

**PRINCIPLES OF
DISCLOSURE OF
MATERIAL INFORMATION (MI)
AND PRICE SENSITIVE
INFORMATION (PSI)**

PUBALI BANK PLC.

পূবালী ব্যাংক পিএলসি.

Dhaka, Bangladesh

TABLE OF CONTENT

1	BACKGROUND
2	PURPOSE
3	APPLICABILITY
4	DEFINITIONS
5	CATEGORY
6	DISCLOSURE MODALITY
7	RESTRICTED TRADING PERIOD
8	DISCLOSURES ON THE WEBSITE
9	REVIEW AND AMENDMENT
ANNEXURE-I: LIST OF PRICE SENSITIVE INFORMATION (PSI)	
ANNEXURE-II: LIST OF MATERIAL INFORMATION (MI)	

1. BACKGROUND

Bangladesh Securities and Exchange Commission (BSEC) has issued a notification dated December 28, 2022 published on January 30, 2023 on the regulation named Bangladesh Securities and Exchange Commission "(Prohibition of Insider Trading) Rules, 2022". According to regulation 3(2) of the rules all issuers of listed securities are obligated to frame a policy for determination and disclosure of Material Information (MI) and Price Sensitive Information (PSI) and also dissemination of such information on its website. This policy shall be called "Principles of Disclosure of Material Information and Price Sensitive Information".

2. PURPOSE

The purpose of this policy is to ensure providing equal access to important information or disclosures to regulators or investors which may affect their investment decisions and such information is adequately disseminated in a fair and timely manner.

3. APPLICABILITY

This policy is applicable to the following Insiders:

- Sponsor Shareholders
- Directors
- Subsidiary Companies and its Directors
- Principal Shareholder (having 10% or more shares)
- Family members of the directors (spouse, son, daughter, father, mother, brother and sister)
- Employees
- Auditors
- Consultants
- Credit Rating Company
- Valuation Firms
- Managing Agents
- Advisers
- Suppliers
- Vendors/Contractors and
- Other persons who have relationship with the aforesaid persons.
- Any other person as determined by BSEC.

4. DEFINITIONS

- a) 'Bank' means Pubali Bank PLC.;
- b) 'Board of Directors' or 'Board' means the Board of Directors of Pubali Bank PLC.;
- c) 'Policy' means this policy titled "Principles of Disclosure of Material Information and Price Sensitive Information";
- d) 'Stock' means the security listed and transacted in the stock exchanges;
- e) 'Stock Exchange(s)' means Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange PLC;

- f) 'BSEC' means Bangladesh Securities and Exchange Commission;
- g) 'Price Sensitive Information (PSI)' means information that influence the price of a security;
- h) 'Material Information' (MI) means any information or transaction or arrangement that may be important to a rational investor in taking investment decision;
- i) 'Principal Shareholder' means Shareholders who hold 10 percent (10%) or more shares of the Bank;
- j) 'Immediate Relative' means father–mother, husband–wife, son, daughter or any other person who is dependent on the income of a person or takes advice regarding the transaction of a particular security;
- k) 'Insider Trading' means the trading or transfer of any security by the insider taking advantage of the undisclosed Price Sensitive Information;
- l) 'Chairman' means the Chairman of the Board of Directors of Pubali Bank PLC.;
- m) 'Director' means the Director of the Board of Directors of Pubali Bank PLC.
- n) 'MD and CEO' means the Managing Director and Chief Executive Officer of Pubali Bank PLC.;
- o) 'Company Secretary' means the Company Secretary of Pubali Bank PLC.;
- p) 'CFO' means the Chief Financial Officer of Pubali Bank PLC.;

5. CATEGORY

The information required to be disclosed are divided into the following two categories as specified in the Rules:

- A. Price Sensitive Information (PSI)
- B. Material Information (MI)

6. DISCLOSURE MODALITY

- i. Pubali Bank PLC. shall disclose all its Price Sensitive Information (PSI) to BSEC, DSE and CSE within two (02) hours of the decision taken by the Board of Directors or the conclusion of the meeting or on the day on which the matter came into its cognizance.
- ii. In case of seeking permission, approval, consent of Bangladesh Bank, DSE, CSE or other regulatory body on any issue related to the movement of share price, the Bank shall disclose it to BSEC, DSE and CSE within (02) hours of the decision taken by the Board or the conclusion of the meeting or on the day on which the matter came into its cognizance.
- iii. The PSI documents shall be signed by the Chairman or Chief Executive Officer or Company Secretary before sending it to BSEC or DSE or CSE.
- iv. The Bank shall publish the PSI in an online news portal and two (02) daily newspapers (one in Bangla and another in English) that are widely circulated across the country.

- v. The PSI document shall be sent through E-mail, Digital submission Platform, specially assigned messenger/personnel or by courier services in some cases.
- vi. The Bank shall upload its PSI in its website and host the same for a minimum period of 03 (three) years.
- vii. The Bank shall not disclose, publish or provide any false or untrue PSI or provoke anyone to disclose the PSI that may influence the share price of the company.
- viii. The Bank shall publish another PSI on the same issue within two (02) hours of receiving the permission or approval from the regulatory authority mentioning the fact that the issue was sent to the regulatory authorities earlier for permission or approval.
- ix. All PSI shall carry the date, time or the date on which the matter came into the cognizance of the bank.
- x. In order to avoid any sort of exaggeration, the language of PSI shall be simple and easy.
- xi. There will be a digital database in the preservation of Price Sensitive Information.

