



EUROPEAN PARLIAMENT

2014 - 2019

---

*Committee on Legal Affairs*

---

**2014/0121(COD)**

25.2.2015

# **AMENDMENTS**

## **290 - 490**

**Draft report**  
**Sergio Gaetano Cofferati**  
(PE544.471v01-00)

Amendment to Directive 2007/36/EC as regards the encouragement of long-term shareholder engagement and to Directive 2013/34/EU as regards certain elements of the corporate governance statement

Proposal for a directive  
(COM(2014)0213 – C7-0147/2014 – 2014/0121(COD))

AM\1051130EN.doc

PE549.159v02-00

AM\_Com\_LegReport

**Amendment 290**

**Cecilia Wikström, Nils Torvalds, Ulla Tørnæs, Cora van Nieuwenhuizen**

**Proposal for a directive**

**Article 1 – point 4**

Directive 2007/36/EC

Article 9a

*Text proposed by the Commission*

*Amendment*

**Article 9a**

**deleted**

***Right to vote on the remuneration policy***

***1. Member States shall ensure that shareholders have the right to vote on the remuneration policy as regards directors. Companies shall only pay remuneration to their directors in accordance with a remuneration policy that has been approved by shareholders. The policy shall be submitted for approval by the shareholders at least every three years.***

***Companies may, in case of recruitment of new board members, decide to pay remuneration to an individual director outside the approved policy, where the remuneration package of the individual director has received prior approval by shareholders on the basis of information on the matters referred to in paragraph 3. The remuneration may be awarded provisionally pending approval by the shareholders.***

***2. Member States shall ensure that the policy is clear, understandable, in line with the business strategy, objectives, values and long-term interests of the company and that it incorporates measures to avoid conflicts of interest.***

***3. The policy shall explain how it contributes to the long-term interests and sustainability of the company. It shall set clear criteria for the award of fixed and variable remuneration, including all benefits in whatever form.***

*The policy shall indicate the maximum amounts of total remuneration that can be awarded, and the corresponding relative proportion of the different components of fixed and variable remuneration. It shall explain how the pay and employment conditions of employees of the company were taken into account when setting the policy or directors' remuneration by explaining the ratio between the average remuneration of directors and the average remuneration of full time employees of the company other than directors and why this ratio is considered appropriate. The policy may exceptionally be without a ratio in case of exceptional circumstances. In that case, it shall explain why there is no ratio and which measures with the same effect have been taken.*

*For variable remuneration, the policy shall indicate the financial and non-financial performance criteria to be used and explain how they contribute to the long-term interests and sustainability of the company, and the methods to be applied to determine to which extent the performance criteria have been fulfilled; it shall specify the deferral periods, vesting periods for share-based remuneration and retention of shares after vesting, and information on the possibility of the company to reclaim variable remuneration.*

*The policy shall indicate the main terms of the contracts of directors, including its duration and the applicable notice periods and payments linked to termination of contracts.*

*The policy shall explain the decision-making process leading to its determination. Where the policy is revised, it shall include an explanation of all significant changes and how it takes into account the views of shareholders on the policy and report in the previous*

years.

**4. Member States shall ensure that after approval by the shareholders the policy is made public without delay and available on the company's website at least as long as it is applicable.**

Or. en

#### *Justification*

*The provision in the commission proposal for article 9a are far too detailed. It would add high administrative burdens on companies with minimal benefit to society, markets or shareholders. The existing directive already gives (in article 6) the possibility for minority shareholders to place items on the agenda of the general meeting and this should be a sufficient safeguard.*

#### **Amendment 291 Tadeusz Zwiefka**

##### **Proposal for a directive**

##### **Article 1 – point 4**

Directive 2007/36/EC

Article 9a – paragraph 1 – subparagraph 1

#### *Text proposed by the Commission*

1. Member States shall ensure that ***shareholders have the right to vote on the*** remuneration policy as regards directors. Companies shall only pay remuneration to their directors in accordance with a remuneration policy that has been approved by shareholders. ***The policy shall be submitted for approval by the shareholders at least every three years.***

#### *Amendment*

1. Member States shall ensure that ***companies establish a*** remuneration policy as regards directors. Companies shall only pay remuneration to their directors in accordance with a remuneration policy that has been approved by shareholders.

Or. en

#### **Amendment 292 Therese Comodini Cachia**

## Proposal for a directive

### Article 1 – point 4

Directive 2007/36/EC

Article 9a – paragraph 1 – subparagraph 1.

#### *Text proposed by the Commission*

1. Member States shall ensure that shareholders have the right to vote on the remuneration policy as regards directors. Companies shall only pay remuneration to their directors in accordance with a remuneration policy that has been approved by shareholders. **The** policy shall be submitted for approval by the shareholders **at least every three years**.

#### *Amendment*

1. Member States shall ensure that shareholders have the right to vote on the remuneration policy as regards directors **and submit it for approval by the shareholders**. Companies shall only pay remuneration to their directors in accordance with a remuneration policy that has been approved by shareholders. **Any substantial change to the remuneration** policy shall be submitted for approval by the shareholders.

Or. en

## Amendment 293

Jiří Maštálka

## Proposal for a directive

### Article 1 – point 4

Directive 2007/36/EC

Article 9a – paragraph 1 – subparagraph 1

#### *Text proposed by the Commission*

1. Member States shall ensure that shareholders have the right to vote on the remuneration policy as regards directors. Companies shall only pay remuneration to their directors in accordance with a remuneration policy that has been approved by shareholders. The policy shall be submitted for approval by the shareholders at least every **three years**.

#### *Amendment*

1. Member States shall ensure that shareholders have the right to vote on the remuneration policy as regards directors. Companies shall only pay remuneration to their directors in accordance with a remuneration policy that has been approved by shareholders **and on which the employees via their representatives have expressed their view**. The policy shall be submitted for approval by the shareholders at least every **year**.

Or. en

**Amendment 294**  
**Laura Ferrara**

**Proposal for a directive**

**Article 1 – point 4**

Direttiva 2007/36/CE

Article 9a – paragraph 1 – subparagraph 1

*Text proposed by the Commission*

1. Member States shall ensure that shareholders have the right to vote on the remuneration policy as regards directors. Companies shall only pay remuneration to their directors in accordance with a remuneration policy that has been approved by shareholders. **The** policy shall be **submitted for approval by** the shareholders at least every three years.

*Amendment*

1. Member States shall ensure that shareholders have the right to vote on the remuneration policy as regards directors. Companies shall only pay remuneration to their directors in accordance with a remuneration policy that has been approved by shareholders. **Any changes to this** policy shall be **approved by shareholders**. The shareholders **shall confirm or amend the remuneration policy** at least every three years.

Or. it

**Amendment 295**  
**Bendt Bendtsen, Ulla Tørnæs**

**Proposal for a directive**

**Article 1 – point 4**

Directive 2007/36/EC

Article 9a – paragraph 1 – subparagraph 1

*Text proposed by the Commission*

1. Member States shall ensure that **shareholders have the right to vote on the** remuneration policy as regards directors. Companies shall only pay remuneration to their directors in accordance with a remuneration policy that has been approved **by shareholders**. The policy shall be submitted for approval by the shareholders at least every three years.

*Amendment*

1. Member States shall ensure that **companies draw up a** remuneration policy as regards directors **and submit it for approval at the general meeting**. Companies shall only pay remuneration to their directors in accordance with a remuneration policy that has been approved **at the general meeting**. The policy shall be submitted for approval by the shareholders at least every three years **or in the event of substantial changes**.

*Justification*

*In event of substantial changes before the three year deadline, the policy should be submitted to the shareholders when relevant.*

**Amendment 296**

**António Marinho e Pinto**

**Proposal for a directive**

**Article 1 – point 4**

Directive 2007/36/EC

Article 9a – paragraph 1 – subparagraph 1

*Text proposed by the Commission*

1. Member States shall ensure that shareholders have the right to vote on the remuneration policy as regards directors. Companies shall only pay remuneration to their directors in accordance with a remuneration policy that has been approved by shareholders. The policy shall be submitted for approval by the shareholders at least every three years.

*Amendment*

1. Member States shall ensure that shareholders have the right to vote on the remuneration policy as regards directors. Companies shall only pay remuneration to their directors in accordance with a remuneration policy that has been approved by shareholders. ***Any change in that policy shall be subject to the approval of the shareholders and*** the policy shall be submitted for approval by the shareholders at least every three years.

Or. pt

**Amendment 297**

**József Szájer**

**Proposal for a directive**

**Article 1 – point 4**

Directive 2007/36/EC

Article 9a – paragraph 1 – subparagraph 1

*Text proposed by the Commission*

1. Member States shall ensure that ***shareholders have the right to vote on the*** remuneration policy as regards directors.

*Amendment*

1. Member States shall ensure that ***companies draw up a*** remuneration policy as regards directors ***and submit it for***



Companies shall only pay remuneration to their directors in accordance with a remuneration policy that has been approved **by shareholders**. The policy shall be submitted for approval by the shareholders at least every three years.

***approval at the general meeting.***  
Companies shall only pay remuneration to their directors in accordance with a remuneration policy that has been approved ***at the general meeting***. The policy shall be submitted for approval by the shareholders at least every three years ***or in the event of substantial changes***.

Or. en

#### *Justification*

*In event of substantial changes before the three year deadline, the policy should be submitted to the shareholders when relevant.*

#### **Amendment 298** **Jean-Marie Cavada**

**Proposal for a directive**  
**Article 1 – point 4**  
Directive 2007/36/EC  
Article 9 a – paragraph 1 – subparagraph 1

#### *Text proposed by the Commission*

Member States shall ensure that ***shareholders have the right to vote on the*** remuneration policy as regards directors. Companies shall only pay remuneration to their directors in accordance with ***a*** remuneration policy ***that has been approved by shareholders. The policy shall be submitted for approval by the shareholders*** at least every three years.

#### *Amendment*

Member States shall ensure that ***companies draw up a*** remuneration policy as regards directors. Companies shall only pay remuneration to their directors in accordance with ***that*** remuneration policy.

***Member States shall ensure that shareholders have the right to approve either the remuneration policy as regards directors or the remuneration report for the previous year as provided for in Article 9b.***

***If shareholders have the right to vote on the remuneration policy, that policy must be submitted to them for approval*** at least

every three years *or every time it is changed*.

*Member States may stipulate that the vote by shareholders on the remuneration policy is advisory, provided that, if the shareholders reject the remuneration policy, the board then reviews that policy and notifies its conclusions to the shareholders at the latest at the next general meeting.*

*If shareholders have the right to vote only on the remuneration report for the previous year, and if they rejected that report, the board shall review the remuneration policy and notify its conclusions to the shareholders at the latest at the next general meeting.*

Or. fr

## Amendment 299

Giovanni Toti

### Proposal for a directive

#### Article 1 – point 4

Directive 2007/36/EC

Article 9a – paragraph 1 – subparagraph 1

#### *Text proposed by the Commission*

1. Member States shall ensure that ***shareholders have the right to vote on the*** remuneration policy as regards directors. Companies shall only pay remuneration to their directors in accordance with a remuneration policy ***that*** has been ***approved by shareholders***. The policy shall be submitted ***for approval*** by the shareholders at least every ***three*** years.

#### *Amendment*

1. Member States shall ensure that ***companies establish a*** remuneration policy as regards directors. Companies shall only pay remuneration to their directors in accordance with a remuneration policy.

***Member States shall ensure that shareholders have the right to vote on the remuneration policy. Such vote shall be binding. However, Member States may provide an advisory vote, provided that where shareholders vote against the***

*remuneration policy and where the company identifies the reasons for the rejection, it shall explain in the next general meeting whether or not and, if so, how, the vote of the shareholders has been taken into account. The policy shall be submitted to a vote by the shareholders each time there is a material change to the policy and in any case at least every five years.*

Or. en

### *Justification*

*This amendment gives Member States the option of allowing the ex ante shareholders' vote on remuneration policy also to be an advisory vote, in accordance with a principle-based approach. Indeed, as the experience of some Member States has shown, in which remuneration policy is subject to a non-binding vote, this is sufficiently effective, as it is unlikely that boards do not take into consideration the general meeting vote.*

## **Amendment 300** **Heinz K. Becker**

### **Proposal for a directive**

#### **Article 1 – point 4**

Directive 2007/36/EC

Article 9a – paragraph 1 – subparagraph 1

#### *Text proposed by the Commission*

1. Member States shall ensure that shareholders have the right to vote on the remuneration policy as regards directors. ***Companies shall only pay remuneration to their directors in accordance with a remuneration policy that has been approved by shareholders.*** The policy shall be submitted for approval by the shareholders at least every three years.

#### *Amendment*

1. Member States shall ensure that ***companies draw up a remuneration policy for corporate governance. This policy shall ensure that*** shareholders have the right to vote on the remuneration policy as regards directors. ***The result of the vote at the general meeting shall be recommendatory in nature.*** The policy shall be submitted for approval by the shareholders at least every three years.

