

Notice of 25th Annual General Meeting

Notice is hereby given that the 25th Annual General Meeting of the Members of Meezan Bank Limited (the "Bank") will be held Insha-Allah on Monday, March 29, 2021 at 9:30 a.m. at Meezan House C-25, Estate Avenue, SITE, Karachi, Pakistan, (physical and virtual meeting) to transact the following business:

ORDINARY BUSINESS

1. To confirm the minutes of the 24th Annual General Meeting held on March 26, 2020.
2. To receive, consider and adopt the Annual Audited Accounts of the Bank, Audited Consolidated Accounts for the year ended December 31, 2020 together with the Auditors' Report, Directors' Report and Chairman's Review Report thereon.
3. To appoint auditors of the Bank for the year ending December 31, 2021 and to fix their remuneration. The present auditors, M/s EY Ford Rhodes., Chartered Accountants, retire and being eligible, offer themselves for reappointment.
4. To consider and, if thought fit, approve as recommended by the Board of Directors, final cash Dividend at the rate of Rs. 2 per share i.e. 20% in addition to Rs. 4 per share i.e. 40% interim cash Dividend already declared/paid alongwith 10% Bonus Shares for the year December 31, 2020.

SPECIAL BUSINESS

5. To consider and, if deemed fit, approve the Employees Share Option Scheme (ESOS) of the Bank and to pass the following resolutions as Special Resolutions, with or without amendments:

"RESOLVED that as recommended by the Board of Director of Meezan Bank Limited, the Employees Share Option Scheme (ESOS) as presented before the shareholders, be and is hereby approved and adopted and the Bank is hereby authorized to implement the ESOS, subject to procurement of regulatory approval(s) required for implementation of ESOS.

RESOLVED FURTHER THAT the Bank's Human Resources, Remuneration and Compensation Committee (Compensation Committee) is hereby authorized to make such modifications to the ESOS as may be directed by the Securities and Exchange Commission of Pakistan and such modifications (if any) shall also be deemed to have been approved by the shareholders of the Bank through this resolution.

RESOLVED FURTHER THAT the Bank is hereby authorized to issue and allocate 70,736,139 (Seventy Million Seven Hundred and Thirty-Six Thousand and One Hundred Thirty-Nine) new ordinary shares of the Bank of Rs. 10 each (representing 5% of the existing paid up share capital of the Bank and which may be adjusted upwards to account for any issuance of shares by way of bonus, rights and/or other than rights) by way of issuing new shares without a rights offering to the existing shareholders of the Bank pursuant to the Section 83 of the Companies Act, 2017.

RESOLVED FURTHER THAT the Chief Executive Officer and/or the Company Secretary of the Bank be and is hereby authorized to, singly, to initiate the regulatory approval process and do all acts, deeds and things, and to sign the required necessary documents in the matter with regard to the ESOS."

6. To consider and if thought fit, pass the following special resolution, with or without modification, to increase the authorized share capital of the Bank from PKR 25,721,800,000/- to PKR 28,294,400,000 by creation of 2,829,440,000 new ordinary shares of PKR. 10/- each:

"RESOLVED THAT the authorized share capital of the Bank be increased from Rs. 25,721,800,000/- (Rupees Twenty-Five Billion Seven Hundred Twenty-One Million Eight Hundred Thousand only) to Rs. 28,294,400,000 (Rupees Twenty Eight Billion Two Hundred Ninety four Million four Hundred Thousand only) subject to completion of all legal formalities and necessary approvals and that the shareholders be and are hereby recommended to approve, as and by way of a special resolution, the amendments in the Memorandum of Association of the Bank for the increase in the authorized share capital, as set out below:

Clause V of the Memorandum of Association be and is hereby amended to read as follows:

"The share capital of the company is Rs. 28,294,400,000 (Rupees Twenty Eight Billion Two Hundred Ninety Four Million Four Hundred Thousand only) divided into 2,829,440,000 (Two Billion Eight Hundred Twenty Nine Million Four Hundred Forty Thousand) ordinary shares of Rs. 10/- each (Rupees ten each) with the power to increase or reduce the capital and to divide the shares in the capital for the time being into several classes."

