



**PRINCIPLES ON DISCLOSURE OF
PRICE SENSITIVE INFORMATION (PSI)
AND MATERIAL INFORMATION (MI)
OF BRAC BANK LIMITED**

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1. Preface

This Policy has been formulated in compliance with the Bangladesh Securities and Exchange Commission's (Prohibition of Insider Trading) Rules 2022. As per Regulation 3(2), of the policy; it is required for every listed company to disclose its Price Sensitive Information (PSI) and Material Information (MI).

2. Objective of the Policy

The objective of this Policy is to determine Price Sensitive Information (PSI) and Materiality of events/information of BRAC Bank Limited based on specified criteria as defined in the Bangladesh Securities and Exchange Commission (Prohibition of Insider Trading) Rules, 2022, and to disclose it timely.

3. Definition

- 3.1 "Bank" means BRAC Bank Limited.
- 3.2 "Board of Directors" or "Board" means the Board of Directors of BRAC Bank Limited, asconstituted from time to time.
- 3.3 "Policy" means this Policy titled "Principles of Disclosure Policy on Price Sensitive Information (PSI) and Material Information (MI) of BRAC Bank Limited.
- 3.4 "Key Managerial Personnel" means Key Managerial Personnel (KMP) including the Managing Director & CEO, Chief Financial Officer (CFO), Company Secretary, and such other officer/s as may be prescribed by the Board of Directors.
- 3.5 Stock Exchange(s) means Dhaka Stock Exchange and the Chittagong Stock Exchange.
- 3.6 Listing Regulations means Dhaka Stock Exchange (Listing) Regulation 2015 and the Chittagong Stock Exchange (Listing) Regulation 2015.
- 3.7 "BSEC" means Bangladesh Securities and Exchange Commission.
- 3.8 "Chairperson" means the Chairperson of the Board of Directors of BRAC Bank Limited.
- 3.9 "Director" means the Board of Directors of BRAC Bank Limited.
- 3.10 "MD & CEO" means the Managing Director & Chief Executive Officer of BRAC Bank Limited.
- 3.11 "Company Secretary" means the Company Secretary of BRAC Bank Limited.
- 3.12 "CFO" means Chief Financial Officer of BRAC Bank Limited.
- 3.13 Price Sensitive Information (PSI) shall mean the information referred to in sub-rule (1) of rule 3 of the Bangladesh Securities and Exchange Commission (Prohibition of Insider Trading) Rules, 2022.
- 3.14 Material Information (MI) means any information or transaction or arrangement which will impact the NAV @ 10% or declared from time to time by the Regulatory Body.
- 3.15 Words or Expressions not defined in this policy shall have the same meaning as given under the Securities and Exchange Ordinance, 1969, Bank Companies Act, 1991, Bangladesh Securities and Exchange Commission Act, 1993, Financial Institution Act, 1993, the Companies Act, 1994, Depository Act, 1999, Exchanges Demutualization

Act, 2013 and provisions made under the said laws. Further, in case of inconsistency between any provisions of this policy with any existing policy(ies) of the Company, provisions of Policy for determination and disclosure of Materiality of Events or Information and Price Sensitivity will prevail.

4. “Key Managerial Personnel” or “KMP” means –

- (i) Managing Director & CEO;
- (ii) Deputy Managing Director and Chief Financial Officer;
- (iii) Head of Credit Risk Management and CRO;
- (iv) Head of Internal Control and Compliance;
- (v) Company Secretary.

5. General Modality for Disclosure

Information and events with sensitivity to the share price shall be disclosed to the relevant regulators in the following manner:

- I. BRAC Bank, as a listed Company, shall disclose its Price Sensitive Information (PSI) within two (02) hours of the decision taken by the Board or on the day on which the matter came into its cognizance.
- II. Any permission, approval, or consent of the Bangladesh Bank, BSEC, or other regulators on any issue related to the movement of share price, the Bank shall disclose it within two (02) hours of receiving the above or on the day of which the matter came into its cognizance.
- III. The Chairperson or the Managing Director & CEO or the Company Secretary shall sign the PSI/MI document.
- IV. The Bank shall publish any PSI/MI on the same issue within two (02) hours of receiving the permission/consent/ approval from the regulatory authority mentioning the fact that the issue was sent to the regulatory authority earlier for permission/ consent/ approval.
- V. The Bank shall publish the PSI/MI in an online news portal and two (02) daily newspapers (Bangla and English) that are widely circulated across the country.
- VI. The PSI document shall be sent through E-mail/Fax/Digital Submission Platform, specially assigned messenger/personnel, or by courier services in some cases.
- VII. All PSI/MI shall carry the date, time, or the date on which the matter came into the cognizance of the Bank.
- VIII. The Bank shall upload on its website all Price Sensitive Information and Material Information and the same for a minimum period of three (03) years as Insider Information.

6. Disclosures on Bank’s Website

The Bank shall disclose on its website all such events/information which has been disseminated to the BSEC and Stock Exchange(s) under this Policy and such disclosures shall be hosted on the

website of the Bank for a minimum period of three (03) years.

7. Monitoring and Reporting

The 'Key Managerial Personnel' (KMP) shall be responsible for monitoring of the Policy. The Company Secretariat is responsible for this policy.

8. Policy Review

The policy may be reviewed once a year with the consultant with the key management. Any change in the Policy shall be approved by the Board of Directors of the Bank.

