

## HABIB BANK හඬිබ් බැංකුව

## FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2021

STATEMENT OF FINANCIAL POSITION	BANK (AI	UDITED)	GROUP (A	UDITED)	
AS AT 31 DECEMBER 2021	L	KR	PKR		
In Rupees Thousand	31/12/2021	31/12/2020	31/12/2021	31/12/2020	
Assets					
Cash and cash equivalents	437,136	818,568	264,559,692	223,977,669	
Balances with central banks	111,707	30,570	176,692,554	151,302,451	
Placements with banks	1,203,927	101,042	158,180,507	86,688,022	
Derivative financial instruments		4,145	8,951,592	4,284,867	
Financial assets at amortised cost · Investments	3,135,779	3,407,939	337,642,414	265,146,998	
Financial assets at amortised cost - Loans & Advances	2,442,816	2,895,550	1,507,047,097	1,223,510,222	
Financial assets measured at fair value through other comprehensive income	5,972,039	3,541,177	1,576,225,204	1,651,631,461	
Income Tax Receivable	91,365	30,203			
Investments in associates and joint ventures			35,088,360	31,798,363	
Property, plant and equipment	280,803	287,349	98,676,342	89,190,210	
Goodwill and Intangible assets			12,630,475	10,412,880	
ROU Asset	37,539	26,294			
Deferred tax assets					
Other assets	90,025	89,405	141,773,908	111,119,675	
Total assets	13,803,805	11,232,242	4,317,468,145	3,849,062,818	
Liabilities			.,,,		
Due to banks	142,334	58,996			
Derivative financial instruments	22,704				
Due to other customers	5,670,668	4,081,192	3,381,998,398	2,830,371,390	
Borrowing	1,103,203	562,041	436,258,005	544,107,826	
Current tax liabilities	.,,		7,690,809	7,073,633	
Deferred tax liabilities	58,148	56.917	5,082,602	10,387,859	
Employee benefit liabilities	43,969	49,565	9,422,452	8,678,703	
Subordinated loan	10,000	10,000	12,374,000	22,356,000	
Other liabilities	229,367	104,012	180,956,077	160,592,160	
Total liabilities	7,270,392	4,912,723	4,033,782,343	3,583,567,571	
Equity	7,270,002	4/012/120	1,000,702,010	0,000,007,071	
Stated capital/Assigned capital	4,938,390	4,938,390	14,668,525	14,668,525	
Statutory reserve fund	85,226	75,628	42,159,040	38,063,377	
Retained earnings	1,265,705	1,078,071	158,441,418	138,208,223	
Other reserves	244,092	227,430	64,375,850	70,003,562	
Total shareholders' equity	6,533,413	6,319,519	279,644,833	260,943,687	
Non Controlling Interest	0,000,410	0,010,010	4,040,969	4,551,560	
Total equity	6,533,413	6,319,519	283,685,802	265,495,247	
Total equity and liabilities	13,803,805	11,232,242	4,317,468,145	3,849,062,818	
Contingent liabilities and commitments	7,677,972	2,942,991	1,380,523,022	998,195,047	
voncingone naumeros ana commitments	1,011,312	2,342,331	1,300,323,022	330,133,047	
Memorandum Information			l		
Number of Employees	60	61	20,795	20,795	
Number of Branches	3	4	1,697	1,697	

				JED UI	DEGE	MBER:	2021
	Reserves						
BANK (Audited)	Share capital	Assigned capital	Reserve fund	Revaluation reserve	Retained earnings	Other reserves	Total equity
Balance as at 01/01/2021 (Opening balance)		4,938,390	75,628	200,854	1,078,071	26,576	6,319,519
Total comprehensive income for the year Profit/(loss) for the year					191,960		191,960
Other comprehensive income (net of tax)	1 .	· ·		10,598	5,272	6,064	21,934
Total comprehensive income for the year				10,598	197,232	6,064	213,894
Transaction with equity holders, recognised directly in equity	1						
Share issue/increase of assigned capital Share options exercised	1 :						
Bonus issue	1 :					i i	
Right issue							-
Transfers to reserves during the period			9,598		(9,598)		
Dividend to equity holders							
profit transferred to head office							
Profit capitalisation during the year			9,598		(0 FOO)		
Total transaction with equity holders Balance as at 31/12/2021 (Closing Balance)	<u> </u>	4,938,390	85,226	211.452	(9,598) 1,265,705	32,640	6,533,413
Palance as at 5 1/12/2021 (Glosing Dalance)	<u> </u>	4,000,000	03,220	211,402	1,200,700	32,040	0,000,410

