



MCB Bank Limited

Company Secretary Office
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15-Main Gulberg, Jail Road,
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E: cat@mcb.com.pk

PSX-100(5F)2020/08

February 26, 2020

The General Manager
Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi

Dear Sir,

SUB: NOTICE OF 72ND ANNUAL GENERAL MEETING
MCB BANK LIMITED

We enclose herewith the Notice of 72nd Annual General Meeting of MCB Bank Limited, scheduled to be held on **Thursday, March 19, 2020 at 11:00 AM (PST)** at Grand Ball Room-D, The Nishat Hotel, Emporium Mall, Near Expo Center, Abdul Haq Road, Johar Town, Lahore.

This is for your perusal, record and circulation amongst TRE Certificate Holders of the Exchange accordingly.

Yours truly,

Fida Ali Mirza
Company Secretary

Encl: **As above**

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NOTICE OF 72ND ANNUAL GENERAL MEETING

T: +92-42-36041998-9

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Notice is hereby given that 72nd Annual General Meeting of **MCB Bank Limited** (the "Bank" or "MCB") will be held on **Thursday, March 19, 2020 at 11:00 AM (PST)** at Grand Ball Room-D, The Nishat Hotel, Emporium Mall, Near Expo Center, Abdul Haq Road, Johar Town, Lahore to transact the following business:

Ordinary Business:

1. To confirm/approve the Minutes of Extraordinary General Meeting held on November 21, 2019.
2. To receive, consider and adopt the Annual Audited Separate and Consolidated Financial Statements of the Bank together with the Directors' and Auditors' reports thereon and Chairman's Review for the year ended December 31, 2019.
3. To appoint Statutory Auditors of the Bank and fix their remuneration for the year ending December 31, 2020. The Members are hereby notified that the Audit Committee and the Board of Directors have recommended the name of retiring auditors M/s KPMG Taseer Hadi & Company, Chartered Accountants, for appointment as Statutory Auditors of the Bank.
4. To approve, as recommended by the Board of Directors, payment of Final Cash Dividend @ 50% i.e., PKR 5.00 per share having face value of PKR 10/- in addition to 120% (40% each for 1st, 2nd and 3rd quarter) Interim Cash Dividend already declared and paid, thus total 170% i.e., PKR 17.00 per share for the year ended December 31, 2019.

Special Business:

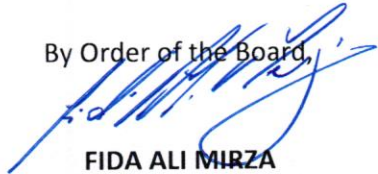
5. To consider and if deemed fit, to pass an Ordinary Resolution as proposed in the Statement of Material Facts annexed to this Notice to approve the Directors' Remuneration Policy of the Bank.
6. To consider and if deemed fit, to pass an Ordinary Resolution, as proposed in the Statement of Material Facts annexed to this Notice to approve the scale of remuneration to be paid to the Board Members for attending the Board and its Committee(s) meetings of the Bank.
7. To consider and if deemed fit, to pass a resolution as Special Resolution, as proposed in the Statement of Material Facts annexed to this Notice to approve the alterations in the Articles of Association of the Bank.

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

February 27, 2020
Lahore.



By Order of the Board,


FIDA ALI MIRZA
Company Secretary

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

Notes:

