

## KEY PERSONS TRADING POLICY

## 1. INTRODUCTION

### 1.1. Nature and Purpose of the Policy

The purpose of the Key Persons Trading Policy ("the 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").

### 1.2. Review and Approval

The BoD has approved this Policy. Extracts from the minutes of the meeting of the BoD at which this Policy was approved can be obtained from the Secretary to the BoD.

The Policy shall be reviewed once in three years by Compliance Department to ensure that it is in line with the Bank's current practices and Central Bank of Bahrain (CBB) and Bahrain Bourse (BHB) guidelines.

### 1.3. Objectives of the Policy

The guidelines set forth below are introduced 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.

### 1.4. Non-Compliance Situations

Any instances of non-compliance by Key Persons with this Policy will be dealt with by the Audit, Compliance and Governance Committee (ACGC) as it deems fit. The BoD will be advised of such instances including the action initiated by the ACGC.

### 1.5. Definitions

- Inside Information - Means information that:
  - a) Is precise in nature relating directly or indirectly to one or more of the securities of the Bank thereof;
  - b) Has not been made public;
  - c) If made public, is likely to have a significant impact on the price of those securities or their derivatives.
  - d) Is directly or indirectly, related to directives of commodities which the traders expect to be disclosed according to the market regulations.
- 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 on the basis of 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.

A person who trades or whose decisions are controlled by a key person is also recognized as a key person.
- Person in charge - A person appointed by the Bank for managing the day-to-day business of the Key Persons Register. The Bank has created an email i.e. which will be used by all the key persons to inform Person in charge about their dealing in BisB shares.

keypersontrading@bisb.com
- 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:
  - a) The Bank's Board of Directors;
  - b) Senior management; and
  - c) Any employee of the Bank that the senior management believes has inside information.
- Market Information - Means information consisting of one or more of the following facts:
  - a) 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;
  - b) The securities of a particular kind have not been or are not to be acquired or disposed of;
  - c) 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;
  - d) 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
  - e) The identity of the persons involved or likely to be involved in any capacity in an acquisition or disposal of a security.

## 2. KEY PERSONS

The Key Persons covered by this Policy are of two categories:

### 2.1. Permanent Key Persons:

Permanent Key Persons are of following two types:

- a) Statutory Key Persons - Which includes members of the BoD, Bank's external auditor and employees of the external auditing firm and connected persons of the aforementioned Key Persons. Where an individual is represented on the BoD of the Bank as a nominee of a Bank, in such a case the nominee as well as the Bank shall be deemed to be a Key Persons.
- b) Key Persons by Definition - The individuals that have been determined as Key Persons for BlsB are listed in Appendix 4 to this policy.

### 2.2. Temporary Key Persons:

The Bank shall evaluate and determine such Key Persons on case-to-case basis. In broad definition temporary Key Persons would include employees of vendors, suppliers, printers and contractors who may have access to inside information by virtue of their assignment.

## 3. MONITORING OF KEY PERSONS

The Bank shall ensure compliance with the Guidelines on Key Persons, the prohibition of the abuse of inside information and the disclosure requirements concerning Key Persons at all times.

Securities transactions by Key Persons will be subject to the permission procedures and shall be supervised on a proactive basis by ensuring, prior to any transaction, that there is no impediment to securities trading or other securities transactions.

Securities transactions by Key Persons will be entered in the Key Persons' Register by the person in charge and shall primarily be supervised retroactively through the reconciliation of all securities transactions, on the basis of the data entered in the Central Depository System (CDS) against the declarations of Key Persons holdings.

### 3.1. Supervision of the Key Persons' Transactions

Supervision of Key Persons' transactions will be performed through the following process:

Key Persons are required to advise the person in charge for his/her records on details of the dealing by the end of next business day following the completion of the dealing.

### 3.2. Training and Informing

The management shall ensure that the Key Persons, in particular permanent Key Persons, are fully aware of the restrictions and their obligations to its guidelines on Key Persons and that they recognize their position and the effects thereof.

When a new Key Persons position is accepted, as well as when amendments take place in the provisions on Key Persons in the laws or in provisions issued by the CBB, Bahrain Bourse or the Bank itself, the management is required to disseminate such changes and train the Key Persons accordingly.

