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Report on the application by Member States of the EU of the Commission 2009/385/EC Recommendation (2009 Recommendation on directors´ remuneration) complementing Recommendations 2004/913/EC and 2005/162/EC as regards the regime for the remuneration of directors of listed companies

Accompanying document to the

REPORT FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS

Report on the application by Member States of the EU of the Commission 2009/385/EC Recommendation (2009 Recommendation on directors´ remuneration) complementing Recommendations 2004/913/EC and 2005/162/EC as regards the regime for the remuneration of directors of listed companies

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This Commission staff working document reviews the implementation by Member States of the Commission 2009/385/EC[1] Recommendation on directors' remuneration. It supplements, in a table format, the Report from the Commission on the implementation by Member States of the aforementioned Recommendation.

The 2009 Recommendation on directors' remuneration invites Member States to adopt measures in four areas:

(i) Structure of remuneration policy[2]

This part of the Recommendation is based on the idea that the structure of directors´ remuneration, while it remains primarily within the competence of companies and shareholders, in consultation with employee representatives where appropriate, should promote the long term sustainability of the company and ensure that remuneration is based on performance[3]. Variable components of remuneration should therefore be linked to predetermined and measurable performance criteria, including criteria of a non-financial nature which are relevant to the company's long term value creation. The variable part of remuneration should be in proportion to the fixed part. In order to encourage that companies withhold variable remuneration in case of underperformance, the variable part should not be too high. Significant variable components of remuneration should be deferred for a certain period, for example three to five years, subject to performance conditions. Further, companies should be able to reclaim variable components of remuneration that were paid on the basis of data, which afterwards proved to be manifestly misstated.

With regard to termination payments, so-called ´golden parachutes´, it is recommended that they are limited to a certain amount or duration, which, in general, should not be more than two years annual remuneration (on the basis of only the fixed component of the annual remuneration). Further, no termination payments should be made if the termination is due to inadequate performance, to ensure that termination payments are not a reward for failure and that their primary purpose as a safety net in case of early termination of the contract is respected.

(ii) Share-based remuneration[4]

To improve pay for performance and promote long term value creation with regard to share-based remuneration schemes[5] it is recommended that at least a three year vesting period applies to shares, and that vesting is made subject to performance conditions. Share options and rights to acquire shares or be remunerated on the basis of share price movements should be not be exercisable during at least a three year period and the right to exercise them should be made subject to performance conditions. In order to prevent conflicts of interest of directors who hold shares in the company, it is recommended that they should be obliged to retain a part of the shares until the end of their mandate.

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1 *2009/385/EC, OJ L 120, 15.5.2009, p. 28*

2 Paragraph 3 of the Recommendation

3 Moreover, the Recommendation does not prejudice in any way the autonomy of social partners in their collective bargaining.

4 Paragraph 4 of the Recommendation

5 Schemes under which directors are remunerated in shares, share options or any other right to acquire shares or be remunerated on the basis of share price movements.

(iii) Disclosure of remuneration policy and shareholders´ vote[6]

In order to facilitate the shareholders' assessment of the company's approach to remuneration and strengthen the company's accountability towards its shareholders, it is recommended that the remuneration statement is clear and easily understandable. Disclosure of information relating to the structure of remuneration is also recommended.

In order to increase board accountability, it is recommended that shareholders, in particular institutional investors, should be encouraged to attend general meetings and make considered use of their voting rights, including in the field of directors´ remuneration.

(iv) Remuneration Committee[7]

This part of the Recommendation is intended to complement the recommendations with regard to remuneration committees from the 2005 Recommendation on independent directors. Remuneration committees have an important role in designing a company's remuneration policy, preventing conflicts of interests and supervising the (managing) board´s behaviour in relation to remuneration. To strengthen the role of those committees, it is recommended that at least one member thereof should have expertise in the field of remuneration. In exercising its functions, the Remuneration Committee should exercise independent judgement and integrity. With a view to independence and integrity, it is also recommended that when a remuneration committee hires remuneration consultants, it exercises caution and ensures that the same consultants do not advise the human resources department of the company or executive or managing directors at the same time.

With regard to the role of the Remuneration Committee it is recommended that it should periodically review the remuneration policy with a view to proposing changes to the policy if necessary. It should also ensure proportionality between the remuneration of executive directors and employees of the company. Finally, it is recommended that it reports to the general meeting on the exercise of its functions and its members be present at the meeting for that purpose.

