

1 July 2019

Amendments to Chapter 5 and Chapter 12 of the Listing Rules

1.0 Introduction

On 20 May 2017, Directive (EU) 2017/828 of the European Parliament and of the Council of 17 May 2017 (“the new EU Shareholders Rights Directive”, or “SRD II”), which amends Directive 2007/36/EC regarding the encouragement of long-term shareholder engagement, was published in the Official Journal of the European Union. The new EU Shareholders Rights Directive came into force on the 10th June 2017 and EU Member States were required to transpose SRD II into national law by 10 June 2019.

As a result of the transposition of the requirements of the SRD II, the Definitions section as well as Chapter 5 and Chapter 12 of the Listing Rules have been amended in order to reflect these additional requirements. Other amendments were passed as a result of recent changes, particularly in the **International Financial Reporting Standards (“IFRSs”) and EU law**.

Some of the main changes incorporated in Chapter 5 address general Related Parties considerations, Audit Committee considerations and applicable exemptions to the rules dealing with Related Party transactions. Chapter 12 has been amended to reflect changes and additional **definitions in relation to different aspects of the Shareholders’** rights, including identification of Shareholders, transmission of information, electronic participation in the General Meeting and remuneration.

It is to be noted that as part of the transposition process, the Authority published a Consultation Document (Ref: 08-2019, dated 13 May 2019) on defining Material Related Party Transactions and Disclosure Requirements as required in terms of SRD II. Further to the Industry responses on the aforementioned Consultation Document, a Feedback Statement is being issued by the Authority.

2.0 Details of the Amendments

Following the transposition of the SRD II, the Listing Authority presents the amendments passed in the Listing Rules, specifically in the Definitions Section, Chapter 5 and Chapter 12 of the Listing Rules (Listing Rules are in italics while the amendments are in italics and bold).

2.1 Amendments to the Definitions Section

In defining material transactions for the purposes of Article 9c(1), the Authority has included a new definition whereby Material Related Party transactions are defined as those transactions which would result in 5% or more, individually or in aggregate, of any one of gross assets, profits and consideration tests.

<i>Material related party transactions</i>	<i>Transactions entered into by the Issuer with a Related Party, where any of the tests mentioned in Listing Rule 5.151 to Listing Rule 5.155 (the gross assets test), Listing Rule 5.156 (the profits test) and Listing Rules 5.157 to 5.160 (the consideration test) result in 5% or more. In determining the materiality of the related party transactions, the audit committee shall take into account and ensure that those transactions with the same related party that have been concluded in any twelve month period or in the same financial year, and have not been subject to the requirements listed in Listing Rule 5.141, are aggregated.</i>
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The definition of a Regulated Market has been amended as follows:

<i>Regulated Market</i>	<i>A multilateral system operated and/or managed by a market operator, which brings together or facilitates the bringing together of multiple third-party buying and selling interests in financial instruments - in the system and in accordance with its non-discretionary rules - in a way that results in a contract, in respect of the financial instruments Admitted to Trading under its rules and/or systems, and which is authorised and functions regularly and in accordance with Title III of Directive 2014/65/EU of the European Parliament and of the Council.</i>
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The Authority has amended the definition of Related Party in line with International Financial Reporting Standards. Prior to the amendment, the definition of a Related Party was as follows:

<i>Related Party</i>	<i>Parties are considered to be related if one party has the ability to directly or indirectly control the other party or exercise significant influence over the other party in making financial and operating decisions.</i>
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Following is the new definition:

<i>Related Party</i>	<i>Related Party shall have the same meaning as in the international accounting standards adopted in accordance with Regulation (EC) No 1606/2002 of the European Parliament and of the Council.</i>
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2.2 Amendments to Chapter 5

Listing Rules in Chapter 5 have been amended as outlined below.

(A) Listing Rule 5.137 – General Related Parties Considerations

The amendments to Listing Rule 5.137, below, were necessary in order align the Listing Rule with IFRSs.

