



UNITED POWER GENERATION & DISTRIBUTION CO. LTD. (UPGDCL) PRINCIPLES ON DISCLOSURE OF MATERIAL INFORMATION & PRICE SENSITIVE INFORMATION

1. PREAMBLE:

- 1.1 This Policy shall be called "PRINCIPLES ON DISCLOSURE OF MATERIAL INFORMATION & PRICE SENSITIVE INFORMATION" (hereinafter referred to as "the Policy") of United Power Generation & Distribution Company Ltd. (hereinafter referred to as "UPGDCL").
- 1.2 The Policy has been framed in compliance with the provisions of "Insider Trading" Regulation, 2022 of the Bangladesh Securities and Exchange Commission (BSEC) published dated Monday, January 30, 2023. UPGDCL shall disclose Material information & Price Sensitive Information related news to the Stock Exchanges trade monitor and company website as well as publish in English/Bangla newspapers and Online news platforms for the Shareholder's Investment awareness of such information.

2. OBJECTIVES OF THE POLICY:

- 2.1 The objective of this policy is to ensure continuous, adequate, accurate, transparent, and timely disclosure and maintain the same in a digital database by UPGDCL on an ongoing basis to enable investors to make informed investment decisions.
- 2.2 The objective of the Policy is to maintain a balance between encouraging and facilitating investment in the company's securities and upholding the public's perception of the company's integrity.
- 2.3 Fair Disclosure of Material and Price-Sensitive Information and Conduct for Regulating, Monitoring, and Reporting of Trading in Securities of UPGDCL, including modifications made thereto from time to time by the Company
- 2.4 Compliance with policies, procedures, maintenance of records, monitoring adherence to the rules for the preservation of UPGDCL, monitoring of trades and the implementation of the Codes specified in these Regulations under the overall supervision of the Board of Directors.
- 2.5 The policy shall also mean any individual transaction or arrangement that is significant to the operations or performance of the Company.

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3. DEFINITION:

"Company" means United Power Generation & Distribution Company Ltd. or UPGDCL.

"Board of Directors" or "Board" means the Board of Directors of United Power Generation & Distribution Company Ltd. (UPGDCL), as constituted from time to time.

"Policy" means this Policy titled The Principles on Disclosure of Material Information and Price Sensitive Information (PSI).

"BSEC" means Bangladesh Securities and Exchange Commission.

"DSE" means Dhaka Stock Exchange Limited

"CSE" means Chittagong Stock Exchange Limited

Stock Exchange(s) means Dhaka Stock Exchange and the Chittagong Stock Exchange

Listing Regulations means Dhaka Stock Exchange (Listing) Regulation 2015 and the Chittagong Stock Exchange (Listing) Regulation 2015

"Chairman" means the Chairman of the Board of Directors of UPGDCL

"Director" means the Board of Directors of UPGDCL so appointed from time to time

"MD" means the Managing Director of UPGDCL

"CEO" means the Chief Executive Officer of UPGDCL

"Company Secretary" (CS) means the Company Secretary of UPGDCL

Words or Expressions not defined in this policy shall have the same meaning as given under the Securities and Exchange Ordinance, 1969, Bank Companies Act, 1991, Bangladesh Securities and Exchange Commission Act, 1993, Financial Institution Act, 1993, the Companies Act, 1994, Depository Act, 1999, Exchanges Demutualization Act, 2013 and provisions made under the said laws. Further, in case of inconsistency between any provisions of this policy with any existing policy (ies) of the Company, provisions of Policy for determination and disclosure of Materiality of Events or Information and Price Sensitivity shall prevail.

4. GUIDELINES FOR THE DISCLOSURE PRICE SENSITIVE INFORMATION

4.1 Disclosure obligations

The Company will disclose to the market, by announcing to the Bangladesh Securities and Exchange Commission ("BSEC"), Dhaka Stock Exchange ("DSE"), and Chittagong Stock Exchange ("CSE") and published in two widely circulated newspapers (one Bangla and one English), one online newspaper and in the Company's website, any information that is PSI and any information about the Company's affairs or events or conditions in the market, which meets either of the following standards or conditions:

- (i) Where the information is likely to have a significant effect on the price of the Securities, or

(ii) Where such information is likely to impact the net asset valuation of the Company by a minimum of 10%. The said threshold shall be determined on the basis of the last published quarterly financial statements. If any information disclosed by the Company being Price Sensitive Information to the market becomes incorrect, the Company must correct and update the information following the procedure mentioned in **Section 5.1**

In the case of Material Information, the Company will publish the information on its website as soon as reasonably possible from the occurrence of the event or information.

