

INDEPENDENT AUDITOR'S REVIEW REPORT**To the members of Meezan Bank Limited****Review Report on the Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2019**

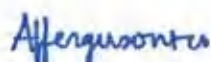
We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of Meezan Bank Limited (the Bank) for the year ended December 31, 2022 in accordance with the requirements of regulation 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 December 31, 2022.



A.F. Ferguson & Co.

Chartered Accountants

Karachi

Date: February 28, 2023

UDIN: CR2022100689tsxrflLeP

STATEMENT OF COMPLIANCE WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

Meezan Bank Limited For the year ended December 31, 2022

The Bank has complied with the requirements of the Code of Corporate Governance Regulations, 2019 (“Regulations” or “Code”) in the following manner:

1. The total number of directors are eleven including CEO as a deemed director. The directors include ten male directors and one female director.
2. The composition of the Board is as follows:

| Category | Names |
|---------------------------------|---|
| i. Independent Directors | Mr. Mohammad Abdul Aleem Ms. Nausheen Ahmad Mr. Yousef S.M.A. Al-Saad |
| ii. Non-Executive Directors | Mr. Riyadh S.A.A. Edrees – Chairman Mr. Faisal A.A.A. Al-Nassar Mr. Bader H.A.M.A. Al Rabiah Mr. Mubashar Maqbool Mr. Naveed Iftikhar Sherwani Mr. Faisal Fahad Al-Muzaini Mr. Mohamed Guermazi |
| iii. Executive Directors | Mr. Irfan Siddiqui - President & CEO |
| iv. Female Independent Director | Ms. Nausheen Ahmad |

3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this Bank.
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 significant policies of the Bank. The Board has ensured that complete record of particulars of the significant policies along with their date 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 Companies Act, 2017 (Act) and these Regulations.
7. The meetings of the Board were presided over by the Chairman and the Board has complied with the requirements of the Companies Act, 2017 (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; and directives of the State Bank of Pakistan (SBP).
9. The Bank is compliant to the training requirements of Listed Companies (Code of Corporate Governance) Regulations, 2019.
10. During the year a new Chief Financial Officer (CFO) was appointed by the Board of Directors, on September 9, 2022, upon retirement of the previous CFO. There was no appointment of Company Secretary and Head of Internal Audit during the year. The Board has approved their remuneration and terms and conditions of their employment are complied with relevant requirements of the Regulations.
11. The Chief Financial Officer and the Chief Executive Officer duly endorsed the Financial Statements before approval of the Board.

12. The Board has formed committees comprising of members given below:

| Committees | Composition |
|--|---|
| Audit Committee | Mr. Mohammad Abdul Aleem (Chairman) Mr. Faisal A.A.A. Al-Nassar Mr. Mohamed Guermazi Mr. Mubashar Maqbool |
| Human Resources, Remuneration and Compensation Committee | Mr. Riyadh S.A.A. Edrees (Chairman) Mr. Mohammad Abdul Aleem Ms. Nausheen Ahmad |
| Risk Management Committee | Mr. Faisal A.A.A. Al-Nassar (Chairman) Mr. Mubashar Maqbool Mr. Bader H.A.M.A. Al Rabiah Mr. Yousef S.M.A. Al-Saad |
| Information Technology Committee | Mr. Mubashar Maqbool (Chairman) Mr. Riyadh S.A.A. Edrees Mr. Faisal A.A.A. Al-Nassar Mr. Irfan Siddiqui |
| IFRS 9 Implementation Oversight Committee | Mr. Riyadh S.A.A. Edrees (Chairman) Mr. Faisal Fahad Al-Muzaini Mr. Irfan Siddiqui |

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

14. The frequency of meetings of the Committees was as follows:

| | |
|---|-----------|
| a) Audit Committee | Quarterly |
| b) Human Resources, Remuneration and Compensation Committee | Quarterly |
| c) Risk Management Committee | Quarterly |
| d) Information Technology Committee | Quarterly |
| e) IFRS 9 Implementation Oversight Committee | Quarterly |

15. The Board has set up an effective internal audit function / team that 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 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 Chief Executive Officer, Chief Financial Officer, Head of Internal Audit, 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 requirement 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.



Irfan Siddiqui
President & CEO

February 16, 2023



Riyadh S.A.A. Edrees
Chairman