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31ST DECEMBER 2021									
		Reserves							
GROUP (Audited)	Share capital	Assigned capital	Reserve fund	Revaluation reserve	Retained earnings	Other reserves	Total	Non controlling interest	Total equity
Balance as at 01/01/2021 (Opening balance) Total comprehensive income for the year	14,668,525		38,063,377	27,461,581	138,208,223	42,541,981	260,943,687	4,551,560	265,495,247
Profit/(loss) for the year Other comprehensive income (net of tax)				146,997	35,021,853 208,206	(5,331,737)	35,021,853 (4,976,534)		35,506,873 (4,966,928)
other comprehensive income (net of tax)		·	·	140,337	200,200	(5,551,757)	(4,970,554)	3,000	(4,300,320)
Total comprehensive income for the year	14,668,525		38,063,377	27,608,578	173,438,282	37,210,244	290,989,006	5,046,186	296,035,192
Transaction with equity holders, recognised directly in equity									
Transfers to reserves during the period Trasferred from surplus on revaluation of assets - net of tax			3,840,971		(3,840,971) 196,608	(195,114)	1,494	(1,494)	
Dividend to equity holders			1.0		(12,101,532)	,	(12,101,532)		(12,101,532)
Exchange gain realised on capital reduction in subsidiary under liquidation - net of tax						(1,369)	(1,369)		(1,369)
Exchange gain realised on partial repatriation of branch capital Acquisition of additional interest in subsidiary		2.	254,692		749,031	(246,489)	(246,489) 1,003,723	(1,003,723)	(246,489)
Total transaction with equity holders			4,095,663		(14,996,864)	(442,972)	(11,344,173)		(12,349,390)
Balance as at 31/12/2021(Closing Balance)	14,668,525		42,159,040	27,608,578	158,441,418	36,767,272	279,644,833	4,040,969	283,685,802