FURTHER RESOLVED THAT the Chief Executive Officer or Deputy Chief Executive Officer or Company Secretary (the "Authorised Representatives") be and are hereby severally authorized to complete all legal formalities required under the applicable laws, rules, regulations etc. for the increase in the authorized capital of the Bank."

7. To approve the remuneration paid/payable to the Chairman and Non-Executive Directors of the Bank for the year ended December 31, 2020 for attending Board Meetings and Meetings of the Committees formed by the Board and to approve and ratify the revision to the Director's Remuneration Policy (approved in the 24th Annual General Meeting) and to pass the following resolutions as an ordinary resolutions:

"Resolved that the remuneration paid / payable to the Chairman and Non-Executive Directors of the Bank for the year ended December 31, 2020 for attending Board Meetings and Meetings of the Committees formed by the Board, as disclosed in note 39 of the Audited Financial Statements of the Bank be and is hereby approved."

“Further resolved that the following resolution of the Board of Directors of the Bank passed on May 5, 2020 is ratified and approved.”

“RESOLVED that payment of normal fee for attending the Board Meeting through video conference be and is hereby approved, till the time the COVID-19 related travel restrictions exist.”

8. To transact any other business with the permission of the Chair.

Statement of Material Facts under Section 134(3) of the Companies Act, 2017 (“Act”) pertaining to the above-mentioned Special Businesses is annexed to this Notice of Annual General Meeting circulated to the members of the Bank.

By Order of the Board



Muhammad Sohail Khan
Company Secretary

Karachi
February 18, 2021

Notes:

i) CLOSURE OF SHARE TRANSFER BOOKS

The Members’ Register will remain closed from March 22, 2021 to March 29, 2021 (both days inclusive). Transfer received at the Share Registrar office, by the close of business on March 19, 2021 will be treated in time for the purpose of entitlement to receive the 20% cash dividend and attend, vote and speak in the Annual General Meeting.

ii) COVID-19 RELATED CONTINGENCY PLANNING FOR ANNUAL GENERAL MEETING

- SECP Circular No. 5 of 2020, dated March 17, 2020 requires modification of the usual planning of the Annual General Meeting for the well-being and safety of members. The members are encouraged to attend and vote in the Annual General Meeting via Zoom Link. According, members are requested to get themselves registered by sending their particulars at the designated email address agm@meezanbank.com giving particulars as per the below table by the close of business hours (5:00 PM) on March 24, 2021.

Name of Shareholders/Proxy	CNIC / Passport No.	Folio No./CDC Participant ID No.	Cell No.	Email Address
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- Link to video connectivity will be sent to the shareholders on their email addresses after necessary verification from the records.
 - Shareholders will be able to log-in and participate in the Annual General Meeting proceedings through their smartphones or computer devices.
 - The login facility will be opened from 09:00 a.m. till the end of meeting on March 29, 2021 enabling the participants to join the proceedings which will start at 09:30 a.m. sharp, Insha-Allah.
 - In addition to the above, Shareholders can also give their suggestions/comments on the proposed agenda of Annual General Meeting by emailing at the designated email address agm@meezanbank.com
- iii) Copies of the Minutes of the 24th Annual General Meeting held on March 26, 2020 of Meezan Bank Limited are available for inspection by Members as required under Section 152 of the Companies Act, 2017.

For Attending the General Meeting:

- A member entitled to attend the Annual General Meeting may appoint any other member as his/her proxy to attend the meeting through video-link. A proxy form is enclosed.
- In case of individuals, the 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, shall authenticate his identity by showing his original Computerized National Identity Card (“CNIC”) or original passport at the time of attending the Annual General Meeting.
- In case of a corporate entity, the Board of Directors’ resolution/power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of the Annual General Meeting.