### 3.3. Notification of Dealing

Key Persons are required to advise the management for its record on details of the dealing he/she made by end of the next business day following the completion of the dealing; the management shall immediately file with Bahrain Bourse such notification by Key Person by using Form KP2 (Appendix 2).

## 4. DECLARATIONS OF KEY PERSONS

Declaration forms are attached as Appendices. The Appendices contain detailed instructions to complete them. All these forms are to be submitted to the person-in-charge.

- a. **Appendix 1** - Form KP-1 will be issued to the identified Key Persons by person-in-charge or HRD as the case may be. Key Persons are supposed to sign and return the duly filled in form to the person-in-charge.

A Key Person is responsible to complete and submit following forms within 10 business days, on being notified as a Key Person, to the person-in-charge.

- b. **Appendix 2** - Form KP-2 must be filled by the Key Persons to update any changes occurred to the;

- a) Basic personal data of the Key Persons,
- b) Key Persons holdings and interests,
- c) Details regarding dealing by the Key Persons in the securities of BisB.

- c. **Appendix 3** - Declarations of Key Person's Beneficial Ownership.

In Appendix 3 section 4, the Key Persons should list his ownership in any company whether it is a listed company/Bahraini company or not if such ownership exceeds 10% of such company's capital.

These forms must be submitted by no later than end of the next business day following the date the change took place.

## 5. REPORTING

The Bank shall create a separate register called the "Key Persons' Register", which shall be maintained under the responsibility of Compliance department at the Head Office. The Key Persons' Register shall be made available for investigation and inspection to the CBB at all times. The Key Persons' Register shall be maintained and kept by the Bank for a minimum period of 5 years.

The information entered in the Key Persons' Register should also be entered into the Bahrain Bourse's Central Depository System, as per CBB instructions.

### 5.1. Monthly Reporting

The monthly reporting will include a monthly statement in prescribed format, recording all Key Persons' transactions, including any orders to buy or sell whether executed or not. The information of such statement should be based on Key Persons Register maintained for the purpose.

### 5.2. Annual Reporting

Key Persons' Register data shall be reported to Bahrain Bourse within a period not more than 10 calendar days after the following:

- The conclusion of BisB's Annual General Meeting; and
- Upon request by Bahrain Bourse.

## 6. DISCLOSURE

The approved procedure may be posted on the Bank's web site.

A copy of the approved policy will be made available to all Key Persons. A copy will also be available on request to all shareholders and other interested parties.

## 7. APPENDICES

### Appendix 1 - Form KP-1 Register of Key Persons

#### Particulars & holdings of Key Persons 1 - (Part 2)

#### مفردات وملكيات الأشخاص الرئيسيين 1 - (الجزء الثاني)

Particulars / المفردات				
Name الاسم				
ID Number رقم الهوية			Designation المسمى الوظيفي	
Nationality الجنسية			Date of appointment تاريخ التعيين	
Passport Number رقم الجواز				
Holdings / الملكييات				
Security type نوع الورقة المالية	Number of securities عدد الأوراق المالية		Percentage of Holding (%) نسبة الملكية (%)	
Shares أسهم	Direct مباشرة	Indirect غير مباشرة	Direct مباشرة	Indirect غير مباشرة
Options خيارات				
Rights حقوق				
Warrants ورانتس				

Particulars / المفردات						
Name الاسم				Nationality الجنسية		
Designation المسمى الوظيفي				Date of appointment تاريخ التعيين		
ID Number رقم الهوية				Passport Number رقم الجواز		
Issuer's Name اسم الجهة المصدرة						
Changes to holdings / تحديث الملكيات						
Security type نوع الورقة المالية	Number securities before changes of held عدد الأوراق المالية المملوكة قبل التحديث	Date التاريخ	Number of securities acquired / Disposed or off market عدد الأوراق المالية المشتراة / المباعة أو الحالات المستثناة	Direct Indirect مباشرة / غير مباشرة	Number of securities held after changes عدد الأوراق المالية المملوكة بعد التحديث	Percentage of issued share capital (%) نسبة الملكيات من رأس المال (%)
Shares أسهم						
Options خيارات						
Rights حقوق						
Warrants ورانتس						
Others أخرى						
Total المجموع						

