



BUA CEMENT PLC

POLICY ON INSIDE INFORMATION

1. GENERAL

1.1 Policy statement

BUA Cement PLC (BUA Cement) whose shares are listed on the Nigerian Stock Exchange must comply with the relevant listing rules and the securities market legislation.

In accordance with such rules, BUA Cement must make inside information (as described in this policy) publicly available.

In addition, to prevent insiders from profiting from their knowledge of price sensitive and other confidential information, the Investment and Securities Act 2007 contains provisions that made insider dealing a criminal offence in Nigeria.

BUA Cement's policy is to generally, ensure that, board members, employees and its external stakeholders who have knowledge of confidential and potentially price sensitive information are aware of the prohibition imposed by law against using, disclosing (other than in the normal course of the performance of their duties) or encouraging transactions in securities on the basis of such inside information. In addition to obligations imposed by law, BUA Cement wants board members, employees and external stakeholders to respect the safeguarding of confidential information and potentially price sensitive information.

1.2 Persons Covered

This policy applies to all persons working for BUA Cement under a contract of employment or otherwise (including directors), or engaged as advisers who may have access to Inside Information as defined in clause 2.1 of this policy.

1.3 Relevant Securities

This policy applies to:

- Shares of BUA Cement admitted to trading on the floor of the Nigerian Stock Exchange;
- Any debt securities of BUA Cement admitted to trading in securities market;
- Any other tradable financial instrument issued by BUA Cement.

All securities in this clause 1.3 are collectively referred to as “Relevant Securities”.

2. INSIDE INFORMATION, INSIDERS AND PROHIBITED DEALINGS

2.1 Inside Information

“Inside Information” can be defined as *any information of a precise nature which has not been made public, relating, directly or indirectly, to BUA Cement or to any Relevant Security and which, if it were made public, would be capable of triggering a significant price change of such relevant security.*

Inside Information is held to be *of a precise nature* if it indicates a set of circumstances which exists or may reasonably be expected to come into existence, or an event which has occurred or may reasonably be expected to do so; and if it is specific enough to enable a conclusion to be drawn as to the possible effect of that set of circumstances or event on the price of any Relevant Security.

Information which has not been made public is information that has not been disclosed generally to the public, e.g. in a press release, speech, public regulatory filing or advertisement. The circulation of rumours or “talk on the street”, even if accurate, widespread and reported in the media, does not constitute public disclosure. Similarly, only disclosing part of the information does not constitute public dissemination. So long as any material portion of the inside information has yet to be publicly disclosed, the information is deemed “confidential” and may not be misused.

Information is likely to trigger a “*significant price change*” of the Relevant Security concerned if a reasonable investor would be likely to use it as part of the basis of his/her investment decisions. It should be noted that information concerning BUA Cement might trigger a significant price change.

Some examples are set out in Appendix 1.

2.1.1 Insiders

2.2.1 Prohibition of Insider Trading

Every time board members and employees of BUA Cement are in possession of inside information, they are considered to be insiders. In addition, any other person working

for BUA Cement, including advisers and service providers of BUA Cement who possesses Inside Information, is to be considered as an insider. In particular, any person who has, directly or indirectly, knowledge of the annual or interim financial results of BUA Cement before their publication is an insider.

2.2.2 Prohibition of Trading during Close Periods

Preparation and communication of the full year / interim financial statements and sales figures of BUA Cement provide certain categories of individuals with access to privileged information.

For this reason, the categories of individuals listed in Appendix 2 are regarded as possessing Inside Information per se, and are therefore deemed insiders and prohibited from trading during the following Close Periods:

- The period of internal availability of (i) the annual financial results and (ii) the half - yearly financial results of BUA Cement up to and including the trading day following each publication of the price sensitive information either on the website of the Nigerian Stock Exchange or by BUA Cement after submission of results to the Nigerian Stock Exchange and or the Securities and Exchange Commission;
- The period of internal availability of (i) the first 3 months unaudited results and (ii) the 9 months unaudited results of BUA Cement up to and including the trading day following each publication of the price sensitive information either on the website of the Nigerian Stock Exchange or by BUA Cement after submission of results / information to the Nigerian Stock Exchange and or the Securities and Exchange Commission;
- At least 15 days before any board meeting to consider any quarterly or full year results or any price sensitive information.

For the non-executive members of the Board of Directors of BUA Cement who have access to the information covered in this clause 2.2.2 of this policy, the following close periods apply:

- From the day they receive Board papers or any document or information containing the price sensitive information of BUA Cement up to and including the trading day following each publication of the price sensitive information either on the website of the Nigerian Stock Exchange or by BUA Cement after submission of results / information to the Nigerian Stock Exchange and or the Securities and Exchange Commission;

- At least 15 days prior to the date of any meeting to consider any price sensitive information and up to and including the trading day following each publication of the price sensitive information either on the website of the Nigerian Stock Exchange or by BUA Cement after submission of results / information to the Nigerian Stock Exchange and or the Securities and Exchange Commission;
- 2 weeks before the submission of 3 months, half year, 9 months unaudited financial results and annual financial results to the Nigerian Stock Exchange and the Securities and Exchange Commission up to and including the trading day following each publication of the price sensitive information either on the website of the Nigerian Stock Exchange or by BUA Cement after submission of results / information to the Nigerian Stock Exchange and or the Securities and Exchange Commission.