Principles of the 2004 Recommendation[8] which are evaluated in this report:

(v) Disclosure of remuneration policy and individual remuneration[9]

It is recommended that shareholders are provided with a clear and comprehensive overview of the company's remuneration policy through disclosure of a remuneration statement[10]. Disclosure of information on the remuneration policy allows shareholders and investors to assess among others the main parameters and rationale for the different components of the remuneration package and the linkage between remuneration and

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6 Paragraph 5 and 6 of the Recommendation

7 Paragraph 7-9 of the Recommendation

8 Recommendation 2004/913/EC OJ L 385, 29.12.2004, p. 55.

9 Paragraph 3 and 5 of the 2004 Recommendation

10 All listed companies should publish a remuneration statement, which should include the remuneration policy for the following year, including information on the breakdown of fixed and variable remuneration, on performance criteria and on the parameters for annual bonus schemes or non-cash benefits, and a report on the implementation of the remuneration policy in the past year.

performance. Disclosure further aims to strengthen the company's accountability to shareholders.

Transparency on individual remuneration allows shareholders to assess remuneration in light of the performance of the company and exercise oversight over the implementation of the remuneration policy. To this end, the recommendation promotes disclosure of individual directors' remuneration packages and specifies the details of such disclosure[11].

(vi) Shareholders´ vote[12]

With a view to increasing shareholder participation in the decisions on directors' pay, it is recommended that the remuneration policy is put on the agenda of the shareholders' general meeting as a separate item. Thus, the remuneration statement should be subject to a vote which may be either binding or advisory. This recommendation is based on the assumption that the debate and vote at the shareholder's meeting is the only efficient way to ensure that shareholders can express their views and exert a real influence on the company's remuneration policy.

The tables below indicate the extent to which Member States have followed the requirements of the Recommendations.

[11] Such as shares or rights to share options granted to them, contribution to supplementary pension schemes, loans, advances or guarantees to each director, etc.

[12] Paragraph 4 of the 2004 Recommendation

Table 1

Structure of remuneration policy		
Recommendation 3.2 *Award of variable components of remuneration should be subject to predetermined and measurable performance criteria.* *Performance criteria should promote the long term sustainability of the company and include non-financial criteria that are relevant to the company´s long term value creation, such as compliance with applicable rules and procedures.*		
Member State	**Endorsement of recommendation**	**Nature of the rule**
AT	Y	C
BE	Partly, ¼ of variable remuneration should be based upon predetermined and measurable performance criteria over a period of 2 years and another ¼ over 3 years.)	L
BU	Partly, it is recommended that the amount and criteria of remuneration promote the long term interests of the company. (Implementation of the 2009 Recommendation is foreseen in the legislative programme for 2009-2010.)	C
CY	Partly, it is recommended that variable remuneration is subject to performance criteria. (A revision of the Code is being prepared, which is likely to recommend that performance criteria promote long term sustainability.)	C (Mandatory for main market)
CZ	N, but it is recommended that remuneration is aligned with the longer term interests of the company.	C
DE	Partly, there is no recommendation with regard to non-financial performance criteria.	C/L
DK	Partly, there is no recommendation with regard to non-financial performance criteria.	C
EE	Partly, it is recommended that variable remuneration is subject to explicit and predetermined performance criteria. (Draft legislation requires performance criteria to promote long term sustainability.)	C
EL	N	NA
ES	Partly, it is recommended that variable remuneration is subject to performance criteria. (Revision of the Code is expected in 2010, which is likely to include this recommendation.)	C
FI	N (Revision of the Code is expected in 2010, which is likely to include this recommendation.)	NA
FR	Partly, it is not explicitly recommended that performance criteria should be predetermined and measurable and they are linked to the medium term.	C
HU	N, but it is recommended that remuneration does not encourage to aim merely for	C

	short-term share price maximisation	
IE	N (However it is recommended that remuneration reports of Irish listed companies include a commentary on compliance with the Commission remuneration recommendations.)	NA
IT	Y	C
LV	Y	C
LT	Partly, it is recommended that variable remuneration is linked to predetermined and measurable performance criteria.	C
LU	Y	C
MT	N (Implementation of the 2009 Recommendation is currently being considered.)	NA
NL	Y	C
PL	N (Revision of the Stock exchange code of best practices is expected in July 2010, which will include the 2004 and 2009 recommendations.)	NA
PT	Y	C
RO	No data received.	NA
SE	Partly, there is no recommendation with regard to non-financial performance criteria.	C
SI	Y	C
SK	Partly, it is recommended that the remuneration committee makes proposals for objectives and evaluation criteria which take into account long term interests.	C
UK	Partly, there is no recommendation with regard to non-financial performance criteria. (Revision of the Code is expected in 2010, which is likely to recommend non-financial performance criteria.)	C

