



## **Group Key Persons Dealing Policy**

## Group Key Persons Dealing Policy

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### 1. Introduction

Ahli United Bank B.S.C and its subsidiary companies and affiliates (the “Bank”) is committed to ensuring that it complies with all applicable legislative and regulatory requirements including ensuring that all business conducted through the respective business units is done so in accordance with good business practice and ethical standards.

Whilst the AUB Group Personal Account Dealing Policy sets the framework and procedure with regard to personal account dealings at large, and restrictions relating to Insider trading activities, this policy sets out the framework with regard to AUB’s Key Person’s dealings in securities accepted for trading. This policy is guided by the Bahrain Bourse (“BHB”) “Guidelines on Issuers’ Key Persons Dealing in Securities Accepted for Trading” issued on 04 November 2010

It should be noted that AUB is listed in Bahrain and Kuwait stock exchanges with their individual rules, and the policy aims to address the requirements based on the market where the security is traded. All Key Persons should also however be familiar with the respective market rules and disclosure requirements, prior to any trading in AUB and AUBK shares.

### 2. Scope

The Group Key Persons Dealing Policy applies to all dealings in AUB securities undertaken by any Key Person on their own account or under the account of persons under the guardianship / control of the relevant Key Person.

It may be noted that certain Key Persons are also classified as “Insiders” as per the Group Personal Account Dealing policy, and have been appropriately notified to CMA, Kuwait. All such Insiders should ensure appropriate Compliance with this Policy and also the Group Personal Account Dealing policy.

### 3. Definitions

“**Bank**”, means Ahli United Bank B.S.C (AUB), the issuer.

“**Persons under guardianship / Control**” in relation to a Key Person 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 step-sister; **who are under his/her guardianship or control**; or
- b) A firm or company in which the individual or any of the persons mentioned in subparagraph (a) has control of not less than 10% of the voting power in the firm or company, whether such control is exercised individually or jointly; Persons under guardianship / Control of Key Person, in relation to a firm or company means another firm or company in which the first-mentioned firm or company has control of not less than 10% of the voting power in that other firm or company.

“**Dealing**”, includes (whether as principal or agent) making or offering to make with any person, or inducing or attempting to induce any person to enter into or to offer to enter into an any agreement for or with a view to acquiring, disposing of, subscribing for, or underwriting securities of the Bank. To be clear, dealing includes (but is not limited to) on-

## Group Key Persons Dealing Policy

Exchange and off-Exchange transactions, including subscriptions of securities of the Bank, as well as transactions relating to securities that are quoted on another Exchange.

**“Key Persons/ Permanent Insider”**, refers to all AUB Board members, GCEO & MD, all DGCEO’s, CEO’s, Group Head of Finance, Group Head of Audit, Group Head of Compliance, Group Head – HR, Group Head of Strategic Development, Group Corporate Secretary, Group Head of Treasury, Treasury Stock, and / or such other person who are likely to possess key material information, prior to its public dissemination.

**“Register of Key Persons”**, refers to a register maintained by AUB which includes basic personal data of Key Persons and information on their holdings and dealings in the Bank.

**“Inside Information”**, as defined in Prohibition of Market Abuse and Manipulation Module, MAM B.2.10 of CBB Rule Book, means information that;

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

**“BHB”**, means Bahrain Bourse.

**“KSE”** means Kuwait Stock Exchange.

**“CMA”** refers to Capital Markets Authority in Kuwait.

**“CMSD”** refers to Capital Markets Supervision Authority in Bahrain.

**“CBB”** refers to Central bank of Bahrain.

## 4. Policy

Key Persons may only undertake personal investment activities that do not breach applicable laws or regulation, do not unduly distract from their duties & responsibilities, and do not create an unacceptable risk to AUB or its associated entities’ reputation. Transactions should also be free from business and ethical conflicts of interest. Key Persons must never misuse proprietary or client confidential information in their personal dealings.

The Bank recognises the interest of Key Persons in conducting personal account dealings in AUB securities and will permit such dealings provided they are conducted within the guidelines as defined in this policy.

The purpose of this policy is to:

- a) Define and set the framework for permitting acceptable trading practices by key persons.
- b) Advise Key Persons of their roles and responsibilities with regard to their obligations and immediate disclosure requirements.
- c) Ensure compliance with BHB guidelines concerning the dealing by Key Persons.

