

DCB BANK LIMITED

Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (Version 5)

[as per Regulations 8(1) of Securities and Exchange Board of India (Prohibition of Insider Trading Regulations), 2015

Preamble:

1. The Securities and Exchange Board of India (“SEBI”) Prohibition of Insider Trading Regulations, 2015, as amended from time to time (“PIT Regulations”), mandates every listed company to formulate a framework and policy for fair disclosure of events and occurrences that could impact price discovery in the market for its securities. The Board of Directors of the DCB Bank Limited (“Bank” and such Board, the “Board”) has formed this “Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information” (“Fair Disclosure Code”) in compliance with regulation 8 read with Schedule A of the PIT Regulations.

Fair Disclosure Code (Version 5) is reviewed and approved by the Board on **August 23, 2023**

Capitalized terms used but not defined in this Fair Disclosure Code shall have the meaning as ascribed to them in the DCB Bank Code of Conduct for Prohibition of Insider Trading of the Bank (“Insider Code”).

Objective:

2. The objective of the Fair Disclosure Code is to formulate a framework and policy for fair disclosure of events and occurrences that could impact price discovery in the market for the Bank’s Securities, including the unpublished price sensitive information (“UPSI”), and to maintain the uniformity, transparency and fairness in dealings with all stakeholders and ensure adherence to applicable laws and regulations.

Appointment of Chief Investors Relation Officer (CIRO):

3. The Head Treasury and Financial Institutions Group of the Bank shall act as the CIRO for the purposes of this Fair Disclosure Code who would be responsible for ensuring uniform and universal dissemination of information and disclosure of UPSI at an appropriate time, so as to avoid selective disclosure.

The CIRO will ensure prompt public disclosure of UPSI as soon as it has credible and concrete information by reporting it to the stock exchanges on which Securities of the Bank are listed as well as by hosting the same on the official website of the Bank.

The CIRO will oversee and monitoring sharing of UPSI by employees of the Bank and educate employees on disclosure policies and procedures;

The CIRO will ensure that information shared with analysts, research personnel, and institutional personnel, as part of any engagement/ interaction with them, does not contain any UPSI.

The CIRO will also ensure that the Bank has appropriate systems in place, and follows industry best practices so as to record the transcripts of conference call(s) and meetings held between the management of the Bank and the analysts and other investor relations conferences and disclose it to the stock

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exchanges and host it on the website of the Bank, as required under law.

The appropriate and fair response to queries on newspaper reports and request for verification of market rumours by regulatory authorities would be provided as per the DCB Bank Policy for Determination of Materiality of Events or Information. **[as per Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) (Second Amendment) Regulations, 2023**

Policy for determination of ‘Legitimate Purpose’

(i) The PIT Regulations recognize that UPSI may be required to be shared or communicated for certain genuine purposes, i.e., legitimate purposes, performance of duties or discharge of legal obligations. The PIT Regulations clarify that ‘Legitimate purpose’ shall include sharing of UPSI in the ordinary course of business by an Insider with any person including but not limited to partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants, provided that such sharing of information is not done to evade or circumvent the prohibitions of the PIT Regulations.

(ii) The scope of ‘legitimate purpose’ under the PIT Regulations is an inclusive one, and accordingly, its determination would be a subjective assessment basis the facts and circumstance of each case. Thus, it is not possible or feasible to set out a list of events that will constitute ‘legitimate purpose’ at all times, for the purposes of sharing UPSI.

(iii) Thus, having regard to the fiduciary obligations cast on the Board, and with a view to ensuring that any sharing of UPSI takes place in a responsible manner, in line with the spirit of the PIT Regulations, the Board has set out the below policy to provide the guiding principles and the approach to be followed while considering if UPSI is to be shared in a given set of circumstances.

A. Assessment of the purpose for which UPSI is proposed to be shared

(i) For this purpose, it will be critical to assess the circumstances requiring the sharing of UPSI, and whether the sharing of UPSI satisfies the below requirements:

(a) Sharing of UPSI is in the best interest of the Bank and is without any intention of making a profit/ avoiding a loss/ misusing the information in an illegal manner; and

(b) Sharing of UPSI is in furtherance of a genuine corporate/ business purpose, or, for enabling the Bank to discharge its legal obligations, including compliance with law, regulatory directions, judicial orders, etc.

