

## ABU DHABI COMMERCIAL BANK DIRECTORS SHARE DEALING POLICY

### 1. Definitions

“Authority”	means the Securities & Commodities Authority;
“Bank”	means Abu Dhabi Commercial Bank PJSC and its subsidiaries and associates;
“Blackout Period”	means a period during which the trading of Bank Securities is restricted, as elaborated under heading “6. Blackout Periods”;
“Board”	means the Board of Directors of the Bank;
“Chairman”	means the Chairman of the Board;
“Companies Law”	means UAE Federal Law No. 2 of 2015 concerning Commercial Companies (and its amendments from time to time);
“Related Parties”	a Board member’s “Related Party” shall include each of the following, but in all cases only to the extent of the Board member’s awareness: his/her parents, wife, or children, and other persons or entities who would reasonably be considered or perceived to be related to the Board member including companies controlled by the Board member or by the Board member’s family (jointly or individually), or by the Board member’s employer or its associates, and any companies associated with those companies and any other person who would be considered a Related Party under Article 1 <sup>1</sup> of the Companies Law;
“Director”	means a Director of the Bank;
“Law”	means Federal Law No. 4 of the year 2000 concerning the Emirates Securities and Commodities Authority and Market, as amended;
“ADX”	means the Abu Dhabi Securities Exchange;
“Price Sensitive Information”	means information relating to the Bank, its subsidiaries or Associates that would, if the information were publicly known, be likely, in the opinion of reasonable investor, to: <ul style="list-style-type: none"><li>- Have a material effect on the price or value of any Securities; or</li><li>- Influence persons who commonly invest in securities in deciding whether or not to buy or sell the Securities;</li></ul>

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<sup>1</sup> Companies Law (Article 1): “Related Parties: the Chairman and other Directors and the Senior Management of the company, such companies in which any of such persons holds at least 30% of their share capital and Subsidiary, associated or sister companies”

“Securities”	means shares, bonds or other securities issued by the Bank or its subsidiaries, and any options, futures and derivatives related thereto and any such securities issued or to be issued by any entity in which the Bank (or any of its subsidiaries or associates) has, or will soon have, or is likely to have, a material interest; and
“SCA Guidelines”	means the Securities & Commodities Authority (SCA) Resolution N. (7R.M.) of 2016 concerning the standards of institutional discipline and governance of public shareholding companies.

## 2. Introduction

The Bank aims to operate at the highest levels of integrity and transparency. Any unauthorized or improper transactions could affect the Bank’s reputation, and result in criminal or civil liability.

Various laws and regulations in the UAE and overseas prohibit transactions based on undisclosed market sensitive information, or made in circumstances of conflict. Examples of these laws and regulations are set out in paragraph 7 of this policy.

This policy should be read and interpreted in conjunction with the Bank’s Board of Directors’ (i) Terms of Reference, (ii) Conflict of Interest Policy, and (iii) Code of Conduct. Directors will not be considered in compliance with this policy unless they also comply with the above mentioned policies and terms of reference. Relevant forms included therein should be duly filled and signed.

**Directors shall remain personally liable for their non-compliance with any relevant laws and regulations. This policy should only be used as a general guide, not as a legal advice.**

## 3. Objectives

The objectives of this policy are to:

- clarify the Bank’s position with respect to Directors and their Related Parties dealing in Securities;
- reduce potential risks arising from Directors and their Related Parties dealing in Securities; and
- implement controls and minimize the risk of contravening any relevant legal or regulatory requirements or creating conflicts of interest with the Bank and/or its clients.

Any questions or clarifications should be addressed to the Board Secretary.

## 4. Scope of application

This policy has been adopted in an attempt to ensure that Directors and their Related Parties do not deal in the Bank’s Securities based on undisclosed confidential information or in circumstances of conflict.

## 5. General Restrictions

If a Director has Price-Sensitive Information relating to the Bank which has not been published or which is not otherwise generally available, it may be illegal for that Director to:

- buy, sell or otherwise deal in any Securities;
- advise, procure or encourage any other person (including Related Parties) to buy or sell any Securities; or

- pass on information to any other person (including Related Parties), if it is known or ought reasonably to be known that the person may use the information to buy or sell (or procure another person to buy or sell) any Securities.

