

SALVO CHEMICAL INDUSTRY LIMITED

Principles on Disclosure of Material Information and Price Sensitive Information

This policy is being adopted in compliance with Bangladesh Securities and Exchange Commission's Notification No. BSEC/CMRRCD/2021-396/52/ADMIN/140 dated December 28, 2022, published on January 30, 2023. According to Clause No. 3 (2) of the aforesaid Notification, the Company is required to prepare Principles on Disclosure of Material Information and Price Sensitive Information following the guidelines provided in Schedule A of the said notification and publish the principles in its website.

OBJECTIVE

The objective of this Policy is to determination of materiality and price sensitive information in accordance with the Bangladesh Securities and Exchange Commission (Prohibition of Insider Trading) Rules, 2022, and to ensure that all investors have equal access to material information that may affect their investment decisions and that such information is adequately disseminated in a fair and timely manner.

DEFINITIONS

All words/terms in these principles shall have the same meaning as assigned to them under the Bangladesh Securities and Exchange Commission (Prohibition of Insider Trading) Rules, 2022.

DETERMINATION OF MATERIALITY

An information or an event is material when it is likely to impact the normal price or value of the securities of the Company. When the price or value of the Company's securities is anticipated to be influenced in the regular course due to the revelation of an event or information, such event or information is referred to as "Material." Therefore, the following guidelines and principles shall be considered when determining the materiality of an event/information for disclosure:

- Determination of Material Information/Event:

The Company will consider information and events to be material defined in the "Schedule-Ka" under Rule No. 3(2) of the BSEC Prohibition of Insider Trading Rules 2022.

➤ Procedure for Dissemination/Disclose of Material Information/Event:

The Company shall publish the relevant material information on its website in accordance with the policy set out in Sub-Rule 2 of Schedule A and among the relevant information which is deemed to be Price Sensitive Information under Sub-Rule 1 shall be disclosed in accordance with Sub-Rule 6.

➤ Preservation of Material Information:

The Company shall make available on its official website all published material information and events dating back more than 3 (three) years on the company's website.

DETERMINATION OF PRICE SENSITIVE INFORMATION

The Company endeavors to preserve the confidentiality and prevent the misuse of un-disclosed price sensitive information. The Company is committed to transparency and fairness in dealing with all stakeholders and in ensuring adherence to all the applicable laws and regulations.

Every director, officer, and employee of the Company has a duty to safeguard the confidentiality of all such information that he/she obtains in the course of the performance of official duties. Directors, Officers and Designated Person (CFO, CS, HIAC) of the Company should not use their position to gain personal benefit and shall follow the guidelines depicted hereunder:

➤ Determination of Price Sensitive Information:

The Company will consider all information as described under Rule 3 of the BSEC PIT Rules 2022 to be Price Sensitive Information.

➤ Procedure for Dissemination/Disclose of Price Sensitive Information:

The Company shall abide by the rules outlined in Rule 6 of the BSEC PIT Rules 2022 for the disclosure and distribution of price-sensitive information.

➤ Prohibition on Dissemination/Disclosure of Price Sensitive Information:

The Company will follow the prohibition(s) on dissemination/disclosure of Price Sensitive Information as prescribed under Rule 4 of the BSEC PIT Rules 2022.

➤ Archiving of Price Sensitive Information:

The Company shall make available on its official website all published material information and events dating back more than 3 (three) years according to requirements by Rule No. 3(4) of the BSEC PIT Rules 2022.

RESTRICTION TRADING PERIOD

In accordance with Section 12 of the Securities and Exchange Ordinance of 1969, no Sponsor, Director, Employee, Auditor, person engaged in audit work, advisor, legal counsel, or beneficial owner of securities shall purchase, sell, or otherwise receive or dispose of any securities of the Company between May 1 of each fiscal year and the approval of annual financials by the Board of Directors.

AUTHORIZED PERSONS TO DISSEMINATION/DISCLOSE INFORMATION:

The following key managerial personnel are hereby severally authorized by Board of Directors for the purpose of determining materiality of an event or information and for the purpose of making disclosures:

- a. Chairman
- b. Managing Director/CEO
- c. Company Secretary

DISCLOSURES

A copy of these principles duly approved and every amendment thereto shall promptly be published on company's official website.

REVIEW OF THE PRINCIPLE

The company will regularly review its disclosure/ disseminate policies and procedures to ensure that they remain effective and up-to-date. The Board of Directors may review and approve revisions whenever they deem it necessary and may delegate authority to Management to resolve any questions or issues that may arise in the course of putting the Principles into practice.