



ICB ISLAMIC BANK LTD.

**Principles on Disclosure of
Material Information (MI) &
Price Sensitive Information (PSI)**

Of

ICB Islamic Bank Limited

[Under Bangladesh Securities and Exchange Commission
(Prohibition of Insider Trading) Regulations, 2015]

Version 1.0

Board & Share Department
Head Office, Dhaka, Bangladesh.



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ICBIBL Principles on Disclosure of Material Information and PSI

1.0 Definition

`**Act**' means Bangladesh Securities and Exchange Commission Act, 1993 (Act no. 15 of 1993);

`**Bank**' means ICB Islamic Bank Limited (ICBIBL);

`**Board of Directors**' or `**Board**' means the Board of Directors of ICB Islamic Bank Limited, as constituted from time to time;

`**Chairman**' means the Chairman of the Board of Directors of ICB Islamic Bank Limited, so appointed;

`**Chief Executives**' means top 5 (five) executives including Managing Director and CEO, Chief Financial Officer and Company Secretary of the Bank.

`**DSE**' means Dhaka Stock Exchange Limited.

`**ICBIBL**' means ICB Islamic Bank Limited.

`**Immediate Relative**' means father-mother, husband or wife, child or any such person who is financially dependent on any person or takes advice from such person regarding share transactions;

`**Insider**' means any person mentioned below or any such person who has relationship with the persons described below may know or can be considered as having opportunity directly or indirectly to know such information before disclosure due to his post, position or transaction. Such as:

- (a) Any Directors, sponsors or promoter, significant shareholder, managing agent or their related parties or its bankers, auditors, asset valuator, credit rating company, adviser, its/their related officers or staff or immediate relative or any person or organization related to it/them of ICBIBL.
- (b) Regulatory authority of the Bank or legal authority for getting information or stock exchange, directors of Self-regulatory organizations like depository companies, related officer or staff or immediate relative of his/her/them or any person or organization related to his/her/them or related parties (where it has interest) of the listed companies.

`**Insider Trading**' means Purchasing, selling or otherwise transfer of any security by any 'beneficiary' on the basis of undisclosed price sensitive information.

Provided that, transfer of security acquired by order of Court or by way of confiscation shall not fall within this definition.

`**Issuer**' means ICB Islamic Bank Limited in the Bank's policy;

`**Legal Entity**' means ICB Islamic Bank Limited in the Bank's policy;

`**Material/Significant information**' means the information that can be considered as important by a reasonable investor in making an investment decision;

`**Ordinance**' means Securities and Exchange Ordinance, 1969 (Ordinance No. XVII of 1969);

`**Price Sensitive Information**' means the information described in sub-rule 1 of rule 3 of Securities and Exchange Commission (Prohibition of Insider Trading) Regulations, 2015;



`Related officer or staff` means any staff, officer or responsible officer of the regulatory authority of a listed company or an exchange or a self-regulatory organization like depository company who has a legal right or opportunity to know price sensitive information as described in sub-rule 1 of rule 3.

`Related parties` shall mean the following related persons or related organizations.

1. **`Related Person`** means a person or any member of his family who alone or jointly with another person controls or exercises significant influence over an organization or is a chief executive officer or is engaged in top management of the said organization or company or its holding company.
2. **`Related Organization`** means an organization if it is belonging to other organization or is an organization of the same group related its interests or holding company, subsidiary company, subsidiary company or joint venture or both are joint ventures with a third organization or the said organization or companies are managed or controlled by the same related person individually or jointly.

`Significant Shareholder` means who owns 10% or more of Bank's shares;

`Stock` means any security transacted in the stock exchanges.

`Stock Exchange` means the DSE on which the securities of ICBIBL are listed.

`Unpublished Price Sensitive Information` means any unpublished information described in sub-rule 1 of rule 3 of Securities and Exchange Commission (Prohibition of Insider Trading) Regulations 2015, which, if disclosed, may affect the market value of the shares of the Bank or the net asset value of the bank may be significantly affected.

[Explanation: In this case "Significant Rate" means the probability to affect the valuation of the existing net assets of the bank by at least 10% or the rate determined by the commission from time to time]

ICBIBL Principles on Disclosure of Material Information and PSI

2.0 Preamble

This Policy shall be called "Principles on Disclosure of Material Information and Price Sensitive Information" (hereinafter referred to as "the Policy") of ICB Islamic Bank Limited (hereinafter referred to as "ICBIBL").