Total transaction with equity holders		L			4,095,663		(14,996,864		(11,344,173)		2,349,390)
Balance as at 31/12/2021(Closing Balan	ice)	ŀ	14,668,525	<u> </u>	42,159,040	27,608,578	158,441,41	8 36,767,272	279,644,833	4,040,969 28	33,685,802
						-					
			Δ	DDITION	IAL DISC	LOSURE	F				
					IAL DIGG		_				
Analysis of Loan & accordingencies				ts,	ΔΙ	VALYSIS	S OF FI	NANCIA	LINSTRI	JMENTS	ON
contingencies		(Audited)		(Audited)						31.12.202	
		KR)	(F	PKR)				DASIS	ASAI	31.12.202	. 1
n Rupees Thousand	12/31/2021	12/31/2020	12/31/2021	12/31/2020	a. Ba	ank - 20	D21				
Product-wise gross loans & advances By Product- Domestic Currency					In Rupees T	housand		AC	FVPL	FVOCI	Total
Overdraft Ferm loans	693,642 1,295,682	739,316 1,334,344	319,597,160 463,885,719	251,306,833 426,597,930	ASSETS						
ease rentals receivable	1,233,002	1,004,044	41,944,458	29,390,294	Cash and cash			437,136		-	437,136
Credit cards Staff Loan	75,078	66,750	16,715,261 26,372,537	12,025,377 19,429,678	Balances with Placement wit			111,707 1,204,596	:		111,707 1,204,596
Other Loan	313,132	527,540	352,843,862	316,179,547	Loans and Adv			2,442,816			2,442,816
Sub total	2,377,534	2,667,950	1,221,358,997	1,054,929,659	Debt Instrume			3,135,779			3,135,779
By Product: Foreign Currency					Equity Instrum Total financia		-	7,260,933	-	5,972,039 5,972,039	5,972,039 <b>13,304,073</b>
Overdraft Ferm loans	233,366 58,767	71,751 408,484	103,281,432 232,641,436	69,793,306 165,368,287			=	_			
Bills of exchange	55,757	.30,404	28,664,936	10,619,956	In Rupees Ti	nousand		AC	FVPL	FVOCI	Total
Other Loans Sub total	292,133	480,235	4,953,791 369,541,595	4,698,061 250,479,610	LIABILITIES						
Total	2,669,667		1,590,900,592		Due to banks			142,334		l	142,334
Product - wise commitments & contingencies					Due to other c Other borrowi			5,670,668 1,103,203		l	5,670,668 1,103,203
By product - Domestic Currency Guarantees	503,095	32,690	118,539,400	100,991,233	Total financi			6,916,204			6,916,204
Bonds											
Undrawn Credit Lines Acceptances	604,720	860,676	28,331,955	11,030,228	b. Ba	ank - 20	020				
etter of Credit	291,128		10,417,081	23,242,202	In Rupees Ti		T	AC	FVPL	FVOCI	Total
Forwards exchange contracts and derivatives Commitments for acquisition of fixed and intangible assets			116,302,708 12,014,024	173,254,479		nousanu		AU	FVFL	FVUCI	Total
ommitments for acquisition of fixed and intangiole assets <b>Sub total</b>	1,398,942	893,366		5,487,716 314,005,858	ASSETS			040.500		l .	010 500
					Cash and cash Balances with			818,568 30,570	:		818,568 30,570
By product - Foreign Currency					Placement wit			101,042			101,042
luarantees	1,700,891	123,534	175,865,893	101,229,553	Loans and Adv			2,895,550			2,895,550
Bonds Undrawn Credit Lines	388,130	493,982	2,080,524	55,755	Debt Instrume Equity Instrum			3,407,939	4,145	3,541,177	3,407,939 3,541,177
Acceptances	232,909 8,526	49,012	295,907,599	130,152,521	Total financi			7,253,668	4,145	3,541,177	10,794,845
Letter of Credit Forwards exchange contracts and derivatives	3,948,573	1,383,097	620,990,457	452,723,649	In Rupees Ti	.aucand		AC	FVPL	FVOCI	Total
Dearating lease			73,381	27,711		nousana	_	AU	FVFL	FVUCI	Total
Commitments for acquisition of fixed and intangible assets <b>Sub total</b>	6,279,029	2,049,625	1,094,917,854	684,189,189	LIABILITIES			E0 000		l	F0.000
Total	7,677,972	2,942,991	1,380,523,021	998,195,047	Due to banks Due to other c	ustomers		58,996 4,081,192		l	58,996 4,081,192
Stage-wise impairment on Loans & Advances,					Other borrowi	ngs		562,041			562,041
commitments & Contingencies Gross loans and advances, commitments and					Total financi	al liabilities		4,702,229			4,702,229
ontingencies ess : Accumulated impairment under stage 1	883	225									
Accumulated impairment under stage 2	734	54,430	1		c. Gr	oup -20	021				
Accumulated impairment under stage 3 Collective Impairment	225,182	185,351	72,845,186	70,835,763	In Rupees Ti	housand		AC	FVPL	FVOCI	Total
Individual Impairment			11,008,308	11,063,284	ASSETS		-	$\overline{}$			
Net value of loans and advances, commitments and contingencies	226,799	240,006	83,853,494	81,899,047	Cash and cash			264,559,692			264,559,692
			23,230,104	3.,233,611	Balances with			176,692,554			176,692,554
Inder Stage 1					Placement wit Loans and Adv			158,180,507 507,047,097			158,180,507 1,507,047,097
Opening Balance	2,027	8,242			Debt Instrume			337,642,414	8,951,592	1,564,261,211	1,910,855,217
Charge/ (write back) to income statement Write-off during the year	(1,144)	(6,215)	1 :		Equity Instrum	ents				11,963,993	11,963,993
Other movements					Total financi	al assets	2,4	44,122,264	8,951,592	1,576,225,204	4,029,299,060
Closing Balance	883	2,027	-		In Rupees Ti	housand		AC	FVPL	FVOCI	Total
Inder Stage 2	1.000	1.005	70 005 700	70.004.007	LIABILITIES			$\neg$			
pening Balance harge/ (write back) to income statement	1,983 (1,637)	1,905 (50)	70,835,763 7,922,294	72,634,967 4,775,237	Due to banks					ı	
Vrite-off during the year			(8,050,839)	(6,797,869)	Due to other c			381,998,398			3,381,998,398
Other movements Closing Balance	387 <b>734</b>	128 1,983	2,137,968 72,845,186	223,428 70,835,763	Other borrowi			148.632.005 30,630,403			448.632.005 3,830,630,403
	,,,,	.,000			. o.a. mianon	manifered	3,0	00,000,400			2,000,000,400
Jnder Stage 3 Opening Balance	243,257	251,604	11,063,284	3,730,991	d. Gi	oup -2	N 2 N				
charge/ (write back) to income statement	(23,710)	(12,831)	(277,250)	7,284,592			020				
Nrite-off during the year Other movements	5,636	4,484	222,274	47,701	In Rupees Ti	housand		AC	FVPL	FVOCI	Total
Closing Balance as at	225,182	243,257		11,063,284	ASSETS						
Total Impairment	226,799	247,267	83,853,494	81,899,047	Cash and cash			223,977,669			223,977,669
D ( 0.1 D		D			Balances with	central banks		151,302,451			151,302,451