Examples of possible Price-Sensitive Information include, but are not limited to:

- the financial performance of the Bank against its budget or against analysts' forecasts;
- entry into or termination of a material contract (such as a major joint venture);
- a material acquisition or sale of assets by the Bank;
- an actual or proposed takeover or merger;
- major provisioning requirements or credit losses, or material changes to the Banks provisioning policies.

It is also illegal for a Director to enter into trade designed to manipulate the price of the Security.

## 6. Blackout Periods

A Director shall not trade in any Securities during any Blackout Period. Blackout Periods include the following:

- A regular Blackout Period shall commence fifteen (15) days prior to the end of the relevant financial quarter and end once the financial results are officially disclosed;
- A special Blackout Period shall commence ten (10) working days prior to the announcement of any significant information which may affect the share price of any Securities by way of a rise or a fall, and shall end once the information has been officially announced. Special Blackout Periods may also be specified by the Chairman of the Board or recommended by senior management including the Bank's Group Chief Compliance Officer; and
- Any other Blackout Periods as the Authority may specify from time to time.

## 7. Applicable regulatory requirements

The requirements of this policy are in addition to the requirements set out below, and any other applicable laws or regulations as the list below is indicative and non-exhaustive.

### Under the Federal Law

- Article 36 of the Law stipulates that furnishing of false information, statements or data such as to affect the market value of Securities and an investor's decision to invest or otherwise shall not be permitted.
- Article 37 of the Law stipulates that the exploitation of undisclosed information which could affect prices of Securities in order to achieve personal benefits shall not be permitted. Any dealing effected in contravention of this shall be null and void.
- Article 38 of the Law restricts dealings in the Bank's shares by the Bank's Directors, unless certain conditions are met. In particular, the market control division of ADX is required to pre-authorize trading by any such individuals. Non-compliance is a criminal offence.
- Article 39 of the Law restricts any person from dealing in Securities on the basis of unpublicized or undisclosed information he acquired by virtue of his position. Any transaction effected by any person in contravention to this shall be null and void.
- Articles 41 and 42 of the Law stipulate that any person who contravenes articles 36, 37, 38 or 39 of the Law shall be liable to imprisonment for a period of not less than three months and not more than three years, and to a fine of not less than one hundred thousand Dirhams and not more than one million Dirhams, or to either of these penalties.

#### Under the Companies Law

- Article 152 of the Companies Law states that Directors may not use information in their possession about the company to achieve any interest for their own account or for the account of any third party. Directors may not enter into transactions intended to manipulate the price of any security issued by the Bank. Directors may not participate in any business which competes with the Bank's business for their own or for the account of third parties and may not disclose information or details about the Bank.

#### Under SCA Regulations

- Article 37 of SCA's regulations on disclosure and transparency, issued in October 2000, restrict dealing in Securities on the basis of unpublicized or undisclosed information. Non-compliance is a criminal offence.
- Article 36 (3) of SCA Decision no. (3/R) Of 2000 concerning regulations as to disclosure and transparency stipulate that entities and companies whose securities are listed on ADX shall notify and provide the Authority and the ADX with the number of shares owned by members of the company's Board of Directors, within fifteen (15) days after their assumption of membership and also at the end of each financial year, and all trades effected by members of the company's Board of Directors and its executive management.
- Article 12 of the SCA Guidelines that (a) Directors shall put in place written rules regarding the trading of Board members and employees in the securities issued by the company or its parent company, subsidiaries, or its sister companies, and (b) the company shall prepare a special and comprehensive register of all insiders, including persons who could be considered as insiders on a temporary basis and who are entitled to or have access to inside information of the company prior to publication. The record shall also include prior and subsequent disclosures of insiders. This article also requires the company to form a committee responsible for the management, follow-up, and supervision of insiders' trading and their holdings, maintain the register and submit periodic statements and reports to the Market.
- Article 13 of the SCA Guidelines states that the Directors should: (a) take all measures to accurately maintain strict confidentiality of company data and information which have a significant impact in a way that ensures it is not exploited, (b) develop effective contractual arrangements that require the other parties who have access to internal data and information related to the company and its customers to maintain the confidentiality of such data and information, and not misuse or transfer it, or cause it to be transferred directly or indirectly to other parties, and (c) require every insider to sign formal declarations confirming his knowledge of his possession of internal data and information regarding the company and its customers, and that he shall bear all the legal consequences in case of leaking such information or data or giving advice on the basis of the information in his possession, and his commitment to notify the company of any trade carried out on the securities of the parent company or the subsidiary before and after those trades.
- Article 14 of SCA Board of Directors' Decision no. (2/R) of 2001 concerning regulations as to trading, clearing, settlement, transfer of ownership and custody of Securities, restricts the Chairman and the Directors of a company whose Securities are listed on the ADX, and its general manager, and any of its employees who have knowledge of fundamental data of the company, from dealing by themselves or through others in Securities issued by such company, or Securities issued by a parent, subsidiary, or affiliate company of such company, fifteen (15) days prior to the end of each financial quarter, half-year or year until the publication of the Company's financial statements.