L: mandatory legislative provision

C: "comply or explain" recommendation

NA: not applicable

Table 2

Structure of remuneration policy		
Recommendation 3.3 *Where a variable component of remuneration is awarded, a major part of the variable component should be deferred for a minimum period of time. The part of the variable component subject to deferment should be determined in relation to the relative weight of the variable component compared to the non-variable component of remuneration.*		
Member State	**Endorsement of recommendation**	**Nature of the rule**
AT	Y	C
BE	Y	L
BU	N	NA
CY	N (The revised code is likely to include this recommendation.)	NA
CZ	N	NA
DE	Y	L
DK	Y	C
EE	N (Implementation of this recommendation in the Code is currently being considered.)	NA
EL	N	NA
ES	N (The revised code is likely to include this recommendation.)	NA
FI	N	NA
FR	N	NA
HU	N	NA
IE	N	NA
IT	Y	C
LV	N	NA
LT	Y	C
LU	N	C
MT	N	NA
NL	N	NA

PL	N	NA
PT	Y	C
RO	No data received.	NA
SE	Y	C
SI	Y	C
SK	N	NA
UK	N, but it is recommended that the board considers using long term incentive schemes and deferred remuneration does not vest in less than three years.	C

Evaluation criteria: Y: it is required or recommended on a “comply or explain” basis that (a major part of) the variable remuneration is awarded on the basis of multi-year performance criteria, or the awarded variable remuneration is blocked for at least one year, subject to the fulfilment of performance criteria at the end of the blocking period.

L: mandatory legislative provision

C: "comply or explain" recommendation

NA: not applicable

Table 3

Structure of remuneration policy		
Recommendation 3.4 *Contractual arrangements with executive or managing directors should include provisions that permit the company to reclaim variable components of remuneration that were awarded on the basis of data which subsequently proved to be manifestly misstated.*		
Member State	**Endorsement of recommendation**	**Nature of the rule**
AT	Y	C
BE	N, but disclosure of clawback provisions is required.	L
BU	N	NA
CY	N (The revised code is likely to include this recommendation.)	NA
CZ	N (A draft amendment of the Commercial Code includes similar requirements.)	NA
DE	Y	L
DK	Y	C
EE	N (Draft legislation gives companies the possibility to claw back.)	NA
EL	N	NA
ES	N (The revised code is likely to include this recommendation.)	NA
FI	Y	L
FR	Y	L
HU	N	NA
IE	N	NA
IT	N	NA
LV	N	NA
LT	Y	C
LU	N	NA
MT	N	NA
NL	Y	C

PL	N	NA
PT	N	NA
RO	No data received.	NA
SE	Y	C
SI	Y	L
SK	N	NA
UK	N (A revision of the Code is being prepared, which likely includes this recommendation.)	NA

Evaluation criteria: Y: it is required or recommended on a “comply or explain” basis that companies include provisions in contracts with directors, which permit the company to reclaim variable components of remuneration that were awarded on the basis of data which subsequently proved to be manifestly misstated, or the applicable legislative framework generally offers the possibility to reclaim payments (of any kind) made on the basis of incorrect data or conditions which were not fulfilled.

L: mandatory legislative provision

C: "comply or explain" recommendation

NA: not applicable

Table 4

Structure of remuneration policy		
Recommendation 3.5 *Termination payments should not exceed a fixed amount or fixed number of years of annual remuneration, which should, in general, not be higher than two years of the non-variable component of remuneration or the equivalent thereof.* *Termination payments should not be paid if the termination is due to inadequate performance.*		
Member State	**Endorsement of recommendation**	**Nature of the rule**
AT	Partly, it is recommended that termination payments are limited to 2 years of total remuneration.	C
BE	Partly, it is recommended that termination payments are limited to 12-18 months of total remuneration. In case of inadequate performance, termination payment is limited to 12 months of fixed remuneration.	C
BU	N	NA
CY	N (The revised code is likely to include this recommendation.)	NA
CZ	N, but it is recommended that termination payments following poor performance should not be excessive.	C
DE	Partly, it is recommended that termination payments are limited to 2 years of total remuneration.	C
DK	Partly, there is no recommendation with regard termination payments in case of inadequate performance.	C
EE	Partly, it is recommended that termination payments are connected to the prior performance of directors and are not paid if this would harm the interests of the issuer. (Draft legislation stipulates that termination payments should not be paid if the termination is due to inadequate performance.)	C
EL	N	NA
ES	N (The revised code is likely to include this recommendation.)	NA
FI	N (The revised code is likely to include a similar recommendation.)	NA
FR	Partly, it is recommended that termination payments are limited to 2 years of total remuneration and are linked to predetermined performance criteria.	C/L
HU	N	NA
IE	Y	C