Or. de

### *Justification*

*The proposed changes take account of the traditional structure of public limited liability companies and their supervisory mechanisms in many Member States. Enabling the general meeting (alone) to decide on remuneration policy would lead to a fundamental shift in supervisory and other powers.*

#### **Amendment 301**

**Morten Messerschmidt, Andrzej Duda, Angel Dzhambazki**

#### **Proposal for a directive**

##### **Article 1 – point 4**

Directive 2007/36/EC

Article 9a – paragraph 1 – subparagraph 1

#### *Text proposed by the Commission*

1. Member States shall ensure that shareholders have the right to vote on the remuneration policy as regards directors. Companies shall only pay remuneration to their directors in accordance with a remuneration policy that has been approved by shareholders. The policy shall be submitted for approval by the shareholders at least every three years.

#### *Amendment*

1. Member States shall ensure that shareholders have the right to vote on the remuneration policy as regards directors. Companies shall only pay remuneration to their directors in accordance with a remuneration policy that has been approved by shareholders. The policy shall be submitted for approval by the shareholders at least every three years.  
***However, Member States may allow companies to submit the policy for approval by the general meeting only when there is a proposal for amendment.***

Or. en

### *Justification*

*It is unnecessary to make a vote mandatory at regular intervals, because shareholders according to the current shareholder rights directive already have a right both to demand such a vote and to demand a discussion on the current remuneration policy. It is therefore sufficient to require that the policy is submitted for approval by the general meeting when there is a proposal for amending the policy, regardless whether the proposal originates from the Board or from individual shareholders. At least this should be a Member State option.*

#### **Amendment 302**

**Angelika Niebler, Axel Voss**

**Proposal for a directive**

**Article 1 – point 4**

Directive 2007/36/EC

Article 9a – paragraph 1 – subparagraph 1

*Text proposed by the Commission*

1. Member States shall ensure that **shareholders have the right to vote on the** remuneration policy as regards directors. Companies shall **only** pay remuneration to their directors in accordance with a remuneration policy **that has been approved by shareholders**. The policy shall be submitted **for approval by the** shareholders **at least every three years**.

*Amendment*

1. Member States shall ensure that **companies introduce a** remuneration policy as regards directors. **Member States shall also ensure that shareholders can hold an advisory or binding vote on this remuneration policy**. Companies shall pay remuneration to their directors in accordance with **this** remuneration policy. **Changes in the remuneration** policy shall be submitted **to an advisory or binding vote by** shareholders.

Or. de

*Justification*

*In two-tier company law systems, Member States must continue to have the freedom to choose whether a vote on remuneration issues in the general meeting will be binding or advisory in nature.*

**Amendment 303**

**Pascal Durand**

**Proposal for a directive**

**Article 1 – point 4**

Directive 2007/36/EC

Article 9 a – paragraph 1 – subparagraph 1

*Text proposed by the Commission*

Member States shall ensure that shareholders have the right to vote on the remuneration policy as regards directors. Companies shall only pay remuneration to their directors in accordance with a remuneration policy that has been approved by shareholders. The policy shall

*Amendment*

Member States shall ensure that shareholders have the right to vote on the remuneration policy as regards **executives and** directors. Companies shall only pay remuneration to their **executives and** directors in accordance with a remuneration policy that has been

be submitted for approval by the *shareholders* at least every three years.

approved by shareholders. *Any change in the policy shall be approved by the shareholders and* the policy shall be submitted for approval by the *latter* at least every three years.

Or. fr

#### **Amendment 304**

**Tadeusz Zwiefka**

#### **Proposal for a directive**

##### **Article 1 – point 4**

Directive 2007/36/EC

Article 9a – paragraph 1 – subparagraph 2

*Text proposed by the Commission*

*Amendment*

*Companies may, in case of recruitment of new board members, decide to pay remuneration to an individual director outside the approved policy, where the remuneration package of the individual director has received prior approval by shareholders on the basis of information on the matters referred to in paragraph 3. The remuneration may be awarded provisionally pending approval by the shareholders.*

*deleted*

Or. en

#### *Justification*

*Subparagraph 2 introduces uncertainty and unpredictability and may lead to conflict between newly recruited directors and a company, therefore it should be replaced by the provision allowing company to establish internal procedure*

#### **Amendment 305**

**Bendt Bendtsen, Ulla Tørnæs**

#### **Proposal for a directive**

##### **Article 1 – point 4**

Directive 2007/36/EC  
Article 9a – paragraph 1 – subparagraph 2

*Text proposed by the Commission*

*Amendment*

***Companies may, in case of recruitment of new board members, decide to pay remuneration to an individual director outside the approved policy, where the remuneration package of the individual director has received prior approval by shareholders on the basis of information on the matters referred to in paragraph 3. The remuneration may be awarded provisionally pending approval by the shareholders.*** ***deleted***

Or. en

**Amendment 306**  
**József Szájer**

**Proposal for a directive**  
**Article 1 – point 4**  
Directive 2007/36/EC  
Article 9a – paragraph 1 – subparagraph 2

*Text proposed by the Commission*

*Amendment*

***Companies may, in case of recruitment of new board members, decide to pay remuneration to an individual director outside the approved policy, where the remuneration package of the individual director has received prior approval by shareholders on the basis of information on the matters referred to in paragraph 3. The remuneration may be awarded provisionally pending approval by the shareholders.*** ***deleted***

Or. en

## **Amendment 307**

**Morten Messerschmidt, Andrzej Duda, Angel Dzhambazki**

### **Proposal for a directive**

#### **Article 1 – point 4**

Directive 2007/36/EC

Article 9a – paragraph 1 – subparagraph 2

*Text proposed by the Commission*

*Amendment*

***Companies may, in case of recruitment of new board members, decide to pay remuneration to an individual director outside the approved policy, where the remuneration package of the individual director has received prior approval by shareholders on the basis of information on the matters referred to in paragraph 3. The remuneration may be awarded provisionally pending approval by the shareholders.*** ***deleted***

Or. en

#### *Justification*

*The proposed flexibility in subparagraph 2 to pay outside the approved policy provides no real flexibility. Ex ante shareholder approval of the individual remuneration package is not more flexible than ex ante shareholder approval of a revised policy, and no director candidate would agree to a provisional agreement pending approval by the shareholders. The latter could take months, would be burdensome and – if shareholders are really to assess the justification of the remuneration package - would entail disclosure of the identity of the candidate. No candidate would endure that. Instead, the policy itself must be flexible.*

## **Amendment 308**

**Philippe De Backer**

### **Proposal for a directive**

#### **Article 1 – point 4**

Directive 2007 36/EC

Article 9a – paragraph 1 – subparagraph 2

*Text proposed by the Commission*

*Amendment*

Companies may, in case of recruitment of

Companies may, in case of recruitment of



new board members, decide to pay remuneration to an individual director outside the approved policy, where the remuneration package of the individual director has received prior approval by shareholders on the basis of information on the matters referred to in paragraph 3. The remuneration may be awarded provisionally pending approval by the shareholders.

new board members, decide to pay remuneration to an individual director outside the approved policy, where the **basic elements of the** remuneration package of the individual director has received prior approval by shareholders on the basis of information on the matters referred to in paragraph 3. The remuneration may be awarded provisionally pending approval by the shareholders.

Or. en

### *Justification*

*the reference to the individual remuneration package is unclear*

## **Amendment 309** **Giovanni Toti**

### **Proposal for a directive**

#### **Article 1 – point 4**

Directive 2007/36/EC

Article 9a – paragraph 1 – subparagraph 2

#### *Text proposed by the Commission*

Companies may, ***in case of recruitment of new board members***, decide to pay remuneration to an individual director outside the ***approved*** policy, where the remuneration package of the individual director ***has received prior approval by shareholders on the basis of information on the matters referred to in paragraph 3.*** ***The remuneration may be awarded provisionally pending approval by the shareholders.***

#### *Amendment*

Companies may decide to pay remuneration to an individual director outside the ***voted*** policy, where the remuneration package of the individual director ***is submitted to a vote by the shareholders at the following general meeting.***

Or. en

### *Justification*

*The proposal provides that in case of recruitment of new board members, the company may pay them remuneration that is not included in the voted remuneration policy, where the latter has been approved by shareholders. This is not very clear and could persuade qualified professionals to move away from European companies. The provision should be replaced by a more flexible one, which allows the payment of remuneration which is not included in the remuneration policy adopted.*

#### **Amendment 310**

**Laura Ferrara**

#### **Proposal for a directive**

##### **Article 1 – point 4**

Directive 2007/36/EC

Article 9a – paragraph 1 – subparagraph 2

#### *Text proposed by the Commission*

***Companies may, in case of recruitment of new board members, decide to pay remuneration to an individual director outside the approved policy, where the remuneration package of the individual director has received prior approval by shareholders on the basis of information on the matters referred to in paragraph 3. The remuneration may be awarded provisionally pending approval by the shareholders.***

#### *Amendment*

***Where there is no remuneration policy, or the draft remuneration policy submitted to shareholders has not been approved, remuneration of directors shall be temporarily based on minimum levels provided for under current practice, until a new draft remuneration policy has been approved.***

Or. it

#### **Amendment 311**

**Pascal Durand**

#### **Proposal for a directive**

##### **Article 1 – point 4**

Directive 2007/36/EC

Article 9 a – paragraph 1 – subparagraph 2

#### *Text proposed by the Commission*

***Companies may, in case of recruitment of***

#### *Amendment*

***If it previously had no remuneration***

*new board members, decide to pay remuneration to an individual director outside the approved policy, where the remuneration package of the individual director has received prior approval by shareholders on the basis of information on the matters referred to in paragraph 3. The remuneration may be awarded provisionally pending approval by the shareholders.*

*policy and the shareholders rejected the draft remuneration policy submitted to them, the company may, whilst reconsidering the draft policy, remunerate its executives in accordance with the existing arrangements for a period which may not exceed one year.*

*In cases where a remuneration policy has been adopted and the shareholders have rejected the draft new policy submitted to them within the three-year period laid down in the first subparagraph, the company may, whilst reworking the draft and for a period of no longer than one year, pay remuneration to its executives in accordance with the expired policy.*

Or. fr

**Amendment 312**  
**Therese Comodini Cachia**

**Proposal for a directive**  
**Article 1 – point 4**  
Directive 2007/36/EC  
Article 9a – paragraph 1 – subparagraph 2

*Text proposed by the Commission*

*Companies may, in case of recruitment of new board members, decide to pay remuneration to an individual director outside the approved policy, where the remuneration package of the individual director has received prior approval by shareholders on the basis of information on the matters referred to in paragraph 3. The remuneration may be awarded provisionally pending approval by the shareholders.*

*Amendment*

*deleted*

Or. en

**Amendment 313**  
**Heinz K. Becker**

**Proposal for a directive**

**Article 1 – point 4**

Directive 2007/36/EC

Article 9a – paragraph 1 – subparagraph 2

*Text proposed by the Commission*

*Companies may, in case of recruitment of new board members, decide to pay remuneration to an individual director outside the approved policy, where the remuneration package of the individual director has received prior approval by shareholders on the basis of information on the matters referred to in paragraph 3. The remuneration may be awarded provisionally pending approval by the shareholders.*

*Amendment*

*This Directive does not prevent Member States from granting the general meeting or the company's other administrative or supervisory bodies binding powers of assent in their national law in respect of the company's remuneration policy.*

Or. de

*Justification*

*The proposed changes take account of the traditional structure of public limited liability companies and their supervisory mechanisms in many Member States. Enabling the general meeting (alone) to decide on remuneration policy would lead to a fundamental shift in supervisory and other powers.*

**Amendment 314**  
**Angelika Niebler, Axel Voss**

**Proposal for a directive**

**Article 1 – paragraph 1 – point 4**

Directive 2007/36/EC

Article 9a – paragraph 1 – subparagraph 2

*Text proposed by the Commission*

Companies may, in case of recruitment of new board members, decide to pay remuneration to an individual director

*Amendment*

Companies may, in case of recruitment of new board members, decide to pay remuneration to an individual director

outside the *approved* policy, *where the remuneration package of the individual director has received prior approval by shareholders on the basis of information on the matters referred to in paragraph 3.*  
The remuneration *may be awarded provisionally pending approval by the shareholders.*

outside the *remuneration* policy. *The exception to the remuneration policy shall be submitted to an advisory or binding vote at the next general meeting.*

Or. de

#### *Justification*

*The role of the supervisory body in two-tier company law systems must not be downgraded by the provisions laid down in the directive.*

#### **Amendment 315** **Tadeusz Zwiefka**

#### **Proposal for a directive**

#### **Article 1 – point 4**

Directive 2007/36/EC

Article 9a – paragraph 1 – subparagraph 2a (new)

#### *Text proposed by the Commission*

#### *Amendment*

*Member States may provide that the vote of the shareholders on the remuneration policy is advisory. However, Member States may decide to allow companies to establish an internal procedure defining the rules on remuneration for directors outside the general remuneration policy. Member States shall ensure that shareholders have the right to vote on the internal procedure. Member States shall provide for the consequences of a negative vote by the shareholders in their respective national laws.*

Or. en

### *Justification*

*Art. 9a does not reflect the fact that in EU two different systems of operating companies exists namely, the dualistic and monistic system of management and supervision. In monistic system exists only single administrative board (board of directors) directing the company's business and in the dualistic system two separated bodies, a management board responsible for the day-to-day business and, a supervisory board monitoring the management board.*

#### **Amendment 316**

**Pascal Durand**

#### **Proposal for a directive**

##### **Article 1 – point 4**

Directive 2007/36/EC

Article 9 a – paragraph 1 – subparagraph 2 a (new)

