



**BAMBURI CEMENT PLC**  
**INSIDER TRADING & MARKET DISCLOSURE POLICY**

**PURPOSE**

The Company's securities are listed on the Nairobi Securities Exchange (NSE), and as such the Company is subject to certain requirements which require safeguards on the use of Inside Information and disclosure of information to the Capital Markets Authority, the NSE and market participants in a timely manner and suitable form, to ensure transparency and equal treatment of all actual and potential market participants.

This Insider Trading and Market Disclosure Policy (the "**Policy**") is issued in compliance with the Capital Markets Act (Cap 485A, Laws of Kenya), the Companies Act 2015, the Holcim Insider Dealing & Market Disclosure Directive, the Holcim Code of Business Conduct and other applicable corporate governance principles to define the appropriate processes to ensure compliance with statutory, legal and regulatory requirements on insider trading, market abuse and public disclosure of information and to help employees, directors, company agents/representatives and other stakeholders understand their responsibilities related to such requirements.

**SCOPE**

This Policy applies to all employees, directors, company agents/representatives, contractors and suppliers of Bamburi Cement PLC and its subsidiaries (together the '**Company**') and in specific cases employees of the Holcim Group.

To the extent a conflict or inconsistency arises between standards and processes set out in this Policy and those contemplated in applicable mandatory laws or regulation, the Company shall apply those mandated by law.

Failure to comply with this Policy and, more generally, to observe applicable legal and regulatory requirements on insider trading, market abuse and disclosure may result in the Company, as well as the individuals involved, being subject to civil, administrative or criminal penalties and liabilities.

**DEFINITIONS**

The following definitions shall apply within this Policy:

**a) Insider**

An "insider" refers to any person who is or was connected with a company, or is deemed to have been connected with a company and who is reasonably expected to have access, by virtue of such connection, to unpublished information which, if made generally available, would be likely to materially affect the price or value of the securities of the company, or who has received or has had access to such unpublished information.

**b) Inside Information**

Applicable laws and regulations generally refer to the term 'inside information' as information of a 'precise nature' which (a) relates to particular securities or to a particular issuer of securities; (b) has



not been made public; and (c) if it were made public is likely to have a material effect on the price of the securities.

Information is of a precise nature if it relates to existing facts or circumstances or facts or circumstances that may be reasonably expected to occur, and it is specific enough to draw a conclusion about the possible effect of those facts or circumstances on the price of a Security.

**c) Securities**

These are "price-affected securities" in relation to inside information if the information is likely to, if made public, materially affect the price of the securities.

**d) Insider Trading**

Refers to the offence committed by a person who deals in listed securities or their derivatives that are price affected in relation to the information in his/her possession, if that person:

- i. encourages another person, whether or not that other person knows it, to deal in securities or their derivatives which are price-affected securities in relation to the information in the possession of the Insider, knowing or having reasonable cause to believe that the trading would take place; or
- ii. discloses the information, otherwise than in the proper performance of the functions of his employment, office or profession, to another person.

A person deals in securities or their derivatives if, whether as principal or agent, he/she sells, purchases, exchanges or subscribes for any listed securities or their derivatives or acquires or disposes of, or agrees to acquire or dispose of the right to sell, purchase, exchange or subscribe for any listed securities or their derivatives. Note that a contract shall not be void or unenforceable by reason only of the commission of the offence of Insider Trading.

**e) Information Made Public**

Information is made public if:

- i. it is published in accordance with the rules of a securities exchange for the purpose of informing investors and their professional advisers;
- ii. it is contained in records which by virtue of any law are open to inspection by the public;
- iii. it can readily be acquired by those likely to deal in any securities to which the information relates or of an issuer to which the information relates; or it is derived from information which has been made public.

Information may be treated as having been made public even though the information can be acquired by persons exercising diligence or expertise; is communicated to a section of the public; can be acquired by observation; is communicated on the payment of a fee; or is published outside Kenya.

**f) Insider List**

In preparation for disclosure of Inside Information as required by applicable statutes, the Company may maintain an Insider List of all persons (employees, directors, agents and third parties) who possess or have access to Inside Information.



**g) Blackout Period or Closed Period**

A blackout period or closed period refers to a scheduled period during which certain categories of Insiders are restricted from trading in the Company's Securities. It is usually the period of thirty (30) days or such other period as is advised, from the end of the relevant financial year or reporting period (i.e. 31<sup>st</sup> December or 30<sup>th</sup> June) up to and including the time of announcement.