9. Information to be shared on a Need to Know Basis

The directors/employees of the Bank shall not discuss the matters or developments regarding the Bank which in any way relate to Price Sensitive Information or Material Information with any other persons, except that is required to be disclosed in the performance of his or her duties or under applicable laws or regulations or in legal proceedings.

10. List of Price-Sensitive Information (PSI)

The following event/ information will be treated as Price Sensitive Information, as per the guidelines of Bangladesh Securities and Exchange Commission (Prohibition of Insider Trading) Rules, 2022:

A) Events related to changes in financial status/ financial results/ and related fundamental information:

- i) Changes in the financial statement such as significant increase or decrease in income, expense, cash flow, receivable, payable, or assets;
- ii) Following information regarding the financial statement–
 - Earnings Per Share
 - Net Operating Cash Flow per Share
 - Net Asset Value per Share

B) Information regarding corporate declaration, such as:

- i) Any decision regarding dividends;
- ii) Any decision regarding the issue of rights, bonuses, or similar benefits to the security holders;

C) Information regarding changes in corporate structure, such as: –

- i) Merger with another company or acquisition of substantial shares of another company, etc.
- ii) A takeover proposal or proposal of acquisition of the internal service of any company;

D) Information regarding changes in capital structure, such as: –

- i) Any decision regarding changes in the capital structure of the company or any decision relating to its private offer or public offer or rights offer of the securities;
- ii) Any decision regarding consolidation of shares, exchange of shares, conversion of any security into equity security, or conversion of debentures into share, etc.;

E) And any information fixed as Price Sensitive Information by the commission's issued government gazette notification from time to time by the respective Regulatory Bodies.

11. List of Material Information (MI):

The following event/ information will be treated as material information, as per the guidelines of Bangladesh Securities and Exchange Commission (Prohibition of Insider Trading) Rules, 2022:

A) Events related to changes in financial status/ financial results/ and related fundamental information–

- i) Change in the financial statement such as revaluation of the maximum or significant assets or any information/statements/comments relating to the significant level of increase or decrease of assets of the company.
- ii) A significant change in the asset value or asset mix of the company;
- iii) Any special instructions or modification of any special instructions previously given by the regulatory authority of the company regarding the retention of provisions; and
- iv) Any change in the accounting policy of the company.

B) Information regarding corporate declaration, such as:

- i) Corporate declaration on investors' eligibility or any other information;
- ii) Any decision/resolution related to the rights of the security-holder, declaration or issue of bonus, or similar benefits;
- iii) Information related to the benefits receivables by the investors against any corporate declaration or any other information;
- iv) Changes in dividend distribution policy, etc.

C) Information regarding changes in corporate structure, such as: –

- i) Acquisition or disposal of any assets, which is 5% or more of the existing assets;
- ii) Amalgamation or merger or acquiring substantial amount of shares of other company;
- iii) Demerger of any subsidiaries/associates of the Bank;
- iv) Conversion or liquidation of any subsidiaries/associates of the Bank;
- v) Changes in the corporate activities through capital reorganization or merger or

demerger;

vi) Proposal of takeover of any company or takeover of internal services of other company;

vii) Change of ownership of the company, which may affect the control of the company; and

viii) Change of name or address, etc.

D) Information regarding changes in capital structure, such as: –

i) Any decision/resolution related to the change of Capital Structure of Bank including the offer of security as private offer or public offer or rights offer;

ii) Planned repurchase or redemption of the securities of the Bank;

iii) Decision/resolution related to the consolidation of any shares, exchange/transfer of shares, conversion of any security into equity security, or conversion of debt-instrument into shares; and

iv) Significant changes in the right of security holders, etc.

E) Information regarding expansion and changes in business activities, etc. such as: –

i) Significant development or change of technology, production or establishment;

ii) Significant capital investment or significant change in the purpose of the Bank;

iii) Significant agreement (new), production, patent, services, or changes of business;

iv) Significant realization of long-term outstanding funds;

v) Change or resignation or termination of any Member of the Board including Managing Director & CEO, CFO, Company Secretary;

vi) Changes of Statutory Auditor, Corporate Governance Compliance Auditor, and Credit Rating Company;

vii) Commencement of legal proceedings or development of regulatory matters or any relevant significant judgment or order;

viii) Change of category of listed security- in the stock exchange (s) or de-listing from the exchange(s);

ix) Any significant management contract, investor relations agreement, service agreement, or related party transaction that could materially affect the financial statements;

x) Information relating to the decision of sale or purchase of any fixed assets or renovation or development or BMRE of the company; and

xi) Significant advances or loans within the inter companies/subsidiaries/ associates

company or transaction of the loan with the Directors, etc.

F) Information related to debt management, such as: –

- i) Borrowing and repayment of 25% or more of the paid-up capital or net asset value, whichever is higher;
- ii) Encumbrance or discharge of significant assets;
- iii) Failure to pay any bank or creditor or letter of credit (LC) or debt obligation or debt for more than 6 (six) months;
- iv) Significant new loan agreements; and
- v) Foreign loan agreement or investment agreement, etc.

G) Others; such as: –

- i) The signing of any important agreement or cancellation or substantial modification of previously announced/signed agreement;
- ii) Loss of any significant assets of the company or the issuer or any event that tarnishes its image;
- iii) Cancellation or substantial modification of any previously announced project; and
- iv) Submission of qualified report by the auditor of the issuer etc.

H) And any other information fixed as Material Information by the commission's issued government gazette notification from time to time by the respective Regulatory Bodies.

12. Disclosure of Material Information:

To be publish in the functional website of the Bank.

Material Information (MI) are guiding in nature and should be applied where applicable in the business of Banking.