*Text proposed by the Commission*

*Amendment*

***Member States shall take the steps required to ensure that employees are entitled to express a view, via their representatives, on the remuneration policy before it is submitted to the shareholders.***

Or. fr

#### **Amendment 317**

**Angelika Niebler, Axel Voss**

#### **Proposal for a directive**

##### **Article 1 – point 4**

Directive 2007/36/EC

Article 9a – paragraph 1 – subparagraph 2a (new)

*Text proposed by the Commission*

*Amendment*

***Where Member States provide for a binding vote by shareholders and the changes to the remuneration policy are rejected, the company shall pursue the remuneration policy applied hitherto.***

Or. de

### *Justification*

*This paragraph will provide more legal security with regard to the consequences where Member States provide for a binding vote by shareholders and the changes to the remuneration policy are rejected by the general meeting.*

#### **Amendment 318**

**Angelika Niebler, Axel Voss**

#### **Proposal for a directive**

##### **Article 1 – point 4**

Directive 2007/36/EC

Article 9a – paragraph 1 – subparagraph 2b (new)

*Text proposed by the Commission*

*Amendment*

***Member States may provide that companies are not bound by the result of the vote on the remuneration policy. In this case, where the shareholders vote against the remuneration policy, the administrative or supervisory body shall consider whether a revised remuneration policy that takes account of shareholders' objections can be submitted to shareholders at the next general meeting.***

Or. de

### *Justification*

*A binding decision on the remuneration policy by shareholders at the general meeting should be rejected, particularly bearing in mind the particular status of the administrative or supervisory body in two-tier systems.*

#### **Amendment 319**

**Sajjad Karim**

#### **Proposal for a directive**

##### **Article 1 – point 4**

Directive 2007/36/EC

Article 9a – paragraph 2

*Text proposed by the Commission*

*Amendment*

**2. Member States shall ensure that the policy is clear, understandable, in line with the business strategy, objectives, values and long-term interests of the company and that it incorporates measures to avoid conflicts of interest.**

**deleted**

Or. en

#### **Amendment 320**

**Angelika Niebler, Axel Voss**

#### **Proposal for a directive**

##### **Article 1 – point 4**

Directive 2007/36/EC

Article 9a – paragraph 2

*Text proposed by the Commission*

*Amendment*

**2. Member States shall ensure that** the policy **is** clear, understandable, in line with the business strategy, objectives, values and long-term interests of the company and **that it incorporates** measures to avoid conflicts of interest.

2. The policy **shall be** clear, understandable **and** in line with the business strategy, objectives, values and long-term interests of the company and **shall incorporate** measures to avoid conflicts of interest.

Or. de

#### *Justification*

*Member States cannot be made responsible for the content of individual companies' remuneration policies. The remuneration policy should nevertheless be subject to certain criteria.*

#### **Amendment 321**

**Sajjad Karim**

#### **Proposal for a directive**

##### **Article 1 – paragraph 1 – point 4**



*Text proposed by the Commission*

3. The policy shall explain how it contributes to the long-term interests and sustainability of the company. It shall set clear criteria for the award of fixed and variable remuneration, including all benefits in whatever form.

*Amendment*

3. The policy shall ***be clear and understandable, and shall*** explain how it contributes to the long-term interests and sustainability of the company. It shall set clear criteria for the award of fixed and variable remuneration, including all benefits in whatever form.

Or. en

**Amendment 322**  
**Bendt Bendtsen, Ulla Tørnæs**

**Proposal for a directive**

**Article 1 – point 4**

Directive 2007/36/EC

Article 9a – paragraph 3 – subparagraph 1

*Text proposed by the Commission*

3. The policy shall explain how it contributes to the long-term interests and sustainability of the company. It shall ***set*** clear criteria for the award of fixed and variable remuneration, ***including all benefits in whatever form.***

*Amendment*

3. The policy shall explain how it contributes to the long-term interests and sustainability of the company ***without obliging companies to disclose business sensitive information.*** It shall ***give*** clear ***guidelines on the*** criteria ***applicable*** for the award of fixed and variable remuneration.

Or. en

*Justification*

*In companies with a two-tier board structure, setting a too detailed remuneration policy can hamper the shareholder influence as well as necessary business confidentiality. If the shareholder majority of the company is not satisfied with the level of detail proposed by the Board, the policy will not be approved and thus must be amended until the shareholders are satisfied. The proposed amendment would ensure that shareholders are empowered to have the remuneration policy they find most suitable for their company, whereas a mandatory level of detail takes away the freedom for shareholders to decide.*

**Amendment 323**  
**Jean-Marie Cavada**

**Proposal for a directive**

**Article 1 – point 4**

Directive 2007/36/EC

Article 9 a – paragraph 3 – subparagraph 1

*Text proposed by the Commission*

The policy shall explain how it contributes to the long-term interests and sustainability ***of the company***. It shall ***set clear criteria for the award*** of fixed and variable remuneration, including all benefits in whatever form.

*Amendment*

The policy shall explain how it contributes to ***the company's strategy and to its*** long-term interests and sustainability. It shall ***outline the components of the*** fixed and variable remuneration, including all benefits in whatever form, ***paid to directors***.

Or. fr

**Amendment 324**  
**József Szájer**

**Proposal for a directive**

**Article 1 – point 4**

Directive 2007/36/EC

Article 9a – paragraph 3 – subparagraph 1

*Text proposed by the Commission*

3. The policy shall explain how it contributes to the long-term interests and sustainability of the company. It shall ***set*** clear criteria for the award of fixed and variable remuneration, ***including all benefits in whatever form***.

*Amendment*

3. The policy shall explain how it contributes to the long-term interests and sustainability of the company ***without obliging companies to disclose business sensitive information***. It shall ***give*** clear ***guidelines on the*** criteria ***applicable*** for the award of fixed and variable remuneration.

Or. en

### *Justification*

*In companies with a two-tier board structure, setting a too detailed remuneration policy can hamper the shareholder influence as well as necessary business confidentiality. If the shareholder majority of the company is not satisfied with the level of detail proposed by the Board, the policy will not be approved and thus must be amended until the shareholders are satisfied. The proposed amendment would ensure that shareholders are empowered to have the remuneration policy they find most suitable for their company, whereas a mandatory level of detail takes away the freedom for shareholders to decide.*

#### **Amendment 325**

**Sergio Gaetano Cofferati**

#### **Proposal for a directive**

##### **Article 1 – point 4**

Directive 2007/35/EC

Article 9a – paragraph 3 – subparagraph 1

#### *Text proposed by the Commission*

3. The policy shall explain how it contributes to the long-term interests and sustainability of the company. It shall set clear criteria for the award of fixed and variable remuneration, including all benefits in whatever form.

#### *Amendment*

3. The policy shall explain how it contributes to the long-term interests and sustainability of the company. It shall set clear criteria for the award of fixed and variable remuneration, including all ***bonuses and all*** benefits in whatever form.

Or. en

### *Justification*

*Clarification deriving from Commission Recommendations on the remuneration of directors of listed companies.*

#### **Amendment 326**

**Morten Messerschmidt, Andrzej Duda, Angel Dzhambazki**

#### **Proposal for a directive**

##### **Article 1 – point 4**

Directive 2007/36/EC

Article 9a – paragraph 3 – subparagraph 1

*Text proposed by the Commission*

3. The policy shall explain how it contributes to the long-term interests and sustainability of the company. It shall **set** clear criteria for the award of fixed and variable remuneration, **including all benefits in whatever form**.

*Amendment*

3. The policy shall explain how it contributes to the **company strategy** and long-term interests and sustainability of the company. It shall **indicate the components of fixed and variable remuneration that can be awarded and give clear and comprehensive guidelines on the** criteria for the award of fixed and variable remuneration, **without thereby disclosing sensitive information detrimental to the interests of the company**.

Or. en

*Justification*

*It is important to make sure European listed companies are not obligated to reveal business sensitive information that can hamper their operational flexibility or negotiation position. For instance, if the policy mentions all performance criteria to be used it could involve such detrimental disclosure, e.g. if a performance criterion is “Take-over of company [X] at a cost not exceeding [Y] will be rewarded with a bonus of [Z]”.*

**Amendment 327**

**Angelika Niebler, Axel Voss**

**Proposal for a directive**

**Article 1 – point 4**

Directive 2007/36/EC

Article 9a – paragraph 3 – subparagraph 1

*Text proposed by the Commission*

3. The policy shall explain how it contributes to the long-term interests and sustainability of the company. It shall **set clear criteria for the award** of fixed and variable remuneration, **including all benefits in whatever form**.

*Amendment*

3. The policy shall explain how it contributes to the long-term interests and sustainability of the company. It shall **lay down the essential components** of fixed and variable remuneration, **without disclosing sensitive information whose publication could be detrimental to the company**.

*Justification*

*Companies should not be obliged to publish sensitive information that could hand unjustified advantages to competitors. In two-tier company law systems, the supervisory body should be granted sufficient flexibility properly to carry out its tasks. This means that only the essential components of fixed and variable remuneration should be laid down in the remuneration policy.*

**Amendment 328**

**Therese Comodini Cachia**

**Proposal for a directive**

**Article 1 – point 4**

Directive 2007/36/EC

Article 9a – paragraph 3 – subparagraph 2

*Text proposed by the Commission*

*The policy shall indicate the maximum amounts of total remuneration that can be awarded, and the corresponding relative proportion of the different components of fixed and variable remuneration. It shall explain how the pay and employment conditions of employees of the company were taken into account when setting the policy or directors' remuneration by explaining the ratio between the average remuneration of directors and the average remuneration of full time employees of the company other than directors and why this ratio is considered appropriate. The policy may exceptionally be without a ratio in case of exceptional circumstances. In that case, it shall explain why there is no ratio and which measures with the same effect have been taken.*

*Amendment*

*Member States may provide that the policy shall set the appropriate ratios between the fixed and variable component of the total remuneration.*

**Amendment 329**  
**Philippe De Backer**

**Proposal for a directive**  
**Article 1 – point 4**  
Directive 2007/36/EC  
Article 9a – paragraph 3 – subparagraph 2

*Text proposed by the Commission*

*Amendment*

*The policy shall indicate the maximum amounts of total remuneration that can be awarded, and the corresponding relative proportion of the different components of fixed and variable remuneration. It shall explain how the pay and employment conditions of employees of the company were taken into account when setting the policy or directors' remuneration by explaining the ratio between the average remuneration of directors and the average remuneration of full time employees of the company other than directors and why this ratio is considered appropriate. The policy may exceptionally be without a ratio in case of exceptional circumstances. In that case, it shall explain why there is no ratio and which measures with the same effect have been taken.*

*deleted*

Or. en

*Justification*

*It is not clear what is meant with exactly as it is too prescriptive. What is the added value for shareholders to report the remuneration ratio?*

**Amendment 330**  
**Morten Messerschmidt, Andrzej Duda, Angel Dzhambazki**

**Proposal for a directive**  
**Article 1 – point 4**  
Directive 2007/36/EC  
Article 9a – paragraph 3 – subparagraph 2

***The policy shall indicate the maximum amounts of total remuneration that can be awarded, and the corresponding relative proportion of the different components of fixed and variable remuneration. It shall explain how the pay and employment conditions of employees of the company were taken into account when setting the policy or directors' remuneration by explaining the ratio between the average remuneration of directors and the average remuneration of full time employees of the company other than directors and why this ratio is considered appropriate. The policy may exceptionally be without a ratio in case of exceptional circumstances. In that case, it shall explain why there is no ratio and which measures with the same effect have been taken.*** ***deleted***

Or. en

*Justification*

*It is equally crucial that EU-legislation is sufficiently flexible to take into account that companies have different board structures, and that the owners of listed companies should decide themselves how detailed a remuneration policy they want in their company. In companies with a two-tier board structure, setting a too detailed remuneration policy can hamper the ability of the upper-tier board to attract the best suitable candidates for the lower-tier board (e.g. the CEO). The remuneration policy should therefore provide a comprehensive overview of the remuneration policy by requiring it to include guidelines on all issues of material importance for shareholders, but it should leave the level of detail in the guidelines for the shareholders of the individual company to decide. If the shareholder majority is not satisfied with the level of detail proposed by the Board, the policy will not be approved and must be amended until the shareholders are satisfied. Similarly, if some shareholders are not happy within approved policy, they have the right according to the existing shareholder rights directive to demand that the policy is put on the agenda of the general meeting for the majority to decide; they can table draft resolutions; they can take the floor and express their opinion; and they can ask questions for the management to answer etc. The proposed amendment would ensure that shareholders are empowered to have the remuneration policy they find most suitable for their company, whereas a prescriptive level of detail takes away freedom for shareholders.*

**Amendment 331**  
**Giovanni Toti**

**Proposal for a directive**

**Article 1 – point 4**

Directive 2007/36/EC

Article 9a – paragraph 3 – subparagraph 2

*Text proposed by the Commission*

The policy shall indicate the ***maximum amounts of total remuneration that can be awarded, and the corresponding*** relative proportion of the different components of fixed and variable remuneration. It shall explain how the pay and employment conditions of employees of the company were taken into account when setting the policy or directors' remuneration ***by explaining the ratio between the average remuneration of directors and the average remuneration of full time employees of the company other than directors and why this ratio is considered appropriate. The policy may exceptionally be without a ratio in case of exceptional circumstances. In that case, it shall explain why there is no ratio and which measures with the same effect have been taken.***

*Amendment*

The policy shall indicate the relative proportion of the different components of fixed and variable remuneration. It shall explain how the pay and employment conditions of employees of the company were taken into account when setting the policy or directors' remuneration.