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5.137 *The following are not necessarily related parties:*

5.137.1 *two entities simply because they have a Director or other member of key management personnel in common or because a member of key management personnel of one entity has significant influence over the other entity;*

5.137.2 *two venturers simply because they share joint control over a joint venture;*

5.137.3 *providers of finance, trade unions, public utilities, and government departments and agencies of a government that does not control, jointly control or significant influence the reporting entity; simply by virtue of their normal dealings with an entity (even though they may affect the freedom of action of an entity or participate in its decision-making process); and*

5.137.4 *a customer, supplier, franchisor, distributor or general agent with whom an entity transacts a significant volume of business, merely by virtue of the resulting economic dependence.*

UNQUOTE

(B) Listing Rule 5.140-5.142B – Audit Committee Considerations

The SRD II requires companies having shares admitted to trading on regulated markets to have safeguards in place with respect to Material Related Party transactions. Moreover, when issuing a Company Announcement, Issuers with shares admitted on a regulated market need to ensure that the information contained in the Company Announcement contains at least the information prescribed in Listing Rule 5.141.1 to Listing Rule 5.141.3. In order to ensure transparency, where the Audit Committee does not approve the Material Related Party transaction, this should be included in the Company Announcement including the reasons for not approving the transaction. Prior to issuing the Company Announcement, approval by the Board of Directors needs to be obtained.

Listing Rule 5.142A has been added to reflect the SRD II requirement on Issuers to publicly disclose Material Related Party transactions between the Related Party of the Issuer and the Issuer's subsidiary. Material transactions concluded between the Related Party of the Issuer and **the Issuer's subsidiary should be subject to the** same procedure applicable to Material Related Party transactions entered into directly with the Issuer.

With regards to Listing Rule 5.142B, Article 17 of Regulation (EU) no 596/2014 on Market Abuse, requires issuers to ensure that inside information which directly concerns them, is made public in a manner which enables fast access and complete, correct and timely assessment of the information by the public. Accordingly, disclosure requirements, through a Company Announcement, of Material Related Party transactions, are without prejudice to the requirements of Article 17 of Regulation (EU) no 596/2014 on Market Abuse.

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- 5.140 *The audit committee shall give due consideration to:*
- 5.140.1 *whether the transaction is a Material Related Party transaction*
 - 5.140.2 *whether the transaction is in the ordinary course of the Issuer's business or the business of any its Subsidiary Undertakings as applicable;*
 - 5.140.3 *whether the transaction gives rise to preferential treatment to the Related Party;*
 - 5.140.4 *the nature of the transaction;*
 - 5.140.5 *the position of the related party;*
 - 5.140.6 *the influence that the information about the transaction may have on the economic decisions of shareholders of the issuer; and*
 - 5.140.7 *the risk that the transaction creates for the issuer and its shareholders who are not a related party, including minority shareholders.*
- 5.141 *Should the audit committee, after considering the proposed related party transaction as laid down in Listing Rule 5.140, deem the proposed transaction to be material and approves such a transaction, such Material Related Party Transaction shall be approved by the board of directors of the Issuer and a Company Announcement containing the below information shall be published:*
- 5.141.1 *the nature and details of the transaction;*
 - 5.141.2 *the name of the Related Party concerned; and*

5.141.3 *details of the nature and extent of the interest of the Related Party in the transaction, including the date and value of the transaction and other information necessary to assess whether or not the transaction is fair and reasonable from the perspective of the Issuer and of the shareholders who are not a related party, including minority shareholders.*

5.141A *Where the related party transaction involves a director, the respective director shall not take part in the approval of the vote.*

5.142 *Where the proposed Material Related Party Transaction is not approved by the audit committee but the board of directors of the Issuer still wants to proceed with the transaction, the Issuer shall:*

5.142.1 *make a Company Announcement which shall contain:*

5.142.1.1 *the nature and details of the transaction;*

5.142.1.2 *the name of the Related Party concerned; and*

5.142.1.3 *details of the nature and extent of the interest of the Related Party in the transaction, including the date and value of the transaction and other information necessary to assess whether or not the transaction is fair and reasonable from the perspective of the Issuer and of the shareholders who are not a related party, including minority shareholders; and*

5.142.1.4 *the fact that the Material Related Party transaction has not been approved by the Audit Committee including the reasons for not approving such a transaction.*

5.142.2 *send a Circular to its shareholders containing the information required by Listing Rule 6.17; and*

5.142.3 *obtain the approval of its shareholders either prior to the transaction being entered into or, if it is expressed to be conditional on such approval, prior to completion of the transaction and, where applicable, ensure that the Related Party itself abstains from voting on the relevant resolution. The board of directors of the Issuer shall disclose the fact that the audit committee has not approved the related party transaction in question at the general meeting convened for the purpose of this Listing Rule.*

