

STATEMENT OF COMPLIANCE

With Listed Companies (Code of Corporate Governance) Regulations, 2019

Allied Bank Limited for the year ended December 31, 2023

The Bank has complied with the requirements of the Regulations in the following manner:

- The total number of directors are (08) including the Chief Executive Officer (Deemed Director) as per the following;

- Male: Seven (07)
- Female: One (01)

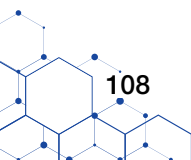
- The Composition of the Board of Directors is as follows:

Category	Names
Independent Directors	Zafar Iqbal
	Nazrat Bashir
	Mubashir A. Akhtar
Non-Executive Directors	Mohammad Naeem Mukhtar
	Sheikh Mukhtar Ahmad
	Muhammad Waseem Mukhtar
	Abdul Aziz Khan
Executive Director	Aizid Razzaq Gill, (Chief Executive Officer)
Female Director	Nazrat Bashir

- The directors have confirmed that none of them is serving as a director on more than seven listed companies including Allied Bank Limited.
- The Bank has prepared a code of conduct and has ensured that appropriate steps have been taken to disseminate it throughout the Bank along with its supporting policies and procedures.
- The Board of Directors has developed a vision and mission statement, overall corporate strategy and significant policies of the Bank. The Board of Directors has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the Bank.
- All the responsibilities of the Board of Directors have been duly exercised and decisions on relevant matters have been taken by the Board of Directors or shareholders as empowered by the relevant provisions of the Companies Act 2017 and these Regulations.
- The meetings of the Board of Directors were presided over by the Chairman of the Board of Directors and, in his absence, by a Director elected by the Board of Directors for this purpose. The Board of Directors has

complied with the requirements of Companies Act 2017, and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board of Director.

- The Board of Directors have a formal policy and transparent procedures for remuneration of Directors in accordance with the Companies Act 2017, State Bank of Pakistan's Corporate Governance Regulatory Framework and these Regulations.
- Appropriate arrangements were made for orientation of Directors on their election with a view to acquaint them with their duties and responsibilities. Six members of the Board of Directors (including the Chief Executive Officer) are Certified Directors from The Pakistan Institute of Corporate Governance. Whereas, two Directors are exempted from such requirement on account of their experience and qualifications.
- The Board has approved appointment of the Chief Financial Officer, the Company Secretary and the Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with the relevant requirements of the Regulations.
- Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the Board of Directors.
- The Board of Directors has formed five Committees. The names and composition of the Committees along with the details of its Members, as at December 31, 2023, are as follows:
 - Audit Committee of the Board**
 - Zafar Iqbal, Chairman
 - Mubashir A. Akhtar, Member
 - Nazrat Bashir, Member
 - Board Risk Management Committee**
 - Sheikh Mukhtar Ahmad, Chairman
 - Abdul Aziz Khan, Member
 - Nazrat Bashir, Member
 - Aizid Razzaq Gill, Member
 - e-Vision Committee**
 - Mohammad Naeem Mukhtar, Chairman
 - Muhammad Waseem Mukhtar, Member
 - Zafar Iqbal, Member
 - Aizid Razzaq Gill, Member



D) Strategic Planning & Monitoring Committee

- a. Muhammad Waseem Mukhtar, Chairman
- b. Abdul Aziz Khan, Member
- c. Nazrat Bashir, Member
- d. Aizid Razzaq Gill, Member

E) Human Resource & Remuneration Committee

- a. Mubashir A. Akhtar, Chairman
- b. Muhammad Waseem Mukhtar, Member
- c. Abdul Aziz Khan, Member
- d. Aizid Razzaq Gill, Permanent Invitee

13. The terms of reference of the aforesaid Committees have been formed, documented and advised to the Committee for compliance.
14. The frequency of meetings of each Committee is given below:

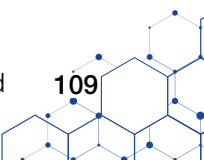
Name of Committee	No. of Meetings held during 2023
Audit Committee of the Board	Five
Board Risk Management Committee	Four
e-Vision Committee	Four
Strategic Planning & Monitoring Committee	Twelve
Human Resource & Remuneration Committee	Four

15. The Board of Directors has set up an effective internal audit function, who is considered suitably qualified and experienced for the purpose and is conversant with the policies and procedures of the Bank.

16. The statutory auditors of the Bank have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and are registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the Chief Executive Officer, Chief Financial Officer, Head of Internal Audit, Company Secretary or Directors of the Bank.
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Companies Act 2017, these Regulations or any other regulatory requirement and the auditors have confirmed that they have observed International Federation of Accountants guidelines in this regard.
18. We confirm that all requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with.

Mohammad Naeem Mukhtar
Chairman

Lahore
Date: February 13, 2024



INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Allied Bank Limited

Review Report on the Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of **Allied Bank Limited** (the Bank) for the year ended 31 December 2023 in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Bank. Our responsibility is to review whether the Statement of Compliance reflects the status of the Bank's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the bank's personnel and review of various documents prepared by the Bank to comply with the Regulations.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Bank's corporate governance procedures and risks.

The Regulations require the Bank to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Bank's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Bank for the year ended 31 December 2023.

EY Ford Rhodes
Chartered Accountants

Place: Lahore
Date: 6 March 2024

UDIN: CR202310191DCLU2BRxY