IT	Partly, it is recommended that termination payments are limited to a fixed amount or number of years of annual remuneration, but the number of years may be higher than two. (The revised code is likely to include this recommendation.)	C
LV	N	NA
LT	Y	C
LU	Y	C
MT	N	NA
NL	Y	C
PL	N	NA
PT	Partly, it is required that termination payments do not exceed the amount that would presumably be paid until the end of the mandate, unless termination is due to the directors´ fault, in which case no termination payment is to be paid.	C/L
RO	No data received.	NA
SE	Partly, there is no recommendation with regard termination payments in case of inadequate performance.	C
SI	Y	C/L
SK	N	NA
UK	Y	C

L: mandatory legislative provision

C: "comply or explain" recommendation

NA: not applicable

Table 5

Share-based remuneration		
Recommendation 4.1 *Shares should not vest for at least three years after their award.* *Share options or any other right to acquire shares or to be remunerated on the basis of share price movements should not be exercisable for at least three years after their award.* *Recommendation 4.2* *Vesting of shares and the right to exercise share options or any other right to acquire shares or to be remunerated on the basis of share price movements, should be subject to predetermined and measurable performance criteria.*		
Member State	**Endorsement of recommendation**	**Nature of the rule**
AT	4.1 Y 4.2 N	NA
BE	Y	C/L
BU	N	NA
CY	4.1 Partly, there is no recommendation with regard to vesting period of shares. 4.2 N (The revised code is likely to include these recommendations.)	C
CZ	N	NA
DE	4.1 Y 4.2 N	C/L
DK	Y	C
EE	N (Implementation of these recommendations in the Code is currently being considered.)	NA
EL	N	NA
ES	N (The revised code is likely to include these recommendations.)	NA
FI	N (The revised code is likely to include recommendation 4.2.)	NA
FR	4.1 Partly, a minimum vesting period of two years is recommended for shares, no restriction is recommended with regard to exercise of share options. 4.2 Y	L/C

HU	N	NA
IE	Y	C
IT	Y	C
LV	N	NA
LT	Y	C
LU	4.1 Partly, no restriction is recommended with regard to exercise of share options. 4.2 N	C
MT	N	NA
NL	4.1 Partly, there is no recommendation with regard to vesting period of shares. However, all awarded shares are subject to a 5 year retention period. 4.2 N	C
PL	N	NA
PT	Y, in sofar as share-based remuneration is a part of variable remuneration.	C
RO	No data received.	NA
SE	4.1 Partly, no restriction is recommended with regard to exercise of share options. 4.2 N	C
SI	4.1 Y 4.2 N	C
SK	N	NA
UK	Y	C

Evaluation criteria as regards Recommendation 4.2: Y: it is required or recommended on a “comply or explain” basis that vesting of shares and attribution of the right to exercise share options, after their initial award, is subject to predetermined and measurable performance criteria. The recommendation does not address the initial award of shares and share options and whether this is subject to performance criteria.

L: mandatory legislative provision

C: "comply or explain" recommendation

NA: not applicable

Table 6

Remuneration Committee		
Recommendation 7.1 *At least one of the members of the remuneration committee should have knowledge of and experience in the field of remuneration policy.*		
Member State	**Endorsement of recommendation**	**Nature of the rule**
AT	Y	C
BE	Y	L
BU	N	NA
CY	N	NA
CZ	N	NA
DE	N	NA
DK	Y	C
EE	N	NA
EL	N	NA
ES	N (The revised code is likely to include this recommendation.)	NA
FI	N, but it is recommended that a person elected to the board has the qualifications required by his duties. (The revised code is likely to include this recommendation.)	C
FR	N	NA
HU	N	NA
IE	N	NA
IT	N, but it is recommended that at least one member of the Remuneration Committee has expertise in the field of finance.	NA
LV	N	NA
LT	Y	C
LU	N, but it is recommended that the Remuneration Committee has access to the necessary skills and means to effectively fulfil its role.	C
MT	N	NA
NL	N, but it is recommended that each supervisory board member has the required specific expertise to fulfil the duties assigned to the role designated to him.	C