VIDEO CONFERENCE FACILITY FOR ATTENDING GENERAL MEETINGS

If the Bank receives consent from members holding in aggregate 10% or more shareholding residing at a geographical location, to participate in the meeting through video conference at least 07 days prior to date of Annual General Meeting, the Bank will arrange a video conference facility in that city subject to availability of such facility in that city.

To avail this facility, a request to be submitted to the registered address of the Bank 07 days before holding of the Annual General Meeting.

POSTAL BALLOT FACILITY

In case the Poll is demanded by the shareholders under Section 143 of the Companies Act 2017, the Company shall consider postal Balloting facility for voting, under the Companies (Postal Ballot) Regulations, 2018.

AVAILABILITY OF ANNUAL ACCOUNTS ON BANK'S WEBSITE

As required under Section 223 (7) of the Companies Act 2017, audited Financial Statements of the Bank have been uploaded on website of the Bank which can be downloaded from the Banks website-www.meezanbank.com/financial-information

TRANSMISSION OF ANNUAL AUDITED FINANCIAL STATEMENTS THROUGH CD:

The Bank has circulated Annual Financial statements to its members through CD at their registered address. A printed copy of the above referred statements can be provided to members upon request. The request form is available on the website of the Bank and may be accessed by clicking the link <https://www.meezanbank.com/wp-content/themes/mbi/downloads/Annual-Report-Request-Form.pdf>

TRANSMISSION OF ANNUAL REPORTS THROUGH E-MAIL:

The SECP through SRO No. 787(I)2014 and SRO 470(I) of 2016 dated September 8, 2014, and May 31, 2016, respectively has provided an option for shareholders to receive Audited Financial Statements along with the notice of Annual General Meeting electronically through Email/CD/DVD/USB/ in hard copy. Hence, members who are interested in receiving the Annual Reports and notice of Annual General meeting electronically in future are requested to send their email addresses on the consent form placed on the Banks website, to the Bank's Share Registrar.

THE FOLLOWING CIRCULARS / NOTIFICATIONS REQUIRE SPECIAL ATTENTION OF THE SHAREHOLDERS:

PAYMENT OF CASH DIVIDEND THROUGH ELECTRONIC MODE (E-DIVIDEND MANDATE) - MANDATORY

Under section 242 of the Companies Act, 2017, and Regulation No. 4 of the Companies (Distribution of Dividends) Regulations, 2017 it is mandatory for a listed company to pay cash dividend to shareholders only through electronic mode directly into the bank account designated by the entitled shareholders.

In order to receive dividend directly into bank account, shareholders whose IBAN are not updated are requested to fill the 'E-Dividend Mandate Form' available on Bank's website and send it duly completed and signed along with a copy of valid CNIC to the Bank's Share registrar, THK Associates (Pvt.) Ltd., Plot No. 32-C, Jami Commercial Street 2, D.H.A. Phase VII, Karachi -75500, Pakistan UAN 111-000-322, (in case of physical shares)

In case shares are held in CDC then the "E-Dividend Mandate Form" must be submitted directly to shareholder(s)' broker/participant/CDC account services.

Shareholders can directly register for e-Dividend Services by visiting CDC Portal: <https://eservices.cdcaccess.com.pk/public/index.xhtml>

E-Dividend Mandate Form

Folio Number/CDC Sub Account Number	
Name of Shareholder	
Title of the Bank Account	
International Bank Account Number (IBAN)	
Name of Bank	
Branch Name, Branch Code, Address	
Cell and Landline number	
CNIC/ Passport No. (Attach copy)	
Signature of Shareholder	

SUBMISSION OF VALID CNIC COPY (MANDATORY)

In terms of Regulation No. 06 of the Companies (Distribution of Dividends) Regulations, 2017 read with Section 243(3) of the Companies Act, 2017, listed Companies are entitled to withhold payment of dividend, if shareholders have not provided copies of their valid Computerized National Identity Cards ("CNIC")/ Passport Number as well as complete and valid details of designated bank accounts (IBAN) for direct credit of cash dividend.