Or. en

*Justification*

*It is technically very complicated for general meetings to set pay ceilings. Moreover, flexibility is a key aspect in the negotiation of remuneration for directors. To pre-establish the maximum amounts of that remuneration would seriously interfere with the contractual autonomy of the parties and would be liable to jeopardise companies' ability to attract the best professionals in keeping with their own requirements and strategies.*

**Amendment 332**  
**Laura Ferrara**



**Proposal for a directive**

**Article 1 – point 4**

Directive 2007/36/EC

Article 9a – paragraph 3 – subparagraph 2

*Text proposed by the Commission*

The policy shall indicate the maximum amounts of total remuneration that can be awarded, and the corresponding relative proportion of the different components of fixed and variable remuneration. It shall explain how the pay and employment conditions of employees of the company were taken into account when setting the policy or directors' remuneration by explaining the ratio between the average remuneration of directors and the average remuneration of *full time* employees of the company *other than directors* and why this ratio is considered appropriate. *The policy may exceptionally be without a ratio in case of exceptional circumstances. In that case, it shall explain why there is no ratio and which measures with the same effect have been taken.*

*Amendment*

The policy shall indicate the maximum amounts of total remuneration that can be awarded, and the corresponding relative proportion of the different components of fixed and variable remuneration. It shall explain how the pay and employment conditions of employees of the company were taken into account when setting the policy or directors' remuneration by explaining the ratio between the average remuneration of *executive* directors and the average remuneration of employees of the company and why this ratio is considered appropriate.

Or. it

**Amendment 333**

**Tadeusz Zwiefka**

**Proposal for a directive**

**Article 1 – point 4**

Directive 2007/36/EC

Article 9a – paragraph 3 – subparagraph 2

*Text proposed by the Commission*

The policy shall *indicate the maximum amounts of total remuneration that can be awarded, and the corresponding relative proportion of the different components of* fixed and *variable remuneration. It shall explain how the pay and employment*

*Amendment*

The policy shall *set the appropriate ratios between the* fixed and *the variable component* of the *total* remuneration.

*conditions of employees of the company were taken into account when setting the policy or directors' remuneration by explaining the ratio between the average remuneration of directors and the average remuneration of full time employees of the company other than directors and why this ratio is considered appropriate. The policy may exceptionally be without a ratio in case of exceptional circumstances. In that case, it shall explain why there is no ratio and which measures with the same effect have been taken.*

Or. en

#### *Justification*

*The requirement to set a cap on the remuneration of directors, both fixed and variable components, goes far beyond the purpose of the proposal. The purpose behind the requirement of setting a ratio between an average remuneration of directors and an average remuneration of full-time employees other than directors is not clear.*

#### **Amendment 334** **Sajjad Karim**

**Proposal for a directive**  
**Article 1 – point 4**  
Directive 2007/36/EC  
Article 9a – paragraph 3 – subparagraph 2

#### *Text proposed by the Commission*

The policy shall indicate the maximum amounts of total remuneration that can be awarded, and the corresponding relative proportion of the different components of fixed and variable remuneration. It shall explain how the pay and employment conditions of employees of the company were taken into account when setting the policy or directors' remuneration by explaining the ratio between the average remuneration of directors and the average

#### *Amendment*

The policy shall indicate the maximum amounts of total remuneration that can be awarded, and the corresponding relative proportion of the different components of fixed and variable remuneration. It shall explain how the pay and employment conditions of employees of the company were taken into account when setting the policy or directors' remuneration by explaining the ratio between the average *annual adjustment of the* remuneration of

remuneration of full time employees of the company other than directors and why this ratio is considered appropriate. The policy may exceptionally be without a ratio in case of exceptional circumstances. In that case, it shall explain why there is no ratio and which measures with the same effect have been taken.

directors and the average ***annual adjustment of the*** remuneration of full time employees of the company other than directors and why this ratio is considered appropriate. The policy may exceptionally be without a ratio in case of exceptional circumstances. In that case, it shall explain why there is no ratio and which measures with the same effect have been taken.

Or. en

### **Amendment 335**

**Bendt Bendtsen, Ulla Tørnæs**

#### **Proposal for a directive**

##### **Article 1 – point 4**

Directive 2007/36/EC

Article 9a – paragraph 3 – subparagraph 2

#### *Text proposed by the Commission*

The policy ***shall indicate the maximum amounts of total remuneration that can be awarded, and the corresponding relative proportion of the different*** components of fixed and variable remuneration. ***It shall explain how the pay and employment conditions of employees of the company were taken into account when setting the policy or directors' remuneration by explaining the ratio between the average remuneration of directors and the average remuneration of full time employees of the company other than directors and why this ratio is considered appropriate. The policy may exceptionally be without a ratio in case of exceptional circumstances. In that case, it shall explain why there is no ratio and which measures with the same effect have been taken.***

#### *Amendment*

The policy ***may consist of*** components of ***both*** fixed and variable remuneration ***that can be awarded. If the*** remuneration ***policy allows for variable*** remuneration, ***Member States may request that the policy includes limits to the variable part of the total remuneration.***

Or. en

### *Justification*

*A ratio between the pay of directors and the pay of full time employees has nothing to do with shareholder rights and is not comparable between companies, nor is full time employees a fixed term in itself. Employees rights are protected by other legal instruments and employees have other ways of fighting for higher pay. The proposed ratio should therefore not be made mandatory this directive. A ratio between the pay of directors and the pay of full time employees has nothing to do with shareholders' rights and is not comparable between companies. Employees rights are protected by other legal instruments. The proposed ratio therefore has no value.*

### **Amendment 336**

**António Marinho e Pinto**

#### **Proposal for a directive**

#### **Article 1 – point 4**

Directive 2007/36/EC

Article 9a – paragraph 3 – subparagraph 2

#### *Text proposed by the Commission*

The policy shall indicate the maximum amounts of total remuneration that can be awarded, and the corresponding relative proportion of the different components of fixed and variable remuneration. It shall explain how the pay and employment conditions of employees of the company were taken into account when setting the policy or directors' remuneration by explaining the ratio between the average remuneration of directors and the average remuneration of **full time** employees **of the company other than directors** and why **this ratio** is considered appropriate. **The policy may exceptionally be without a ratio in case of exceptional circumstances. In that case, it shall explain why there is no ratio and which measures with the same effect have been taken.**

#### *Amendment*

The policy shall indicate the maximum amounts of total remuneration that can be awarded, and the corresponding relative proportion of the different components of fixed and variable remuneration. It shall explain how the pay and employment conditions of employees of the company were taken into account when setting the policy or directors' remuneration by explaining the ratios **both** between the average remuneration of **executive** directors and the average remuneration of employees **and between the average remuneration of non-executive directors and the average remuneration of employees** and why **those ratios are** considered appropriate.

Or. pt

**Amendment 337**  
**Pascal Durand**

**Proposal for a directive**

**Article 1 – point 4**

Directive 2007/36/EC

Article 9a – paragraph 3 – subparagraph 2

*Text proposed by the Commission*

The policy shall indicate the maximum amounts of total remuneration that can be awarded, and the corresponding relative proportion of the different components of fixed and variable remuneration. It shall explain how the pay and employment conditions of employees of the company were taken into account when setting the policy or directors' remuneration by explaining the ratio between the average remuneration of **directors** and the average remuneration of **full time** employees of the company **other than directors** and why **this ratio is** considered appropriate. **The policy may exceptionally be without a ratio in case of exceptional circumstances. In that case, it shall explain why there is no ratio and which measures with the same effect have been taken.**

*Amendment*

The policy shall indicate the maximum amounts of total remuneration that can be awarded, and the corresponding relative proportion of the different components of fixed and variable remuneration. It shall explain how the pay and employment conditions of employees of the company were taken into account when setting the policy or directors' remuneration by explaining the ratio between the average remuneration of **executives** and the average remuneration of employees and why **these ratios are** considered appropriate.

Or. fr

**Amendment 338**  
**Jean-Marie Cavada**

**Proposal for a directive**

**Article 1 – point 4**

Directive 2007/36/EC

Article 9 a – paragraph 3 – subparagraph 2

*Text proposed by the Commission*

The policy shall indicate the **maximum amounts of total remuneration that can be awarded, and the corresponding** relative

*Amendment*

The policy shall indicate the relative proportion of the different components of fixed and variable remuneration. It shall

proportion of the different components of fixed and variable remuneration. It shall explain how the pay and employment conditions of employees of the company were taken into account when setting the policy *or directors' remuneration by explaining the ratio between the average remuneration of directors and the average remuneration of full time employees of the company other than directors and why this ratio is considered appropriate. The policy may exceptionally be without a ratio in case of exceptional circumstances. In that case, it shall explain why there is no ratio and which measures with the same effect have been taken.*

explain how the pay and employment conditions of employees of the company were taken into account when setting the *remuneration policy for directors.*

Or. fr

#### Amendment 339

József Szájer

#### Proposal for a directive

##### Article 1 – point 4

Directive 2007/36/EC

Article 9a – paragraph 3 – subparagraph 2

#### *Text proposed by the Commission*

The policy shall indicate the maximum amounts of total remuneration that can be awarded, and the corresponding relative proportion of the different components of fixed and variable remuneration. *It shall explain how the pay and employment conditions of employees of the company were taken into account when setting the policy or directors' remuneration by explaining the ratio between the average remuneration of directors and the average remuneration of full time employees of the company other than directors and why this ratio is considered appropriate. The policy may exceptionally be without a ratio in case of exceptional*

#### *Amendment*

***Member States may provide that*** the policy shall indicate the maximum amounts of total remuneration that can be awarded, and the corresponding relative proportion of the different components of fixed and variable remuneration.

*circumstances. In that case, it shall explain why there is no ratio and which measures with the same effect have been taken.*

Or. en

#### *Justification*

*A ratio between the pay of directors and the pay of full time employees has nothing to do with shareholder rights and is not comparable between companies, nor is full time employees a fixed term in itself. Employees rights are protected by other legal instruments and employees have other ways of fighting for higher pay. The proposed ratio should therefore not be made mandatory this directive. A ratio between the pay of directors and the pay of full time employees has nothing to do with shareholders' rights and is not comparable between companies. Employees rights are protected by other legal instruments. The proposed ratio therefore has no value.*

#### **Amendment 340**

**József Szájer**

#### **Proposal for a directive**

##### **Article 1 – point 4**

Directive 2007/36/EC

Article 9a – paragraph 3 – subparagraph 2

#### *Text proposed by the Commission*

The policy shall indicate the maximum amounts of total remuneration that can be awarded, and the corresponding relative proportion of the different components of fixed and variable remuneration. ***It shall explain how the pay and employment conditions of employees of the company were taken into account when setting the policy or directors' remuneration by explaining the ratio between the average remuneration of directors and the average remuneration of full time employees of the company other than directors and why this ratio is considered appropriate.*** The policy *may exceptionally be without a ratio in case of exceptional circumstances. In that case, it shall*

#### *Amendment*

***Member States may provide that*** the policy shall indicate the maximum amounts of total remuneration that can be awarded, and the corresponding relative proportion of the different components of fixed and variable remuneration ***without prejudice to Article 94 and the related provisions of Directive 2013/36/EU\* on the variable elements of remuneration.*** ***It shall explain how the pay and employment conditions of employees of the company were taken into account when setting the policy or directors' remuneration.***

*explain why there is no ratio and which measures with the same effect have been taken.*

---

*\* Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives*

Or. en

#### **Amendment 341**

**Angelika Niebler, Axel Voss**

#### **Proposal for a directive**

##### **Article 1 – point 4**

Directive 2007/36/EC

Article 9a – paragraph 3 – subparagraph 2

#### *Text proposed by the Commission*

The policy shall indicate the ***maximum amounts of total remuneration that can be awarded, and the*** corresponding relative proportion of the different components of fixed and variable remuneration. It shall explain how the pay and employment conditions of employees of the company were taken into account when setting the policy or directors' remuneration ***by explaining the ratio between the average remuneration of directors and the average remuneration of full time employees of the company other than directors and why this ratio is considered appropriate. The policy may exceptionally be without a ratio in case of exceptional circumstances. In that case, it shall explain why there is no ratio and which measures with the same effect have been taken.***

#### *Amendment*

The policy shall indicate the corresponding relative proportion of the different components of fixed and variable remuneration. It shall explain how the pay and employment conditions of employees of the company were taken into account when setting the policy or directors' remuneration.



*Justification*

*‘Average remuneration’ is difficult to establish, particularly in the case of international companies operating on a cross-border basis.*

**Amendment 342**

**Laura Ferrara**

**Proposal for a directive**

**Article 1 – point 4**

Directive 2007/36/EC

Article 9a – paragraph 3 – subparagraph 3

*Text proposed by the Commission*

For variable remuneration, the policy shall indicate the financial and non-financial performance criteria to be used and explain how they contribute to the long-term interests and sustainability of the company, and the methods to be applied to determine to which extent the performance criteria have been fulfilled; it shall specify the deferral periods, vesting periods for share-based remuneration and retention of shares after vesting, and information on the possibility of the company to reclaim variable remuneration.