360	AC - Financial Assets/ liabilities measured at amortised cost
360 232 105	FVPL - Financial Assets/ liabilities measured at fair value thro

Placement with banks

Loans and Advances Debt Instruments

Equity Instruments
Total financial assets

In Rupees Thousand

Due to other customers

Other borrowings
Total financial liabilities

LIABILITIES

Due to banks

Cash and cash equivalents Balances with central banks

**Due to Other Customers- By Product** 

991,102 1,218,538

8,933 3,2**34,**314

121,815

1,052,927 1,172,873

945,566,3

1,412,753,293

508,357,284

949 12,328,840 13,870,43 2,942,343 2,879,027,804 2,427,476,78

211,660,17

103,957,05

186,252,205

,262,957,8

328,389,4

157,137,0

95,413,86 148,655,3

815,264

1,380,853

25,738

780,080

By product- Domestic Currency Demand deposits (Current accounts) Savings deposits Fixed deposits

By product- Foreign Currency Demand deposits (Current accounts)

Call Deposits Margin Balances

Savings deposits Fixed deposits Call Deposits Margin Balances

151,302,451 86,688,022

.223,510,22

265,146,998

,950,625,36

2 830 371 39

544,107,826 **3,374,479,216** 

4,284,86

4.284.86

1,640,966,34

10,665,117 ,651,631,461

86,688,023

1,223,510,22

10,665,117 3,6**06,541,69**0

Total

2 830 371 39

544,107,826 **3,374,479,216** 

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INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2021	BANK (A		GROUP (A	
In Rupees Thousand	31/12/2021	31/12/2020	31/12/2021	31/12/2020
Interest income Interest expenses Net interest income	744,985 164,872 <b>580,113</b>	702,346 151,282 <b>551,064</b>	262,253,962 130,834,913 131,419,049	271,237,258 141,132,940 <b>130,104,318</b>
Fee and commission income Fee and commission expense	14,207	3,754	25,433,355	18,795,739
Net fee and commission income Net gain/ (Loss) from trading Net fair value gain/ (Loss) from financial instruments Net gain/(loss) on derecognition of financial assets	14,207	3,754	<b>25,433,355</b> 1,024,384	<b>18,795,739</b> 7,054,874
Other Operating Income (net) Total operating income Impairment for loans and other losses	122,873 <b>122,873</b> (26,491)	21,999 <b>21,999</b> (24,460)	9,853,621 <b>10,878,005</b> 8,087,105	4,744,247 <b>11,799,121</b> 12,219,614
Net operating income Personnel expenses Depreciation and amortisation	<b>743,683</b> 244,721 25,252	<b>601,277</b> 234,291 33,117	<b>159,643,304</b> 41,580,457 10,353,966	148,479,564 33,639,523 9,405,619
Other expenses Operating profit/(loss) before value added tax (VAT) Value added tax (VAT) on financial services Nation Building tax (NBT) on financial services	101,474 372,236 77,575	90,920 <b>242,949</b> 61,193 44	45,680,970 <b>62,027,911</b>	52,403,786 <b>53,030,636</b>
Profit/(loss) before tax Tax expenses Profit/(loss) for the period	<b>294,661</b> 102,701 <b>191,960</b>	181,712 62,548 119,164	62,027,911 26,521,038 35,506,873	53,030,636 22,117,287 30,913,349
Profit attributable to: Owners of the parent Non-controlling interests	191,960	119,164	35,021,853 485,020	30,892,271 21,078
Earnings per share on profit Basic earnings per ordinary share Diluted earnings per ordinary share	:	÷	23.88 23.88	21.06 21.06
STATEMENT OF COMPREHENSIVE	INCOME FOR THE YEA	R ENDED 31 DECEM	BER 2021	
		AUDITED)	GROUP (A	