The shareholders are therefore requested to submit a copy of their valid CNIC/NTN/Passport Number within ten (10) days from the date of this Notice to the Bank's Registrar and Share Transfer Agent/CDC (as the case may be). In case the same have already been provided, then these instructions may be ignored.

The shareholder while sending CNIC must quote their respective folio numbers and names for identification purpose.

TAX IMPLICATION ON DIVIDENDS

The Government of Pakistan 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 dividend paid by the companies/banks. These rates are as per law.

To enable the Bank to make tax deduction on the amount of Cash Dividend, all the members whose names are not entered into the Federal Board of Revenue's (FBR), Active Tax-Payers List (ATL), despite the fact that they are tax return filers, are advised to make sure that their names are entered into ATL, before the date of book closure for cash dividend; otherwise, tax on their cash dividend will be deducted as non-filer.

TAX ON JOINT SHAREHOLDING

All shareholders who hold shares jointly are requested to provide shareholding proportions of principal shareholder and joint-holder(s) in respect of shares held by them to our Shares Registrar, in writing as follows:

Folio/CDS	Total Shares	Principal Shareholder		Joint Shareholder	
		Name and CNIC No.	Shareholding Proportion (No. of Shares)	Name and CNIC No.	Shareholding Proportion (No. of Shares)

The required information must reach our Shares Registrar by the close of business (5:00 pm) on March 24, 2021 otherwise it will be assumed that the shares are equally held by principal shareholder and joint holder(s) and tax will be deducted according to the proportionate holding of each shareholder as clarified by the FBR vide its clarification letter No. I(54) Exp/2014-132872-R dated September 25, 2014.

TAX EXEMPTION CERTIFICATE

Shareholders claiming tax exemption under clause 47(B) of Part IV of the Second Schedule of Income Tax Ordinance, 2001 are requested to provide a valid exemption certificate under section 159 (1) of the Income Tax Ordinance, 2001 latest by March 19, 2021 to our Shares Registrar before the date of Book closure as required vide FBR clarification letter No. 1(43)DG (WHT) / 2008-Vol.II-66417-R dated May 12, 2015.

INTIMATION OF CHANGE OF ADDRESS AND DECLARATION OF NON-DEDUCTION OF ZAKAT

Members are requested to immediately notify regarding the change, if any, in their registered and/or e-mail addresses, in writing and their declaration for the non-deduction of Zakat (if applicable), to the Share Registrar and Transfer Agent of the Bank i.e. THK Associates (Pvt.) Ltd., Plot No. 32-C, Jami Commercial Street 2, D.H.A. Phase VII, Karachi -75500, Pakistan, UAN 111-000-322 (in case of Physical scrips) whereas Members/CDC Account holders are requested to contact their CDC Participant/CDC Account Services for the same, but no later than close of business hours (05:00 p.m.) March 24, 2021.

DEPOSIT OF PHYSICAL SHARES IN CDC ACCOUNT:

As per Section 72 of the Companies Act 2017, every listed company shall be required to replace its physical shares with book-entry form in a manner as may be specified and from the date notified by the Commission, within a period not exceeding four years from the commencement of this Act, i.e. May 30, 2017.

The Shareholders having physical shareholding are encouraged to open CDC sub-account with any of the brokers or investors Account directly with CDC to place their physical shares into scrip less form, this will facilitate them in many ways, including safe custody and sale of shares, any time they want, as the trading of physical shares is not permitted as per existing regulations of the Pakistan Stock Exchange.

UN-CLAIMED DIVIDENDS / SHARES

The shareholders are hereby informed that in accordance with section 244 of the Companies Act, 2017 and the unclaimed shares, Modaraba certificates, Dividend, other instruments and undistributed Assets Regulations, 2017, the companies are required to deposit cash dividends to the credit of the Federal Government and shares to the Commission, which are undelivered/unclaimed for a period of three (3) years or more from the date it is due and payable.