Although the intention of the policy is to set out in full the position in relation to Key Persons dealing, it is possible that not every potential situation is covered. If you are in any

doubt about your position you should refer to AUB Group Compliance, or the AUB Group Corporate Secretary, as appropriate.

All Key Persons and persons under their guardianship / control of Key Person are required to be aware of their legal and personal obligations and respond swiftly to all notifications requirements as set out in this policy.

### 5. Trading / Dealing Restrictions

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. Dealing by Key Persons of the Bank, therefore, does not necessarily constitute insider trading.

Key Person or persons under their guardianship / control should not engage in personal dealings in a situation in which they know their personal interest conflicts in any way with the interests of the Bank or any of its clients. In the event of any potential conflict, the interests of the clients of the Bank must always have priority.

Key Person or persons under their guardianship / control should not engage in any personal dealings in securities related to AUB, its subsidiaries and affiliates and any listed securities thereof starting from the date of their access to substantial data and information until announcement of such substantial data and information. Trading in securities when knowingly in possession of information that is not public and which, if made available, might materially affect the price of the investment.

Key Person or persons under their guardianship / control may not engage in personal dealings in any investment in which they know the Bank is prohibited from dealing.

Any Key Person or persons under their guardianship / control, who is in possession of material inside information, shall not use such information to:

- a) deal in any securities to which that information relates;
- b) encourage any person to deal in any securities to which that information relates;
- c) disclose inside information to any other person, otherwise than in the proper performance of the functions of his employment, office or profession;
- d) violate the rules governing the publishing of market information.

All personal dealings by Key Persons in Bahrain Bourse must be conducted through AUB Brokerage Services only. (Bahrain Bourse Market Rules 4.13). Any dealings by Key Persons in Boursa Kuwait should comply with CMA rules and relevant disclosure requirements.

Following the publication of financial statements by the Bank, all staff or persons under their guardianship / control must refrain from trading and wait until the commencement of the following day's trading session, or after 24 hours, whichever is later, after the publication of the financial statements have been released in the local newspapers.

#### ***Personal Hedging***

- a) Employees must not use personal hedging strategies or compensation and liability-related insurance to undermine the risk alignment effects embedded in their compensation arrangements as contained in paragraph HC-5.4.18 of the CBB rulebook

and must provide a signed adherence to the prohibitions of the above as listed in the AUB Group Code of Business Conduct and HR Policy.

### **6. Key Persons Responsibilities and Obligations**

AUB Group Compliance, and in the case of directors, the Group Corporate Secretary shall notify all Key Persons of his /her status as a Key Person and provide a copy of this policy upon his / her appointment, election or employment in the Bank through the form annexed in appendix 2.

The Key Persons shall submit the following:

- a) Key Persons' basic personal data and information including declaration of their self-holdings in AUB securities and holdings by persons under their guardianship / control as and when requested by AUB, by submitting the form KP1 (Part 2) / Appendix 3.
- b) Notify AUB Group Compliance (and Group Corporate Secretary, in case of Directors' trading) with the details of trade conducted at Bahrain Bourse by completing the relevant declaration form KP 2 (Appendix 5), the same business day immediately after completion of trade.
- c) Notify whenever an off-market transaction is conducted like subscription or transfer of securities at Bahrain Bourse by completing the relevant declaration form KP 2 (Appendix 5), the same business day immediately after completion of trade.

### **7. Maintenance of a Register of Key Persons**

Bank will maintain a register of Key Persons called "Register of Key Persons" (Bahrain Bourse Market Rules 3.5.10 and BHB Key Persons Guidelines). The Register will be maintained and kept by the Bank for a minimum period for 5 years (MAM-2.15.1).

The register shall contain the following:

- a) Basic personal data of Key Persons of AUB;
- b) Key Persons holdings and interests in AUB securities ; and
- c) Details regarding dealings by Key Persons in AUB securities.

The register will be maintained at the headquarters in Bahrain and be made available for investigation and inspection to the CBB at all times.

### **8. Other Key Obligations**

#### ***Annual Verification & Reporting Requirements***

The register data shall be verified at least once a year before the Annual General Meeting by the internal auditor of the Bank. The result of such verification shall be forwarded to the CBB not more than 10 days after the date of the AGM.

#### ***Reporting irregular transactions or suspected cases***

Report any irregular transactions or suspected cases of market abuse or market manipulation which come across in the normal course of business to the Group Compliance for onward reporting to CBB in the format given in Appendix 6.