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2021						
	BANK (A			AUDITED)		
al Charles at the Charles and Charles and Charles at the Charles a	LK	(R	l Pi	KR I		
In Rupees Thousand	12/31/2021	31/12/2020	31/12/2021	31/12/2020		
Profit/(loss) for the period	191,960	119,164	35,506,873	30,913,349		
Other Comprehensive income, net of tax Changes in revaluation surpuls Actuarial gains and losses on defined benefit plans Gains and losses (arising from translating the financial statements of foreign operation) Excahnge differences & realization of on translation of foreign currency capital & reserve Realisation of exchange equalisation of capital Income tax on Other comprehensive Income Share of surplus on revaluation of investments/operating fixed assets of associates Gain/ (Loss) on revaluation of Investments Deficit on revaluation of fixed assets Other comprehensive income for the period, net of taxes	6,937 1,909 8,920 4,167 21,934	436 4,228 (94,686) (43,114) 808 38,708 (93,620)	207,054 5,550,804 132,680 (10,857,466) (4,966,928)	(148,840) 2,449,082 6,204,914 5,032,330 13,537,486		
Total comprehensive income for the period	213,894	25,544	30,539,945	44,450,835		
Attributable to: Owners of the parent Non-Controlling interests	213,894	25,544 ·	30, <b>539</b> ,945 4 <b>94,</b> 626	44,450,835 155,128		

Attributable to: Owners of the parent Non-Controlling interests	213,894	25,544	30, <b>539,</b> 945 4 <b>94,</b> 626	44,450,835 155,128
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2021	Bank (/	Audited)	Group	(Audited)
Item	2021 LKR	2020 LKR	2021 PKR	2020 PKR
Cash Flow from Operating Activities Profit before tax (Gaini)Loss on disposal of Property, plant & equipment Share of profit of associates & joint venture Depreciation & Amortisation Provision for gratuity Impairment charge for Loans & advances (Increase)(Decrease) in Interest Receivable Increase)(Decrease) in interest payable Increase)(Decrease) in interest payable Increase)(Decrease) in interest payable Increase)(Decrease) in interest payable Increase)(Decrease) in occured expenses Impairment charge for Unfunded facilities and Investments Gratuity payments made Other non cash items Dividend income Exchange loss on sub-ordinated loan/goodwill-net Reversal against dimunution in the value of investments Workers Welfare Fund Operating Profit before changes in Operating Assets & Liabilities	294,661 (1,084) 25,252 7,633 (26,491) (21,972) (3,871) 12,452 (6,292) 28,817	181,712 (288) 33,117 8,164 (24,460) (48,904) 9,772 2,709 (727) 2,588 (2,560)	62,027,911 (95,639) (2,585,595) 11,415,001 7,645,044 1,663,398 4,490,500 (913,769) (491,239) (1,258,723) 1,273,226 83,170,115	28,880,922 (266,807) (3,483,593) 9,259,451 3,376,099 124,577 1,857,860 (586,353) (327,684) 553,086 573,492 39,961,050
(Increase)/Decrease in Operating Assets and Liabilities (Increase)/Decrease in Operating Assets (Increase)/Decrease in Operating Assets (Increase)/Decrease in Operating Liabilities Net Cash from Operating Activities before Income Tax	(2,838,541) 2,187,675 (650,866)	(3,041,478) 2,119,236 (922,242)	(462,055,167) 457,546,605 (4,508,562)	(388,987,363) 140,997,672 (247,989,691)
Income Tax (Paid) / Refunds Net Cash from Operating Activities	(20,000)	(899) ( <b>762.020</b> )	(26,199,570) <b>52,461,983</b>	2,767,314 (205,261,327)
Cash Flow from Investing Activities Dividends Received Purchase of Property & Equipment Proceeds form Sale of Property Plant & Equipment Net cash flows from purchase of financial investments Net cash flows on business combination Effect of translation of net investment in foreign branches, subsidiaries & associates Net investment in associates	(4,309) 2,177	2,560 (4,851) 2,656	743,582 (16,573,306) 344,881 59,674,749 5,465,689 (857,866)	590,796 (7,452,347) 2,006,836 288,771,929 6,260,907 2,130,167
Net Cash from Investing Activities	(2,132)	365	48,797,729	292,308,288
Cash Flow from Financing Activities Proceed from issuance of subordinated loans Excahnge adjustment on translation of non-controlling interest in subsidiarry Issuance (Repayment) of surbordinated loan Payemnt of Lease Liability against right of use Dividend paid	(19,451) (19,451)	(18,373) (18.373)	85,115 (9,982,000) (6,631,300) (10,855,155) (27,383,340)	12,374,000 168,861 (4,000) (5,264,295) (7,581,966) (307,400)
Net Increase/(Decrease) in Cash and Cash Equivalents Exchange difference in respect of cash & cash equivalent Cash and Cash Equivalents at Beginning of the year Cash and Cash Equivalents at end of the period	(383,342) 1,909 818,568 437,136	(780,027) 4,228 1,594,367 818,568	73,876,371 9,212,126 422,601,823 <b>505,690,321</b>	86,739,561 12,745,914 309,356,796 408,842,271