PL	N, but it is recommended that each supervisory board member has sufficient expertise and experience to perform his duties.	C
PT	Y	C
RO	No data received.	NA
SE	N, but it is recommended that appropriate knowledge and experience of remuneration issues is to exist amongst the members of the Remuneration Committee.	C
SI	Y	C
SK	N, but it is recommended that the composition of the Remuneration Committee takes into account the qualifications required for due fulfilment of their functions.	C
UK	N	NA

L: mandatory legislative provision

C: "comply or explain" recommendation

NA: not applicable

Table 7

Remuneration Committee		
Recommendation 8.1 *The Remuneration Committee should periodically review the remuneration policy for executive or managing directors, including the policy regarding share-based remuneration and its implementation.*		
Member State	**Endorsement of recommendation**	**Nature of the rule**
AT	Y	C
BE	N	NA
BU	N	NA
CY	N (The revised code is likely to include this recommendation.)	NA
CZ	N	NA
DE	Y	C
DK	N	NA
EE	N, but the supervisory board should regularly review the remuneration policy for management.	NA
EL	N	NA
ES	N (The revised code is likely to include this recommendation.)	NA
FI	Y	C
FR	N	NA
HU	N	NA
IE	N	NA
IT	Y	C
LV	N	NA
LT	Y	C
LU	N	NA
MT	N	NA
NL	Y	NA
PL	N	NA
PT	N	NA

RO	No data received	NA
SE	Partly, it is recommended that the Remuneration Committee evaluates programmes for variable remuneration for the executive management.	C
SI	Y	C
SK	N	NA
UK	N	NA

Evaluation criteria: Y: it is required or recommended on a “comply or explain” basis that the Remuneration Committee regularly reviews the adopted remuneration policy, with a view to possibly proposing amendments. This task is separate from the Remuneration Committee´s task to submit proposals with regard to the remuneration policy before its adoption or to monitor compliance with/application of the adopted remuneration policy. It is also separate from the task to monitor or evaluate the functioning of the (management) board.

L: mandatory legislative provision

C: "comply or explain" recommendation

NA: not applicable

Table 8

Remuneration Committee		
Recommendation 9.2 *When using the services of a consultant with a view to obtaining information on market standards for remuneration systems, the remuneration committee should ensure that the consultant concerned does not at the same time advise the human resources department or executive or managing directors of the company concerned.*		
Member State	**Endorsement of recommendation**	**Nature of the rule**
AT	Y	C
BE	N	NA
BU	N	NA
CY	N (The revised code is likely to include this recommendation.)	NA
CZ	N	NA
DE	Y	C
DK	Y	C
EE	N	NA
EL	N	NA
ES	N (The revised code is likely to include this recommendation.)	NA
FI	N (The revised code is likely to include this recommendation.)	NA
FR	N	NA
HU	N	NA
IE	N, but it is recommended to disclose whether consultants have other connections with the company.	C
IT	N, but it is recommended that the Remuneration Committee ensures that the consultant is not in a situation which could impair his independence. (The revised code is likely to include this recommendation.)	C
LV	N	NA
LT	Y	C
LU	N	NA
MT	N	NA

NL	Y	C
PL	N	NA
PT	Y	C
RO	No data received.	NA
SE	N, but it is recommended that the Remuneration Committee ensures that there is no conflict of interest regarding other assignments that a consultant may have.	C
SI	Y	C
SK	N	NA
UK	N, but it is recommended to disclose other services that the consultant has provided to the company.	C/L