## **9. Notifications to BHB**

The Bank shall submit an updated and complete Register of Key Persons (Appendix 4) to the Bahrain Bourse as soon as practicable but not more than 10 calendar days after the following:

- a) The conclusion of its Annual General Meeting; and
- b) Upon request by BHB.

The Bank shall further submit the BHB of any changes to its Register of Key Persons within 10 calendar days on receipt of notification from Key Persons through form KP2 (Appendix 5).

## **10. Violations and Penalties**

Failure to comply with this policy or procedures could be deemed as an act of serious misconduct that could result in one or more of the following sanctions:

Any material violation of the Key Persons Dealing Policy will attract disciplinary actions, including proceedings / termination of services, as per the AUB Human Resources Policy.

Any material breach / violation by Directors will be reported to Audit and Compliance Committee for appropriate advice and action.

Any material violation of the Key Persons Dealing Policy by the Key Persons employed by or under contract with the Bank including consultants or contractors may result in action being taken to terminate their service with the Bank.

## **11. Effective Date**

The policy shall be effective from 01 December 2010.

## 12. Appendices

Appendix 1 – Notification of Key Person Position in AUB

Appendix 2 – AUB’s Authorised Representative Information (KP1 – Part I)

Appendix 3 – Particulars & Holdings of Key Person (KP1 – Part II)

Appendix 4 – Summary of Particulars & Holdings of Key Persons Register (KP1 –Part III)

Appendix 5 – Changes to Particulars and Holdings of Key Persons (KP2)

Appendix 6 – Market Abuse Reporting Format



**NOTIFICATION OF KEY PERSON POSITION IN AHLI UNITED BANK**

Company Name						AHLI UNITED BANK BSC						Trading Symbol: AUB					
Key Person's Name: (First name)						(Middle name)						(Last name / Surname)					
		CPR/IN															
Position in the Company:																	

You are hereby notified, in accordance with Group Personal Account Dealing Policy / Group Key Persons Dealing Policy, you are now deemed to hold a KEY PERSON position at Ahli United Bank B.S.C (“AUB”).

The fact that you hold a Key Person position at AUB means, among other things, that in accordance with the above stated policy, you shall:

- a) Maintain the confidentiality of the Inside Information of which you become aware by virtue of your position, professional, or any personal relationship.
- b) Refrain from selling, purchasing or subscribing to equity offerings related to AUB where you are aware of Inside Information by virtue of your position, professional or any personal relationship.
- c) Not disclose inside information to any other person, otherwise than in the proper performance of the functions of his employment, office or profession;
- d) Not disclose such, give advice to a third party based on Inside Information, or transfer or cause to be transferred Inside Information directly or indirectly to other people.
- e) Not encourage any person to deal in any securities based on the Inside Information in possession.
- f) Maintain confidentiality of data and information related to clients of AUB and shall not use or exploit the data or information related to clients of AUB.
- g) Not violate the rules governing the publishing of market information.
- h) Make relevant notifications, as appropriate.
- i) Be liable for the legal consequences of your exposure to Inside Information of the AUB and its Clients, and that you are fully aware of the consequential penalties of misuse or improper handling of such Inside Information.

You are requested to familiarize with, and abide by, the Group Personal Account Dealing Policy and Group Key Persons Dealing Policy (as applicable).. This policy is available in AUB intranet portal. If there is any question please speak to the Group Corporate Secretary or Group Head of Compliance.

\_\_\_\_\_  
 Group Head of Compliance / Group Corporate Secretary  
 Date:

I hereby confirm acceptance of my notification as ‘Key Person’, and also confirm that I have read and understood the AUB Group Personal Account Dealing Policy and Group Key Persons Dealing Policy and shall comply with its requirements.	
Name in Full:	Signature
Nationality :	Date:

Form Register of Key Persons (KP1)

استمارة سجل الأشخاص الرئيسيين (KP1)

Company's Authorized Representative Information (Part 1)

بيانات الشخص المخول بالتوقيع عن الجهة المصدرة (الجزء)

<b>Name of Issuer:</b>			اسم الجهة المصدرة		
Ahli United Bank B.S.C					
<b>Submitted by:</b>			مقدم من قبل		
Name			الاسم		
Group Head of Compliance					
Designation			المسمى الوظيفي		
Issuer's Stamp:			ختم الجهة المصدرة		
Signature			التوقيع		
Date of submission:			تاريخ التقديم		
Day	Month	Year	السنة	الشهر	اليوم