**DISCLOSURE OF INSIDE INFORMATION**

In its normal operations, the Company will, in line with applicable laws and regulations, publicly disclose Inside Information by written and electronic means after ensuring its completeness, integrity, regulatory approval (where required) and that confidentiality of the Inside Information is maintained (to the extent possible) during the transmission.

**EFFECT OF BEING AN INSIDER & CONFIDENTIALITY OBLIGATIONS**

**1. Prevention of Insider Trading**

**- By Individuals**

As a general rule, all employees, directors, agents/representatives, contractors and suppliers of the Company are prohibited from dealing/trading in the Company's securities during Blackout Periods/Closed Periods while in possession of or having access to any information that could constitute Inside Information.

All Insiders wishing to trade in the Company's Securities during this period are advised to consult the Company Secretary and obtain necessary clearance/approval. Such individuals remain directly liable for any Insider Trading accusations from the Capital Markets Authority.

A person who is, or at any time in the preceding 6 months has been, connected with a body corporate shall not deal in any securities of that body corporate if by reason of his being, or having been, connected with that body corporate he is in possession of information that is not generally available but, if it were, would be likely materially to affect the price of those securities

Where a person is in possession of Inside Information but is not precluded above from dealing in those securities, he/she shall not deal in such securities if:

- (a) he/she has obtained the information, directly or indirectly, from another person and is aware, or ought reasonably to be aware, of facts or circumstances by virtue of which that other person is him/herself precluded from dealing in those securities; and
- (b) when the information was so obtained, he/she was associated with that other person or had with him an arrangement for the communication of Inside Information with a view to dealing in securities by him/herself and that other person or either of them.

An Insider shall not cause or procure any other person to deal in the Company's securities or communicate Inside Information on the Company's securities if he/she knows, or has reason to believe, that the other person will make use of the information for the purpose of dealing or causing or procuring another person to deal in those securities.



#### - **By Corporate Bodies**

A body corporate shall not deal in any securities at a time when any officer of that body corporate is precluded/prevented from dealing in those securities, provided that:

- (a) the decision to enter into the transaction was taken on its behalf by a person other than the officer;
- (b) it had in operation at that time arrangements to ensure that the information was not communicated to that person and that no advice with respect to the transaction was given to him by a person in possession of the information; and
- (c) the information was not so communicated and such advice was not so given.

A person is connected with a body corporate if, being a natural person

- (a) he/she is an officer of that body corporate or of a related body corporate;
- (b) he/she is a substantial shareholder in that body corporate or in a related body corporate; or
- (c) he/she occupies a position that may reasonably be expected to give him/her access to Inside Information.

The Company's Board discloses in the Annual Report that there were no known insider dealings during the previous financial year. Any person with information of violation of this Policy should contact the Company Secretary through email address: [corp.info@lafarge.com](mailto:corp.info@lafarge.com).

## **2. Penalties for Insider Trading**

Any person who commits the offence of Insider Trading is liable on conviction to:

- a) on a first offence, in the case of-
  - (i) an individual, to a fine not exceeding two million 500,000 shillings or to imprisonment for a term of 2 years and payment of the amount of the gain made or loss avoided;
  - (ii) a company, to a fine of up to 5 million shillings and payment of the amount of the gain made or loss avoided;
- (b) on any subsequent offence, in the case of-
  - (i) an individual, to a fine not exceeding 5 million shillings or to an imprisonment for 7 years and payment of twice the amount of the gain made or loss avoided;
  - (ii) a company, to a fine not exceeding 10 million shillings and payment of twice the amount of the gain made or loss avoided

## **3. Maintenance of Insider Lists**

Employees of the Company who have been notified of their inclusion on an Insider List are prohibited from trading in the Company's securities, regardless of whether the employee actually possesses or has access to any Inside Information. Such prohibition applies, for as long as the Insider List is not closed or the employee is not removed from the Insider List and for as long as a Blackout Period applies.

The prohibition on trading may extend to trading in Securities of third parties with whom the Company is engaged in transactions, in particular if non-public information about the transaction obtained in the course of doing business with that third party could constitute Inside Information on the third party.

