

Primary Market Technical Note

Compliance with the Listing Principles

The information in this note is designed to help issuers and practitioners interpret our UK Listing Rules, Prospectus Regulation Rules, Disclosure Guidance and Transparency Rules, and related legislation. The guidance notes provide answers to the most common queries we receive and represent FCA guidance as defined in section 139A FSMA

Rules

UKLR 2

The Listing Principles which are set out in UKLR 2, are a general statement of the fundamental obligations of listed companies. All listed issuers must comply with the Listing Principles. They were introduced and expanded in scope to ensure adherence to the spirit as well as the letter of the various rules, including the Disclosure Guidance and Transparency Rules, comprising the wider listing regime.

Issuers should therefore be aware of the importance we place on complying with the Principles on an ongoing basis. As our Handbook notes, breaching a Listing Principle will make a listed company liable to disciplinary action by us. While cases may be brought in conjunction with action for a breach of a specific rule or rules, we are prepared to take enforcement action on the basis of the Principles alone, taking

account of the standard of conduct required by the Principle in question.

UKLR 2.2.1R (Listing Principle 5): Articles containing compulsory acquisition provisions

Compulsory acquisition or redemption powers need to be considered carefully to ensure they do not offend the principle of equality of treatment of all shareholders in UKLR 2.2.1R (Listing Principle 5) if they do not generally treat shareholders equally. Please see our technical note UKLA/TN/101.2 for further details about such powers.