*Amendment*

For variable remuneration, the policy shall indicate the financial and non-financial performance criteria to be used and explain how they contribute to the long-term interests and sustainability of the company, and the methods to be applied to determine to which extent the performance criteria have been fulfilled; it shall specify the deferral periods, vesting periods for share-based remuneration and retention of shares after vesting, and information on the possibility of the company to reclaim variable remuneration. ***The value of shares shall not play a predominant role in comparison with financial or management performance criteria in the calculation of variable remuneration. Member States shall ensure that the calculation also takes account of programmes relating to corporate social responsibility and the results achieved in this regard.***

**Amendment 343**

**Bendt Bendtsen, Ulla Tørnæs**

**Proposal for a directive**

**Article 1 – point 4**

Directive 2007/36/EC

Article 9a – paragraph 3 – subparagraph 3

*Text proposed by the Commission*

For variable remuneration, the policy shall ***indicate the*** financial and non-financial performance criteria ***to be used and explain how they contribute to the long-term interests and sustainability of the company,*** and the methods to be applied to determine to which extent the performance criteria have been fulfilled; it shall ***specify the*** deferral periods, vesting periods for share-based remuneration and retention of shares after vesting, and information on the possibility of the company to reclaim variable remuneration.

*Amendment*

For variable remuneration, the policy shall ***include guidelines on the use of*** financial and non-financial performance criteria and the methods to be applied to determine to which extent the performance criteria have been fulfilled; it shall ***set guidelines on the use of*** deferral periods, vesting periods for share-based remuneration and retention of shares after vesting, and information on the possibility of the company to reclaim variable remuneration.

Or. en

*Justification*

*The policy needs to provide sufficient information, but should not require companies to disclose sensitive business information to the public (shareholders)*

**Amendment 344**

**József Szájer**

**Proposal for a directive**

**Article 1 – point 4**

Directive 2007/36/EC

Article 9a – paragraph 3 – subparagraph 3

*Text proposed by the Commission*

For variable remuneration, the policy shall ***indicate the*** financial and non-financial performance criteria ***to be used and explain how they contribute to the long-term interests and sustainability of the company,*** and the methods to be applied to

*Amendment*

For variable remuneration, the policy shall ***include guidelines on the use of*** financial and non-financial performance criteria and the methods to be applied to determine to which extent the performance criteria have been fulfilled; it shall ***set guidelines on the***

determine to which extent the performance criteria have been fulfilled; it shall ***specify the*** deferral periods, vesting periods for share-based remuneration and retention of shares after vesting, and information on the possibility of the company to reclaim variable remuneration.

***use of*** deferral periods, vesting periods for share-based remuneration and retention of shares after vesting, and information on the possibility of the company to reclaim variable remuneration.

Or. en

#### *Justification*

*The policy needs to provide sufficient information, but should not require companies to disclose sensitive business information to the public (shareholders)*

#### **Amendment 345**

**Morten Messerschmidt, Andrzej Duda, Angel Dzhambazki**

#### **Proposal for a directive**

##### **Article 1 – point 4**

Directive 2007/36/EC

Article 9a – paragraph 3 – subparagraph 3

#### *Text proposed by the Commission*

For variable remuneration, the policy shall ***indicate the*** financial and non-financial performance criteria ***to be used and explain how they contribute to the long-term interests and sustainability of the company***, and the methods to be applied to determine to which extent the performance criteria have been fulfilled; it shall ***specify the*** deferral periods, vesting periods for share-based remuneration and retention of shares after vesting, and ***information on the possibility of the company to reclaim*** variable remuneration.

#### *Amendment*

For variable remuneration, the policy shall ***include guidelines on the use of*** financial and non-financial performance criteria, and ***on*** the methods to be applied to determine to which extent the performance criteria have been fulfilled; it shall ***set guidelines on the use of*** deferral periods, vesting periods for share-based remuneration and retention of shares after vesting, and ***it shall provide information on the policy on reclaiming*** variable remuneration.

Or. en

#### *Justification*

*Setting a total maximum amount of pay is one such element of detail that should not be made*

*mandatory since it could have adverse consequences for the company (revealing the negotiation position of the company can potentially raise the pay instead of reducing it and setting an inflexible limit can potentially reduce the possibility to attract the best suitable candidates for the company). Setting a maximum for every single pay component would increase the risk of adverse consequences even more.*

**Amendment 346**  
**Pascal Durand**

**Proposal for a directive**

**Article 1 – point 4**

Directive 2007/36/EC

Article 9 a – paragraph 3 – subparagraph 3 a (new)

*Text proposed by the Commission*

*Amendment*

***Member States shall ensure that the share value is neither the sole element nor a decisive component of the financial performance criteria. They shall ensure that share-based remuneration does not represent the most significant part of executives' variable remuneration.***

Or. fr

**Amendment 347**  
**Virginie Rozière**

**Proposal for a directive**

**Article 1 – point 4**

Directive 2007/36/EC

Article 9 a – paragraph 3 – subparagraph 4

*Text proposed by the Commission*

*Amendment*

The policy shall indicate the main ***terms of the contracts*** of directors, including ***its*** duration and the applicable notice periods and payments linked to ***termination of contracts***.

The policy shall indicate the main ***procedures for the appointment, the performance of the duties and the dismissal*** of directors, including ***the duration of their appointments*** and the applicable notice periods and payments linked to ***dismissal***.

Or. fr

### *Justification*

*In some Member States company directors do not have contracts. The wording should be revised accordingly.*

#### **Amendment 348**

**Bendt Bendtsen, Ulla Tørnæs**

#### **Proposal for a directive**

##### **Article 1 – point 4**

Directive 2007/36/EC

Article 9a – paragraph 3 – subparagraph 4

#### *Text proposed by the Commission*

The policy shall ***indicate the main terms of the contracts of directors, including its duration and*** the applicable notice periods and payments linked to termination of contracts.

#### *Amendment*

The policy shall ***give guidelines on the duration of*** contracts ***with*** directors, the applicable notice periods and payments linked to termination of contracts.

Or. en

### *Justification*

*The policy needs to provide sufficient information, but should not require companies to disclose sensitive private or business information to the public (shareholders)*

#### **Amendment 349**

**József Szájer**

#### **Proposal for a directive**

##### **Article 1 – point 4**

Directive 2007/36/EC

Article 9a – paragraph 3 – subparagraph 4

#### *Text proposed by the Commission*

The policy shall ***indicate the main terms of the contracts of directors, including its duration and*** the applicable notice periods and payments linked to termination of contracts.

#### *Amendment*

The policy shall ***give guidelines on the duration of*** contracts ***with*** directors, the applicable notice periods and payments linked to termination of contracts.

*Justification*

*The policy needs to provide sufficient information, but should not require companies to disclose sensitive private or business information to the public (shareholders), and the right of the individuals for personal data protection is to consider as well.*

**Amendment 350**  
**Jean-Marie Cavada**

**Proposal for a directive**

**Article 1 – point 4**

Directive 2007/36/EC

Article 9 a – paragraph 3 – subparagraph 4

*Text proposed by the Commission*

The policy shall indicate the main ***terms of the contracts*** of directors, including ***its*** duration and the applicable notice periods and payments linked to termination of ***contracts***.

*Amendment*

The policy shall indicate the main ***conditions of employment*** of directors, including ***the*** duration ***of their appointment*** and the applicable notice periods and payments linked to termination of ***their duties***.

Or. fr

**Amendment 351**  
**Sergio Gaetano Cofferati**

**Proposal for a directive**

**Article 1 – point 4**

Directive 2007/36/EC

Article 9 a – paragraph 3 – subparagraph 4

*Text proposed by the Commission*

The policy shall indicate the main terms of the contracts of directors, including its duration and the applicable notice periods and payments linked to termination of contracts.

*Amendment*

The policy shall indicate the main terms of the contracts of directors, including its duration and the applicable notice periods and payments linked to termination of contracts ***and the characteristics of supplementary pension or early***

*retirement schemes.*

Or. en

*Justification*

*Clarification deriving from Commission Recommendations on the remuneration of directors of listed companies.*

**Amendment 352**

**Morten Messerschmidt, Andrzej Duda, Angel Dzhambazki**

**Proposal for a directive**

**Article 1 – paragraph 1 – point 4**

Directive 2007/36/EC

Article 9a – paragraph 3 – subparagraph 4

*Text proposed by the Commission*

The policy shall *indicate the main terms* of the contracts *of* directors, *including its duration and* the applicable notice periods and payments linked to termination of contracts.

*Amendment*

The policy shall *give guidelines on the duration* of the contracts *with* directors, the applicable notice periods and payments linked to termination of contracts.

Or. en

**Amendment 353**

**Angelika Niebler, Axel Voss**

**Proposal for a directive**

**Article 1 – point 4**

Directive 2007/36/EC

Article 9a – paragraph 3 – subparagraph 5

*Text proposed by the Commission*

*The policy shall explain the decision-making process leading to its determination. Where the policy is revised, it shall include an explanation of all significant changes and how it takes into account the views of shareholders on*

*Amendment*

*deleted*

*the policy and report in the previous years.*

Or. de

*Justification*

*Unnecessary bureaucracy.*

**Amendment 354**

**Bendt Bendtsen, Ulla Tørnæs**

**Proposal for a directive**

**Article 1 – point 4**

Directive 2007/36/EC

Article 9a – paragraph 3 – subparagraph 5

*Text proposed by the Commission*

The policy shall explain the decision-making process leading to its determination. Where the policy is revised, it shall include an explanation of all significant changes *and how it takes into account the views of shareholders on the policy and report in the previous years.*

*Amendment*

The policy shall explain the decision-making process leading to its determination. Where the policy is revised, it shall include an explanation of all significant changes.

Or. en

*Justification*

*Unnecessarily burdensome for companies to justify that the revised policy accommodates the views of shareholders. If shareholders are not entirely satisfied, they may request further changes.*

**Amendment 355**

**Emil Radev**

**Proposal for a directive**

**Article 1 – point 4**

Directive 2007/36/EC

Article 9a – paragraph 3 – subparagraph 5



*Text proposed by the Commission*

The policy shall explain the decision-making process leading to its determination. Where the policy is revised, it shall include an explanation of all significant changes and how it takes into account the views of shareholders on the policy and report in the previous years.

*Amendment*

The policy shall explain the decision-making process leading to its determination. Where the policy is revised, it shall include an explanation of all significant changes and how it takes into account the views of shareholders on the policy and report in ***at least*** the previous ***three consecutive*** years.

Or. bg

**Amendment 356**  
**József Szájer**

**Proposal for a directive**  
**Article 1 – paragraph 1 – point 4**  
Directive 2007/36/EC  
Article 9a – paragraph 3 – subparagraph 5

*Text proposed by the Commission*

The policy shall explain the decision-making process leading to its determination. Where the policy is revised, it shall include an explanation of all significant changes ***and how it takes into account the views of shareholders on the policy and report in the previous years.***

*Amendment*

The policy shall explain the decision-making process leading to its determination. Where the policy is revised, it shall include an explanation of all significant changes.

Or. en

*Justification*

*Unnecessarily burdensome for companies to justify that the revised policy accommodates the views of shareholders. If shareholders are not entirely satisfied, they may request further changes.*

**Amendment 357**  
**Therese Comodini Cachia**

**Proposal for a directive**

**Article 1 – point 4**

Directive 2007/36/EC

Article 9a – paragraph 3 – subparagraph 5

*Text proposed by the Commission*

The policy shall explain the decision-making process leading to its determination. Where the policy is revised, it shall include an explanation of all significant changes *and how it takes into account the views of shareholders on the policy and report in the previous years.*

*Amendment*

The policy shall explain the decision-making process leading to its determination. Where the policy is revised, it shall include an explanation of all significant changes.

Or. en

**Amendment 358**

**António Marinho e Pinto**

**Proposal for a directive**

**Article 1 – paragraph 1 – point 4**

Directive 2007/36/EC

Article 9a – paragraph 3 – subparagraph 5a (new)

*Text proposed by the Commission*

*Amendment*

*Employees shall be entitled, via their representatives, to express a view on the remuneration policy before it is submitted to shareholders.*

Or. pt

**Amendment 359**

**Giovanni Toti**

**Proposal for a directive**

**Article 1 – point 4**

Directive 2007/36/EC

Article 9a – paragraph 4

*Text proposed by the Commission*

4. Member States shall ensure that after **approval** by the shareholders the policy is made public without delay and available on the company's website at least as long as it is applicable.

*Amendment*

4. Member States shall ensure that after **the vote** by the shareholders the policy is made public without delay and available on the company's website at least as long as it is applicable.

Or. en

*Justification*

*Member States must have the option of providing also for a non-binding ex-ante vote. Accordingly, the publication of the remuneration policy cannot be subject to the shareholders' approval but merely to the vote of the general meeting. The amendment nevertheless ensures that remuneration policy is transparent, by retaining the requirement to make it public.*

**Amendment 360**  
**Jean-Marie Cavada**

**Proposal for a directive**  
**Article 1 – point 4**  
Directive 2007/36/EC  
Article 9 a – paragraph 4

*Text proposed by the Commission*

4. Member States shall ensure that after approval by the shareholders the policy is made public without delay and available on the company's website at least as long as it is applicable.