4.2 Exceptions to disclosure of information:

Disclosure of PSI is not required while the following paragraphs (a) and (b) are satisfied:

- (a) the information is confidential and BSEC, DSE & CSE have not formed a view that the information has ceased to be confidential; and
- (b) One or more of the following applies:
 - (i) It would be a breach of a law to disclose the information; or
 - (ii) the information is generated for the internal management purposes of the Company; or
 - (iii) The information is a trade secret.

The Company must disclose the information to the BSEC, DSE & CSE in accordance with **Section 4.1** of this Principle as soon as one of the above paragraphs (a) or (b) is no longer applicable or satisfied.

4.3 Disclosure Committee

The Disclosure Committee is comprised of representatives from a) the Company Secretary team, b) Finance, c) Legal, and d) Communications reporting to the CEO/MD with regard to disclosure matters. Upon receiving approval from the CEO/MD, the Company Secretary will disseminate such information to the regulators as well as in the market following the procedure mentioned in **Section 4.1**

The Disclosure Committee will work with a view to:

- i. assessing whether an information shall potentially be Price Sensitive Information or Material Information; and
- ii. deciding whether information should be disclosed to the market;

The related decision of the Disclosure Committee shall be retained with the office of the Company Secretary. The Committee is responsible to the Board of Directors for monitoring, reporting, and implementation of this Policy.

D. Disclosure Officer (authorization for disclosure)

The Company Secretary shall act as the Disclosure Officer and shall be responsible for:

- i. disclosure of Price Sensitive Information to BSEC, DSE, CSE and national dailies as required by law;
- ii. Publication of Price Sensitive Information and Material Information on the Company's website.

The Disclosure Officer shall work closely with the Management Team and the Disclosure Committee with a view to:

- i. ensuring that the Company complies with its disclosure obligations;
- ii. seeking to ensure that announcements are made in a timely manner, and shall be disclosed in easy and simple language in order to avoid any kind of exaggeration; and
- iii. keeping a record of the information disclosed to the BSEC, DSE & CSE, and ensuring that all releases on Price Sensitive Information and Material Information are placed timely on the Company website and shall be kept for a minimum period of 3 (three) years.

5. INFORMATION REGARDING PRINCIPLES OF DISCLOSURE OF MATERIAL INFORMATION AND PRICE-SENSITIVE INFORMATION

5.1 List of Price Sensitive Information (PSI)

SL. No.	Particulars
01	Information related to the financial position, financial results, financial statements, and other basic information related to the financial performance.
02	Information related to dividends and corporate declarations.
03	Information related to the change of corporate structure (i.e. amalgamation, merger, de-merger, re-structuring, acquisition, winding up, transfer, and transformation, etc.
04	Information related to the change of capital structure.
05	Information related to the business extension, change, etc. if required.
06	Information related to the fund management, and structural change of the fund.
07	Any other information as defined by the BSEC as PSI through various rules, regulations, circulars, and directives.
08	Any information published by the BSEC in the official gazette defining as PSI



5.2 List of Material Information (MI)

SL. No.	Particulars
01	<p>Factors related to the change of financial status/statements:</p> <p>A. Change in financial statements. i.e.: Any significant changes in revenue, expenses, profits or losses, cash flow, receivables, a significant change of assets and liabilities, significant changes of revaluation of assets or related information or statement or comments;</p> <p>B. Comparative statements of the following information:</p> <ol style="list-style-type: none"> i. Earnings per share ii. Net operating cash flow per share iii. Net asset value per share; <p>C. Significant/Material change of asset value or composition of assets;</p> <p>D. Any change related to the reservation of provision that is/was required (specially directed/changed) by the regulatory authority;</p> <p>E. Any change related to the change of accounting policies, etc.</p>
02	<p>Information related to the Corporate Declaration:</p> <p>A. Any decision/resolution related to the dividend;</p> <p>B. Any decision/resolution related to the rights of the security-holder, declaration or issue of bonus, or similar benefits;</p> <p>C. Information related to the benefits receivables by the investors against any corporate declaration or any other information;</p> <p>D. Change of dividend declaration policy, etc.</p>
03	<p>Information related to the change of Corporate Structure:</p> <p>A. Acquisition or Liquidation of existing assets of UPGDCL at least 05% (five percent) or higher;</p> <p>B. Amalgamation or merger or acquiring a substantial number of shares of other company (ies) by UPGDCL;</p> <p>C. Demerger of any associates/subsidiaries of the UPGDCL;</p> <p>D. Restructuring or liquidation of any associates/subsidiaries of UPGDCL;</p> <p>E. Change in the "Corporate Activities" of UPGDCL by re-organization of capital or merger or demerger;</p> <p>F. Proposal of acquiring control (take-over) of other company, or the proposal of acquiring internal services of the other company by UPGDCL;</p> <p>G. Change in ownership structure that may affect the controlling ownership of the UPGDCL;</p> <p>H. Change of name and address, etc. of the UPGDCL.</p>

