



মিউচুয়াল ট্রাস্ট ব্যাংক লিমিটেড  
**Mutual Trust Bank Ltd.**

*you can bank on us*

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

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## 1. INTRODUCTION

Mutual Trust Bank Limited (MTB) (the “Company”) is a Public Limited Company whose equity shares are listed in the Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange PLC and subject to the rules and regulations issued by the Securities and Exchange Commission of Bangladesh (BSEC).

MTB Board of Directors are required to adopt this policy in line with the BSEC’s ‘**Prohibition of Insider Trading Regulations, 2022**’ published through the Gazette on January 30,2023 by BSEC, in exercise of the power conferred by section 24(1) of the Bangladesh Securities and Exchange Commission Act 1993 (No.15 of the Act 1993).

The regulations in specific circumstances prohibit directors & their family members, officers, employees, auditors, consultants, credit rating company, valuation firm, managing agents, advisers and other persons who have relationship with the aforesaid persons from

- (i) Purchasing or selling of securities of the Company with knowledge of Price Sensitive / Material information regarding the Company that has not been generally disclosed to the public (commonly referred to as “Insider Trading”), and
- (ii) Disclosing such Price Sensitive / Material information to others (including to a spouse, relative or friend), except in the necessary course of business.

These prohibitions against Insider Trading are intended to ensure equal opportunity among investors and to ensure that people who have access to material undisclosed information do not trade, or assist others in trading, to the disadvantage of investors generally. Additionally, there are also prohibitions against market manipulation and fraud.

## 2. PURPOSE AND APPLICABILITY

MTB endeavors to preserve confidentiality and prevent the misuse of un-disclosed price sensitive information. MTB is committed to transparency and fairness in dealing with all stakeholders and in ensuring adherence to all the applicable laws and regulations. Every director, officers and employees of the bank has a duty to safeguard the confidentiality of all such information which he/ she obtains in the course of performance of official duties. Directors, officers and Designated Person (MD & CEO, CFO, CS, HICC) of the bank should not use their position to gain personal benefit.

The Code is applicable to the following Insiders (persons):

- 1) Promoters/Sponsor Shareholders
- 2) Directors
- 3) Principal Shareholder (Shareholders who hold 10% or more shares)
- 4) Family members of the directors (spouse, son, daughter, father, mother, brother and sister)
- 5) Officers
- 6) Employees
- 7) Auditors
- 8) Consultants
- 9) Credit Rating Company
- 10) Valuation Firms
- 11) Subsidiary Companies and its Directors
- 12) Managing agents
- 13) Advisers
- 14) Suppliers
- 15) Vendors/contractors and
- 16) Other persons who have relationship with the aforesaid persons and scope to know any undisclosed material information

## 3. DEFINITION

### 3.1. MATERIAL CHANGE / INFORMATION

“Material Change/Information” means those changes/ information, relating to decision, occasion, circumstances, situation, conditions, events, financials or otherwise, any other changes in the affairs

of the Company or its directors/ sponsors or its Chief Executive Officer/Managing Director/ Company Secretary/Chief Financial Officer/Compliance Officer that can have impact on investment decision of the holders of the securities or potential investors or otherwise users of such material information/changes.

### **3.2. NON-PUBLIC INFORMATION**

Material information is “non-public” if it has not been generally disclosed. Information is considered to have been generally disclosed if (i) the information has been disseminated in a manner prescribed by the Securities law and effectively reaches the marketplace, and (ii) public investors have been given a reasonable amount of time to analyze the information.

### **3.3. RESTRICTED TRADING PERIOD**

Every sponsors, directors, employees, auditors, valuation firms, credit rating company and persons engaged in audit works, advisors or legal counsel or any concerned person employed in this regard, holding company and its directors, subsidiary companies and beneficial owners of securities mentioned in section 12 of Securities and Exchange Ordinance 1969 shall not buy, sell or otherwise receipt/handover of securities of the Company 02 months (as per Georgic Calendar) before completion of annual accounts up to consideration and approval by the Board.

### **3.4. PRICE SENSITIVE INFORMATION (PSI)**

PSI means any information, relating to a company or its securities, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affect the price of the securities and shall, ordinarily including but not restricted to, information relating to the following:

#### **3.4.1 INFORMATION RELATED TO THE CHANGE OF FINANCIAL CONDITIONS**

- a. Changes in financial statements, such as increase/decrease of income, expenditure, cash inflow/outflow, receivables, asset and liabilities or information regarding revaluation of asset or any declaration in this regard, if any.
- b. Information regarding the following financial performance:
  - i) Earnings per share
  - ii) Net operating Income / net Cash flow per Share
  - iii) Net asset Value per Share
- c. Change in the value of assets or change of assets for merger and acquisition
- d. Any special instructions regarding provision or any changes of previous instruction by any regulator and
- e. Change in the accounting policy etc.