The Board of Directors (the "Board") of ICB Islamic Bank (the "Company"), has adopted this "Principles on Disclosure of Material Information and Price Sensitive Information".

The Policy ("Policy") in accordance with the requirements prescribed under section 3(2) of Bangladesh Securities and Exchange Commission (Prohibition of Insider Trading) Regulations 2015. The policy sets out the circumstances and different factors for consideration by the Board and/or management of ICBIBL at the time of taking such decisions of Material Information and Price Sensitive Information, in the interest of providing transparency to its shareholders.

As part of its responsibilities, the Bank is required to disclose this Policy on its website.

3.0 Introduction

The Bangladesh Securities and Exchange Commission (BSEC), in its endeavor to protect the interest of investors in general, has formulated the (Prohibition of Insider Trading) Regulations, 2022 under the powers conferred on it under section 24(1) of Bangladesh Securities and Exchange Commission Act 1993 (15 no. Act of 1993).

These regulations are applicable to all companies listed with Dhaka Stock Exchange Limited (DSE). Being a listed entity of the both Exchanges of the country, ICB Islamic Bank Limited (ICBIBL) is required to formulate Principles on Disclosure of Material Information and Price Sensitive Information for use by its Promoters, Directors, Officers, Employees and connected persons. This document embodies The Principles on Disclosure of Material Information and Price Sensitive Information for fair disclosure of unpublished price sensitive information to be adopted by the Bank and followed by the Directors, Officers, Employees and connected persons.

As all the listed companies are bound to make a policy in this regard within April 30, 2023, The Principles on Disclosure of Material Information and Price Sensitive Information is framed and approved by the Board of Directors of ICB Islamic Bank Limited (ICBIBL) in accordance with the Notification no. BSEC/CMRRCD/2021- 396/52/Admin/140 dated December 28, 2022 namely (Prohibition of Insider Trading) Regulations, 2022 of Bangladesh Securities and Exchange Commission and subsequently a government gazette published on January 30, 2023 in respect of it.

This policy will ensure timely, fair and adequate disclosure of Material Information and Price Sensitive Information by the Bank to the investor's community to enable them to get informed investment decisions with regard to the Bank's shares.

The Bank should disclose Material Information and PSI in accordance with the applicable rules and regulations of the land.

4.0 Scope

This Policy applies to disclosure of Material Information and Price Sensitive Information (PSI) by the bank to its shareholders.

ICBIBL Principles on Disclosure of Material Information and PSI

5.0 Applicability of the Policy

This Policy applies to all directors, senior executives (including senior and key officers), employees and stakeholders of ICB Islamic Bank Limited. However, this Policy for Determination of Materiality of Events/Information (the Policy) shall be applicable and binding in respect of all material events/information of the Bank and events/information with respect to its Subsidiary Companies (if any to be formed in days to come) which are material for the Bank.

6.0 Objective of the Policy

- i. The objective of this policy is to ensure continuous, adequate, accurate and timely disclosure of information by ICBIBL to the Stock Exchanges on an ongoing basis to enable the investors to make informed investment decisions.
- ii. The Listing Regulations requires listed entities to promptly inform the Stock Exchange of all the events as well as price sensitive information which will have a bearing on the performance/operations of ICBIBL by applying the following factors to ensure fairness and efficiency in the market:
 - (a) Timely disclosure of relevant information to investors; and
 - (b) Adequacy and accuracy of the information disclosed.
- iii. ICBIBL shall make timely disclosures of the event/information to the Exchange(s), at the time of occurrence of the event/information and where applicable, make periodic disclosures on the associated material developments till such time the event is resolved/closed.

7.0 Basics for Disclosure of Events or Information

(a) Confidentiality:

All files containing confidential information shall be kept secure. Computer files shall have adequate security of login and Passwords. Files containing confidential information should be deleted/destroyed after its use (if required). Shredders should be used wherever necessary for the destruction of physical files.

(b) Transparency:

Disclosure of material information with sufficient details that fosters investors' confidence.

(c) Fairness:

Ensure wide dissemination of information avoiding the selective disclosure.

(d) Need to know:

Price Sensitive Information shall be handled on a 'need to know' basis. Such information should be disclosed only to those within the Bank who need the information to discharge their duty and whose possession of such information will not give rise to a conflict of interest or appearance of misuse of the information.