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

مفردات وملكيات الأشخاص الرئيسيين - (الجزء الثاني)

المفردات/Particulars		
Name / الاسم	Designation / المسمى الوظيفي	CPR / National Id Number / رقم الهوية
Nationality / الجنسية	Date of Appointment / تاريخ التعيين	Passport Number / رقم الجواز

## Self – Holdings / المملكيات

Security Type نوع الورقة المالية	Number of Securities / عدد الأوراق المالية		Percentage of Holding (%) / نسبة الملكية (%)	
	Direct / مباشرة	Indirect / غير مباشرة	Direct / مباشرة	Indirect / غير مباشرة
Shares / أسهم				
Options / خيارات				
Rights / حقوق				
Warrants / ورائتس				
Others / أخرى				
Total / المجموع				

## Holdings of Persons under guardianship / Control of Key Person / الأشخاص ذات العلاقة بالشخص الرئيسي

Name of Persons under guardianship / Control لأشخاص ذات العلاقة بالشخص الرئيسي	ID / Passport number الجواز / رقم الهوية	Relationship الصلة	Security Type * نوع الورقة المالية	Number of Securities / عدد الأوراق المالية		Percentage of Holding (%) / نسبة الملكية (%)	
				Direct / مباشرة	Indirect / غير مباشرة	Direct / مباشرة	Indirect / غير مباشرة

Received by AUB's Authorised Representative

## Key Person Signature &amp; Date

\*Security Type = Shares/ Options/ Rights/ Warrants/ Others

Note: Please use a separate row for each security type.

## Date, Stamp &amp; Signature

KP 1 – Form Register of Key Persons

Summary of particulars & holdings of Key Persons Register (Part 3)

Key Person	Designation	Nationality	ID / Passport Number	Person under guardianship / Control of Key Person		Security Type (Shares / Options / Rights / Warrants)	Total Holdings
				ID/CR	Name		

\_\_\_\_\_  
Bank's Authorised Representative (Officer)  
Stamp & Signature

## Form KP2

## استمارة KP2

<u>Particulars / المفردات</u>			
Name / الاسم	Designation / المسمى الوظيفي	CPR / National Id Number / رقم الهوية	
Issuer's Name/ اسم الجهة المصدرة	Nationality / الجنسية	Date of appointment / تاريخ التعيين	Passport Number / رقم الجواز

I hereby notify about the purchase / sale a security and the details are here below:

تحديث الملكيات / Changes to Holdings

Security type نوع الورقة المالية	Name of the Security Holder اسم حامل الورقة المالية	Number of securities held before changes 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 / ورائتس							
Others / أخرى							

I hereby confirm the following:

- The transaction is not carried out based on any insider information.
- I am not in possession of any material insider information, which is not made public.
- The transaction is not speculative and is not used as a hedge to offset any risk-based deferred compensation award.

Received by AUB's Authorised Representative

Key Person Signature & Date

\*Security Type = Shares/ Options/ Rights/ Warrants/ Others

Note: Please use a separate row for each security type

Date, Stamp & Signature

**Market Abuse Reporting Format**

<p><b>Description of the transaction(s)</b>  <i>Details of the securities, including the code of the security (ISIN Number); the market(s) concerned; the original order's entry date/time, price and size; the times and sizes of the transaction(s); the type and characteristics of the order, etc.</i></p>	
<p><b>Reasons for Suspicion</b>  <i>Reasons for suspecting that the transaction(s) might constitute insider dealing/market abuse/  market manipulation</i></p>	
<p><b>Identities of persons carrying out transaction(s)</b>  <i>Names, addresses, telephone number, location, account number, client Identification code used by the firm, etc.</i></p>	
<p><b>Identities of any other persons known to be involved in the transaction(s)</b>  <i>Names, addresses, telephone number, location, relation to person carrying out the transaction, position held, role played, etc.</i></p>	
<p><b>Capacity in which the person performing the transaction(s) acts</b>  <i>e.g. broker, underwriter, agent, investment/fund manager, auditor, insider.</i></p>	
<p><b>Any information which may be of significance (along with a list of any accompanying documents/evidence)</b></p>	
<p><b>Details of the person making notification</b>  <i>Name of person, name of firm, position held within firm, contact details, etc.</i></p>	
<p><b>Signed</b> ..... (person making report)  <b>Dated</b> ..... (date of report)</p>	