1. Copies of the Minutes of the Extraordinary General Meeting held on November 21, 2019 of MCB Bank Limited (the "Bank" or "MCB") are available for inspection by Members as required under Section 152 of the Companies Act, 2017.
2. The Shares Transfer Books of the Bank will remain closed from **March 12, 2020 to March 19, 2020** (both days inclusive). Transfers received at the Bank's Share Registrar and Transfer Agent's Office at the below mentioned address, at the close of business hours on **March 11, 2020** will be treated as being in time for the purpose of entitlement of Final Cash Dividend and also to attend, speak and vote at the 72nd Annual General Meeting (the "Meeting" or "AGM") of the Bank.
3. All Members are entitled to attend, speak and vote at the Meeting. A member entitled to attend, speak and vote at AGM is entitled to appoint another member as a proxy to attend, speak and vote on his/her behalf. A corporate entity, being a member, may authorize an individual to act as its representative and the individual so authorized shall be entitled to exercise the same powers on behalf of the corporate entity which he represents.
4. The proxies and in case of corporate entity, the power of attorney or resolution of the board of directors or other governing body (if any) under which it is signed, a notarized/certified copy of the same in order to be effective must be deposited at the Share Registrar and Transfer Agent Office of the Bank not less than 48 hours (no account shall be taken of any part of the day that is not a working day) before the time for holding the Meeting, and must be duly stamped, signed and witnessed.
5. Members having physical scrip of shares are requested to immediately notify the change, if any, in their registered and/or e-mail addresses, in writing, to the Share Registrar and Transfer Agent of the Bank, whereas, CDC Account holders are requested to contact their CDC Participant/CDC Account Services.
6. Central Depository Company of Pakistan ("CDC") Accountholders will further have to follow the under mentioned guidelines as laid down by Circular No. 01, dated January 26, 2000, issued by the Securities and Exchange Commission of Pakistan:

For Attending the Meeting:

- i. In case of individuals, the accountholder or sub-accountholder 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 Meeting.
- ii. In case of 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 Meeting.

For Appointing of Proxies:

- i. In case of individuals, the accountholder or sub-accountholder and/or the person whose securities are in group account and their registration details are uploaded as per the CDC Regulations, shall submit the proxy form as per the above requirement.
 - ii. The proxy form shall be witnessed by the two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
 - iii. Attested copy of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
 - iv. The proxy shall produce his/her original CNIC or passport at the time of the meeting.
 - v. In case of corporate entity, the Board of Directors resolution/power of attorney with specimen signature shall be submitted along with proxy form of the Bank.
7. A Proxy Form, both in English and Urdu language, is being separately sent to the Members, along with Notice of AGM.
 8. Copies of the Notice of AGM, the latest annual audited/quarterly financial statements, Directors' Remuneration Policy and the existing and the amended Memorandum & Articles of Association of the Bank have been kept at the Registered Office of the Bank which can be obtained and/or inspected during the business hours on any working day from the date of publication of this Notice of AGM till the conclusion of the Meeting by the shareholders and other persons entitled to attend the Meeting. Notice of AGM, Directors' Remuneration Policy and the latest annual audited/quarterly financial statements have also been placed on website of the Bank: www.mcb.com.pk
 9. Members can attend and participate in the AGM through Video-Link. Pursuant to the provisions of the Companies Act, 2017 the shareholders residing in a city and holding at least 10% of the total paid up share capital may demand the Bank to provide the facility of video-link for participating in the AGM. The demand for video-link facility shall be received by the Company Secretary at the Registered Office of the Bank located at MCB Building, 15-Main Gulberg, Jail Road, Lahore, at least seven (7) days prior to the date of AGM. In this regard, a 'Standard Request Form for Video-Link Facility' is available on the Bank's website. www.mcb.com.pk



**STATEMENT UNDER SECTION 134(3) OF THE COMPANIES ACT, 2017
IN RESPECT OF SPECIAL BUSINESS**

This statement sets out the material facts under Section 134(3) of the Companies Act, 2017 pertaining to the special business to be transacted at Annual General Meeting (the "Meeting" or "AGM") of MCB Bank Limited (the "Bank" or "MCB") scheduled to be held on March 19, 2020.

Agenda Item No. 5

Directors' Remuneration Policy of the Bank:

The Board of Directors, on the recommendations of the Board's Human Resource & Remuneration Committee ("HR&RC"), has approved the Directors' Remuneration Policy (the "Policy") of MCB Bank Limited (the "Bank" or "MCB") for attending the Board and its Committees Meetings in compliance of BPRD Circular No. 03 of 2019 dated August 17, 2019 ("SBP Circular") issued by the State Bank of Pakistan ("SBP"). The Policy is being presented to the Shareholders of the Bank for their approval as required by the SBP Circular.