(e) Materiality:

Events or information shall be disclosed on the basis of their materiality. Any event or information is said to be material if the significance of an omission or misstatement of information that, in the light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would have been changed or influenced by the omission or misstatement.

ICBIBL Principles on Disclosure of Material Information and PSI

8.0 Principles regarding Disclosure of Material Information and PSI

The Board of Directors of ICBIBL have always thrived to conduct its business in a fair and transparent manner with a view to protect the interest of all the stakeholders of the Bank. Towards achieving this objective, the Bank and the members of the Board, Officers, all employees and connected persons will adhere to the following Principles on Disclosure of Material Information and Price Sensitive Information in letter as well as in spirit.

- i. Being a listed company, ICB Islamic Bank Limited shall consider the following information among others as Price Sensitive Information according to Regulation no. 3 of Bangladesh Securities and Exchange Commission (Prohibition of Insider Trading) Regulations, 2022 dated;
 - (a) Report on Financial Status/Condition, Result on Financial Status/condition or basic information about it;
 - (b) Information in respect of Dividends and Corporate Declarations;
 - (c) Information about the change of Corporate Structure; such as - Information about Merger, Demerger, Acquisition, Winding Up/Liquidation, Transformation or Transfer;
 - (d) Information about changes in Capital Structure;
 - (e) Information about changes, extension of business activities etc.;
 - (f) Information about changes in Fund Management and Structure of Fund etc.;
 - (g) Any Information determined as Price Sensitive Information in the Rules or Regulations or Order or Direction or Notification issued or approved or made/formulated by the Commission;
 - (h) Other Information determined by the issued Notification in the Govt. gazette time to time by the Commission.
- ii. ICBIBL will preserve all Price Sensitive Information and Material Information published for at least last 03 (three) years on its website.
- iii. ICBIBL will also initiate the procedure of PSI for any other information to be determined by the Commission as Price Sensitive Information or Material Information through publishing an Order in Govt. gazette.
- iv. ICBIBL will preserve all information of Insiders according to prescribed method set by the Commission time to time and also provide the same to the Exchanges and the Commission.
- v. ICBIBL will maintain secrecy for undisclosed price sensitive information.

9.0 Guidelines for Determining Material Information

- (a) Materiality has to be determined on a case to case basis depending on specific facts and circumstances relating to the information/event. In order to determine whether a particular event/information is material in nature, the following 'quantitative' or 'qualitative' criteria(s) shall be applied:
 - i. Quantitative criteria:
An event or information shall be considered material where the value involved or the impact of an event exceeds 10% of the consolidated income of the Bank as per the last audited financial statements or exceeds 25% (lower threshold shall be taken as a trigger); the mentioned threshold shall be determined on the basis of audited consolidated financial statements of last audited financial year.
 - ii. Qualitative criteria:
Materiality shall become applicable to an event/information:
 - (i) If the omission of which is likely to:
 - Result in a discontinuity or alteration of event or information already available publicly; or
 - Result in significant market reaction if the said omission came to light at a later date;
 - (ii) If in the opinion of the Board of Directors of ICBIBL, the event/information is considered material 9 (b)
- (b) In circumstances where 'quantitative' test may not be applicable, 'qualitative, test may be applied to determine materiality.

10.0 Categories of Disclosure of Material Information as per BSEC (Prohibition of Insider Trading) Regulations, 2022

ICB Islamic Bank Limited will publish The Price Sensitive Information (PSI) among the following Material Information having PSI of the listed securities according to Sub-rule-1 of Rule-3 or the information that can be influencer for taking decision by any reasonable investor.

ICBIBL will display the following information in its official website as Material Information except the said price sensitive information.

1. Influencers related to changes in financial status, such as:

- a. Change of Financial Statement, such as- Increase or decrease of Income, Cash Flow, Liability or Asset and revaluation of maximum or significant Asset or any information or statement or comment related to significant increase-decrease of Asset;
- b. Following comparative information of Financial Statement:
 - i. Earnings Per Share;
 - ii. Net Operating Cash Flow Per Share;
 - iii. Net Asset Value Per Share;

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- c. Significant change of asset value or amalgamation of asset of ICBIBL;
- d. Any Change of special direction or any change of special direction made earlier by regulatory authority of ICBIBL in respect of provision reservation and
- e. Any change in accounting policy of ICBIBL etc.

2. Information related to Corporate Declaration, such as: -

- a. Any decision related to Dividend;
- b. Any decision like declaration/issuance/Right, Bonus or providing such facility to the security holders;
- c. Corporate declaration in respect of deserve to investors or any other information; and
- d. Change of Dividend Distribution Policy, etc.

