

TREET BATTERY LIMITED

Insider Trading Policy

I. PURPOSE & OBJECTIVE

1. This Insider Trading Policy (the “**Policy**”) has been adopted by the Board of Directors of Treet Battery Limited (“**Company**”), a listed company on the Pakistan Stock Exchange (PSX), to:
 - a. Ensure compliance with Pakistani securities laws, particularly the Securities Act, 2015 (Sections 128–134), which prohibit insider trading.
 - b. Implement requirements of the Companies Act, 2017 (Section 224) on short-swing trading gains.
 - c. Comply with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (Regulations 5 & 6).
 - d. Fulfill obligations under the SECP’s Listed Companies (Substantial Acquisition, Disclosure & Prohibition of Insider Trading) Regulations, 2020 (SRO 1277(I)/2020 dated 30 November 2020).
 - e. Adhere to PSX Listing Regulations (Chapter 5, Regulations 5.6.1–5.6.5) regarding disclosure of material information and closed periods.
2. The objective is to preserve the integrity of the Company, safeguard investor confidence, and ensure directors, officers, employees, and connected persons conduct themselves with the highest ethical and legal standards.

II. SCOPE & APPLICABILITY

1. This Policy applies to:
 - a. Directors, CEO, executives, officers, and employees, consultants, auditors, legal advisors, contractors, bankers of Group Entities, and any person with fiduciary obligations toward the Company.
 - b. Immediate relatives, spouses, minor children, and Connected Persons (as per Regulation 2(g) of the 2020 SECP Regulations).
 - c. Trustees of employee benefit funds established by the Company.
2. All Insiders are personally responsible for ensuring compliance.

III. LEGAL FRAMEWORK

1. The Policy is based on the following legislation and regulations:
 - a. Securities Act, 2015 – Sections 128–134: Prohibition of insider trading, civil and criminal penalties.
 - b. Companies Act, 2017 – Section 224: Recovery of profits from short-swing trading (within six months).
 - c. Listed Companies (Code of Corporate Governance) Regulations, 2019 – Reg. 5: Closed periods; Reg. 6: Directors’/executives’ shareholding disclosures.

- d. SECP Insider Trading Regulations, 2020 – Comprehensive framework on definition of insider, unpublished price sensitive information (UPSI), connected persons, and disclosure obligations.
- e. PSX Listing Regulations – Chapter 5 (Disclosure of material information; trading restrictions during closed periods).

IV. DEFINITIONS

- 1. Insider – As per Section 130 of the Securities Act, 2015, any person possessing UPSI, including directors, employees, consultants, auditors, legal advisors, connected persons, and relatives.
- 2. Unpublished Price Sensitive Information (“UPSI”) – Information not generally available, which if published would likely materially affect any Group Entity’s share price (2020 SECP Regulations, Reg. 2(1)).
- 3. Examples include:
 - a. Financial results (quarterly, half-yearly, annual).
 - b. Dividends, rights/bonus shares, buybacks.
 - c. Mergers, acquisitions, disposals.
 - d. Significant litigation, regulatory actions, or tax matters.
 - e. Changes in key management or auditors.
 - f. Major restructuring, financing, or capital changes.
- 4. Material Information – As per PSX Reg. 5.6.1, any information reasonably expected to materially affect the market price of any Group Entity’s securities.
- 5. Connected Person – As per Regulation 2(g) of SECP Insider Trading Regulations, 2020: includes immediate family members, relatives, controlled entities, or anyone having a fiduciary/business relationship with Group Entities.
- 6. Closed Period – As per Reg. 5 of CCG 2019 & Reg. 5.6.4 of PSX Rules: from circulation of board agenda involving UPSI until its disclosure/public announcement.
- 7. Short-Swing Trading – As per Section 224 of the Companies Act, 2017: any purchase/sale of the Company’s securities within six months leading to gains, which must be disgorged.

V. POLICY STATEMENT

- 1. No Insider may trade, directly or indirectly, in the Company’s securities while in possession of UPSI.
- 2. No Insider may tip or share UPSI with others for trading or benefit.
- 3. No Insider may engage in speculative, short-selling, or derivative trading in the Company’s securities.
- 4. Confidentiality of UPSI is paramount; disclosure is limited strictly on a “need-to-know” basis.

VI. General Principles & Information Barriers

1. UPSI must be safeguarded and only shared internally where necessary.
2. Departments handling UPSI (finance, legal, strategy, investor relations) must maintain Chinese Walls to prevent leakage. Department heads of the Company are obligated to ensure that:
 - a. All Insiders and employees intended to be provided access to UPSI, shall prior to being provided such access shall be apprised of the provisions of this Policy and shall sign the acknowledgement appended along with Policy as **Annexure – I**; and
 - b. details of Insiders having access to UPSI, as per the template attached along with this Policy as **Annexure – II**, shall be provided to the Company Secretary not less than fifteen days from the completion of each quarter of the financial year (i.e. commencing on July 1 and ending on June 30).
3. Group Entities may maintain restricted lists of persons prohibited from trading during sensitive periods.