2.3 Prohibited dealings

2.3.1 For Insiders

An actual Insider, i.e. an individual who under a contract of employment or otherwise possesses Inside Information, is not allowed to

- engage in any transaction in any Relevant Securities to which the Inside Information relates either for his/her own account or for the account of any third party;
- disclose Inside Information to another person otherwise than in the normal course of the performance of their employment, profession or duties;
- cause, encourage, recommend or induce another person to deal in Relevant Securities;

until the Inside Information has become public or ceases to be material to the pricing of the security.

2.3.2 During Close Periods

For a person deemed to be an Insider during Close Periods (as defined in clause 2.2.2 and Appendix 2 of this policy), the threefold prohibition referred to above applies during the close periods, irrespective of the existence or possession of Inside Information.

The closed period shall be at the time of:

- Declaration of financial results (quarterly, half-yearly and annual)

- Declaration of dividends (interim and final)
- Issue of securities by way of public offer or rights or bonus etc.
- Any major expansion plans or winning of bid or execution of new projects
- Amalgamation, mergers, takeovers and buy-back
- Disposal of the whole or a substantial part of the undertaking
- Any changes in policies, plans or operations of the Company that are likely to materially affect the prices of the securities of the Company
- Disruption of operations due to natural calamities
- Litigations/dispute with a material impact
- Any information which, if disclosed, in the opinion of the person disclosing the same is likely to materially affect the prices of the securities of the Company

3. MANDATORY COMMUNICATIONS WITH SECURITIES & EXCHANGE COMMISSION AND BUA CEMENT PLC

Directors and all insiders shall in accordance with Rule 401 made pursuant to the Investments & Securities Act 2007 notify the Securities & Exchange Commission of the sale and or purchase of shares in the Company not later than 48 hours after such activity.

In addition, by virtue of the 2014 Amended Listing Rules of the Nigerian Stock Exchange, all directors, persons discharging managerial responsibility and persons closely connected to them as well as all insiders of BUA Cement shall notify BUA Cement in writing through the Company Secretary of the occurrence of all transactions conducted on their own account in the shares of BUA Cement on the day on which the transaction occurred and BUA Cement shall maintain a record of such transactions.

4. COMPLIANCE

Compliance with the BUA Cement policy on Inside Information is of utmost importance to the Insider himself and the image of BUA Cement. Thus, all persons covered must treat Inside Information with great care and ensure, in general, that all confidential information is kept secret.

Any dealing in breach of this policy will be regarded as a serious offence. In addition, violation of insider dealing regulation is punishable by imprisonment or fines.

It is the responsibility of every director, audit committee member, employee, external auditor, adviser and other stakeholder to keep confidential information secret and to

determine - when considering undertaking transactions in Relevant Securities - whether he/she actually possesses Inside Information.

In case of doubt, the Managing Director, Chief Financial Officer (or equivalent position) and the Company Secretary of BUA Cement PLC should be consulted.



BUA CEMENT PLC

POLICY ON INSIDE INFORMATION

Appendix 1

INSIDE INFORMATION

Examples of Inside Information are:

- Mergers, substantial acquisitions or disposals, far-reaching restructuring of BUA Cement, e.g. major acquisitions/disposals in financial terms, or minor acquisitions/disposals having a strategic dimension;
- Board decisions on equity increases or reductions, share buyback programmes, other changes in the share or capital structure;
- Annual or interim financial results, 3 and 9 months unaudited results;
- Material change in BUA Cement's earnings situation, unforeseen and remarkable earnings growth, which substantially change the general financial picture of BUA Cement;
- Suspension of or drastic reduction in dividend payments, liquidity problems, impending suspension of payments;
- Important changes in BUA Cement's business, such as discontinuation of a major line of business, conclusion or dissolution of strategic alliances, major liability cases or radical market changes;
- Changes in the Board of Directors, Company Secretary, Top Management or Auditors of BUA Cement.

In case of doubt whether actual facts amount to inside information, the Managing Director, Chief Financial Officer (or equivalent position) and the Company Secretary of BUA Cement should be consulted.



BUA CEMENT PLC
POLICY ON INSIDE INFORMATION

Appendix 2

INSIDERS

1. The Chairman and the Managing Director/Chief executive officer of BUA Cement
2. Board members and Top Management heading divisions and departments (including their staff having access to inside information)
3. Members of the following Divisions, Departments and Units of BUA Cement
 - Legal and Company Secretariat
 - Financial Accounting/Reporting
 - Treasury
 - Sales and Marketing
 - Investor Relations
 - Corporate Communications and Public Relations
4. Members of the Audit Committee
5. External Auditors, Advisers and other service providers that have access to Inside Information
6. A person who owns 5% or more of the shares of BUA Cement