	SELECTED PERFORMANCE INDICATORS (AS PER REGULATORY REPORTING)	AS AT 31 DEC	EMBER 2021
		Bank	- LKR
	Item	31/12/2021 (Audited)	31/12/202 <b>0</b> (Audited)
	Regulatory Capital Adequacy Common Equity Tier 1 Rs. '000 Core Capital (Tier 1 Capital), Rs. '000 Total Capital Base, Rs. '000 Regulatory Capital Batios	6,229,717 6,289,322 6,279,278	6,092,090 5,987,659 6,063,410
1	Common Equity Tier 1 Capital (%), (Minimum Requirement - 7%) Tier 1 Capital Ratio (%), (Minimum Requirement - 8.5%) Total Capital Ratio (%), (Minimum Requirement - 12.5%) Leverage Ratio, (Minimum Requirement - 12.5%) Leverage Ratio, (Minimum Requirement - 3%) Regulatory Liquidity	106.45% 106.45% 107.30% 43%	133.40% 133.40% 135.09% 51%
	Statutory Liquid Assets, Rs. '000 Domestic Banking unit Off-Shore Banking Unit - USD Statutory Liquid Assets Ratio (%) , (Minimum Requirement - 20%)	8,488,738 17,909	6,863,706 1,621
╡	Domestic Banking unit Off-Shore Banking Unit Total Stock of High Quality Liquidity Assets , Rs.'000 Liquidity Covereage Ratio (%) , (Minimum Requirement - 100%)	81% 126% 8,611,038	163% 42% 7,153,540
1	Rupee (%) All Currency (%) Net Stable Funding Ratio (%) - (Minimum Requirement - 100% ) Assets Quality (Quality of Loan Portfolio)	3440% 783% 240%	635% 320% 210%
┨	Gross Non - Performing Advances Ratio (%) (net of interest in suspense) Non - Performing Advances (%) (net of interest in suspense and provision) Profitability	7.54% 0.51%	6.40% 0.43%
	Interest Margin (%) Return on Assets (before Tax) (%) Return on Equity (%)	4.20% 2.70% 5.70%	5.16% 3.31% 5.89%

We, the undersigned, being the Regional General Manager Sri Lanka & Maldives and the Head of Finance of Habib Bank Limited certify jointly that :(a) The above statements have been prepared in compliance with the format and definitions prescribed by the Central Bank of Sri Lanka

(b) The information contained in these statements have been extracted from the unaudited financial statements of the bank unless indicated as audited (c) Bank figures are reported in SLRs. while the Group figures are in Pak Rs. (US\$ 1 - Pak. Rs. 159.8344 as at 31 Dec 2020)

(d) HHabib Bank Limited Was assigned rating of 'A+'(A Plus) with a 'Stable' Outlook by ICRA Lanka Wajid Ali Shah

RGM Sri Lanka / Maldives 30 March 2022

Fathima Zahara Mohamed **Head of Finance** 30 March 2022 Statement of Compliance-with Listed Companies (Code of Corporate Governance) Regulations, 2019 For the year ended December 31, 2021

e) Board IT Committee (BITC)

f) Board Oversight Committee — International Governance (BOC-IG)

g) Board Risk Management Committee (BRMC)

a) Board Audit Committee
b) Board Compliance and Conduct Committee
c) Board Development Finance Committee

e) Board |T Committee

d) Board Human Resource and Remuneration Committee

b) Board Vournintee

f) Board Oversight Committee — International Governance
g) Board Risk Management Committee
h) Board Nomination and Remuneration Committee\*

h) Board Nomination and Remuneration Committee (BNRC)