L: mandatory legislative provision

C: "comply or explain" recommendation

NA: not applicable

Table 9

Disclosure of the remuneration policy and individual remuneration		
Recommendation 3.1 of 2004 Recommendation *Each listed company should disclose a statement of the remuneration policy of the company. It should be part of an independent remuneration report and/or be included in the annual accounts and annual report or in the notes to the annual accounts of the company. The remuneration statement should also be posted on the listed company´s website.* *Recommendation 5.1 of 2004 Recommendation* *The total remuneration and other benefits granted to individual directors over the relevant financial year should be disclosed in detail in the annual accounts or in the notes to the annual accounts or, where applicable , in the remuneration report.*		
Member State	**Endorsement of recommendation**	**Nature of the rule**
AT	Y	C/L
BE	Y	C/L
BU	3.1 N 5.1 Y	C
CY	Y (Although the provision is included in the Code, it is compulsory for the main market and the shipping companies market.)	C
CZ	3.1 Y 5.1 N	C/L
DE	3.1Y 5.1 Y, except when the AGM with a ¾ majority has decided that disclosure of individual remuneration is not necessary.	C/L
DK	Y	C
EE	Y	C
EL	N	NA
ES	Y (A draft bill regulates disclosure of remuneration policy and individual remuneration.)	C
FI	Y	C
FR	Y	L
HU	Y	C/L

IE	Y (Regulated in the Code and listing rules)	C
IT	3.1 N (A draft bill regulates disclosure of remuneration policy.) 3.2 Y	L
LV	Y	C
LT	Y	C
LU	No data received.	NA
MT	3.1 Y 5.1 N	C
NL	Y	C
PL	3.1 N 5.1 Y	L
PT	Y	C/L
RO	No data received.	NA
SE	Y	L
SI	Y	C/L
SK	Y	C/L
UK	Y	C

Evaluation criteria as regards Recommendation 3.1: Y: it is required or recommended on a “comply or explain” basis that the company discloses a statement of its remuneration policy. In this evaluation is not included application of Recommendations 3.2 and 3.3 from the 2004 Recommendation on the content of the remuneration statement by the Member States.

L: mandatory legislative provision

C: "comply or explain" recommendation

NA: not applicable

Table 10

Shareholders´ vote		
Recommendation 4.2 of 2004 Recommendation *Without prejudice to the role and organisation of the relevant bodies responsible for setting directors´ remunerations, the remuneration statement should be submitted to the annual general meeting of shareholders for a vote. The vote may be either mandatory or advisory. .*		
Member State	**Endorsement of recommendation**	**Nature of the rule**
AT	N	NA
BE	Y, binding vote on remuneration report.	L
BU	Partly, a binding shareholder vote on remuneration amounts and criteria with regard to board members is recommended for companies with a one tier board structure.	C
CY	Y, binding vote on remuneration report. (Although the provision is included in the Code, it is compulsory for the main market and the shipping companies market.)	C
CZ	Y, the law requires a binding vote on actual remuneration of directors while the Code recommends that shareholders can express their views on remuneration policy.	C/L
DE	Y, but the (advisory) vote relates to the remuneration policy only.	L
DK	Partly, binding vote on actual remuneration of supervisory directors and general guidelines of incentive pay.	L
EE	N	NA
EL	Partly, binding vote on actual remuneration of directors.	L
ES	Y, advisory vote on remuneration report. (A draft bill regulates the advisory shareholders´ vote.)	C
FI	Partly, binding vote on actual remuneration of directors.	L
FR	Y, binding vote on remuneration report, although the vote is included in the vote on the annual report.	L
HU	Y, but the (binding or advisory) vote relates to the remuneration policy only.	C/L
IE	Y, advisory vote on remuneration report (Regulated in a Recommendation from the Irish Stock Exchange, which applies on a comply basis.)	*
IT	N (A draft bill regulates the shareholders´ vote.)	NA
LV	Y, binding vote on remuneration policy and actual remuneration of directors.	L
LT	Y, binding or advisory vote on remuneration statement.	C

LU	No data received.	NA
MT	N, but shareholders should determine, from time to time, the remuneration of directors.	L
NL	Y, binding vote on remuneration policy and actual remuneration of supervisory directors.	C
PL	N	NA
PT	Y, binding vote on remuneration statement.	L
RO	No data received.	NA
SE	Y, binding vote on remuneration policy.	L
SI	N	NA
SK	Partly, it is recommended that shareholders have the possibility to discuss the remuneration policy and have a binding vote on long term incentive plans. The law requires a binding shareholder vote on remuneration policy unless the articles of association stipulate that the supervisory board decides on remuneration policy.	C/L
UK	Y, advisory vote on remuneration report.	L

Evaluation criteria: Y: it is required or recommended on a “comply or explain” basis that shareholders can vote in a binding or advisory way on the remuneration report or statement, which includes the remuneration policy for the coming year and a report on how this policy has been applied in the previous year or a resolution on actual remuneration of directors.

L: mandatory legislative provision

C: "comply or explain" recommendation

NA: not applicable

*: other