5.142A *An Issuer shall ensure that material transactions concluded between the related **party of the Issuer and the Issuer's subsidiary are publicly** disclosed through the issue of a Company Announcement. The disclosure requirements outlined under Listing Rule 5.141 shall apply.*

5.142B *The disclosure requirements under Listing Rule 5.141 and Listing Rule 5.142 are without prejudice to the rules on public disclosure of inside information as referred to in Article 17 of Regulation (EU) No 596/2014 on Market Abuse.*

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(C) Listing Rule 5.143 – Exemptions

Following the feedback received on the Consultation Document (Ref: 08-2019), the Authority agreed that the exemption under Listing Rule 5.143.1 should be replaced in order to widen the scope of the exemption allowed under Article 9c(6), which allows that transactions offered to all shareholders on the same terms where equal treatment of all shareholders and protection of the interests of the company is ensured, may be exempted from the disclosure and approval requirements associated with Related Party transactions.

Prior to the amendments, Listing Rule 5.143.1 was as follows:

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5.143 *The rules dealing with related party transactions shall not apply in the following cases:-*

5.143.1 *the transaction is an issue of new Securities either:*

5.143.1.1 *for cash by the Issuer (or any of its Subsidiary Undertakings) pursuant to an opportunity which (so far as is practicable) is **made available to all holders of the Issuer's Securities (or to all holders of a relevant Class of its Securities) on the same terms;** or*

5.143.1.2 *made pursuant to the exercise of conversion or subscription rights attaching to a Class of Securities Admissible to Listing or **previously approved by the Issuer's shareholders in general meeting;***

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The amended Listing Rule 5.143.1 is:

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5.143.1 transactions offered to all shareholders on the same terms where equal treatment of all shareholders and protection of the interests of the company is ensured.

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Consequent to the aggregation provision set out in Article 9c(8) of the SRD II and the subsequent transposition of this aggregation provision in the Listing Rules through the newly added definition of Material Related Party transactions (refer to section 2.1 of this Circular), Listing Rule 5.143.7, below, has been deleted.

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5.143.7 where the aggregate consideration or value of the related party transaction does not exceed fifty thousand Euro (€50,000) in any twelve (12) month period.

UNQUOTE

Following the feedback received on the Consultation Document (Ref: 08-2019), the Authority considered it appropriate to extend the list of the exemptions in order to include specific remuneration distribution to directors in accordance with the requirements of Chapter 12 of the Listing Rules, especially in view of the additional requirements introduced regarding the remuneration of directors. A new Listing Rule 5.143.7, below, has been included to this effect.

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5.143.7 Transactions regarding remuneration of directors, awarded in accordance with the right to vote on the remuneration policy provisions under Chapter 12 of the Listing Rules.

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2.3 Amendments to Chapter 12

Listing Rules in Chapter 12 have been amended as outlined below.

(A) Listing Rules 12.1A-12.2A – **Scope of Shareholders' Rights**

A New Listing Rule 12.1A, below, has been included in line with the SRD II.

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12.1A *This Chapter also refers to specific requirements intended to encourage shareholder engagement, in particular in the long term. These specific requirements apply in relation to identification of shareholders, transmission of information, facilitation of exercise of shareholders rights, transparency of institutional investors, asset managers and proxy advisors, remuneration of directors and related party transactions.*

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Prior to the amendments, Listing Rule 12.2 was as follows:

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- 12.2 *These Listing Rules shall not apply to:*
- 12.2.1 *collective investment undertakings as defined by Article 1(2) of Directive 85/611/EEC;*
 - 12.2.2 *collective investment undertakings that do not fall within Listing Rule 12.2.1, with the exception of closed-end collective investment undertakings which are set up as a Company;*
 - 12.2.3 *cooperative societies;*
 - 12.2.4 *credit institutions and/or investment firms subject to the use of resolution tools, powers and mechanisms provided for in Title IV of Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms and amending Council Directive 82/891/EEC, and Directives 2001/24/EC, 2002/47/EC, 2004/25/EC, 2005/56/EC, 2007/36/EC, 2011/35/EU, 2012/30/EU and 2013/36/EU, and Regulations (EU) No 1093/2010 and (EU) No 648/2012.*

UNQUOTE

The amended Listing Rule 12.2, in line with the SRD II, is:

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- 12.2 *Chapter 12 of these Listing Rules shall not apply to:*
- 12.2.1 *undertakings for collective investment in transferable securities (UCITS) within the meaning of Article 1(2) of Directive 2009/65/EC of the European Parliament and of the Council*
 - 12.2.2 *collective investment undertakings within the meaning of point (a) of Article 4(1) of Directive 2011/61/EU of the European Parliament and of the Council, with the exception of closed-end collective investment undertakings which are set up as a Company.*
 - 12.2.3 *cooperative societies.*
 - 12.2.4 *credit institutions and/or investment firms subject to the use of resolution tools, powers and mechanisms provided for in Title IV of Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms and amending Council Directive 82/891/EEC, and Directives 2001/24/EC, 2002/47/EC, 2004/25/EC, 2005/56/EC, 2007/36/EC, 2011/35/EU, 2012/30/EU and 2013/36/EU, and Regulations (EU) No 1093/2010 and (EU) No 648/2012.*

UNQUOTE

The Authority has added new Listing Rule 12.2A in order to capture new definitions included in the SRD II.

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- 12.2A *In this Chapter, unless the context otherwise requires, the following expressions have the meaning hereby assigned to them:*
- 'Information regarding shareholder identity' means information allowing the identity of a shareholder to be established, including at least the following information:***

- a) *name and contact details (including full address and, where available, email address) of the shareholder, and, where it is a legal person, its registration number, or, if no registration number is available, its unique identifier, such as legal entity identifier;*
- b) *the number of shares held; and*
- c) *only insofar they are requested by the company, one or more of the following details: the categories or classes of the shares held or the date from which the shares have been held.*

'Intermediary' *A person, such as an investment firm as defined in point (1) of Article 4(1) of Directive 2014/65/EU, a credit institution as defined in point (1) of Article 4(1) of Regulation (EU) No 575/2013 of the European Parliament and of the Council and a central securities depository as defined in point (1) of Article 2(1) of Regulation (EU) No 909/2014 of the European Parliament and of the Council, which provides services of safekeeping of shares, administration of shares or maintenance of securities accounts on behalf of shareholders or other persons.*

'Institutional investor' means:

- a) *an undertaking carrying out activities of life assurance within the meaning of points (a), (b) and (c) of Article 2(3) of Directive 2009/138/EC of the European Parliament and of the Council (4), and of reinsurance as defined in point (7) of Article 13 of that Directive provided that those activities cover life-insurance obligations, and which is not excluded pursuant to that Directive;*
- b) *an institution for occupational retirement provision falling within the scope of Directive (EU) 2016/2341 of the European Parliament and of the Council (5) in accordance with Article 2 thereof, unless a Member State has chosen not to apply that Directive in whole or in parts to that institution in accordance with Article 5 of that Directive;*

'asset manager' 'asset manager' means an investment firm as defined in point (1) of Article 4(1) of Directive 2014/65/EU that provides portfolio management services to investors, an AIFM (alternative investment fund manager) as defined in point (b) of Article 4(1) of Directive 2011/61/EU that does not fulfil the conditions for an exemption in accordance with Article 3 of that Directive or a management company as defined in point (b) of Article 2(1) of Directive 2009/65/EC, or an investment company that is authorised in accordance with Directive 2009/65/EC provided that it has not designated a management company authorised under that Directive for its management;

'proxy advisor' means a legal person that analyses on a professional and commercial basis, the corporate disclosure and, where relevant, other information

of listed companies with a view to informing investors' voting decisions by providing research, advice or voting recommendations that relate to the exercise of voting rights;

'director' means:

- a) Any member of the board of directors;
- b) Where they are not members of the administrative, management or supervisory bodies of a company, the chief executive officer and, if such function exists in a company, the deputy chief executive officer;
- c) Where so determined by a Member State, other persons who perform functions similar to those performed under point (a) or (b) above.

'Remuneration policy' a policy which contributes to the Issuer's business strategy and long-term interests and sustainability as described in Listing Rules 12.26A-12.26J.

UNQUOTE

(B) Listing Rules 12.2B-12.2E –Shareholders' Identification and Transmission of Information

The SRD II facilitates a company's right of requesting intermediaries to communicate Shareholder identity and transmission of information. The Authority has added new Listing Rules 12.2B-12.2D to this effect.

QUOTE

Identification of shareholders

12.2B *An Issuer shall have the right of requesting intermediaries to communicate, to it, without delay information regarding shareholder identity.*

12.2C *An Issuer shall ensure that personal data of shareholders transmitted to them in accordance with the requirements of this Chapter, with the view of facilitating the exercise of shareholder rights and shareholder engagement with the company, is not stored for longer than 12 months after the Issuer becomes aware that the person concerned has ceased to be a shareholder.*

12.2D *Issuers shall accept the correction of incomplete or inaccurate information regarding the identity of shareholders.*

UNQUOTE

The Authority has added new Listing Rule 12.2E.