The salient features of the Policy are given below:

- The Policy aims to set out the requirements and methodology for the determination of the scale of the remuneration to be paid, from time to time, to the Chairman and other Directors for attending the Board and its Committees meetings.
- It ensures that the Board Members are fairly rewarded with regard to their respective responsibilities undertaken, and also to attract and retain high-caliber, experienced directors by offering appropriate remuneration levels commensurate with their expertise, skill and experience.
- The Policy has been formulated with clear mandate and charter, keeping in view the ownership structure, governance mechanism, risk profile, scope of operations and performance of the Bank.
- The Policy is applicable to Non-Executive/Independent Directors, Executive Director(s) and the Chairman of the Board of Directors.
- The Board Members shall be accountable for their conduct according to the scope of their roles and responsibilities as determined by the Board of Directors, from time to time, and the scale of remuneration may be reviewed/adjusted based on their annual performance evaluation conducted as per Guidelines issued vide SBP BPRD Circular No. 11 of 2016.
- No consultancy or allied work shall be awarded to a director or to the firm(s), institution(s) or company (ies) etc. in which he/she individually and/or in concert with other directors of the same Bank, holds substantial interest.
- The Administrative expenses pertaining to the office, staff and security allocated etc., to the Chairman of the Board shall be determined rationally.
- Proper disclosures of remuneration and other benefits/facilities provided to the Board Members shall be made in the annual financial statements of the Bank. The disclosure shall also include the details of attendance of each director in Board and its Committees meetings.
- The Policy shall be reviewed by the Board of Directors biennially or on need basis and any change(s) therein shall be approved by the Shareholders of the Bank, on pre or post facto basis, in its Annual General Meeting.

The Shareholders are requested to consider and if thought fit, to approve, with or without modification, the Directors' Remuneration Policy of the Bank by passing the following resolution as an Ordinary Resolution:

"RESOLVED THAT the Directors' Remuneration Policy, as recommended by the Board of Directors of the Bank, effective from February 05, 2020, in compliance with the requirements of BPRD Circular No. 03 of 2019 dated August 17, 2019 issued by the State Bank of Pakistan, be and is hereby approved."

The Directors of the Bank have no personal interest, directly or indirectly, in the above special business, save to the extent of their respective shareholding in the Bank as given below and payment of remuneration as per Remuneration Policy/Shareholders' approval.



Agenda Item No. 6

The Scale of Remuneration including Additional Remuneration:

The Board of Directors, on the recommendations of the Board's Human Resource & Remuneration Committee ("HR&RC"), has determined the scale of remuneration to be paid to Board Members for attending the Board and its Committees meetings and for holding office of the Chairman, effective from February 05, 2020 in accordance with the requirements of BPRD Circular No. 03 of 2019 dated August 17, 2019 ("SBP Circular") issued by the State Bank of Pakistan ("SBP").

In addition to the above, the Bank shall either make all arrangements for travelling, boarding and lodging of Board Members for attending Board and its Committees meetings and any other meeting relating to Bank's business or reimburse such expenses to the Board Members, on actual basis.

Non-Executive/Independent Directors shall be entitled for maximum of First Class airfare along with boarding, lodging expenses and/or any ancillary expenses incurred for attending Board and its Committees meetings and any other meeting relating to Bank's business, on actual basis. However, considering the stature of the Chairman, he is allowed the option of availing the services of chartered plane and expenses related to such facility shall be borne by the Bank, on actual basis.

Executive Director(s) shall be entitled for travelling, boarding, lodging and/or any other expenses incurred for attending Board and its Committees meetings, on actual basis, as per the Bank's standard rules and regulations.

The scale of remuneration including additional remuneration and travelling arrangement as mentioned above are being presented to the Shareholders of the Bank for their approval.

