

BOC KENYA LIMITED (“BOC”) SHARES TRADING POLICY

1. INTRODUCTION

BOC Representatives (as fully defined hereunder) need to fully comply with Capital markets Act (Cap. 485A) with regards to trading or dealing in BOC Shares (as fully defined hereunder). This also applies to insider trading and other market abuses. Furthermore, BOC Representatives need to behave in a manner which also protects their integrity and that of BOC. There are serious consequences for them and BOC for failure to observe the provisions of the Capital Markets Act. Therefore all BOC Representatives should ensure that they are aware and fully understand aforementioned provisions.

2. PURPOSE OF THE POLICY

The purpose of this policy is to set out the conditions under which BOC Representatives may deal in BOC Shares. The intention is to obtain the correct balance between encouraging investing in BOC Shares and ensuring that the public perception of the integrity of BOC and BOC Representatives is not compromised at any time.

The following principles form the basis of this policy:

- material non-public price sensitive information in relation to BOC Shares must always be treated with the utmost confidentiality; and
- no one is permitted to deal in BOC Shares when in possession of material non-public price sensitive information relating to BOC Shares.

3. DEFINITIONS

The following terms have the corresponding meaning in this policy:

a) “**BOC Representative/s**” means BOC directors, executive management, staff members and BOC contractors & consultants.

b) “**BOC Shares**” means any securities/shares issued by BOC and any derivatives such as warrants, options and futures issued over BOC Shares by third parties. In the case of executive management and staff members, it includes BOC share appreciation rights scheme.

c) “Associate” means -

any person, associate or connected to a BOC Representative by reason of a domestic or business relationship (other than as arises solely because that person is a customer), such that the BOC Representative has influence over that person’s judgment in respect of his or her dealings.

To assist in determining whether or not a person is an Associate, categories of persons that constitute an Associate are set out below:

- a. the BOC Representative’s spouse, a person cohabiting with the BOC Representative as a spouse and, if under the age of 21, any child, stepchild and adopted child of either party;
- b. any company in which the BOC Representative and/or Associate is interested, directly or indirectly, in 35% or more of the equity capital or is able to influence or direct investment by such entity; and
- c. any estate or trust where the BOC Representative is a personal representative (including an executor) of that estate or a trustee of that trust, whatever his interest, if the BOC Representative is not relying entirely on the advice of another person from whom it is appropriate to seek advice in the circumstances.

Note: This definition is not exhaustive and may, in individual circumstances, be extended to apply to persons who can, otherwise than specified above, reasonably be said to fall within a BOC representative’s sphere of influence.

d) “Beneficial Interest”,

1. for interest in a share/security, means de facto right or an entitlement to receive an income payable in respect of that share/security and/or to exercise or cause to be exercised any or all of the voting, conversion, redemption or other rights attaching to that share/security.
2. for any other interest, means the obtaining of any benefit or advantage, whether in money, in kind or otherwise, as a result of the holding of that interest.

e) “Closed Period” for the purposes of this policy, means -

1. calendar month before the financial year-end date, currently being 30 November, up to the date of the earliest publication of the annual financial results of BOC;

2. calendar month before the end of the first six month period of a financial year, currently being 31 May, to the date of publication of the interim results of BOC; and
3. any period when BOC is trading under a cautionary announcement.

Note: BOC's financial year-end date is 31 December. Should this financial year-end date change, then the definition of Closed Period shall automatically be amended to reflect a calendar month before that new financial year-end date.

f) **"Dealing/trading/transaction"** means any acquisition or disposal of, or agreement to acquire or dispose of BOC Shares;

g) **"Prohibited Period"** means any period when there exists any matter, which constitutes material unpublished price sensitive information in relation to BOC Shares (whether or not the BOC Representative has knowledge of such matter).

The Prohibited Period may be extended or shortened or another Prohibited Period may be introduced at any time on notice from the Board of BOC. Notification of such change will be sent by the Company Secretary to BOC Representatives via email. Changes to the Prohibited Period are effective immediately upon the giving of such notice.

4. DEALING IN BOC SHARES

4.1 *Period during which dealing may occur*

BOC Representatives, as well as BOC holding company and subsidiaries, are not permitted to deal in BOC Shares during Closed Period and Prohibited Period.

4.2 *Notice of Closed Periods*

Notice of the commencement and closure of a Closed Period will be sent by email to the BOC Representatives by the Company Secretary. Notwithstanding the foregoing, it is the responsibility of the BOC Representative to ensure that s/he at all times complies with the provisions of this policy and legislative requirements relating to trading in BOC Shares.

4.3 *Prior approval*

A BOC director may not deal in BOC Shares without obtaining the prior written approval of the Chairman of the Board of Directors or, failing him/her, the Chairman of the Audit Committee, if such a transaction will result in his/her shareholding to increase to 1% of the Company's shares. In his own case, the Chairman must receive approval from the Chairman of the Audit Committee. A written record of such approval, as per Annexure A, must be provided to the Company Secretary for record keeping purposes. Written confirmation from BOC that such approval has been recorded must be given to the director concerned.

An executive management member may not deal in BOC Shares without obtaining the prior written approval of the Managing Director or, failing him/her, Finance Director. A written record of such approval, as per Annexure A, must be provided to the Company Secretary for record keeping purposes. Written confirmation from BOC that such approval has been recorded must be given to the Executive Management member concerned.

A staff member may not deal in BOC Shares without obtaining the prior written approval of their respective Executive Management member and the Finance Director. A written record of such approval must be provided to the Company Secretary for record keeping purposes. Written confirmation from BOC that such approval has been recorded must be given to the staff member. Approval should be received from the Human Resources Manager for trading in SAR scheme.

