary share(s) as per register Folio No./CDC Sub-Account No.: _____ hereby opt for video-link facility at Karachi.

Signature of Member