

Title:	Key Persons Dealing in Securities Corporate Policy	Policy	
Business Area:	Group CEO		
Process:			
File Name:		Reference # Version	V 4.0

Policy Intent

The objective of this policy is to ensure Batelco and its employees comply with the applicable key persons dealing in securities policies of the Bahrain Bourse (**BHB**), the Central Bank of Bahrain (**CBB**), and all rules and legislations of the Kingdom of Bahrain (**the Key Persons Trading Laws**).

Policy Detail

**BAHRAIN TELECOMMUNICATIONS COMPANY B.S.C.
KEY PERSONS DEALING IN SECURITIES CORPORATE POLICY**

1. Introduction

The aim of this Key Persons Dealing in Securities Policy (the **Policy**) is to ensure Batelco and its employees comply with the applicable key persons dealing in securities policies of the Bahrain Bourse (**BHB**), the Central Bank of Bahrain (**CBB**), and all rules and legislations of the Kingdom of Bahrain (**the Key Persons Trading Laws**).

2. Whom does the policy apply to

This Policy shall apply to all Key Persons relating to Batelco (as defined below), who shall, at all times, comply with the Key Persons Trading Laws.

3. Definitions for this Policy

The following definitions shall apply to this Policy:

“Dealing” means making or offering to make with any person, or inducing or attempting to induce any person to enter into or to offer to enter into any agreement for or with a view to acquiring, disposing of, subscribing for, or underwriting securities of the issuer. Dealing also includes (but is not limited to) off-Exchange transactions, including subscriptions of securities of Batelco, as well as transactions relating to securities of a BHB-listed that are quoted on another Exchange;

“Inside Information” as defined in Market Abuse and Manipulation Module (MAM) issued by the CBB, means information that:

- (i) is precise in nature relating directly or indirectly to one or more of the securities of the issuer thereof.
- (ii) has not been made public; and
- (iii) if made public, is likely to have a significant impact on the price of those securities or their derivatives.

“Key Person” refers to members of the Board of Directors, Senior Management, the Issuer itself and such other persons as decided by the Board of Directors.

“Key Persons Dealing in Securities Policies” means the BHB Key Persons Dealing in Security Policy, and the CBB Insider Trading Laws including Regulation 16 of 2010, Articles 56-62, 97-100, 105-106, and Article 361 of the Commercial Companies Law;

“Material Information” means any material information of Batelco, including but not limited to:

- unpublished financial results;
- unannounced future earnings or losses;
- stock splits;
- issuance or sale of additional Securities;
- call for securities for redemption;
- increases or decreases in near-term earnings prospects;
- declaration or omission of dividends or determination of earnings;
- equity or debt offerings.
- changes in dividend policies;
- change in Batelco’s fiscal year;
- impending bankruptcy or other financial liquidity problems;
- proposed merger or acquisition or any other transaction;
- treasury share programs;
- takeover bids or issuer bids;
- changes in capital structure;
- changes in capital investment plans;
- changes in corporate strategies;
- litigation and regulatory proceedings or investigations;
- labor disputes, or disputes with contractors or suppliers;
- changes in ownership;
- changes in corporate structure;
- new product or services announcement; or
- any other information that would have an impact on the price of the Securities or

an impact on the investment decisions of an investor.

“Non-public Information” means the information that is not disclosed to the general public;

“Register of Key Persons” means the register maintained by an authorized representative of the Batelco Board which includes basic personal data of Key Persons and information on their holdings and dealings in Batelco Securities. The Register of Key Persons is held at Batelco Headquarters and maintained and updated by an authorized representative of the Batelco Board.

“Securities” means Batelco common shares, puts, calls, options, units, derivatives, or any security the market price of which varies with the market price of Batelco Securities, and other rights or obligations to purchase or sell Securities.

4. Notification to the Key Person

The Key Person shall be notified, by the authorized representative of the Batelco Board, of his status as a Key Person upon his appointment, election or employment, and shall sign the required forms as per BHB Key Persons Guidelines.

5. Register of Key Persons

5.1 Batelco shall maintain an updated Register of Key Persons containing the following:

- (a) basic personal data of Key Persons at Batelco;
- (b) Key Persons' holdings and interests in Batelco Securities as reported by Key Persons; and
- (c) details regarding dealings by Key Persons in Batelco Securities as reported by Key Persons.

5.2 All Key Persons shall be responsible for informing the authorized representative appointed by the Board of any change in the information contained in section 5.1 above within 10 calendar days of such a change taking place.

