

## Disclosure Policy & Procedures

### Statement of Commitment

Shell Oman Marketing Company SAOG (SOM) commits to providing timely, credible, orderly, consistent, and reasonably complete information consistent with legal and regulatory requirements, to enable orderly behaviour in the market. It is imperative that disclosure be accompanied evenly during good times and bad times and that all parties in the investment community have fair access to this information.

This disclosure policy is issued by the company pursuant to the “Rules and Guidelines on Disclosure by Issuer of securities and Insider Trading” (Guidelines”) issued by the Capital Market Authority (CMA) through Administrative Decision 5/2007 dated 27 June 2007. The goal of this policy is to develop and maintain realistic investor expectations by making all required disclosure on a broadly disseminated basis and being realistic on prospects for future company performance and by insuring that the information does not intentionally or unintentionally mislead investors.

It is a legal responsibility of the entire Board of Directors to ensure compliance with this Disclosure Policy and Procedures.

### Definition of Material Information

Material information is information that would reasonably be expected to affect the value of the securities or influence investors' decisions to invest. It would include for example; a merger, acquisition or joint venture, an attempt or offer to acquire a company, a stock dividend, earnings or dividends of an unusual nature, the acquisition or loss of a significant contract, the entry or exit from a significant segment of the company's market, a significant new product or discovery, significant damage to the company's assets or productive capacity, a change in control or a significant change in management, significant judicial or administrative decision, the sale of a significant amount of additional securities, the purchase or sale of significant asset and important decision of the company's Board of Directors.

**As required by the CMA Guidelines material information shall be disclosed by written announcement in Arabic & English to be sent to the MSM through the electronic transmission system and the designated MSM fax.**

### Scope of this Policy

This policy covers all employees of the company and the Board of Directors. It covers disclosures in MSM-filed paper documents, through web postings on the MSM's electronic transmission system and written statements made in the company's annual and quarterly reports, news and earnings releases, letters to shareholders, speeches by top management and information contained in the company's Internet Home page. It covers oral statements made in group and individual meetings with analysts and investors, phone calls with analysts and investors and interviews with the media as well as press conferences and press releases.

### Disclosure Officers, Spokespersons and their responsibilities

As required by Article (32) of the Guidelines, the Board of Directors have appointed the Managing Director (MD), the Finance Director (FN), and the External Affairs Manager (EA) as Disclosure Officers and primary spokespersons for the company to handle communication to the CMA, MSM, investors, analysts, and the press. At least one company spokesperson will always be available in Oman to answer inquiries. The company will inform CMA of the identity of the company spokespersons. Others within the company may, from time to time, as designated by the MD to speak on behalf of the company to respond to specific inquiries from the investment

community or the media.

### **Instruction to employees**

Employees, other than the authorised spokespersons, will be instructed that they are not to respond under any circumstances to inquiries from either investment community or the media. All employees will be informed in writing who the authorised spokespersons are, and employees (other than those authorised to do so) are not to respond to inquiries from or discuss matters related to the company with representatives of the investment community or media. They will be instructed to refer to all such queries to an authorised spokesperson.

### **News Releases**

A news release will be issued on new material developments, unless the MD determines that such development must remain confidential for the time being and appropriate control of that insider information is instituted. Should a material oral statement be made in a selective forum, the company will immediately issue a news release on order to fully publicly disclose that information.

Under normal circumstances, a news release containing new material information will be reviewed and approved by MD and retained as part of the company's records of disclosure.

The news release will be transmitted to the contact details outlined in Annexure 1(Attached). The details maybe amended or contacts of the other Media maybe added as the need may arise or as advised by CMA.

### **Exceptions to Requirement to Disclose**

Exceptional circumstances may arise in which the company may be justified in delaying immediate disclosure of information on grounds of business confidentiality necessary to achieve corporate objectives. An example may be preliminary negotiation concerning an acquisition or merger.

Company Spokespersons may withhold material information for legitimate business purposes, such as the benefit of the company or to its shareholders, as long as no insider trades on that information.

The company will insure that professional advisors and other outside parties who are likely to receive price sensitive information as a result of their relationship with the company, sign a confidentiality agreement in which they agree not to disclose this confidential information except with agreed business requirements.

### **Prevention of Inside Dealing**

The company's Board of Directors is responsible for ensuring that the company's directors and members of Senior Management provide the company's management with information about their direct and beneficial holdings, and those of their related parties, annually, and report any changes thereto, on a continuous basis.

The Company's Board of Directors is responsible for ensuring that the company's directors, members of the Senior Management and other company's insiders do not deal in (buy or sell) the securities of the company at times when they may be in possession of, or may be perceived to be in possession of unpublished material information. Periods during which there exists unpublished material information are "Prohibited" periods (Refer to Shell Oman Marketing Company Code of Conduct).