Events/ information mentioned through the Annexures I and II to this policy shall be disclosed to the BSEC, DSE, CSE and other regulatory authorities in manner specified in the policy & regulatory requirements. Further, where the Bank makes disclosures to the BSEC and Stock Exchange(s), the Bank will also disclose material developments as may be decided by the Competent Authority on a regular basis.

7. RESTRICTED TRADING PERIOD

The list of the insiders mentioned in section 12 of Securities and Exchange Ordinance, 1969 shall not buy, sell or otherwise receipt or handover securities of the concerned company 02 months before completion of the annual accounts up to consideration and approval by the Board.

8. DISCLOSURES ON THE WEBSITE

The Bank shall preserve all its disclosed Price Sensitive Information (PSI) and Material Information (MI) of last 3(three) years in its own website.

9. REVIEW AND AMENDMENT

This policy shall be reviewed periodically by the Board of Directors of the Bank and guidelines or circular or any issuance from the Bangladesh securities and Exchange Commission and other regulatory authorities from time to time.

ANNEXURE-I

List of Price Sensitive Information (PSI)

SL.	Particulars
01	Factors related to the change of financial status/statements.
02	Information related to dividend and corporate declarations.
03	Information related to the change of corporate structure (i.e. amalgamation, merger, de-merger, re-structuring, acquisition, winding up, transfer and transformation, etc.
04	Information related to the change of capital structure.
05	Information related to the business extension, change, etc. if required.
06	Information related to the fund management and structural change of the fund.
07	Any other information defined by BSEC as PSI through various rules, regulations, circulars and directives.
08	Any information published by BSEC in official gazette defined as PSI.

ANNEXURE-II

List of Material Information (MI)

SL.	Particulars
01	<p>Factors related to changes in financial conditions:</p> <p>I. Any information, statements or comments regarding changes in financial statements such as significant increases–decreases in income, expenditure, cash flow, receivables, liabilities or assets and significant increase or decrease of revaluation of most or significant assets;</p> <p>II. The following comparative information of financial statements:</p> <p>a) Earnings per share (EPS)</p> <p>b) Net operational cash flow per share (NOCFPS)</p> <p>c) Net Asset Value per share (NAV);</p> <p>III. Substantial changes in asset value or asset mix;</p> <p>IV. Issuance or change of any special direction by the regulatory authority regarding reservation of provision.</p> <p>V. Changes in accounting policies.</p>
02	<p>Information regarding corporate announcements:</p> <p>I. Any decision regarding dividend;</p> <p>II. Decision regarding announcement or issuance of bonus share, right share or similar benefits to security holders;</p> <p>III. Corporate announcements or other information regarding entitlement of the investors;</p> <p>IV. Change in dividend distribution policy etc.</p>
03	<p>Information regarding changes in corporate structure:</p> <p>I. Acquisition or disposal of any assets valuing 5% or more of the existing assets;</p> <p>II. Merger, substantial acquisition of significant shares etc.;</p> <p>III. Demerger of any unit of Bank;</p> <p>IV. Conversion or liquidation;</p> <p>V. Change of operations due to capital reorganization or merger or demerger;</p> <p>VI. Proposal for takeover of management or internal service of other company;</p> <p>VII. Change in ownership that may affect controlling ownership of the Bank.;</p> <p>VIII. Change of name or address of the Bank;</p>
04	<p>Information regarding changes in Capital Structure:</p> <p>I. Any decision regarding private or public or rights offer of securities or changes in the capital structure;</p> <p>II. Planned repurchase or redemption of securities of the Bank;</p> <p>III. Decision regarding consolidation of shares, exchange of shares, conversion of any security into equity security or conversion of debentures into shares;</p> <p>IV. Significant changes in rights of security holders of the Bank.</p>

SL.	Particulars
05	<p>Information regarding expansion, change etc. of business activities:</p> <ol style="list-style-type: none"> I. Any significant development or change in Bank's technology, production or structure; II. Substantial capital investment or significant change in the Bank's objectives; III. Significant new contracts, production, patent, service or change of business; IV. Significant recovery/collection of long pending receivables; V. Change, resignation or termination of the Managing Director & Chief Executive Officer, CFO, Company Secretary and Board of Directors; VI. Change of statutory auditor or Corporate Governance Code Compliance Auditor, Credit Rating Company etc.; VII. Initiation of legal proceedings or progress in regulatory matters or any significant court order or verdict; VIII. Delisting of securities from stock exchange or change in category; IX. Significant Management contracts, investor relations agreements, service agreements or related party transactions that may affect the financial statements; X. Decisions regarding sale or purchase of any fixed assets and information relating to repair/maintenance or improvement or expansion (BMRE) or establishments of new plant and machinery; XI. Substantial advances or loans provided or received between intra company/ subsidiary/associate companies or directors etc.
06	<p>Information related to Loans and Advance Management:</p> <ol style="list-style-type: none"> I. Loan received or payment of advance of 25% or more of paid-up capital or net assets value whichever is higher; II. Creation of charge or redemption of substantial amount of assets. III. Failure of payment of liability of any bank or lender or debt-instrument for more than 06 (six) months; IV. Significant new loan agreements and; V. Foreign loan agreement or investment agreement etc.
07	<p>Others:</p> <ol style="list-style-type: none"> I. Signing of any important agreement or cancellation or substantial amendment of previously declared/signed agreement; II. Loss of any substantial assets of the Bank or any event damaging its reputation; III. Cancellation or substantial amendment of any previously declared project; IV. Qualified report submitted by the auditor etc.