Following are the present shareholdings of the Directors of MCB Bank Limited:

Share held by Directors and their Spouses of MCB Bank Limited	As at December 31, 2019
Mian Mohammad Mansha	7,834
Mrs. Naz Mansha	6,424,057
Mr. S. M. Muneer	2,059
Mr. Muhammad Tariq Rafi	32,094,304
Mrs. Nighat Tariq	5,715,093
Mian Umer Mansha	31,986,378
Mrs. Iqraa Hassan Mansha	8,000
Mian Hassan Mansha	43,363,671
Mr. Muhammad Ali Zeb	550
Mr. Mohd Suhail Amar Suresh Bin Abdullah	884
Mr. Yahya Saleem	500
Mr. Salman Khalid Butt	1,000
Mr. Masood Ahmed Puri	1,000

The Shareholders are requested to consider and if thought fit, to approve, with or without any modification, the following resolutions as Ordinary Resolutions:

"RESOLVED THAT in suppression of the previous resolutions approved by the Shareholders, the scale of remuneration including additional remuneration to be paid to Non-Executive Directors / Independent Directors and the Chairman for attending the Board and its Committees meetings, effective from February 05, 2020 as recommended by the Board of Directors of the Bank as detailed below, in compliance with the requirements of BPRD Circular No. 03 of 2019 dated August 17, 2019 issued by the State Bank of Pakistan, be and is hereby approved."



	Amount in PKR		
	Board Meeting Fee	Additional Remuneration for Chairman	Committee Meeting Fee
Resident Directors	400,000/- per Meeting	--	100,000/- per Committee per Meeting
Non-Resident /Foreign Directors	800,000/- per Meeting	--	100,000/- per Committee per Meeting
Chairman of the Board	800,000/- per Meeting	20% of Board Meeting Fee	100,000/- per Committee per Meeting

All the payments are subject to applicable taxes.

“FURTHER RESOLVED THAT in addition to above scale of remuneration, the travelling, boarding and lodging of Non-Executive Directors including Independent Directors for attending Board and its Committees meetings and any other meeting relating to Bank’s business and travelling entitlement of the Chairman by availing the facility of chartered plane, as mentioned in Directors’ Remuneration Policy of the Bank, be and is hereby approved.”

The Directors of the Bank have no personal interest, directly or indirectly, in the above special business, save to the extent of their respective shareholding as given hereinabove in the Bank and payment of remuneration as per Remuneration Policy/Shareholders’ approval.

Agenda Item No. 7

Alteration in the Articles of Association of the Bank:

In order to make the Article 94 (titled ‘Remuneration’) of the Articles of Association in line with Directors’ Remuneration Policy of the Bank, the Board of Directors has recommended certain amendments in the said Article. A comparison of existing and proposed Articles is given below:

Title	Existing Article	Proposed Article	Reason for Change
First Paragraph of Article 94	The scale of the remuneration to be paid, from time to time, to the Non-Executive including Independent Directors and the Chairman for attending the Board and its Committee(s) meetings shall be determined by the Board and approved by the shareholders on a pre or post facto basis in the Annual General Meeting.	No Change.	--
Second Paragraph of Article 94	A Director shall also be paid any reasonable traveling and hotel and other expenses incurred in consequence of his attendance at Board Meeting and otherwise in the execution of his duties as Director. The Directors may also be remunerated for any services done by them outside their ordinary duties.	The Bank shall either make all arrangements for travelling, boarding and lodging of Board Members for attending Board and its Committees meetings and any other meeting relating to Bank’s business or reimburse such expenses to the Board Members, on actual basis.	To make the enabling provisions of the Articles of Association in line with the Directors’ Remuneration Policy as recommended by the Board of Directors and approved by the Shareholders of the Bank.



Title	Existing Article	Proposed Article	Reason for Change
Third Paragraph of Article 94	The chartered plane round trips (domestic and/or international) by the Chairman for Bank business will be limited to twelve in a Calendar year starting January, 2014 and any additional trips may be paid by the Chairman out of his annual compensation/ pocket. The details of the twelve chartered plane round trips (domestic and/or international) by the Chairman, allowed by the Board on annual basis and approved by the shareholders, shall be placed before the Board for its information and record.	Non-Executive/Independent Directors shall be entitled for maximum of First Class airfare along with boarding, lodging expenses and/or any ancillary expenses incurred for attending Board and its Committees meetings and any other meeting relating to Bank's business, on actual basis. However, considering the stature of the Chairman, he is allowed the option of availing the services of chartered plane and expenses related to such facility shall be borne by the Bank, on actual basis.	To make the enabling provisions of the Articles of Association in line with the Directors' Remuneration Policy as recommended by the Board of Directors and approved by the Shareholders of the Bank.