### **Market Rumours and published news regarding the company**

Article 22 of the CMA Guidelines requires the company to immediately comment on any undisclosed material information or incorrect information taken up by the press or analysts reports or through rumours by confirmation or denial of such information. If information is untrue it should send a correction.



### **Forward-looking Projections**

The company will not release earnings projections. It will provide guidance to analysts in their efforts to develop earnings estimates and will, from time to time, make forward-looking statements.

The company will provide forward-looking information to enable the investment community to better evaluate the company and its prospects for performance. The company will provide analysts and investors with forecast information with respect to new-product development and projected demand or market potential for its products (or services) on a quarterly basis and annual basis.

A forward-looking statement made in the company's written documents will be identified as such and accompanied with meaningful cautionary language that warns investors that there is a risk that the statement could change materially. In the case of oral forward-looking statements, it should be identified as such and appropriate cautionary language should be used for forewarn the recipient of the information.

If there is likely to be a lot of volatility in these forecasts, it may be a better decision to avoid such forecasts.

### **Providing analysts guidance with respect to earnings estimates and reviewing analysts draft models or reports**

It is the company's policy, when analysts inquire with respect to their earnings estimates (1) to acknowledge what the current range of analysts' estimates is, and (2) to question an analyst's assumptions if his estimates is out of the range of SOM estimates. The FN may comment in a general way on analysts projections and will correct factual errors in analysts reports or models.

It is the company's policy to review upon request analysts' models or reports. However, the spokesman will comment only on financial information contained in the report or model and will not comment on analysts' conclusions or soft information contained in their report or model.

Should analysts send copies of their reports or models for review, the FN will review the report with the analyst orally under the above guidelines and will not retain any copies of those reports.

Should SOM determine during the course of the quarter that the company's earnings will most likely fall below the consensus of analyst's estimates, the MD/FN will determine the need and timing of a news release acknowledging that possibility, giving the reasons why to the best of its knowledge and, if possible, what is being done about the situation. Only after the news release has been issued will SOM hold any discussions with analysts on this matter.

SOM, wherever possible, should be aware of any local disclosure requirements issued by the Capital Market Authority and abide by these guidelines.

### **Face-to-Face Meetings**

Face-to-face meetings with individuals or groups are a common and indispensable way to disseminate information about SOM and to answer legitimate requests for detailed information about it. Face-to-face meetings help to build goodwill and make SOM more approachable in the eyes of the investment community. SOM should continue the practice of face-to-face meetings; however it should be noted that, as in all other types of meetings, there is the possibility that information may be selectively disclosed. SOM should conscientiously avoid discussing material, non-public information in face-to-face meetings, and only discuss legally disclosurable information. Moreover, SOM should treat investors fairly, without discrimination by providing equal access to information. It is SOM's position that all analysts should be given equal opportunities to attend and participate in



such meetings.

**Monitoring Meeting with Analysts and Investors**

When possible, the FN and/or EA will accompany the MD when meeting with analysts one-on-one or in group meetings. The purpose of this approach is consistency of the message the company wants to get across to the analysts.

**Responsibility for Monitoring the Company's Internet Home Page**

The External Affairs Manager (EA) is primarily responsible for placing investor-related information on the company's website ([www.shelloman.com.om](http://www.shelloman.com.om)) and is responsible, along with the lawyers, for monitoring all company information placed on the Internet home page to ensure its accuracy, completeness and that it is up to date. Any material changes in information must be updated immediately. All financial information on the website must be approved by FN prior to release.

**Distributing Analysts Reports on the Company**

The company regards analysts' reports as propriety information belonging to the analyst's firm and will not provide such reports on the company's Internet home page or through other means to persons outside of the company, specially other analysts'. At the Chairman's discretion such reports may be periodically circulated to the Board of Directors and to senior management.



Annex 1

(a) MSM Electronic Transmission system

(b) Fax Numbers of CMA, MSM, Newspapers and News Agencies in Oman

- CMA – DG of Issues & Disclosure (2481 1507)
- MSM Trading Hall (2481 2838)
- MSM Information centre (2481 5776)
- Oman Daily (Arabic) (2469 9784)
- Al Watan Newspaper (Arabic) (2449 1295)
- Al-Shabiba Newspaper (Arabic) (2481 1953)
- Oman News Agency (2469 9657)
- Oman Daily Observer (English) (2469 9643)
- Times of Oman (English) (2481 1953)
- Oman Tribune (English) (2449 8444)
- Oman TV (244 69904)
- Business Today (2479 3316)
- Oman Economic Review (2470 6512)
-