QUOTE

Transmission of Information

*12.2E Issuers are required to provide intermediaries in a standardised and timely manner with the information required by the shareholder, to enable the shareholder to exercise rights flowing from its shares, and which is directed to all shareholders in shares of that class. Where such information is available on the **Issuer's website, a notice indicating where on the website that information can be found shall be provided to the intermediaries.***

Provided that where Issuers send the information or notice directly to all their shareholders or to a third party nominated by the shareholder, the requirements under this Listing Rule shall not apply.

UNQUOTE

(C) Listing Rules 12.23A-12.23C – Electronic Participation in the General Meeting

The Authority has added New Listing Rules 12.23A-12.23C in order to ensure that where votes are casted electronically, an electronic confirmation confirming receipt of such vote is sent to the voter. The format of the electronic confirmation is mandated in the Commission Delegated Regulation (EU) 2018/1212 of 3 September 2018.

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12.23A Where votes by Shareholders are cast electronically, an electronic confirmation of receipt of the votes shall be sent to the person that casts the vote.

12.23B Issuers shall ensure that after the general meeting the Shareholder or a third party nominated by the shareholder can obtain, at least upon request, confirmation that their votes have been validly recorded and counted by the company, unless that information is already available to them.

12.23C The format of the electronic confirmation of receipt of the votes shall comply with the Commission Delegated Regulation (EU) 2018/1212 of 3 September 2018 laying down minimum requirements implementing the provisions of Directive

2007/36/EC of the European Parliament and of the Council as regards shareholder identification, the transmission of information and the facilitation of the exercise of shareholders rights.

UNQUOTE

(D) Listing Rules 12.26A-12.26N – Remuneration

Following the introduction of a new requirement for listed entities to establish a remuneration policy, details of the manner in which the remuneration policy should be executed have come into place. The Authority has added New Listing Rules 12.26A-12.26J to this effect.

QUOTE

Right to vote on the remuneration policy

- 12.26A *Issuers shall establish a remuneration policy as regards directors. Furthermore, issuers shall grant the right to shareholders to vote on the remuneration policy at the general meeting, which vote shall be binding.*
- 12.26B *The remuneration policy shall be clear and understandable and shall describe the different components of fixed and variable remuneration, including all bonuses and other benefits in whatever form, which can be awarded to directors and indicate their relative proportion.*
- 12.26C *The remuneration policy shall explain how the pay and employment conditions of employees of the company were taken into account when establishing the remuneration policy.*
- 12.26D *Where an Issuer awards variable remuneration, the remuneration policy shall set clear, comprehensive and varied criteria for the award of the variable remuneration. It shall indicate the financial and non- financial performance criteria, including, where appropriate, criteria relating to corporate social responsibility, and explain how they contribute to the objectives set out in the first subparagraph, and the methods to be applied to determine to which extent the performance criteria have been fulfilled. It shall specify information on any deferral periods and on the possibility for the Issuer to reclaim variable remuneration.*
- 12.26E *Where the Issuer awards share-based remuneration, the policy shall specify vesting periods and where applicable retention of shares after vesting and explain how the share based remuneration contributes to the objectives set out in the first subparagraph.*

12.26F *The remuneration policy shall indicate the duration of the contracts or arrangements with directors and the applicable notice periods, the main characteristics of supplementary pension or early retirement schemes and the terms of the termination and payments linked to termination.*

12.26G *The remuneration policy shall explain the decision-making process followed for its determination, review and implementation, including, measures to avoid or manage conflicts of interests and, where applicable, the role of the remuneration committee or other committees concerned. Where the policy is revised, it shall describe and explain all significant changes and how it takes into account the votes and views of shareholders on the policy and reports since the most recent vote on the remuneration policy by the general meeting of shareholders.*

12.26H *Issuers shall pay remuneration to their directors only in accordance with a remuneration policy that has been approved by the general meeting.*

Provided that, where no remuneration policy has been approved and the general meeting does not approve the proposed policy, Issuers may continue to pay remuneration to its directors in accordance with its existing practices, and shall submit a revised policy for approval at the following general meeting.