*Amendment*

4. Member States shall ensure that after approval by the shareholders the policy is made public without delay and available, **free of charge**, on the company's website at least as long as it is applicable.

Or. fr

**Amendment 361**  
**Angelika Niebler, Axel Voss**

**Proposal for a directive**  
**Article 1 – point 4**

*Text proposed by the Commission*

4. Member States shall ensure that after **approval** by the shareholders the policy is made public without delay and available on the company's website at least as long as it is applicable.

*Amendment*

4. Member States shall ensure that after **an advisory or binding vote** by the shareholders the policy is made public without delay and available on the company's website at least as long as it is applicable.

Or. de

*(In line with the amendment to Article 9a(1), first subparagraph)*

**Amendment 362**  
**Heinz K. Becker**

**Proposal for a directive**  
**Article 1 – point 4**  
Directive 2007/36/EC  
Article 9a – paragraph 4

*Text proposed by the Commission*

4. Member States shall ensure that after **approval by the shareholders** the policy is made public without delay and available on the company's website at least as long as it is applicable.

*Amendment*

4. Member States shall ensure that after **the vote referred to in paragraph 1** the policy is made public without delay and available on the company's website at least as long as it is applicable.

Or. de

**Amendment 363**  
**Cecilia Wikström, Nils Torvalds, Ulla Tørnæs, Cora van Nieuwenhuizen**

**Proposal for a directive**  
**Article 1 – point 4**  
Directive 2007/36/EC  
Article 9b

**Article 9b**

***deleted***

***Information to be provided in the remuneration report and right to vote on the remuneration report***

***1. Member States shall ensure that the company draws up a clear and understandable remuneration report, providing a comprehensive overview of the remuneration, including all benefits in whatever form, granted to individual directors, including to newly recruited and former directors, in the last financial year. It shall, where applicable, contain all of the following elements:***

***(a) the total remuneration awarded or paid split out by component, the relative proportion of fixed and variable remuneration, an explanation how the total remuneration is linked to long-term performance and information on how the performance criteria were applied;***

***(b) the relative change of the remuneration of directors over the last three financial years, its relation to the development of the value of the company and to change in the average remuneration of full time employees of the company other than directors;***

***(c) any remuneration received by directors of the company from any undertaking belonging to the same group;***

***(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 how the remuneration of directors was established, including on***

*the role of the remuneration committee.*

*2. Member States shall ensure that the right to privacy of natural persons is protected in accordance with Directive 95/46/EC when personal data of the director are processed.*

*3. Member States shall ensure that shareholders have the right to vote on the remuneration report of the past financial year during the annual general meeting. Where the shareholders vote against the remuneration report the company shall explain in the next remuneration report whether or not and, if so, how, the vote of the shareholders has been taken into account.*

*4. The Commission shall be empowered to adopt implementing acts to specify the standardised presentation of the information laid down in paragraph 1 of this Article. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 14a (2).*

Or. en

#### *Justification*

*The provision in the commission proposal for article 9b are far too detailed. It would add high administrative burdens on companies with minimal benefit to society, markets or shareholders. The existing directive already gives (in article 6) the possibility for minority shareholders to place items on the agenda of the general meeting and this should be a sufficient safeguard.*

#### **Amendment 364**

**Bendt Bendtsen, Ulla Tørnæs**

#### **Proposal for a directive**

##### **Article 1 – point 4**

Directive 2007/36/EC

Article 9b – paragraph 1 – introductory words

*Text proposed by the Commission*

1. Member States shall ensure that the company draws up a clear and understandable remuneration report, providing a comprehensive overview of the remuneration, including all benefits in whatever form, granted to individual **directors, including to newly recruited and former directors**, in the last financial year. It shall, where applicable, contain all of the following elements:

*Amendment*

1. Member States shall ensure that the company draws up a clear and understandable remuneration report, providing a comprehensive overview of the remuneration, including all benefits in whatever form, granted to **directors either at individual level for each director or at an aggregate level for each type of board** in the last financial year. It shall, where applicable, contain all of the following elements:

Or. en

*Justification*

*Disclosure of individual salary can be considered a breach of the right to privacy. Secondly, disclosure of individual salary can lead to an unintended race-to-the-top effect, as executive director candidates can see exactly what the predecessor received. However, disclosure at an aggregate level provides the degree of transparency necessary to give the shareholders insight to react, if they find it necessary, without risking the potential adverse consequences of individual disclosure.*

**Amendment 365**  
**Jean-Marie Cavada**

**Proposal for a directive**  
**Article 1 – point 4**  
Directive 2007/36/EC  
Article 9 b – paragraph 1 – introductory words

*Text proposed by the Commission*

1. Member States shall ensure that the company draws up a clear and understandable remuneration report, providing a comprehensive overview of the remuneration, including all benefits in whatever form, granted to individual directors, including to newly recruited and former directors, in the last financial year. It shall, where applicable, contain all of the

*Amendment*

1. Member States shall ensure that the company draws up a clear and understandable remuneration report, providing a comprehensive overview of the remuneration, including all benefits in whatever form, granted, **in accordance with the remuneration policy referred to in Article 9a**, to individual directors, including to newly recruited and former

following elements:

directors, in the last financial year. It shall, where applicable, contain all of the following elements:

Or. fr

**Amendment 366**  
**József Szájer**

**Proposal for a directive**

**Article 1 – point 4**

Directive 2007/36/EC

Article 9b – paragraph 1 – introductory words

*Text proposed by the Commission*

1. Member States shall ensure that the company draws up a clear and understandable remuneration report, providing a comprehensive overview of the remuneration, including all benefits in whatever form, granted to **individual** directors, **including to newly recruited and former directors**, in the last financial year. It shall, where applicable, contain all of the following elements:

*Amendment*

1. Member States shall ensure that the company draws up a clear and understandable remuneration report, providing a comprehensive overview of the remuneration, including all benefits in whatever form, granted to directors **in accordance with national law** in the last financial year. It shall, where applicable, contain all of the following elements:

Or. en

*Justification*

*Disclosure of individual salary can be considered a breach of the right to privacy. Secondly, disclosure of individual salary can lead to an unintended race-to-the-top effect, as executive director candidates can see exactly what the predecessor received.*

**Amendment 367**  
**Heinz K. Becker**

**Proposal for a directive**

**Article 1 – point 4**

Directive 2007/36/EC

Article 9b – paragraph 1 – introductory words



*Text proposed by the Commission*

1. Member States shall ensure that the company draws up a clear and understandable remuneration report, providing a comprehensive overview of the remuneration, including all benefits in whatever form, granted to **individual** directors, including to newly recruited and former directors, in the last financial year. It shall, where applicable, contain all of the following elements:

*Amendment*

1. Member States shall ensure that the company draws up a clear and understandable remuneration report, providing a comprehensive overview of the remuneration, including all benefits in whatever form, granted to directors, including to newly recruited and former directors, in the last financial year. It shall, where applicable, contain all of the following elements:

Or. de

*Justification*

*For reasons of data protection, the overview of the remuneration policy for directors should cover only directors as a group, and not individual directors.*

**Amendment 368**

**Morten Messerschmidt, Andrzej Duda, Angel Dzhambazki**

**Proposal for a directive**

**Article 1 – point 4**

Directive 2007/36/EC

Article 9b – paragraph 1 – introductory words

*Text proposed by the Commission*

1. Member States shall ensure that the company draws up a clear and understandable remuneration report, providing a comprehensive overview of the remuneration, including all benefits in whatever form, granted to **individual** directors, including to newly recruited and former directors, in the last financial year. It shall, where applicable, contain all of the following elements:

*Amendment*

1. Member States shall ensure that the company draws up a clear and understandable remuneration report, providing a comprehensive overview of the remuneration, including all benefits in whatever form, granted to directors, including to newly recruited and former directors, in the last financial year.  
***Member States shall ensure that the overview is either presented at the level of individual directors or at an aggregated level for each type of board or each type of director.*** It shall, where applicable, contain all of the following elements:

### *Justification*

*Disclosure of pay at an individual level is by many considered very personal information. Disclosure at the individual level can therefore dissuade suitable director candidates from joining the company. If made compulsory for all listed companies such candidates will prefer directorships in non-listed companies. Disclosure at the individual level can also lead to an unintended race-to-the-top effect, because executive director candidates can see exactly what his or her predecessor received. Moreover, since shareholders cannot monitor the performance of directors at an individual level anyway, it is questionable what added value disclosure at the individual level provides for shareholders compared to disclosure at the aggregate level. A comprehensive disclosure requirement at an aggregate level, on the other hand, provides a sufficient degree of transparency to give shareholders the necessary insight to react, if they find it necessary, without risking the potential adverse consequences of individual disclosure. If the shareholder majority in a company want individual disclosure in their company, they have the rights to enforce it already today, cf. the rights to table draft resolutions at the general meeting in the existing shareholder rights directive. For these reasons, many Member States do not prescribe disclosure at the individual director's level and it seems disproportionate for the EU to change this.*

#### **Amendment 369**

**Therese Comodini Cachia**

#### **Proposal for a directive**

##### **Article 1 – point 4**

Directive 2007/36/EC

Article 9b – paragraph 1 – introductory words

#### *Text proposed by the Commission*

1. Member States ***shall*** ensure that the company draws up a clear and understandable remuneration report, providing a comprehensive overview of the remuneration, including all benefits in whatever form, granted to individual directors, including to newly recruited and former directors, in the last financial year. It shall, where applicable, contain all of the following elements:

#### *Amendment*

1. Member States ***may*** ensure that the company draws up a clear and understandable remuneration report, providing a comprehensive overview of the remuneration, including all benefits in whatever form, granted to individual directors, including to newly recruited and former directors, in the last financial year. It shall, where applicable, contain all of the following elements:

**Amendment 370**  
**Angelika Niebler, Axel Voss**

**Proposal for a directive**

**Article 1 – point 4**

Directive 2007/36/EC

Article 9b – paragraph 1 – introductory words

*Text proposed by the Commission*

1. Member States shall ensure that the company draws up a clear and understandable remuneration report, providing **a comprehensive** overview of the remuneration, including all benefits in whatever form, granted to **individual** directors, **including to newly recruited and former directors**, in the last financial year. It shall, where applicable, contain all of the following elements:

*Amendment*

1. Member States shall ensure that the company draws up a clear and understandable remuneration report, providing **an** overview of the remuneration, including all benefits in whatever form, granted to directors in the last financial year **or still due to them**. It shall, where applicable, contain all of the following elements:

Or. de

*Justification*

*The remuneration paid to individual directors is personal information and should not be published individually.*

**Amendment 371**  
**Jean-Marie Cavada**

**Proposal for a directive**

**Article 1 – point 4**

Directive 2007/36/EC

Article 9 b – paragraph 1 – point a

*Text proposed by the Commission*

(a) the total remuneration **awarded or** paid split out by component, the relative proportion of fixed and variable remuneration, an explanation how the total remuneration is linked to long-term performance and information on how the performance criteria where applied;

*Amendment*

(a) the total remuneration paid **or payable** split out by component, the relative proportion of fixed and variable remuneration, an explanation how the total remuneration is linked to long-term performance and information on how the performance criteria where applied;

**Amendment 372**  
**Emil Radev**

**Proposal for a directive**  
**Article 1 – paragraph 1 – point 4**  
Directive 2007/36/EC  
Article 9b – paragraph 1 – point a

*Text proposed by the Commission*

(a) the total remuneration awarded or paid split out by component, the relative proportion of fixed and variable remuneration, an explanation how the total remuneration is linked to long-term performance and information on how the performance criteria where applied;

*Amendment*

(a) the total remuneration awarded or paid split out by component, the relative proportion of fixed and variable remuneration, an explanation how the total remuneration is linked to long-term performance and information on how the ***financial and non-financial*** performance criteria where applied;

Or. bg

**Amendment 373**  
**António Marinho e Pinto**

**Proposal for a directive**  
**Article 1 – paragraph 1 – point 4**  
Directive 2007/36/EC  
Article 9b – paragraph 1 – point aa (new)

*Text proposed by the Commission*

*Amendment*

***(aa) the ratio between the average remuneration awarded, paid, or due to executive directors and the average remuneration of employees in the preceding financial year and the ratio between the average remuneration awarded, paid, or due to non-executive directors and the average remuneration of employees in the preceding financial year;***

Or. pt

**Amendment 374**  
**Giovanni Toti**

**Proposal for a directive**

**Article 1 – point 4**

Directive 2007/36/EC

Article 9b – paragraph 1 – point b

*Text proposed by the Commission*

(b) the relative change of the remuneration of directors over the last three financial years, its relation to the development of the value of the company ***and to change in the average remuneration of full time employees of the company other than directors***;

*Amendment*

(b) the relative change of the remuneration of directors over the last three financial years, its relation to the development of the value of the company;

Or. en

*Justification*

*Multinationals have a high number of employees and their remuneration is diversified on the basis of their geographical area of origin; it would therefore be an unmanageable task to process this kind of data. In SMEs, pay policy depends on a number of factors (size, business activity, strategy, organisation). The impact of such specific factors makes it particularly complex to calculate exact ratios and compare those of different companies, which casts doubt on their usefulness.*