5.3 The register data shall be verified at least once a year before the Annual General Meeting (AGM) by the Internal Auditor of Batelco. The result of such verification shall be forwarded to the CBB not more than 10 days after the date of the Company's AGM.

5.4 The register shall be maintained and kept by Batelco for a minimum period of 5 years.

6. Key Persons Trading Law Requirements

6.1. The Key Persons Trading Laws require the following compliance by all Key Persons:

A Key Person shall not:

- (i) directly or indirectly, buy or sell any Securities relating to Batelco, if he/she is in possession at the relevant time of Material or Non-public Information which could:
 - (a) materially affect the value or price of the Securities; or
 - (b) give a false impression as to the supply or demand of the Securities that could materially affect the value or price of such Securities;
- (ii) engage in any transaction involving buying or selling shares or passing to others that information at any time, or encourage any third party to sell or trade Securities to which the Material or Non-public Information relates, if he/she is in possession at the relevant time of Material or Non-public Information relating to Batelco or its affiliates; or
- (iii) engage or encourage any third party in a manner that may give an unrealistic estimate of the volume and prices of any Securities.

6.2. A Key Person with possession of Material and Non-public Information shall not:

- (i) trade in Securities that relate to Material and Non-public Information;
- (ii) encourage any third party to trade in Securities that relate to Material and Non-public Information;
- (iii) disclose Material and/or Non-public Information to any third party outside Batelco; or
- (iv) breach the CBB rules relating to the publication of market information.

6.3. A Key Person, in possession of Material or Non-public Information which could materially affect the value or price of the Securities, must forego a proposed transaction in Batelco Securities even if the Key Person:

- (i) planned to make the transaction before learning of the Material and/or Non-public Information; and/or
- (ii) believes that he or she may suffer economic loss or forego anticipated loss by waiting.

7. Key Persons Trading Guidelines

7.1. Non-disclosure of Material and Non-public Information

Material and Non-public Information must not be disclosed to any third party, except the individuals within Batelco or third party agents, such as investment banking advisors or consultants, whose positions require them to know it, until such information has been publicly released by Batelco.

7.2. Individual Responsibility:

The Key Person shall:

- (i) be personally responsible for complying with this Policy;
- (ii) notify Batelco authorized representative appointed by the Board of details of any Dealings no later than the next business day following the completion of the Dealing;
- (iii) notify Batelco authorized representative appointed by the Board of any changes to any information under section 5.1 of this Policy within 10 calendar days of such change in order for the Register of Key Persons to be updated; and
- (iv) refrain from trading or encouraging any third party whilst in possession of Material and/or Non-public Information.

8. Exceptions

8.1. Key Persons Trading Policies provide that a Key Person is not violating the Key Persons Trading Law if he or she can demonstrate that:

- (a) he or she did not, at the time of the transaction, expect to profit from such transaction while possessing Material and/or Nonpublic Information; or
- (b) he or she believed, at the time of the transaction, that the Material and/or Nonpublic Information had been disclosed widely enough to the public that no person taking part in the dealing would be prejudiced by not being aware of the said information;
- (c) he or she was not aware of the Material and Nonpublic Information; or
- (d) he or she would have acted as he or she did even if such information was not available to him or her.

9. Penalties

9.1. Any breach of this Policy may result in action being taken against the Key Person, including but not limited to one or more of the following:

- (a) a notification by the **Authorized Representative** to the **BHB** and/or CBB if it becomes aware of, or suspects, a potential breach;
- (b) the CBB referring a breach to Public Prosecution Office;
- (c) Batelco temporarily suspending the Key Person from service, employment or board membership during any Public Prosecutor's investigation of a breach; or
- (d) Immediate termination of employment with Batelco following a conviction in respect of a breach.

9.2. Batelco shall inform a Key Person within a reasonable time of any notification received by the BHB and/or CBB in relation to a potential breach of this Policy.

9.3. Any investigation carried out by Batelco or any subsequent action taken by it is without prejudice to any investigation or action by any competent authority in the Kingdom of Bahrain, including but not limited to the BHB, CBB, and the Public Prosecutor.

10. Policy Enforcement

It is the responsibility of the Executive Management of Batelco to enforce compliance with this Policy. Any questions concerning this policy can be directed to the Group General Counsel of Batelco.

END

Policy Owner

Manager, Compliance and Risk Management

Version Control

Changes Summary	Acceptance Date
V 2.0 – First Release	26 April 2012
V 3.0 – Change of Policy Owner	09 October 2013
V 4.0 – Change of Key Person Definition	29 October 2014