4.4 *Public disclosure of dealings in BOC Shares*

Once prior approval has been received, each director and executive management member is required to provide the Company Secretary with full details of all changes to that director's or executive management member's interest, and their associates, in BOC shares registered in the name of the director or executive management member, and their associates, or held, directly or indirectly, on behalf of the director or executive management member and their associates. The details must be provided as soon as reasonably possible after the date of the change and in any event no later than 24 hours after the change, and in such form as to allow BOC to comply with its obligations under the Capital Markets Act (Cap. 485A).

4.5 *Dealings by Associates and investment advisers*

A BOC Representative must prohibit (by taking the steps set out below) any dealing in BOC Shares during a Closed Period and Prohibited Period:

- by or on behalf of any Associates of his/hers; and/or
- by any broker or investment adviser dealing on his/her behalf or on behalf of any Associate where either he/she or any other Associate has funds under management with that investment manager.

A BOC Representative must advise in writing -

- all Associates and investment advisers of the periods during which they cannot deal in BOC Shares; and
- that, investment advisers must advise him/her immediately after they have dealt in BOC Shares in order to enable the Director to comply with this policy.

4.6 *Monitoring and investigations by BOC*

BOC may, at any time and without notice to the relevant BOC Representative, conduct any audit or investigation it deems necessary into BOC Share transactions whether for the purpose of determining compliance with this policy or otherwise.

For this purpose, each BOC Representative authorises BOC to have access to any securities/shares investment accounts in the BOC Representative's name, or in which the BOC representative has a Beneficial Interest.

4.7 Sanctions for BOC Representatives

Failure to comply with this policy is an act of serious misconduct that could result in one or more of the following sanctions:

4.7.1 in respect of a director:

- being removed from the BOC Board;
- civil and/or criminal prosecution; and

4.7.2 in respect of an executive management member and staff member:

- being subject to disciplinary proceedings which could result in the said person being dismissed from the employ of BOC; and
- civil and/or criminal prosecution.

5. INSIDER & INSIDE INFORMATION

5.1 An Insider is anybody who or entity which has inside information, either:

5.1.1 Through being a director or shareholder of the company to which the inside information relates, or having access to such information by virtue of such employment, office or profession; or

5.1.2 Where such individual knows that the direct or indirect source of the information was a person contemplated above.

5.2 Key features of inside information are the following:

5.2.1 It must be price sensitive (i.e. is must be likely to materially influence the share price should it become public information);

5.2.2 It must not have been made public;

5.2.4 It must have been obtained or learned as an insider;

Examples of material non public information may include, but not limited to

- Material change in client base, contracts awarded or terminated that is likely to affect earnings (positive or negative)
- Change in revenue streams (product pricing, etc causing a change in profitability)
- Any external factor which could materially influence the operation of the company (environmental liabilities, foreclosure, etc)
- Corporate governance issues (theft, fraud etc. of a material nature)

- Earnings or losses that are significantly higher or lower than generally expected by capital markets
 - A proposed or imminent merger, acquisition or divestiture of the company or its investment
 - A proposed or imminent public issue of the company's securities
 - A proposed stock split or bonus issue
 - Significant board and management changes
 - Significant new innovations, technologies or intellectual properties
 - Any other event that could lead to a material increase or decrease in the company's share price (e.g. borrowing capability, contingent liabilities etc.)
- 5.3 In general, an Insider shall be in possession of inside information when s/he has actual or imputed knowledge of information about BOC Shares that is not generally available and is price sensitive and you know or ought reasonably to know that the information is not generally available and is price sensitive.
- 5.4 BOC Representatives as well as BOC holding company and subsidiaries which become Insiders are precluded from:
- 5.4.1 Either directly or indirectly (such as through an agent or intermediary), dealing in BOC Shares for the Insider's own account or on behalf of others while relying on inside information;
 - 5.4.2 Disclosing inside information to persons outside BOC; and/or
 - 5.4.3 Encouraging, discouraging or stopping persons outside BOC from dealing in BOC Shares as a result of inside information.
- 5.5 The Capital Markets Act (Cap 485A) prohibits a person from using or knowingly participating, directly or indirectly, for his/her own account or on behalf of another person, in the use of any manipulative, improper, false or deceptive practice of trading in a listed security/shares on a regulated market, which practice creates or might create a false or deceptive appearance of the trading activity in connection with that security/share or an artificial price for that security/share.
- 5.6 Placing an order to buy or sell BOC Shares which, to a person's knowledge will, if executed, have such effect is also prohibited.

Internal Approval Form

Share Dealings

Kindly submit the information requested below to the Chairman of the Board, Chairman of the Audit Committee, Managing Director, Finance Director or Executive Management member, for clearance and documentation, prior to dealing in BOC Shares.

1. Name of the Director/Executive Management member/staff member:

2. Dates on which the transaction is likely to be effected:

3. Is the transaction to be conducted through a broker? (If so state broker's details)

4. The price of BOC Shares at date of application:

5. Number of BOC Shares that are the subject of the transaction:

6. Nature of the transaction: (purchase/sale etc.)

7. Nature of the directors' interest in the transaction: (direct beneficial / indirect beneficial)

8. A statement of confirmation that the company is not in a closed period:

I declare that I am not in possession of any price sensitive information.

I understand that this permission is not valid during closed periods. If the above transaction has not been completed within this period then a form should be resubmitted for documentation.

[Print Name]

[Signature]

[Date]

APPROVED:

_____ (Name & Signature)
Chairman/Managing or Finance Director
/Executive Management

Date

Reasons for refusal: (please tick applicable block)

a.	Company in a closed period	
b.	Knowledge of unpublished price sensitive information	
c.	Existence of material circumstances Please list, if any: i. ii. iii.	