Appendix 3 - Declaration of Key Persons' Beneficial Ownership \*

1. COMPANY

Name	Trading Symbol
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Received by the Board  
Committee Representative:

Name: -----

Designation: -----

Signature: -----

Date: -----

2. PERSON(S) SUBJECT TO THE DISCLOSURE REQUIREMENT

1.Name and Address of Reporting Person				CPR/ IN (1)										
(1 st Name)	(Father's Name)	(3 rd Name)		(Surname)										
(House/Flat)	(Building)	(Road)		(Block)										
(City)	(State)													

3. RELATIONSHIP OF REPORTING PERSON(S) TO THE COMPANY

<input type="checkbox"/> Director	<input type="checkbox"/> (Father's Name)	Starting Date	Ending Date	Reason
<input type="checkbox"/> Officer (Give title) _____	<input type="checkbox"/> (Building) _____			

4. PERSONS UNDER GUARDIANSHIP AND CONNECTED PERSON

Name of securities	Amount of Security	Date of Ownership	% of Ownership	Mode Ownership of Direct (2) /Indirect	Nature of Indirect Ownership (3)

Number of Attachments

5. SIGNATURE

I hereby officially authorize the Company to verify the information in this form with the Exchange(s), Clearing House, Central Depository System, Registrar, and Investment/ Portfolio Mergers.

-----  
Signature

-----  
Name in block letters

-----  
Date of declaration

6. TO BE COMPLETED BY THE REGISTRAR

Name of Registrar -----

Received by -----

Date of reception -----

Signature and Stamp

\*This form should be completed upon the election, appointment, and employment or whenever any person assumes the responsibility of declaration as insider, and should be updated annually.

Appendix 4 – List of Key Persons

BisB List of Key Persons	
Name	Designation
Dr. Esam Abdulla Fakhroo	Chairman
Brig. Ebrahim Abdulla Al Mahmood	Vice Chairman
Mr. Mohamed Abdulla Nooruddin	Board Member
Mr. Muhammed Zarrug Rajab (IDB)	Board Member
Mr. Abdullah Ahmed Kamal	Board Member
Mr. Khalid Yousif Abdulrahman	Board Member
Mr. Khalid Abdul Aziz Al Jassim	Board Member
Mr. Mohamed Abdulla Al Jalahma	Board Member
Mr. Marwan Khaled Tabbara	Board Member
Miss. Nada Ishaq Abdul Karim	Sharia Board Member
Sh. Abdullatif Mahmood Al-Mahmood	Sharia Board Member
Sh. Nidham Yaqoobi	Sharia Board Member
Sh. Adnan Abdulla Al-Qattan	Sharia Board Member
Sh. Mohammed Jaffar Al-Juffairi	Sharia Board Member
Hassan Amin Jarrar	Chief Executive Officer
Hamad Farooq Al Shaikh	Head of Sharia Coordination and Implementation
Salah Yaseen Mohammed	Senior Manager, Legal Affairs
Mazar Rashid Mohamed Jalal	Head of Compliance
Khalid Mahmood Abdulla	Secretary to Audit, Compliance & Governance Committee
Wesam Abdulaziz Baqer	Head of Corporate and Institutional Banking
Dalal Ahmed Al Qais	Head of Retail Banking
Fahim Ahmed Shafiqi	Chief Risk Officer
Osama Ali Hassan Nasr	Head of Information Technology
Dawood Khalil Al Ash'hab	Head of Human Resource and General Services
Eman Ali Abdulla	Head of Central Operations
Reem Abdul Rahman Mohamed	Manager, Financial Control
Ameer Abdul Ghani Shaban	Chief Financial Officer
Maisa Jawdat Shunnar	Head of Business Planning & Transformation
Hussain Ali Jawad	Senior Manager. Financial Control
Mohamed Ayada Matar	Deputy Head of Compliance
Yusuf Mohamed Anwar	Assistant Manager, Financial Control
Ali Abbas Ali Almuallem	Officer, Financial Control
Mohamed Jamal Mohamed Aish	Assistant Manager, Compliance
Hamad Hussain Al Qattan	Assistant Manager, Compliance
KPMG	External Auditor