#### Under ADX regulations

- Under rules and regulations issued by ADX, the Bank's Directors are restricted from trading the Bank's shares during Blackout Periods.

## **8. Notification of dealing**

The Chairman and Directors are requested to inform the Board Secretary about their intentions (and the intentions of any of their Related Parties) to deal in the Bank's Securities, before dealing. They should also notify the Board Secretary after the dealing.

The Board Secretary should promptly inform the relevant Director / Chairman if he has any concerns about the proposed trade.

It is mandatory that all Directors trade Bank shares only through ADCB Securities LLC and trade any bonds or other Securities issued by the Bank only through the Bank's bond trading desks.

Where a Related Party deals in Securities without the knowledge of the relevant Director / Chairman, the relevant Director / Chairman is requested to notify the Board Secretary, by the close of business on the day following the date upon which the Director becomes aware of the trade. Where a Related Party intends to deal in Bank Securities with the knowledge of the relevant Director / Chairman, the relevant Director / Chairman should notify the Board Secretary before the trade. The Board Secretary should promptly inform the relevant Director / Chairman if he has any concerns about the proposed trade. Likewise, the Director should seek clarification from the Board Secretary should the Director have concerns or be unsure about a particular trade. The relevant Director/Chairman should also notify the Board Secretary after conclusion of the trade.

In compliance with Articles 12 and 13 of the SCA Guidelines, (a) The Bank's Group Compliance division shall maintain a comprehensive register of all insiders, including Directors, (b) the Board Audit & Compliance Committee will be responsible for monitoring Directors' trades in and holdings of the Bank's Securities on a quarterly basis, and (c) Directors shall be required annually to sign a declaration confirming their understanding of the relevant laws and regulations regarding insider dealing, as well as the consequences of leaking confidential information and a commitment to notify the Bank about any trades in Securities (both before and after).

In compliance with Article 36 (3) of SCA Decision no. (3/R) Of 2000 concerning the regulations as to disclosure and transparency, the Bank should notify and provide the Authority and ADX of the number of shares owned by the Bank's Board of Directors, within fifteen (15) days as from their assumption of membership and also at the end of each financial year, and all trades effected by the Directors and members of the senior management. Therefore, the Directors should provide Board Secretariat with the relevant information required on a timely basis.

In the event of any uncertainty, guidance should be sought from the Board Secretary.

## 9. General exemptions

This policy does not apply to any discretionary transactions entered into on behalf of a Director or a Related Party without his advance knowledge of the specific transaction. However, after the Director becomes aware, the Director should notify such transactions to the Chairman and Board Secretary.

## 10. Register

Directors will be requested annually to complete a conflicts questionnaire, in the form attached to the Bank's Board of Directors' Conflict of Interest Policy, for the purpose of, amongst other things, disclosing their interests in Securities.

The Board Secretary will maintain records of all share dealing transactions.

## 11. Associates

From time to time, the Bank's Board Secretariat will prepare a list of the Bank's associates for the purposes of this policy. That list shall be reviewed and, where appropriate, adopted by the Board Corporate Governance Committee. Directors should note that dealing in Securities issued by such associates is also restricted in the manner set out in this policy. At the date of this policy, the Bank has no listed associates.

## 12. Non-Compliance

In the event of non-compliance with this policy, the Director shall remain personally liable for their non-compliance with any relevant laws and regulations.

This policy was approved by the CGC on 15<sup>th</sup> Nov 2017 and approved by the Board of Directors on 10<sup>th</sup> December 2017.