Habib Bank Limited (hereinafter referred to as "the Bank") has complied with the requirements of the Listed Companies of Code of Corporate Governance) Regulations, 2019 ("the Regulations") for the year ended December 31, 2021 in the following manner.	d) Board Human Resource & Remuneration Committee (BHR&RC)
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1. The total number of Directors is 8 as shown in the following table: a. Male Director\*
b. Female Director Number of Directors

 $2. \ \ The \ composition \ of \ the \ Board \ of \ Directors \ is \ as \ follows:$ Names of Directors
Mr Salim Raza
Ms. Saba Kamal
Mr. Khaleel Ahmed
Mr. Sultan Ali Allana Categories Independent Directors Mr. Shaffiq Dharamshi Mr. Moez Ahamed Jamal Dr. Najeeb Samie Mr Muhammad Aurangzeb

- The Directors have confirmed that none of them is serving as a Director on more than seven (7) listed companies
  including the Bank.
- The Bank has prepared a 'Code of Conduct' and has ensured that appropriate steps have been taken to diss throughout the Bank along with its supporting policies and procedures.
- 5. The Board has approved 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 slong with their date of approva 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 ("the Act") and the Regulations.
- The meetings of the Board of directors were presided over by the Chairman of the Board and the Board has complied
  with the requirements of the Act and the Regulations with respect to frequency, recording and circulating minutes
  of meetings of the Board.
- The Board have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and the Regulations of SECP and SBP.
- All Directors have either already attended SECP approved Directors' Training Programs (DTP) in previous years and
  are certified as Directors or are exempt in accordance with the Regulations.
- 10. 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.
- 11. The Chief Financial Officer and the Chief Executive Officer duly endorsed the financial statements before the approval of the Board.
- 12. The Board has the following committees as of December 31, 2021 comprising of the members listed against each committee:
- Name of Committee a) Board Audit Committee (BAC) Composition

  1. Mr. Khaleel Ahmed, Chairman 2. Mr. Moez Ahamed Jamal, Member

c) Board Development Finance Committee (BDFC)

- 3. Dr. Najeeb Samie, Member b) Board Compliance and Conduct Committee (BCNC)

  - 1. Mr. Moez Ahamed Jamal, Chairman 2. Mr. Shaffiq Dharamshi, Member
    - 3. Mr. Khaleel Ahmed, Member 1. Mr. Salim Raza, Chairman

Mr. Khaleel Ahmed, Member
 Ms. Saba Kamal, Member
 Mr. Muhammad Aurangzeb, Member

- 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, the regulations or any other regulatory requirement and the auditors have confirmed that they have observed IRA 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

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 are registered with the 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 child executive officer, chief financial officer, head of internal audit, company secretary or director of the company.

13. The Terms of Reference of the aforesaid committees have been formed, documented and advised to the committee for compliance.

 $14. \ \ The number of meetings of the committees held during the year were as per the following tables and the second of the committees held during the year were as per the following tables are the following tables and the second of the committees held during the year were as per the following tables are the following$ 

Sultan Ali Allana Chairman

Mr. Khaleel Ahmed, Chairman
 Mr. Sultan Ali Allana. Member
 Dr. Najeeb Samie, Member
 Mr. Shaffiq Dharamshi, Member

Ms. Saba Kamal, Chairperson
 Mr. Moez Ahamed Jamal, Member
 Mr. Salim Raza, Member

1. Mr. Sultan Ali Allana, Chairman

1. Mr. Salim Raza, Chairman 2. Mr. Shaffiq Dharamshi, Member

3. Mr. Muhammad Aurangzeb, Member

Mr. Salim Raza, Member
 Dr. Najeeb Samie, Member
 Mr. Moez Ahamed Jamal, Member
 Mr. Shaffiq Dharamshi, Member

2. Dr. Najeeb Samie, Member 3. Mr. Muhammad Aurangzeb, Member

Muhammad Aurangzeb President & CEO Date: February 24, 2022

ough Profit or loss FVOCI - Financial Assets measured at fair value through other comprehensive income