#### **3.4.2 INFORMATION RELATED TO THE CORPORATE DECLARATION**

- a. Any decision regarding Dividend
- b. Decision regarding issuance of bonus / right share or providing such kind of benefits
- c. Declaration regarding any payment to investors or other information and
- d. Change in the Dividend Distribution Policy

#### **3.4.3 INFORMATION RELATED TO THE CHANGE OF CORPORATE STRUCTURE**

- a. Acquisition / liquidation of 5% or more of any existing asset
- b. Merge or acquisition of major shares of any company
- c. Demerge of any unit of the company
- d. Liquidation or conversion of any unit of the company
- e. Change of corporate activities through reorganization of capital or merger or demerger
- f. Proposal for taking over of any asset or internal service
- g. Change in ownership that may affect the control of the company and
- h. Change in name and address of the company

### **3.4.4 INFORMATION REGARDING CHANGE OF CAPITAL STRUCTURE**

- a. Any decision / resolution related to the change of capital structure through issuance private/public of bonus or right shares
- b. Planned buyback or redemption of the bank's securities
- c. Any decision regarding consolidation, exchange/transfer of shares, conversion of securities into equity or debt securities into shares.
- d. Substantial changes of rights of shareholders etc.

### **3.4.5 INFORMATION RELATED TO THE EXPANSION OR CHANGE IN THE BUSINESS ACTIVITIES**

- a. Significant development or change of technology, production or establishment
- b. Substantial investment or change in the objective of the bank
- c. Significant change in agreement production, patent, services or business
- d. Major recovery of long pending unpaid capital
- e. Resignation or removal of Director including Chief Executive Officer, Chief Financial Officer and Company Secretary
- f. Change in Statutory Auditors, Compliance Auditors and Credit Rating company
- g. Starting legal proceeding or development of regulatory issues or any major verdict or order
- h. Delisting or changing categories of any securities by the Stock Exchanges
- i. Any contract or agreement like management contract, investors' relation agreement, service agreement or related party transactions that may materially affect the financial statements.
- j. Information regarding decision of buying and selling of any fixed asset or plant or BMRE or installation of new unit
- k. Granting or receiving any loans or advances among intercompany or subsidiaries or sister concern

### **3.4.6 INFORMATION RELATED TO LOANS AND ADVANCE MANAGEMENT**

- a. Borrowing or payment of loan of 25% or more of the paid up capital or net asset value.
- b. Giving or releasing guarantee of any substantial assets
- c. Failure of payment of any loan or liability of any bank or lender or debt- instrument for more than 6 months
- d. Any notable loan agreement or foreign investment agreement etc.

### **3.4.7 Others**

- a. Signing or cancellation of any important agreement
- b. Any event that hampers the reputation, loss / damage of any notable assets of the company
- c. Cancellation of any project or any material change /amendment of the project;
- d. Qualified report submitted by auditors
- e. Any other information time to time published by the Commission

## **4. PROHIBITED ACTIVITIES**

- a. No Insider may purchase or sell securities of the Company while in possession of material non-public information concerning the Company.
- b. No Insider may attempt to take any economic or other personal advantage of any material non-public information. This means that Insiders who have knowledge of material non-public information must not purchase or sell the Company's securities or permit any member of his or her family, anyone acting in his or her behalf or on behalf of his or her family, or any entity in which he or she, or his or her family members, have a personal interest to purchase or sell the Company's securities.
- c. No Insider may purchase or sell securities of the Company during any restricted trading period generally imposed.

- d. No Insider may disclose material non-public information concerning the Company to any outside person (including family members, analysts, individual investors, members of the investment community and news media).
- e. No Insider may give trading advice of any kind relating to securities of the Company to anyone while possessing/non possessing material non-public information about the Company.
- f. Insiders should only make purchases of the Company's securities for investment purposes and not short-term speculation. The Company's securities may not be bought with the intention of reselling them within six months or sold with the intention of buying the Company's securities within six months of sale.

No Insider may directly or indirectly engage or participate in any act, transaction, trading method or other practice, or course of conduct that such Insider knows or ought reasonably to know

- a. Results in or contributes to a misleading appearance of trading activity in, or an artificial price for, the Company's securities, or
- b. Perpetrates a fraud on any person or company.

## **5. PROCEDURE FOR SUPPLYING PRICE SENSITIVE INFORMATION**

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

- a. The Bank shall disclose all Price Sensitive Information (PSI) to the BSEC, DSE, and CSE within two (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.
- b. In case of seeking permission, approval, consent of the Bangladesh Bank, BSEC or other regulator on any issue related to the movement of share price, the Bank shall disclose it to the BSEC, DSE, and CSE within two (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.
- c. The Chairman or the Managing Director & CEO or the Company Secretary shall sign on the PSI-document before sending to BSEC, DSE, and CSE.
- d. The Bank shall publish another PSI 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.
- e. MTB 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 bank.
- f. The Bank shall publish the PSI in an online news portal and two (02) daily newspapers (Bangla and English) that are widely circulated across the country. The PSI-document can be sent through E-mail, Fax, Digital Submission Platform, Specially assigned messenger/personnel, or by courier services in some cases.
- g. All PSI shall carry the date, time or the date on which the matter came into the cognizance of the bank.
- h. The Bank shall upload on its website all Material Information and Price Sensitive Information and host the same for a minimum period of 03 (three) years.



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