**Amendment 375**  
**Therese Comodini Cachia**

**Proposal for a directive**

**Article 1 – paragraph 1 – point 4**

Directive 2007/36/EC

Article 9b – paragraph 1 – point b

*Text proposed by the Commission*

(b) the relative change of the remuneration of directors over the last three financial years, its relation to the development of the value of the company ***and to change in the average remuneration of full time***

*Amendment*

(b) the relative change of the remuneration of directors over the last three financial years ***and*** its relation to the development of the value of the company;

*employees of the company other than directors;*

Or. en

#### **Amendment 376**

**Laura Ferrara**

#### **Proposal for a directive**

##### **Article 1 – point 4**

Direttiva 2007/36/EC

Article 9b – paragraph 1 – point b

#### *Text proposed by the Commission*

(b) the relative change of the remuneration of directors over the last three financial years, its relation to the development of the **value of the** company and **to** change in the average remuneration of **full time** employees of the company **other than directors**;

#### *Amendment*

(b) the relative change of the remuneration of **executive** directors over the last three financial years **and** its relation to **both** the **administrative and financial** development of the company and **the** change in the average remuneration of employees of the company;

Or. it

#### **Amendment 377**

**Sajjad Karim**

#### **Proposal for a directive**

##### **Article 1 – point 4**

Directive 2007/36/EC

Article 9b – paragraph 1 – point b

#### *Text proposed by the Commission*

(b) the relative change of the remuneration of directors over the last three financial **years, its relation to the development of the value of the company and to** change in the average remuneration of full time employees of the company other than directors;

#### *Amendment*

(b) the relative change of the remuneration of directors over the last three financial **year and the relative** change in the average remuneration of full time employees of the company other than directors;

Or. en

**Amendment 378**  
**Bendt Bendtsen, Ulla Tørnæs**

**Proposal for a directive**

**Article 1 – point 4**

Directive 2007/36/EC

Article 9b – paragraph 1 – point b

*Text proposed by the Commission*

(b) the relative change of the remuneration of directors over the last three financial years, its relation to the development of the value of the company ***and to change in the average remuneration of full time employees of the company other than directors;***

*Amendment*

(b) the relative change of the remuneration of directors over the last three financial years ***and*** its relation to the development of the value of the company;

Or. en

*Justification*

*full time employees are not a fixed or determinable size and thus there is no foundation for comparison*

**Amendment 379**  
**António Marinho e Pinto**

**Proposal for a directive**

**Article 1 – point 4**

Directive 2007/36/EC

Article 9b – paragraph 1 – point b

*Text proposed by the Commission*

(b) the relative ***change of*** the remuneration of directors over the last three financial years, ***its*** relation to the development of the ***value*** of the company and to change in the average remuneration of ***full time*** employees ***of the company other than directors;***

*Amendment*

(b) the relative ***changes in*** the remuneration ***both of executive directors and of non-executive directors*** over the last three financial years, ***their*** relation to the development of the ***general performance*** of the company and to change in the average remuneration of employees ***in the same period;***

**Amendment 380**  
**Jean-Marie Cavada**

**Proposal for a directive**

**Article 1 – point 4**

Directive 200/36/EC

Article 9 b – paragraph 1 – point b

*Text proposed by the Commission*

(b) the relative change of the remuneration of directors over the last three financial years, its relation to the development of the **value** of the company and to change in the average remuneration of full time employees of the company other than directors;

*Amendment*

(b) the relative change of the remuneration of directors over the last three financial years, its relation to the development of the **performance** of the company and to change in the average remuneration of full time employees of the company other than directors **over the same period**;

Or. fr

**Amendment 381**  
**József Szájer**

**Proposal for a directive**

**Article 1 – point 4**

Directive 2007/36/EC

Article 9 b – paragraph 1 – point b

*Text proposed by the Commission*

(b) the relative change of the remuneration of directors over the last three financial years, its relation to the development of the value of the company **and to change in the average remuneration of full time employees of the company other than directors**;

*Amendment*

(b) the relative change of the remuneration of directors over the last three financial years **and** its relation to the development of the value of the company;

Or. en



### *Justification*

*Full time employees are not a fixed or determinable size and thus there is no foundation for comparison.*

#### **Amendment 382**

**Angelika Niebler, Axel Voss**

#### **Proposal for a directive**

##### **Article 1 – point 4**

Directive 2007/36/EC

Article 9b – paragraph 1 – point c

#### *Text proposed by the Commission*

(c) any remuneration received by directors of the company from any undertaking belonging to the same group;

#### *Amendment*

(c) any remuneration received by ***or still due to*** directors of the company from any undertaking belonging to the same group;

Or. de

*(Based on the amendment to Article 9b(1))*

#### **Amendment 383**

**Angelika Niebler, Axel Voss**

#### **Proposal for a directive**

##### **Article 1 – point 4**

Directive 2007/36/EC

Article 9b – paragraph 1 – point d

#### *Text proposed by the Commission*

(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;

#### *Amendment*

(d) the number of shares and share options granted, and the main conditions for the exercise of the rights including the exercise price and date and any change thereof;

Or. de

#### **Amendment 384**

**Jean-Marie Cavada**

**Proposal for a directive**

**Article 1 – point 4**

Directive 2007/36/EC

Article 9 b – paragraph 1 – point e

*Text proposed by the Commission*

(e) information on the use of the possibility to reclaim variable remuneration;

*Amendment*

(e) **where appropriate**, information on the use of the possibility to reclaim variable remuneration;

Or. fr

**Amendment 385**

**Jean-Marie Cavada**

**Proposal for a directive**

**Article 1 – point 4**

Directive 2007/36/EC

Article 9 b – paragraph 1 – point f

*Text proposed by the Commission*

(f) information on how the remuneration of directors was established, including on the role of the remuneration committee.

*Amendment*

(f) information on how the remuneration of directors was established, including, **where appropriate**, on the role of the remuneration committee.

Or. fr

**Amendment 386**

**Tadeusz Zwiefka**

**Proposal for a directive**

**Article 1 – paragraph 1 – point 4**

Directive 2007/36/EC

Article 9b – paragraph 3

*Text proposed by the Commission*

**3. Member States shall ensure that shareholders have the right to vote on the remuneration report of the past financial**

*Amendment*

**deleted**

*year during the annual general meeting.  
Where the shareholders vote against the  
remuneration report the company shall  
explain in the next remuneration report  
whether or not and, if so, how, the vote of  
the shareholders has been taken into  
account.*

Or. en

**Amendment 387**  
**Bendt Bendtsen, Ulla Tørnæs**

**Proposal for a directive**  
**Article 1 – point 4**  
Directive 2007/36/EC  
Article 9b – paragraph 3

*Text proposed by the Commission*

*Amendment*

*3. Member States shall ensure that  
shareholders have the right to vote on the  
remuneration report of the past financial  
year during the annual general meeting.  
Where the shareholders vote against the  
remuneration report the company shall  
explain in the next remuneration report  
whether or not and, if so, how, the vote of  
the shareholders has been taken into  
account.*

*deleted*

Or. en

*Justification*

*As shareholders have already voted on a binding remuneration policy, it is disproportionate  
to require a mandatory vote on the remuneration report.*

**Amendment 388**  
**József Szájer**

**Proposal for a directive**  
**Article 1 – point 4**

*Text proposed by the Commission*

3. Member States **shall** ensure that shareholders have the right to vote on the remuneration report of the past financial year during the annual general meeting. Where the shareholders vote against the remuneration report the company shall explain in the next remuneration report whether or not and, if so, how, the vote of the shareholders has been taken into account.

*Amendment*

3. Member States **may** ensure that shareholders have the right to vote on the remuneration report of the past financial year during the annual general meeting. Where the shareholders vote against the remuneration report the company shall explain in the next remuneration report whether or not and, if so, how, the vote of the shareholders has been taken into account.

Or. en

*Justification*

*Member States may ensure the right of the shareholders to vote, if this possibility complies with the national regulation on companies.*

**Amendment 389**  
**Pascal Durand**

**Proposal for a directive**  
**Article 1 – point 4**  
Directive 2007/36/EC  
Article 9 b – paragraph 3

*Text proposed by the Commission*

3. Member States shall ensure that shareholders have the right to vote on the remuneration report of the past financial year during the annual general meeting. Where the shareholders vote against the remuneration report the company shall explain in the next remuneration report whether or not and, if so, how, the vote of the shareholders has been taken into account.

*Amendment*

3. Member States shall ensure that shareholders have the right to vote on the remuneration report of the past financial year during the annual general meeting. Where the shareholders vote against the remuneration report the company shall explain in the next remuneration report whether or not and, if so, how, the vote of the shareholders has been taken into account. ***Member States shall ensure that employees are entitled to express a view, via their representatives, on the***

*remuneration report before it is submitted to the shareholders.*

Or. fr

**Amendment 390**

**Giovanni Toti**

**Proposal for a directive**

**Article 1 – point 4**

Directive 2007/36/EC

Article 9b – paragraph 3

*Text proposed by the Commission*

3. Member States ***shall ensure that*** shareholders have the right to vote on the remuneration report of the past financial year during the annual general meeting. Where the shareholders vote against the remuneration report the company shall ***explain in the next remuneration report whether or not and, if so, how,*** the vote of the shareholders has been taken into account.

*Amendment*

3. Member States ***may allow*** shareholders have the right to vote on the remuneration report of the past financial year during the annual general meeting. Where the shareholders vote against the remuneration report the company shall, ***where necessary, enter into a dialogue with the shareholders in order to identify the reasons for the rejection. The company shall explain in the next remuneration report how*** the vote of the shareholders has been taken into account.

***Member States may also provide that shareholders should submit to the company a reason for any votes against the resolution, together with the vote itself.***

***However, Member States may provide, as an alternative to the vote, that remuneration report of the last financial year is submitted to shareholders for discussion in the annual general meeting as a separate item of the agenda.***

Or. en

*Justification*

*The vote on remuneration report may rise problems in terms of effects on the compensation*

*which have been already paid. Furthermore it may rise certain operational difficulties in combination with a vote on remuneration policy (for ex. the two votes could be contradictory, in some case due to the high shareholder turnover). Therefore, it seems more appropriate to let Member States the alternative between an advisory vote and a discussion in the general meeting.*

#### **Amendment 391**

**Angelika Niebler, Axel Voss**

#### **Proposal for a directive**

##### **Article 1 – point 4**

Directive 2007/36/EC

Article 9b – paragraph 3

#### *Text proposed by the Commission*

3. Member States ***shall ensure*** that shareholders ***have*** the right to vote on the remuneration report of the past financial year during the annual general meeting. Where the shareholders vote against the remuneration report the company shall explain in the next remuneration report whether or not and, if so, how, the vote of the shareholders has been taken into account.

#### *Amendment*

3. Member States ***may provide*** that shareholders ***are given*** the right to ***hold an advisory or binding*** vote on the remuneration report of the past financial year during the annual general meeting. Where the shareholders vote against the remuneration report the company shall explain in the next remuneration report whether or not and, if so, how, the vote of the shareholders has been taken into account.

Or. de

#### **Amendment 392**

**Therese Comodini Cachia**

#### **Proposal for a directive**

##### **Article 1 – point 4**

Directive 2007/36/EC

Article 9b – paragraph 3

#### *Text proposed by the Commission*

3. Member States ***shall*** ensure that shareholders have the right to vote on the remuneration report of the past financial year during the annual general meeting.

#### *Amendment*

3. Member States ***may*** ensure that shareholders have the right to vote on the remuneration report of the past financial year during the annual general meeting.

Where the shareholders vote against the remuneration report the company shall explain in the next remuneration report whether or not and, if so, how, the vote of the shareholders has been taken into account.

Where the shareholders vote against the remuneration report the company shall explain in the next remuneration report whether or not and, if so, how, the vote of the shareholders has been taken into account.

Or. en

**Amendment 393**  
**António Marinho e Pinto**

**Proposal for a directive**  
**Article 1 – point 4**  
Directive 2007/36/EC  
Article 9b – paragraph 3a (new)

*Text proposed by the Commission*

*Amendment*

***3a. Employees shall be entitled, via their representatives, to express a view on the remuneration report before it is submitted to shareholders.***

Or. pt

**Amendment 394**  
**Tadeusz Zwiefka**

**Proposal for a directive**  
**Article 1 – point 4**  
Directive 2007/36/EC  
Article 9 b – paragraph 3b (new)

*Text proposed by the Commission*

*Amendment*

***3b. Member States shall ensure that companies publicly announce the remuneration report either on their website or in another way in accordance with national law. Member States may provide for other forms of publishing the remuneration report provided that shareholders have free access to it.***

**Amendment 395**  
**Jean-Marie Cavada**

**Proposal for a directive**  
**Article 1 – point 4**  
Directive 2007/36/EC  
Article 9 b – paragraph 3 c (new)

*Text proposed by the Commission*

*Amendment*

***3c. The requirements in paragraphs 1, 2 and 3 shall not apply to transactions entered into in the ordinary course of business or concluded on market terms or on market-equivalent terms.***

Or. fr

**Amendment 396**  
**Angelika Niebler, Axel Voss**

**Proposal for a directive**  
**Article 1 – point 4**  
Directive 2007/36/EC  
Article 9b – paragraph 4

*Text proposed by the Commission*

*Amendment*

***4. The Commission shall be empowered to adopt implementing acts to specify the standardised presentation of the information laid down in paragraph 1 of this Article. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 14a(2).***

*deleted*

Or. de



## *Justification*

*Additional implementing acts to further specify a presentation that is already standardised would lead to unnecessary bureaucracy.*

### **Amendment 397**

**Pascal Durand**

#### **Proposal for a directive**

##### **Article 1 – point 4**

Directive 2007/36/EC

Article 9 b – paragraph 4

#### *Text proposed by the Commission*

4. The Commission shall be empowered to adopt ***implementing*** acts to specify the standardised presentation of the information laid down in paragraph 1 of this Article. ***Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 14a (2).***

#### *Amendment*

4. The Commission shall be empowered to adopt ***delegated*** acts, ***in accordance with Article XXX***, to specify the standardised presentation of the information laid down in paragraph 1 of this Article.