(ii) Provided that any such sharing of UPSI should not be carried out to evade or circumvent the prohibition provided under the PIT Regulations.

(iii) Further, while deciding if sharing of UPSI is in furtherance of legitimate purpose, due regard shall be given to the matters affecting the Bank at the relevant time, and the information that is generally available about the Bank at the relevant time.

(iv) In case UPSI is proposed to be shared for several purposes, each such purpose should be evaluated on its merits, in line with the above principles.

B. Analyzing the nature of UPSI proposed to be shared in the context of a legitimate purpose

The nature and extent of UPSI proposed to be shared should be subject to appropriate evaluation, and assessment as to whether such sharing is commensurate with the objective sought to be achieved.

DCB BANK LIMITED**C. Identifying the persons with whom UPSI is proposed to be shared**

In line with regulatory obligations, Bank should obtain the necessary details in relation to the persons (legal or natural) with whom UPSI is proposed to be shared, including, name, address, email, Permanent Account Number (“PAN”), or any other identifier authorized by law, where PAN is not available; and such other documents as may be deemed fit. While dealing with legal entities, appropriate details of the individual representatives of such legal entities are to be obtained and maintained.

D. Issue of Notice to the recipient of UPSI

Prior to sharing of UPSI, the proposed recipient of UPSI will be apprised of the following critical aspects, by way of confidentiality agreements or non-disclosure agreements / written notices that:

- (i) the information being shared is UPSI and that the Bank is the exclusive owner of such UPSI;
- (ii) upon receipt of UPSI, the recipient would be deemed to be an Insider and subject will be subject to the provisions of the PIT Regulations;
- (iii) the recipient may use the UPSI solely for the approved purposes for which it was disclosed;
- (iv) the recipient must maintain confidentiality of the UPSI at all times;
- (v) the recipient will provide a written undertaking that he / she / it shall not undertake trades in the securities of the Bank while in possession of / having access to the UPSI;
- (vi) the recipient must extend all cooperation to the Bank in this regard, including for the purpose of maintenance of the structured digital database; and
- (vii) the recipient being an intermediary or a fiduciary must also adopt a code of conduct in terms of Regulation 9 of the PIT Regulations, so as to inter alia ensure that it accords adequate protection to the UPSI, as prescribed.

E. Structured Digital Database

The Bank will maintain a structured digital database in due compliance with the regulatory mandate.

F. Illustrative list of instances considered as legitimate purpose

In following cases which are illustrative in nature, sharing of UPSI would be considered as for Legitimate Purpose:

- (a) For investigation, inquiry or request for information by statutory or governmental authorities.
- (b) Authorities or any other administrative body recognized by law; Example: Any call for information or query received from Ministry of Corporate Affairs, Income Tax Authority, Securities and Exchange Board of India (“SEBI”), stock exchanges, Reserve Bank of India, Sectoral Regulatory Body, etc.
- (c) Under any proceedings or pursuant to any order of courts or tribunals; Example: National Company Law Tribunal, National Company Law Appellate Tribunal, Quasi-judicial authority, Other Appellate Tribunals, Arbitration Proceedings, etc.
- (d) As part of compliance with applicable laws, regulations, rules and requirements Example: company law, securities law, income tax law, banking law, etc.

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(e) Assessing strategic alliances and opportunities, including through merger, amalgamation or restructuring of the Bank.

(f) where information is required to be shared for *bona fide* business/ commercial/ operational/ management/ strategic advisory purposes pertaining to the Bank, such as, when information is required to be shared with the promoters of the Bank to leverage on their experience and expertise for strategic advice in improving the Bank's business, in order to create and maximise value for the shareholders of the Bank.

It is clarified that information may be shared by the Bank, from time to time, in the ordinary course of its business activities with persons/ entities including, the fiduciaries, intermediaries, the advisers and service providers, viz., auditors, merchant bankers and legal advisers/ consultants of the Bank, promoter of the Bank, etc. in line with the aforementioned principles.

This Code shall be published on official website of the Bank. Further, this Code and every subsequent amendment made to the same shall be promptly intimated to the stock exchanges where Securities of the Bank are listed.