

# STATEMENT OF COMPLIANCE

## WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019 FOR THE YEAR ENDED DECEMBER 31, 2023

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

1. The total number of directors is 11 as per the following detail:

- a. Male: 09
- b. Female: 02

2. The composition of Board is as follows:

Category	Name
Independent Directors	Raja Muhammad Abbas Ms. Zoya Mohsin Nathani Mr. Kamran Yousuf Mirza Ms. Samina Rizwan
Non-Executive Directors	Mr. Waqar Ahmed Malik - Chairman Mr. Sarfaraz Ahmed Rehman Mr. Arif Ur Rehman Dr. Nadeem Inayat Lt Gen Ghayur Mahmood Awan, HI (M), T Bt (Retd)* Mr. Manzoor Ahmed - Nominee NIT
Executive Director / President & CEO	Mr. Atif R. Bokhari
Female Director	Ms. Zoya Mohsin Nathani Ms. Samina Rizwan

3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including Askari Bank Limited.
4. 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.
5. The Board has developed a vision / mission statement, overall corporate strategy and has approved significant policies of the Bank. The Board has ensured that complete record of particulars of the significant policies along with the dates of approval or updating is maintained by the Bank.
6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board / shareholders as empowered by the relevant provisions of the Act and these Regulations.
7. The meetings of the Board were presided over by the Chairman. The Board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board.
8. The Board has a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.
9. The Bank is compliant with the requirement of director training program provided in these Regulations. The Bank has also arranged a Directors' Orientation Session during the year.
10. The Board has approved the appointments of Chief Financial Officer (CFO), Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations.
11. CFO and the President & CEO duly endorsed the financial statements before approval of the Board.
12. The Board has formed Committees comprising of members given below:

**a) Board Audit Committee (BAC)**

1	Mr. Kamran Yousuf Mirza	Chairman
2	Dr. Nadeem Inayat	Member
3	Lt Gen Ghayur Mahmood Awan, HI (M), T Bt (Retd)*	Member
4	Mr. Manzoor Ahmed	Member
5	Raja Muhammad Abbas	Member

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**b) Board Human Resource & Remuneration Committee (BHR & RC)**

1	Mr. Manzoor Ahmed	Chairman
2	Dr. Nadeem Inayat	Member
3	Ms. Zoya Mohsin Nathani	Member
4	Mr. Kamran Yousuf Mirza	Member
5	Ms. Samina Rizwan	Member

**c) Board Risk Management Committee (BRMC)**

1	Ms. Zoya Mohsin Nathani	Chairperson
2	Dr. Nadeem Inayat	Member
3	Mr. Manzoor Ahmed	Member
4	Mr. Atif R. Bokhari	Member

**d) Board Information Technology Committee (BITC)**

1	Ms. Samina Rizwan	Chairperson
2	Dr. Nadeem Inayat	Member
3	Lt Gen Ghayur Mahmood Awan, HI (M), T Bt (Retd)*	Member
4	Raja Muhammad Abbas	Member
5	Mr. Atif R. Bokhari	Member

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committees for compliance.

14. The frequency of meetings (quarterly/half yearly/yearly) of the committees were as per following:

<b>Board Committees</b>	<b>Frequency of Meetings</b>
Audit Committee	Quarterly
Risk Management Committee	Quarterly
HR & Remuneration Committee	Twice in a year
Information Technology Committee	Quarterly

15. The Board has set-up an effective internal audit function which 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 (ICAP) and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) 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 President & CEO, Chief Financial Officer, Chief Internal Auditor, Company Secretary or Director 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 Act, these regulations or any other regulatory requirements and the auditors have confirmed that they have observed IFAC 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, and

19. The composition of the Board Human Resource & Remuneration Committee (the Committee) is in line with the Corporate Governance Regulatory Framework (CGRF) issued by the State Bank of Pakistan which allows a non-executive director to be the Chairman in case majority members of the Committee are independent directors. The Chairman of the Committee is not an independent director, however, as per CGRF, majority members of the Committee are independent directors.

For and on behalf of the Board

Atif R. Bokhari  
President & Chief Executive

Waqar Ahmed Malik  
Chairman

February 21, 2024  
Karachi

\* Subject to Fit & Proper Test clearance by the State Bank of Pakistan



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# INDEPENDENT AUDITOR'S REVIEW REPORT

## TO THE MEMBERS OF ASKARI 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 Askari 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.

We highlight below instance of non-compliance with the requirement of the Regulation as reflected in para 19 where it is stated in the Statement of Compliance:

Sr. No.	Paragraph Reference	Description
1	19	The composition of the Board Human Resource & Remuneration Committee (the Committee) is in line with the Corporate Governance Regulatory Framework (CGRF) issued by the State Bank of Pakistan which allows a non-executive director to be the Chairman in case majority members of the Committee are independent directors. The Chairman of the Committee is not an independent director, however, as per CGRF, majority members of the Committee are independent directors.

Lahore

Date: March 1, 2024

UDIN: CR202310183N2VEQrc9x

KPMG Taseer Hadi & Co.  
Chartered Accountants