



UPDATE ON REGULATION AND BEST PRACTICE IN INVESTOR RELATIONS FEBRUARY 2008

Securities and Exchange Commission Chairman Christopher Cox today announced the launch of the “Financial Explorer” on the SEC Web site to help investors quickly and easily analyze the financial results of public companies. Financial Explorer paints the picture of corporate financial performance with diagrams and charts, using financial information provided to the SEC as “interactive data” in eXtensible Business Reporting Language (XBRL). <http://www.sec.gov/news/press/2008/2008-22.htm>

CESR publishes the outcome of a call for evidence on possible Level 3 work on Transparency, and provides an indicative work programme. Following the call for evidence, the transparency group has started work on three different work streams:

A mapping exercise, with the aim of publishing factual comparative information about implementation of the transparency directive in Member States.

A discussion of practical questions asked by market participants and regulators on the level one and level two directives, including dissemination issues.

Work to facilitate the establishment of an EU electronic network of the officially appointed national mechanisms for the storage of regulated information.

http://www.cesr.eu/index.php?page=home_details&id=271)

U.S. – Nasdaq plans blank-check listing standards. Nasdaq Stock Market said it will propose standards for listing "blank-check" companies, an increasingly popular vehicle formed solely to acquire other businesses.

<http://www.nasdaq.com/newsroom/news/newsroomnewsStory.aspx?textpath=pr2008\ACQPMZ200802211220PRIMZONEFULLFEED136816.htm&year=02/21/2008%2012%3a20PM>

New guidance from the Association of Investment Companies is designed to help investment company boards develop investment policies that both comply with the new rules and provide the best quality information for shareholders.

We anticipate it will also be of help to company secretaries, professional advisers and other stakeholders with an interest in the construction of investment policies as required under the new rules. <http://www.theaic.co.uk/files/technical/updatedguidance220208.pdf>

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The Auditing Practices Board (APB) issued Bulletin 2008/2 on prelims 'The Auditor's association with preliminary announcements made in accordance with the requirements of the UK and Irish Listing Rules'.

This Bulletin provides updated guidance for the auditor to reflect the following changes in the Listing Rules: Moving from a mandatory to a permissive regime for the publication of preliminary announcements; and Requiring preliminary announcements to give details of any likely modification (rather than qualification) of the auditor's report required to be included with the annual financial report.

<http://www.frc.org.uk/apb/publications/pub1523.html>

New research from the ABI (Association of British Insurers) shows that companies with the best corporate governance records have produced returns 18% higher than those with poor governance.

<http://www.abi.org.uk/Newsreleases/viewNewsRelease.asp?nrid=15815>

Treasury launches consultation on the UK market abuse regime

The Treasury is today launching a consultation on the UK Market Abuse Regime. The consultation is specifically focused on where the UK regime imposes additional requirements to the EU's 2003 Market Abuse Directive.

http://www.hm-treasury.gov.uk/newsroom_and_speeches/press/2008/press_14_08.cfm

The French regulator AMF finds in a new study that the overall quality of the information provided in 2007 with regard to the 2006 financial year is better. For example, there have been improvements with regard to corporate governance disclosures, as issuers provide a better account of their boards' activities, their rules of procedure and an assessment of the board's work. The AMF also finds that companies have made efforts to improve their disclosures regarding internal control, with more information about their risk management systems and the assessment of their internal control procedures.

http://www.amf-france.org/documents/general/8174_1.pdf

The future of non financial corporate reporting. A cooperative effort to create a standard method of reporting non financial information has been launched by Accountability the think tank.

<http://www.accountability21.net/uploadedFiles/AccountAbility%20-%20AA1000AS%20wiki%20launch%20-%20January%202008.doc>