Section 38 of the Companies Act, 2017 ("Act") requires that the alteration in the Articles of Association shall be approved by the shareholders through special resolution; therefore, the Board of Directors has recommended the amendments in Article 94 of the Articles of Association of the Bank to shareholders for their approval.

The Shareholders are requested to consider and if thought fit, to pass the following resolutions as Special Resolutions, with or without modifications, to approve alterations in the Articles of Association of the Bank in accordance with the provisions of Section 38 of the Companies Act, 2017:

"RESOLVED THAT the approval be and is hereby accorded to amend the second and third Paragraph of Article 94 of the Articles of Association of MCB Bank Limited in terms of the provisions of Section 38 of the Companies Act, 2017 to read as follows:

The Bank shall either make all arrangements for travelling, boarding and lodging of Board Members for attending Board and its Committees meetings and any other meeting relating to Bank's business or reimburse such expenses to the Board Members, on actual basis.

Non-Executive/Independent Directors shall be entitled for maximum of First Class airfare along with boarding, lodging expenses and/or any ancillary expenses incurred for attending Board and its Committees meetings and any other meeting relating to Bank's business, on actual basis. However, considering the stature of the Chairman, he is allowed the option of availing the services of chartered plane and expenses related to such facility shall be borne by the Bank, on actual basis."

"FURTHER RESOLVED THAT the Company Secretary and/or Chief Financial Officer be and are hereby jointly/severally authorized to do all acts, deeds and things, take all steps and actions necessary, ancillary and incidental for altering the Articles of Association of the Bank, including filing of all requisite documents/statutory forms, as may be required to be filed with the Registrar of Companies and complying with all other regulatory requirements, so as to effectuate the alterations in the Articles of Association and implementing the aforesaid resolution."

The Board of Directors of the Bank has confirmed that the proposed alteration in the Article 94 of the Articles of Association of the Bank is in line with the applicable provisions of the law and regulatory framework.

The Directors of the Bank have no personal interest, directly or indirectly, in the above special business, save to the extent of their respective shareholding in the Bank as given above and payment of remuneration as per Remuneration Policy/Shareholders approval.



Attention of Shareholders is drawn towards Circulars/Notifications:

The following Circulars/Notifications require special attention of shareholders of the Bank:

1. Requirement of Valid CNIC and IBAN:

As per the requirements of the Companies (Distribution of Dividends) Regulations, 2017 issued by the Securities and Exchange Commission of Pakistan ("SECP") and SRO 275 (I)/2016, dated March 31, 2016 issued by the SECP, the payment of cash dividend shall only be made to the Shareholders who have provided copies of their valid CNIC/ NICOP/ Passport (in the case of Individuals) and NTN (in the case of Corporate Entities) and valid details of designated International Bank Account Number ("IBAN"). Therefore, in order to comply with the above regulatory requirements, the Bank has withheld and shall be withholding the payment of cash dividend to those shareholders who have not yet provided copies of their valid CNIC/NICOP/NTN/Passport and details of valid IBAN.

2. Requirement of FBR's Approval or Valid Tax Exemption Certificate for Claim of Exemption U/S 150 of the Income Tax Ordinance, 2001:

The Honorable Lahore High Court, Lahore, in its recent decision has advised that the Mutual Funds as approved by the Federal Board of Revenue ("FBR"), would not be required to provide exemption certificate under Section 159 of the Income Tax Ordinance, 2001 ("Ordinance") to claim tax immunity as per clause (47B) of Part-IV of the Second Schedule to the Ordinance. It is, therefore, requested to provide either approval certificate or valid exemption certificate under Section 159 (1) of the Ordinance issued by the concerned Commissioner of the Income Tax, Inland Revenue, FBR. In case of non-availability of approval / exemption certificate(s), the deduction of advance tax on dividend shall be made as per the relevant provisions of the Ordinance.

3. Deduction of Withholding Tax on the Amount of Dividend:

The Government of Pakistan through the Finance Act, 2019, has made amendment in Section 150 of the Income Tax Ordinance, 2001, whereby, withholding tax on dividends has been enhanced as follows:

- For Filers of Income Tax Returns: 15%
- For Non-Filers of Income Tax Returns: 30%

In case of joint-shareholders, tax is to be deducted as per ratio of their respective share in the ownership.