3. Information regarding change in corporate structure, such as: -

- a. Acquisition or Liquidation of 5% or more asset of existing asset;
- b. Changes in corporate activities through capital reorganization;
- c. Change in ownership that may affect control of the Company; and
- d. Changes of Name or Address, etc.

4. Information regarding Change in Capital Structure, such as;

- a. Decision in respect of Right Offer or change in capital structure;
- b. Decision of share transfer; and
- c. Significant change regarding right of security holders;

5. Information regarding change, extension of business activities, such as;

- a. Significant development or change in technology or establishment of the bank;
- b. Significant capital investment or significant change for the bank;
- c. Significant change in new agreement, patent, service or in business;
- d. Change, resignation or termination of Chief Executive, CEO, CFO, Company Secretary or Board of Directors;
- e. Changes of statutory auditors, corporate governance compliance auditor or credit rating company;
- f. Starting legal processing, development of regulatory matters or any significant judgments or order;
- g. Delisting of securities or change in category;
- h. Significant management contract, Investors' relation agreement, service agreement, related party transaction or can such agreement that can significantly influence the financial statements; and
- i. Information regarding decision of selling or purchasing of any fixed asset out of the course of business.

6. Information in respect of Debt Management:

- a. Borrowing and repayment of 25% or more, whichever is higher of paid- up capital or net asset value;
- b. Encumbrance or discharge of significant assets;
- c. Failure to pay any bank or creditor or debt obligation or debt for more than 6 months;
- d. Significant new loan agreements; and
- e. Foreign loan agreement or investment agreement etc.

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7. Information regarding fund management and structural changes, such as:

- a. Extension/deduction of maturity of fund;
- b. Liquidation of fund;
- c. Conversion of fund;
- d. Investment of 10% or more of the Fund in any single security;
- e. Profit or loss for encashment of significant investment;
- f. Formation of Trust of Fund, any change in Trust Agreement etc.

8. Others, such as: -

- a. Any important signing agreement or Cancellation or significant modification of pre-announced/signed agreement;
- b. Loss of any significant assets of the company or any event that tarnishes its image;
- c. Cancellation or substantial modification of any previously announced project; and
- d. Submission of Qualified Report by Issuer's or Fund's Auditor;

11.0 Criteria for Determining Material Information and Price Sensitive Information (PSI) when it has been occurred

- (a) The events/information shall be said to have occurred upon approval of Board of Directors of ICBIBL in certain events, for example further issue of capital by rights issuance and in certain events/information after receipt of approval of both i.e. Board of Directors of ICBIBL and Shareholders of the Bank.
- (b) Certain events which are price sensitive in nature like declaration of dividends etc. will be deemed to have occurred and disclosed on approval of the Board of Directors of ICBIBL pending Shareholder's approval.
- (c) Events such as natural calamities or disruption can be said to have occurred when ICBIBL becomes aware of the event/information.

12.0 Methods of Dissemination of Material Information and PSI

- (a) ICBIBL will submit the Price Sensitive Information in written to the Bangladesh Securities and Exchange Commission (BSEC), Dhaka Stock Exchange Limited (DSE) signed by the Chairman, the Managing Director or Company Secretary immediately within 2 (two) hours or the same date of releasing/getting the Information of taking decision on PSI or decision for submitting proposal to related primary controlling organization for approval through e-mail, Fax, Digital Submission Platform or special messenger as well as Courier Services in special case. ICBIBL will also arrange to publish the same information in two widely circulated daily newspapers (One in Bangla and one in English) and One in online newspapers and also in the website of the Bank.
- (b) ICBIBL will not publish any false or untrue PSI and not to pursue anyone to do the same.
- (c) ICBIBL will mention the date and time of taking decision on PSI by the Board of Directors and also mention in case the date of getting information.
- (d) ICBIBL will publish according to Sub-Rule-1 of Rules-3 of the Notification No. BSEC/CMRRCD/2021-396/52/Admin/140 dated December 28, 2022 within 2 (two) hours of submitting proposal to the related primary controlling organization for approval and also will follow the same after receiving the decision/approval from the said controlling organization.

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- (e) ICBIBL will publish PSI in easy and simple language to avoid any type of exaggeration.
- (f) ICBIBL will preserve digital database of chronology for events about the PSI.

