

The purpose of the Key Persons Trading Policy is to establish the notification, authorization and record keeping requirements for trading by members of Board of Directors (BoD) and senior management in Bahrain Islamic Bank B.S.C. (“BisB” or “the Bank”).

The guidelines provided in this policy is to ensure that Key Persons are aware of the legal and administrative requirements regarding the holding and trading of the Bank’s securities, with the primary objectives of preventing abuse of inside information.

The Bank’s Key Persons Policy is aligned with Bahrain Bourse guidelines to provide clarity on “Key Person’s” definition.

Inside Information

Means information that:

- Is precise in nature relating directly or indirectly to one or more of the securities of the Bank thereof;
- Has not been made public;
- If made public, is likely to have a significant impact on the price of those securities or their derivatives.

Key Persons Trading

Key Persons trading refers not only to the purchase or sale of an issuer’s equity and debt securities, but also to the purchase or sale of puts, calls or other options with respect to such securities. Such trading is deemed to be done by a Key Persons whenever he/she has any beneficial interest, direct or indirect, in such securities or options, regardless of whether they are actually held in his name. Included in the concept of Key Persons trading is «tipping” or revealing inside information to outside individuals, to enable such individuals to trade in the issuer’s securities based on undisclosed information.

Key Persons

Members of the Bank’s BoD, senior management, the Bank itself, and such other persons as decided by the Bank’s BoD to have access to inside information relating to the Bank from time to time. While key persons may have access to inside information from time to time by nature of their duties performed, they do not necessarily always possess inside information. This fact distinguishes key persons from insiders. Dealing by key persons of the Bank, therefore, does not necessarily constitute insider trading.

Connected Persons

Means:

- a) the individual’s spouse, and his/her son, adopted son, stepson, daughter, adopted daughter, step-daughter, father, step-father, mother, step-mother, brother, step-brother, sister or stepsister; under his/her guardianship or control, or
- b) a firm or a corporation in which the individual or any of the persons mentioned in a) above has control of not less than 10% of the voting power in the firm or corporation, whether such control is exercised individually or jointly.

A firm or a corporation, means another firm or corporation in which the first mentioned firm or corporation has control of not less than 10% of the voting power in that other firm or corporation.

Person in charge

A person appointed by the Bank for managing the day-to-day business of the Key Persons Register. The Bank has designated (Designation to be provided by the Management) as the person in charge.

Share

Means a share in the paid-up share capital of a corporation and includes stock, except where a distinction between stock and shares is expressed or implied.

Directors and senior management

This term includes:

- the Bank's Board of Directors;
- senior management: Chief Executive Officers, Presidents, Heads of Finance, Heads of Business Departments;
- managers; and
- nominees to serve in any of the aforementioned positions.

Market Information

Means information consisting of one or more of the following facts:

- the securities of a particular kind have been or are to be acquired or disposed of, or that their acquisition or disposal is under consideration or the subject of negotiation;
- the securities of a particular kind have not been or are not to be acquired or disposed of;
- the number of securities acquired or disposed of or to be acquired or disposed of or whose acquisition or disposal is under consideration or the subject of negotiation;
- the price (or range of prices) at which securities have been or are to be acquired or disposed of or the price (or range of prices) at which the securities whose acquisition or disposal is under consideration or the subject of negotiation may be acquired or disposed of; and
- the identity of the persons involved or likely to be involved in any capacity in an acquisition or disposal of a security.