04	<p>Information related to the change of Capital Structure:</p> <ul style="list-style-type: none"> A. Any decision/resolution related to the change of Capital Structure of UPGDCL including the offer of security as a private offer or public offer or rights offer; B. Planned buyback or redemption of securities of UPGDCL; C. Decision/resolution related to the consolidation of any shares, exchange/transfer of shares, conversion of any security into equity security, or conversion of debt-instrument into shares; D. Substantial changes of rights of security-holders of UPGDCL.
05	<p>Information related to the expansion of business activities and the change of business:</p> <ul style="list-style-type: none"> A. Significant development or change of technology, production of UPGDCL; B. Substantial investment of capital or change of objectives of UPGDCL; C. Significant agreement (new), production, patent, services, or changes of business; D. Recovery of a substantial amount of long-term bad debt; E. Change/ resignation/ termination of the Board of Directors, MD & CEO, CFO, CS; F. Change of Statutory Auditor or Corporate Governance Compliance Auditor, Credit Rating Company; G. Any material verdict or order, initiation of legal proceedings, development of regulatory affairs issues, etc.; H. Change of the category of listed security-"UPGDCL" in the stock exchange (s) or de-listing from the exchange(s); I. Notable "Management Contract", "Investors Relation Agreement", "Service Agreement", or any agreement related to the Related Party Transaction that may affect the financial statement significantly. J. Decision/ resolution related to the purchase or sale of any fixed asset, or BMRE or establishment of a new unit; K. Advance or loan to and from intra-company or subsidiary or associated company or Director.
06	<p>Loans and Advance management:</p> <ul style="list-style-type: none"> A. Information related to the loan received or payment of advance (25% or higher) based on Paid-up capital or net asset value (whichever is higher); B. Giving/releasing of guarantees of any substantial assets; C. Failure of payment of loan/liability of any lender or debt-instrument, for more than six (06) months; D. Notable loan agreement or foreign investment agreement, etc.

07	<p>Others:</p> <p>A. Signing of any important agreement/ amendment or cancellation of agreement (s) that is/are signed in previous years;</p> <p>B. Any event(s) that hamper(s) the reputation, loss/damage of any notable assets of UPGDCL;</p> <p>C. Cancellation of any project or any material change/amendment of the project;</p> <p>D. Qualified Opinion submitted by the auditor, etc.</p>
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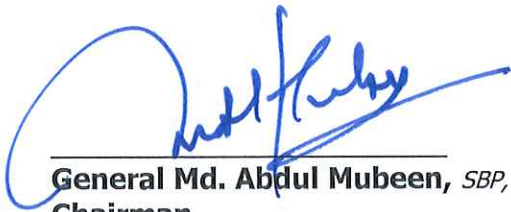
6. POLICY AMENDMENT

The Policy Statement shall be effective from the date of approval by the Board of Directors, which is April 30, 2023, and may be amended from time to time subject to approval by the Board.

Any content of this Policy or any future change or amendment to it shall not contradict or conflict with any of the provisions of the BSEC Directives issued from time to time. In such a situation, the provisions of the BSCE Directives shall prevail.

7. DISCLAIMER

The above Policy Statement does not represent a commitment to the future Material & Price Sensitive Information of the company but represents general guidance on the Material Information of the company.



General Md. Abdul Mubeen, *SBP, ndc, psc (Retd.)*
Chairman

 United Power Generation & Distribution Co Ltd