13.0 Persons Authorized for Determining the Material Information and Price Sensitive Information (PSI)

The Company Secretary and the Chief Financial Officer of ICBIBL has been authorized by the Board of Directors by this policy to determine in consultation with the Chairman/ Managing Director of the bank whether or not an event / information could be considered as material for the purpose of disclosing it to the Stock Exchange(s), in terms of the Regulations applicable.

Further, for administrative convenience, the Managing Director or the Company Secretary of the Bank, has been authorized by the Board of Directors by this policy to disclose the prescribed details of the material events / information, to Stock Exchanges and to respond to any queries that may be raised by the Stock Exchanges, in this regard.

Further, the Managing Director or Company Secretary or the Chief Financial Officer of the Bank, as the case may be, is authorized by the Board:

- i. To interact or communicate with the Regulators or the Press or the Analysts or the Institutional Investors, on any matter, relating to or arising out of a material event/information, after the same has been disclosed to the Stock Exchanges and uploaded on the website of the Bank.
- ii. To respond to any queries that may be received from the Regulators or the Press or the Analysts or the Institutional Investors or in Social Media, for verification/clarification of any market rumors relating to the Bank or that any of its subsidiary companies, in terms of the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information of the Bank.

14.0 Persons Authorized for Making Disclosures to Stock Exchange(s)

- i. All Management Personnel/ Officers of ICBIBL shall be under an obligation to disclose material event and/or price sensitive information of the bank to the Board and Company Secretariat Division.
- ii. Upon receipt of information mentioned at point no. 14 (i), the Chairman, the Managing Director or Company Secretary of ICBIBL shall make disclosure of the material events / price sensitive information to the Stock Exchange(s) as per Bangladesh Securities and Exchange Commission (Prohibition of Insider Trading) Regulations, 2015, listing regulations and other acts/ rules/ circulars/ regulations etc. applicable.
- iii. In case the disclosure is made after schedule time from the time of occurrence of event or information, the explanation for delay shall also be provided along with the disclosure.
- iv. All disclosures made by the company to the stock exchanges shall be hosted on the website of the company for a minimum period of 03 (three) years.

15.0 Timeline for Disclosures

ICBIBL will submit the Price Sensitive Information in written to the Bangladesh Securities and Exchange Commission (BSEC) and Dhaka Stock Exchange Limited (DSE) signed by the Chairman, the Managing Director or Company Secretary immediately within 2 (two) hours or the same date of releasing/getting the Information of taking decision on PSI or decision for submitting proposal to related primary controlling organization for approval through e-mail, Fax, Digital Submission



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Platform or special messenger as well as Courier Services in special case. ICBIBL will also arrange to publish the same information in 02 (Two) widely circulated daily newspapers (One in Bangla and one in English) and 01 (One) in online newspapers and also in the website of the Bank.

16.0 Continuous Disclosures

The Bank shall, with respect to disclosures of material events or information referred to in this policy, make disclosures updating material developments on a regular basis as per procedure for disclosure, till such time the event is resolved/closed, with relevant explanations.

17.0 Disclosures on ICBIBL's Website

The Bank shall disclose on its website all such events or information which has been disseminated to the Stock Exchanges under these principles and such disclosures shall be hosted on the website of the Bank for a minimum period of 03 (three) years and thereafter archived and placed in the servers of the Board and Company Secretariat Division of the Bank for disclosures pertaining to equity shares and non-convertible debt securities, respectively.

18.0 Publication of Policy

The policy shall come in effect from May 01, 2023. A copy of this policy shall be displayed on the bank's website.

19.0 Review of the Policy

The Board may, subject to applicable law, amend, suspend or rescind these principles on disclosure at any time. Any difficulties or ambiguities in these principles on disclosure will be resolved by the Board and/or management committee of the Board, in line with the broad intent of these principles on disclosure, as and when required.

20.0 Disclaimer

Any subsequent amendment/modification in the Listing Regulations and/or applicable laws in this regard shall automatically apply to this policy.

21.0 Changes in Law

In case of any subsequent changes in the provisions of the Act or further rules and regulations/guidelines from the Bangladesh Bank and the Bangladesh Securities and Exchange Commission (BSEC) including the Listing Regulations or any other regulations which makes any of the provisions of these principles on disclosure inconsistent, then the provisions of the Act or such other regulations would prevail over these principles on disclosure and the relevant provisions contained in the principles would be modified accordingly in due course to make it consistent with applicable laws.