Federal Board of Revenue ("FBR") has provided the Active Tax-Payer List ("ATL"), for identification on the basis of NTN/CNIC number; hence, in case of non-availability of valid NTN/CNIC number with MCB's Share Registrar and Transfer Agent, it would not be possible to identify the same in ATL and the shareholder will constraint to be treated as 'Non-Filer' to qualify for tax at higher rate of 30%. Therefore, shareholders who have not yet provided such information are requested to ensure that their valid NTN/CNIC number is available with the Share Registrar and Transfer Agent of MCB. In case of shares held as book-entry securities, the said information would be required to be provided to CDS, through CDS Participants.

4. Deduction of Withholding Tax on Joint Account Holder(s):

The Joint Account Holders whose shareholding details as to Principal Shareholder have not yet been determined for deduction of withholding tax on the upcoming dividend of the Bank, are requested to please furnish to the Share Registrar and Transfer Agent of the Bank; the shareholding details of yourself as Principal Shareholder and your Joint Holder(s) in the following manner, enabling MCB to compute withholding tax of each shareholder accordingly:



CDC Account No./ Folio No.	Name of Principal Shareholder/Joint Holders	Shareholding Proportion	CNIC No. (copy attached)	Signature

Kindly note that in case of non-receipt of the information each Account Holder will be assumed to hold equal proportion of shares and the deduction will be made accordingly.

5. Circulation of Annual Audited Financial Statements and Notice of AGM to Members:

SECP through its Notification No. SRO 787 (I)/2014, dated September 08, 2014, has allowed companies to circulate Annual Audited Financial Statements along with Notice of Annual General Meeting to its members through email. Further, as per the requirements of the SECP Notification No. SRO 470 (I)/2016, dated May 31, 2016, the Bank is circulating its Annual Accounts to shareholders through electronic medium, i.e., DVD at their registered addresses instead of transmitting the said annual accounts in hard copies. However, in case a shareholder is required hard copy of the Annual Accounts, the same can be obtained, free of cost, within one week of the request. In this regard, a Standard Request Form has been placed on website of the Bank for shareholders to communicate the need of hard copies of the Annual Accounts instead of sending the same through DVD. A shareholder may also prefer to receive hard copies for all future Annual Accounts.

6. Unclaimed Dividends and Shares Certificates:

The shareholders who have not yet claimed their cash dividends, right and bonus shares which are kept with the Share Registrar of the Bank, namely, M/s THK Associates (Pvt.) Limited, as undelivered/unclaimed dividends and shares certificates or which are in their custody are requested that they should either en-cash their dividend warrants already available with them, or make a claim for cash dividends, right and bonus shares kept by MCB's Share Registrar and Transfer Agent.

7. Deposit of Physical Shares into CDC Account:

The Shareholders having physical shareholding may open CDC sub-account with any of the brokers or Investor Account directly with CDC to place their physical shares into scripless 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 Stock Exchange. Further, Section 72 of the Act states that after the commencement of the Act from a date notified by SECP, a company having share capital, shall have shares in book-entry form only. Every existing 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 SECP, within a period not exceeding four years from the commencement of the Act.

8. Merger of Different Folios into One Folio:

As per record, some of the shareholders are maintaining more than one folio(s) under the same particulars. Carrying two different folios may be a hassle for the shareholders to reconcile and receive different benefits in the shape of dividends/ bonus. In order to provide better services and convenience, such shareholders are requested to send requests to the MCB's Share Registrar and Transfer Agent to merge their folios into one folio.

While sending the copy of NTN/CNIC/NICOP number, shareholders are requested to quote their respective Folio/CDC Account Numbers for identification purpose.

M/s THK Associates (Pvt) Ltd.,
Share Registrar and Transfer Agent-MCB Bank Limited
First Floor, 40-C, Block-6, P.E.C.H.S., Karachi-75400.
P.O. Box No. 8533, UAN: +92 (21) 111-000-322,
Fax: +92 (21) 3 4168271.
Email: sfc@thk.com.pk

