



european corporate governance institute

Directors' Remuneration in Listed Companies

United Kingdom Questionnaire – update*

The answers given to the questionnaires in 2003 should now take into account the changes underwent by UK legislation and applicable regulations. Reference should be made to the following:

1. Combined Code

The Combined Code was first issued in 1998 and has been updated at regular intervals since then. At present two versions are in effect: the 2006 edition, which applies to accounting periods beginning on or after 1 November 2006; and the June 2008 edition which applies to accounting periods beginning on or after 29 June 2008.

The Combined Code on corporate governance June 2008 supersedes and replaces the Combined Code issued in 2003.

Changes relative to executive remuneration:

- The Chairman may now be a member of the remuneration committee provided he or she was considered independent on appointment as Chairman.
- Restrictions removed on an individual chairing more than one FTSE 100 company.

2. Companies Act 2006

Regulation on pay still the same as before

3. ABI and NAPF guidelines on pay - 18th February 2008 joint statement on executive contracts and severance by the ABI and NAPF.

4. NAPF - NAPF corporate governance policy updated March 2007.

5. ABI - last updated guidelines on executive remuneration in Dec 2005.

6. ICGN remuneration guidelines - last updated formally in 2006.

7. UK Listing rules – published by the Financial Services Authority in April 2005

*The information and opinions included in this document are not intended to provide legal advice, and should not be relied on or treated as a substitute for specific advice concerning individual situations. UK law, regulation and best practices are stated as they stood at September 2008.