VII. Trading Restrictions

1. Prohibited Trading
 - a. No dealing in the Company's securities while in possession of UPSI.
 - b. No benami, proxy, or indirect transactions to circumvent restrictions.
2. Closed Period
 - a. No trading during closed periods (financial results, dividends, restructuring, etc.).
 - b. Closed period notice will be notified to PSX and circulated internally at least 7 calendar days before commencement.
3. Pre-Clearance of Trades
 - a. Directors, CEO, CFO, Company Secretary, and designated executives must obtain pre-clearance from the Company Secretary before any trade in the Company's shares.
 - b. Pre-clearance is valid for 7 working days; if not executed, fresh approval is required.
4. Short-Swing Trading
 - a. Any gain from purchase and sale (or vice versa) of the Company shares within six months must be intimated to the Company (Securities Act, 2015 – Section 105).
5. Disclosure & Reporting Obligations
 - a. All directors, CEO, executives, and their spouses/relatives must disclose trades within 3 calendar days (Reg. 6 of CCG 2019, PSX Reg. 5.6.5).
 - b. Annual declarations of shareholding must be submitted by all Directors and key executives.
 - c. Any acquisition/disposal exceeding 0.5% of the Company's paid-up capital must be disclosed to PSX immediately (PSX Reg. 5.6.2).

6. The Company Secretary shall maintain:

- a. Register of insiders.
- b. Register of trades.
- c. Register of closed periods.

VIII. PROHIBITED TRANSACTIONS

1. Short-selling and margin trading of Group Entity securities.
2. Derivative trading (options, futures, swaps) linked to the Company's securities.
3. Pledging/encumbering shares without prior disclosure to the Company Secretary.

IX. MONITORING, TRAINING & AWARENESS

1. The Company Secretary shall:
 - a. Monitor compliance and review all disclosures.
 - b. Notify PSX and SECP of trades and closed periods.
 - c. Report to the Board and Audit Committee.
 - d. The Company shall conduct mandatory awareness sessions for directors, executives, and new employees on insider trading laws.
 - e. Annual email reminders and policy circulation will be undertaken.
2. Whistleblowing & Safe Harbor
 - a. Any person may confidentially report suspected insider trading to the Company Secretary or the Audit Committee Chair.
 - b. The Company shall protect whistleblowers from retaliation.

X. CONSEQUENCES OF VIOLATION

1. Internal – Warning, suspension, dismissal.
2. Regulatory – As per Section 132 of the Securities Act, 2015: imprisonment up to 3 years and/or fine not less than Rs. 200 million.
3. Civil – SECP may recover wrongful gains and impose further penalties.

XI. REVIEW & AMENDMENT

1. This Policy shall be reviewed annually by the Audit Committee to ensure continued compliance with SECP and PSX requirements.
2. Any amendments shall be approved by the Board of Directors.

3. Approval

- a. This Policy was approved by the Board of Directors of Treet Battery Limited on _____.

.....
[Name and Designation]

Annexure – I

Undertaking to affirm adherence to the Insider Trading Policy

Date:

Name:

Serving Entity:

The information provided to me falls within the scope of ‘price-sensitive information’ as defined by Clause 5.6.1 of the Pakistan Stock Exchange Limited Regulations (“Regulations”) and ‘inside information’ as defined by Section 129 of the Securities Act, 2015 (“Act”), is proprietary to Treet Battery Limited (“Company”) and is privileged and strictly confidential in nature.

The person to whom this information has been disclosed acknowledges that they have been apprised of the requirements of the Company’s – Insider Trading Policy and the provisions of Part X of the Act. Any unauthorized disclosure, dissemination or mis-use of this information, inter alia, including any direct or indirect trading in the shares of the Company after receipt of such information, shall constitute a breach of contract, a violation of applicable laws which may lead to penalties of up to Rs. 2,000,000 for the initial breach and additional penalty(ies) of Rs. 100,000 for each day of continuing breach (which shall be recoverable from the defaulting party by the Company) and/or an additional penalty of up to Rs. 200,000,000 or imprisonment for a term which may extend to three years.

Also, for the purpose of the information shared with me, I shall be considered to be an ‘insider’ in terms of Section 130 of the Act to the extent of information shared with I and shall be obligated to share details of access to inside information to the management of the Company in the manner prescribed by the Access to Inside Information Regulations, 2016 and to sign the register of persons who have access to inside information being maintained by the Company.

[signature]

Annexure-II

Insider Register

(To be submitted by all Group entities)

Dated _____

Company Secretary,

[•]

72-B, Industrial Area, Kot Lakhpat, Lahore

SUBJECT: List of Insiders as Prescribed by SECP under Section 131 (2) of Securities Act, 2015 as per guidelines under Treet Battery Limited's - Insider Trading Policy ("**Policy**")

As per the provisions of the aforementioned Policy, and in accordance with the definition of Insider as provided under relevant regulations, the required information is provided below:

[Entity name]

It is hereby stated that below list contains name of all the persons that have access to insider information and the persons listed have acknowledged the requirements of Part X of the Securities Act, 2015 relating to the prohibition, to either directly or indirectly, conclude transactions with the use of inside information.

| | |
|--|-------------|
| S.No _____ | Pg No _____ |
| Name | |
| CNIC No: | |
| Designation in the Company/ Relationship with the Company | |
| Complete Residential Address | |
| Contact Number | |
| Email | |

| Sr No | Date of Entry | Type of Insider Information | Date on which the information was received | Source of Information (name/designation / relationship) | Whether or not the information was made public | The date of publication of insider information |
|-------|---------------|-----------------------------|--|---|--|--|
| | | | | | | |

[Name & signatures]