STATEMENTS OF MATERIAL FACTS UNDER SECTION 134(3) OF THE COMPANIES ACT, 2017 IN RESPECT OF SPECIAL BUSINESS

These statements set out the material facts concerning the resolutions contained in items (5), (6) and (7) of the Notice pertaining to the special business to be transacted at the Annual General Meeting of the Bank to be held on March 29, 2021.

1. Approval of Meezan Employees Share Option Scheme (ESOS)

The Board of Directors of Meezan Bank Limited in its 92nd meeting held on October 20, 2020 approved to initiate “Meezan Bank Employees Share Option Scheme” (“Scheme”) for employees of the Bank, subject to all regulatory approvals including Securities and Exchange Commission of Pakistan, shareholders’ approval through ordinary resolution etc.

The Scheme will be structured in accordance with all applicable laws including Companies Act, 2017, Companies (Further Issue of Shares) Regulations, 2020 etc. Soft copy of the scheme is being sent to the shareholders in CD, enclosed with the Notice of AGM.

The Board of Directors of the Bank have no vested interest, directly or indirectly in the above business save to the extent of their shareholding of the Bank.

2. Increase in Authorized Capital of the Bank

The Board of Directors of Meezan Bank in its meeting held on February 18, 2021 has approved an increase in its authorized capital. Due to the locking of authorized share capital for the Bank’s Tier I and Tier II Capital, the available room in authorized capital for further issue of share capital has been reduced. Therefore, in order to meet the future requirements of capital for continued growth and expansion of the Bank and for issuance of shares under the Employees Shares Option Scheme approved by the Board in its last meeting, the authorized capital may be increased within the allowable limit of Rs. 28.294 billion.

The Bank’s existing authorized capital is Rs. 25,721,800,000/- (Pak Rupees Twenty-Five Billion Seven Hundred Twenty-One Million Eight Hundred Thousand only) divided into 2,572,180,000 (Two Billion Five Hundred Seventy-Two Million One Hundred Eighty Thousand) ordinary share of Rs. 10 each.

It is proposed to increase the share capital of the Bank up to Rs. 28,294,455,680 (Rupees Twenty-Eight Billion Two Hundred Ninety-Four Million Four Hundred Fifty-Five Thousand Six Hundred Eighty only) divided into 2,829,440,000 (Two Billion Eight Hundred Twenty-Nine Million Four Hundred Forty Thousand) ordinary shares of Rs. 10/- each (Rupees ten each) by Rs. 2,572,600,000 (Rupees Two Billion Five Hundred Seventy-Two Million Six Hundred Thousand only) divided into 257,260,000 (Two Hundred Fifty-Seven Million Two Hundred Sixty Thousand) ordinary shares of Rs. 10/- each (Rupees ten each).

Under section 85(1) of the Companies Act, 2017, the Bank may alter the condition of the memorandum so as to inter alia increase its share capital by such amount as it thinks expedient and such powers are exercisable by the shareholders through special resolution.

The Board of Directors of the Bank have no vested interest, directly or indirectly in the above business, save to the extent of their shareholding of the Bank.

3. Directors’ Remuneration

In term of SBPs’ BPRD Circular No. 3 of 2019 dated August 17, 2019 the Directors’ Remuneration paid to the Non-Executive Directors for attending the Committees and Board meetings held during the year - 2020 requires approval (which is permissible on post facto basis) of the shareholders in Annual General Meeting.

In the 24th Annual General Meeting of the Bank held on March 26, 2020, the shareholders of Meezan Bank, had approved the Directors’ Remuneration Policy which had provided that in case of physical attendance, the directors would be paid the full fee for attending board meetings and if they attend the board meetings through video-link, they would be paid 50% of the meeting fee.

Due to COVID-19 pandemic, travel bans were imposed, and the directors were unable to attend the board meetings physically. On May 5, 2020, the board of directors of Meezan Bank resolved that the directors would be paid the full fee for attending board meetings through video-link till the time the travel restrictions due to COVID-19 are in force.

Accordingly, the resolution of the shareholders is required for the approval and ratification of the payment of above fee.

The non-executive directors are interested in the payment of remuneration and the remaining members of the Board have no interest in the matter.