## **4. Confidentiality Obligations**



No person covered within this Policy's scope shall unlawfully disclose any confidential information of the Company in general and any Inside Information in particular to any person inside or outside the Company.

Unlawful disclosure of confidential information or Inside Information arises when an individual discloses such confidential information or Inside Information to any other person, except where the disclosure is made in the ordinary course of business on a need-to-know basis, the person (if it is an employee) has been authorized to do so by the relevant senior manager of the Company and the recipient of the information is under a duty of confidentiality (i.e. an employment contract, confidentiality undertaking or a non-disclosure agreement) and will be added to the Insider List.

For the avoidance of doubt, the disclosure of confidential information and/or Inside Information to family members, spouses, or partners is also prohibited. The same restriction applies on the disclosure of confidential information in respect of a third party with whom the Company is engaged in transactions, in particular if non-public information about the transaction obtained in the course of doing business with that third party could constitute Inside Information related to the third party.

#### **5. No Recommendation to Trade**

Employees of the Company who possess or have access to Inside Information are not allowed to make use of that information by recommending or encouraging any other person to engage in trading in Securities the Insider Information relates to. For the avoidance of doubt, recommendations are prohibited irrespective of whether the Insider indicates the reason or the source of the recommendation. Recommendations to family members, spouses, partners or other Insiders are also prohibited.

#### **MARKET MANIPULATION**

No employee of the Company shall engage or attempt to engage in market manipulation as prohibited under applicable laws and regulations.

Market manipulation includes, in particular, the dissemination of information through the media or by any other means, or the entering into a transaction, placing an order to trade or any other behaviour which (i) gives, or is likely to give false or misleading signals as to the supply and demand or price of a Security or (ii) secures, or is likely to secure, the price of a Security at an abnormal or artificial level.

#### **ANNUAL REMINDER**

As an additional measure to safeguard compliance on Insider Trading, the Company's Management shall issue a reminder once every year indicating the applicable blackout periods/closed periods for purposes of trading in the Company's securities.

#### **MARKET DISCLOSURES**

Owing to its listing on the Nairobi Securities Exchange, the Company is subject to certain reporting and disclosure requirements which aim to ensure that relevant information on the Company is made available to the Capital Markets Authority, the NSE and market participants in a timely manner and suitable form.



Of note is the requirement to disclose ‘*material information*’ which refers to any information that may affect the price of an issuer’s securities or influence investment decisions and includes information on:

- a) a merger, acquisition or joint venture;
- b) a stock split or stock dividend ;
- c) earnings and dividends of an unusual nature;
- d) the acquisition or loss of a significant contract;
- e) a significant new product or discovery;
- f) a change in control or significant change in management;
- g) a call of securities for redemption;
- h) the public or private sale of a significant amount of additional securities;
- i) the purchase or sale of a significant asset;
- j) a significant labour dispute;
- k) a significant lawsuit against the issuer;
- l) establishment of a programme to make purchases of the issuer’s own shares;
- m) a tender offer for another issuer’s securities;
- n) significant alteration of the memorandum and articles of association of the issuer; or
- o) any other peculiar circumstances that may be controversial and that may prevail with respect to the issuer or the relevant industry.

In addition to the financial reporting obligations which are not covered in this Policy, such reporting and disclosure requirements are in particular stipulated in the Capital Markets Act (Cap. 485A, laws of Kenya) and the Companies Act, 2015. The Company will from time to time report or disclose to the market/public such information as is required under the applicable laws and regulations as well as key developments/achievements made by the Company in the ordinary course of business.

All corporate media releases of the Company are generally issued in the established format and distributed simultaneously through the channels as required by applicable laws and regulations.

### **Disclosure of Shareholding**

In line with listing requirements, at the end of each year the Company will disclose the list of the top 10 shareholders, as well as director and senior management shareholding. The Company also discloses the total number of shareholders on the register at the end of each year, the split in shares held by individuals/corporates, domicile (local or foreign), and such other splits as is required.

The Company further discloses at the end of each calendar quarter, to the NSE, every person who holds or acquires 3% or more of the Company’s ordinary issued shares.

### **POLICY APPROVAL AND IMPLEMENTATION**

This policy was approved by the Board on 16<sup>th</sup> June 2022 and is effective immediately. It will be reviewed in June 2025.

Signed: *Alice Owuor*  
*Chair – Audit & Risk Committee*