Provided further that where an approved remuneration policy exists and the general meeting does not approve the proposed new policy, the Issuer shall continue to pay remuneration to its directors in accordance with the existing approved policy and shall submit a revised policy for approval at the following general meeting.

12.26I *Issuers shall submit the remuneration policy to a vote by the general meeting at every material change and in any case at least every four years.*

12.26J *Issuers shall ensure that after the vote on the remuneration policy at the general meeting the remuneration policy together with the date and the results of the vote **is made public without delay on the Issuer's website and remains publicly available, free of charge, at least as long as it is applicable.***

UNQUOTE

Following the introduction of a new requirement of having listed entities drawing up a remuneration report, including the requirement for the report to be made publicly available, the Authority has added new Listing Rules 12.26K-12.26N. The format of the remuneration report needs to comply with the requirements of Chapter 12 of the Listing Rules including the new appendix 12.1.

QUOTE

Information to be provided in the remuneration report

12.26K *Issuers shall draw up a clear and understandable remuneration report. The contents of the remuneration report shall be in line with the requirements listed in Appendix 12.1 to this Chapter.*

12.26L *The annual general meeting shall have the right to hold an advisory vote on the remuneration report of the most recent financial year. The Issuer shall explain in the following remuneration report how the vote by the general meeting has been taken into account.*

Provided that, in the case of small and medium-sized companies as defined, respectively, in Article 3(2) and (3) of Directive 2013/34/EU, Issuers shall provide, as an alternative to a vote, for the remuneration report of the most recent financial year to be submitted for discussion in the annual general meeting as a separate item of the agenda. The Issuer shall explain in the following remuneration report how the discussion in the general meeting has been taken into account.

12.26M *Issuers shall, after the general meeting, make the remuneration report publicly available on their website, free of charge, for a period of 10 years, and may choose to keep it available for a longer period provided it no longer contains the personal data of directors.*

12.26N *The auditor shall check that the information that needs to be provided in the remuneration report, as required in terms of Chapter 12 of the Listing Rules including Appendix 12.1, has been included.*

UNQUOTE

(E) Appendix 12.1 – Remuneration Report

The Authority has added Appendix 12.1 to the Listing Rules.

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Appendix 12.1

Information to be provided in the Remuneration Report

Introduction

Issuers shall draw up a clear and understandable remuneration report, providing a comprehensive overview of the remuneration, including all benefits in whatever form, awarded or due during the most recent financial year to individual directors, including to newly recruited and to former directors, in accordance with the remuneration policy as defined in Chapter 12 of the Listing Rules.

Content

*The remuneration report shall contain the following information (as applicable) regarding **each individual director's remuneration:***

- (a) the total remuneration split out by component, the relative proportion of fixed and variable remuneration, an explanation how the total remuneration complies with the adopted remuneration policy, including how it contributes to the long-term performance of the company, and information on how the performance criteria were applied;*
- (b) the annual change of remuneration, of the performance of the company, and of average remuneration on a full-time equivalent basis of employees of the company other than directors over at least the five most recent financial years, presented together in a manner which permits comparison;*
- (c) any remuneration from any undertaking belonging to the same group where the term group means a parent undertaking and all its subsidiary undertakings;*
- (d) the number of shares and share options granted or offered, and the main conditions for the exercise of the rights including the exercise price and date and any change thereof;*
- (e) information on the use of the possibility to reclaim variable remuneration;*
- (f) information on any deviations from the procedure for the implementation of the remuneration policy as defined in Chapter 12 of the Listing Rules.*
- (g) a statement that the contents of the remuneration report has been checked by the Auditor.*

General Remarks

Issuers shall not include in the remuneration report special categories of personal data of individual directors within the meaning of Article 9(1) of Regulation (EU) 2016/679 of the

European Parliament and of the Council (1) or personal data which refer to the family situation of individual directors.

*Issuers shall process the personal data of directors included in the remuneration report for the purpose of increasing **corporate transparency as regards directors' remuneration with the view to enhancing directors' accountability and shareholder oversight over directors' remuneration.***

Without prejudice to any longer period laid down by any sector-specific Union legislative act, the personal data of directors included in the remuneration report shall be made public for a period of 10 years from the publication of the remuneration report.

UNQUOTE

3.0 Amended Listing Rules

The Revised Listing Rules are annexed to this Circular.

4.0 Effective Date

These amendments to the Listing Rules are applicable with immediate effect.

Contacts

Any queries or request for clarifications in respect of the above should be submitted on email address CapitalMarkets@mfsa.com.mt.