Or. fr

### **Amendment 398**

**Angelika Niebler, Axel Voss**

#### **Proposal for a directive**

##### **Article 1 – paragraph 1 – point 4**

Directive 2007/36/EC

Article 9c

#### *Text proposed by the Commission*

##### ***Article 9c***

##### ***Right to vote on related party transactions***

***1. Member States shall ensure that companies, in case of transactions with related parties that represent more than 1% of their assets, publicly announce such transactions at the time of the conclusion of the transaction, and***

#### *Amendment*

***deleted***

*accompany the announcement by a report from an independent third party assessing whether or not it is on market terms and confirming that the transaction is fair and reasonable from the perspective of the shareholders, including minority shareholders. The announcement shall contain information on the nature of the related party relationship, the name of the related party, the amount of the transaction and any other information necessary to assess the transaction.*

*Member States may provide that companies can request their shareholders to exempt them from the requirement of subparagraph 1 to accompany the announcement of the transaction with a related party by a report from an independent third party in case of clearly defined types of recurrent transactions with an identified related party in a period of not longer than 12 months after granting the exemption. Where the related party transactions involve a shareholder, this shareholder shall be excluded from the vote on the advance exemption.*

*2. Member States shall ensure that transactions with related parties representing more than 5% of the companies' assets or transactions which can have a significant impact on profits or turnover are submitted to a vote by the shareholders in a general meeting. Where the related party transaction involves a shareholder, this shareholder shall be excluded from that vote. The company shall not conclude the transaction before the shareholders' approval of the transaction. The company may however conclude the transaction under the condition of shareholder approval.*

*Member States may provide that companies can request the advance approval by shareholders of the transactions referred to in subparagraph 1 in case of clearly defined types of recurrent transactions with an identified*

*related party in a period of not longer than 12 months after the advance approval of the transactions. Where the related party transactions involve a shareholder, this shareholder shall be excluded from the vote on the advance approval.*

*3. Transactions with the same related party that have been concluded during the previous 12 months period and have not been approved by shareholders shall be aggregated for the purposes of application of paragraph 2. If the value of these aggregated transactions exceeds 5% of the assets, the transaction by which this threshold is exceeded and any subsequent transactions with the same related party shall be submitted to a shareholder vote and may only be unconditionally concluded after shareholder approval.*

*4. Member States may exclude transactions entered into between the company and one or more members of its group from the requirements in paragraphs 1, 2 and 3, provided that those members of the group are wholly owned by the company.*

Or. de

#### *Justification*

*Transactions between parent and subsidiary undertakings are a daily occurrence. An obligation to call a general meeting to approve such transactions would make it virtually impossible for the undertaking to take short-term action on the transactions market. It would also mean that trade secrets would have to be disclosed so that the general meeting could take an informed decision.*

**Amendment 399**  
**Giovanni Toti**

**Proposal for a directive**  
**Article 1 – point 4**

*Text proposed by the Commission*

1. Member States shall ensure that companies, in case of transactions with related parties ***that represent more than 1% of their assets, publicly announce such transactions at the time of the conclusion of the transaction, and accompany the announcement by a report from an independent third party assessing whether or not it is on market terms and confirming that the transaction is fair and reasonable from the perspective of the shareholders, including minority shareholders. The announcement shall contain information on the nature of the related party relationship, the name of the related party, the amount of the transaction and any other information necessary to assess the transaction.***

*Amendment*

1. Member States shall ensure that companies, in case of ***material*** transactions with related parties, ***publicly announce such transactions at the time of the conclusion of the transaction. The announcement shall contain information on the nature of the related party relationship, the name of the related party, the value of the transaction and any other information necessary to assess the transaction.***

***Member States may provide that the announcement published pursuant to paragraph 1 is accompanied by a report assessing whether or not the transaction is fair and reasonable from the perspective of the shareholders who are not related party, in particular minority shareholders. This report is produced by an independent third party or the administrative or the supervisory body of the company or the audit committee or any committee the majority of which is composed by independent directors, provided that the related parties are prevented from having a role in the preparation of the report.***

Or. en

*Justification*

*The amendment redefines the materiality thresholds of related party transactions, in compliance with transparency requirements, rather than using solely the asset parameter. Secondly, the amendment changes the provision requiring a report to be drafted by an independent third party, making it more flexible and preventing the risk of an overlapping of*

*roles, as in some legal systems the role of expert is performed by committees of independent directors on boards.*

#### **Amendment 400**

**Jiří Maštálka**

#### **Proposal for a directive**

##### **Article 1 – point 4**

Directive 2007/36/EC

Article 9c – paragraph 1 – subparagraph 1

#### *Text proposed by the Commission*

1. Member States shall ensure that companies, in case of transactions with related parties that represent more than 1% of their assets, publicly announce such transactions at the time of the conclusion of the transaction, and accompany the announcement by a report from an independent third party assessing whether or not it is on market terms and confirming that the transaction is fair and reasonable from the perspective of the shareholders, including minority shareholders. The announcement shall contain information on the nature of the related party relationship, the name of the related party, the amount of the transaction and any other information necessary to assess the transaction.

#### *Amendment*

1. Member States shall ensure that companies, in case of transactions with related parties that represent more than 1% of their assets, publicly announce such transactions at the time of the conclusion of the transaction, and accompany the announcement by a report from an independent third party assessing whether or not it is on market terms and confirming that the transaction is fair and reasonable from the perspective of the shareholders, including minority shareholders ***and in the social interests of the enterprise***. The announcement shall contain information on the nature of the related party relationship, the name of the related party, the amount of the transaction and any other information necessary to assess the transaction.

Or. en

#### **Amendment 401**

**Tadeusz Zwiefka**

#### **Proposal for a directive**

##### **Article 1 – point 4**

Directive 2007/36/EC

Article 9c – paragraph 1 – subparagraph 1

*Text proposed by the Commission*

1. Member States shall ensure that companies, in case of transactions with related parties ***that represent more than 1% of their assets***, publicly announce such transactions at the time of the conclusion of the transaction, and accompany the announcement by a report from ***an independent third party*** assessing whether or not it is on market terms and confirming that the transaction is fair and reasonable from the perspective of the shareholders, including minority shareholders. The announcement shall contain information on the nature of the related party relationship, the name of the related party, the amount of the transaction and any other information necessary to assess the transaction.

*Amendment*

1. Member States shall ensure that companies, in case of ***significant*** transactions with related parties, publicly announce such transactions at the time of the conclusion of the transaction, and accompany the announcement by a report from ***the administrative or supervising body*** assessing whether or not it is on market terms and confirming that the transaction is fair and reasonable from the perspective of the shareholders, including minority shareholders. The announcement shall contain information on the nature of the related party relationship, the name of the related party, the amount of the transaction and any other information necessary to assess the transaction. ***Member States may provide that report may be prepared by an independent third party.***

Or. en

**Amendment 402**  
**Bendt Bendtsen, Ulla Tørnæs**

**Proposal for a directive**  
**Article 1 – point 4**  
Directive 2007/36/EC  
Article 9c – paragraph 1 – subparagraph 1

*Text proposed by the Commission*

1. Member States shall ensure that companies, ***in case of*** transactions with related parties that represent more than 1% of their assets, ***publicly announce such transactions at the time of the conclusion of the transaction, and accompany the announcement by a report from an independent third party assessing whether or not it is on market terms and confirming that the transaction is fair and***

*Amendment*

1. Member States shall ensure that companies ***publicly announce*** transactions with related parties ***that represent more than 1% of their assets immediately following the approval*** of the transaction. The announcement shall ***at least*** contain information on the nature of the related party relationship, the name of the related party, the ***value*** of the transaction and any other information necessary to assess ***the***

*reasonable from the perspective of the shareholders, including minority shareholders.* The announcement shall contain information on the nature of the related party relationship, the name of the related party, the **amount** of the transaction and any other information necessary to assess the transaction.

*financial impartiality of* the transaction.

Or. en

#### **Amendment 403**

**József Szájer**

#### **Proposal for a directive**

##### **Article 1 – point 4**

Directive 2007/36/EC

Article 9c – paragraph 1 – subparagraph 1

#### *Text proposed by the Commission*

1. Member States shall ensure that companies, *in case of* transactions with related parties *that represent more than 1% of their assets, publicly announce such transactions* at the time of the conclusion of the transaction, *and accompany the announcement by a report from an independent third party assessing whether or not it is on market terms and confirming that the transaction is fair and reasonable from the perspective of the shareholders, including minority shareholders.* The announcement shall contain information on the nature of the related party relationship, the name of the related party, the **amount** of the transaction and any other information necessary to assess the transaction.

#### *Amendment*

1. Member States shall ensure that companies *publicly announce material* transactions with related parties *at the latest* at the time of the conclusion of the transaction. The announcement shall contain *at least* information on the nature of the related party relationship, the name of the related party, the *date and the value* of the transaction and any other information necessary to assess the transaction.

Or. en

#### **Amendment 404**

**Jean-Marie Cavada**

## Proposal for a directive

### Article 1 – point 4

Directive 2007/36/EC

Article 9 c – paragraph 1 – subparagraph 1

#### *Text proposed by the Commission*

Member States shall ensure that companies, in case of transactions with related parties ***that represent more than 1% of their assets***, publicly announce such transactions at the time of the conclusion of the transaction, ***and accompany the announcement*** by a report from an independent third party ***assessing whether or not it is on market terms and confirming that the transaction is fair and reasonable from the perspective of the shareholders, including minority shareholders***. The announcement shall contain information on the nature of the related party relationship, the name of the related party, the amount of the transaction and any other information necessary to assess the transaction.

#### *Amendment*

Member States shall ensure that companies, in case of ***significant*** transactions with related parties, publicly announce such transactions at the time of the conclusion of the transaction. ***Member States may stipulate that this announcement is accompanied*** by a report from an independent third party ***which provides the information needed to assess the significance of the transaction for the company***. The announcement shall contain information on the nature of the related party relationship, the name of the related party, the amount of the transaction and any other information necessary to assess the transaction.

Or. fr

## Amendment 405

Therese Comodini Cachia

## Proposal for a directive

### Article 1 – point 4

Directive 2007/36/EC

Article 9c – paragraph 1 – subparagraph 1

#### *Text proposed by the Commission*

1. Member States shall ensure that companies, in case of transactions with related parties ***that represent more than 1% of their assets***, publicly announce such transactions at the time of the conclusion of the transaction, and accompany the announcement by a report from an

#### *Amendment*

1. Member States shall ensure that companies, in case of ***significant*** transactions with related parties publicly announce such transactions at the time of the conclusion of the transaction, and accompany the announcement by a report from an independent third party assessing



independent third party assessing whether or not it is on market terms and confirming that the transaction is fair and reasonable from the perspective of the shareholders, including minority shareholders. The announcement shall contain information on the nature of the related party relationship, the name of the related party, the amount of the transaction and any other information necessary to assess the transaction.

whether or not it is on market terms and confirming that the transaction is fair and reasonable from the perspective of the shareholders, including minority shareholders. The announcement shall contain information on the nature of the related party relationship, the name of the related party, the amount of the transaction and any other information necessary to assess the transaction.

Or. en

#### **Amendment 406**

**Cecilia Wikström, Nils Torvalds, Ulla Tørnæs, Cora van Nieuwenhuizen**

#### **Proposal for a directive**

##### **Article 1 – point 4**

Directive 2007/36/EC

Article 9c – paragraph 1 – subparagraph 1

#### *Text proposed by the Commission*

1. Member States shall ensure that companies, in case of transactions with related parties that represent more than 1% of their assets, publicly announce such transactions at the time of the conclusion of the transaction, ***and accompany the announcement by a report from an independent third party assessing whether or not it is on market terms and confirming that the transaction is fair and reasonable from the perspective of the shareholders, including minority shareholders.*** The announcement shall contain information on the nature of the related party relationship, the name of the related party, the amount of the transaction and any other information necessary to assess the transaction.

#### *Amendment*

1. Member States shall ensure that companies, in case of transactions with related parties that represent more than 1% of their assets, publicly announce such transactions at the time of the conclusion of the transaction. The announcement shall contain information on the nature of the related party relationship, the name of the related party, the amount of the transaction and any other ***material*** information necessary to assess the ***financial impartiality of the*** transaction.

Or. en

## *Justification*

*Additional disclosure requirements related to an independent third party report would result in the publication of commercially sensitive information, placing the company at a competitive disadvantage, which would in turn have negative implications for the company and all its shareholders. Providing such a report also creates excessive administrative burden and costs to companies and its shareholders.*

### **Amendment 407**

**Heinz K. Becker**

#### **Proposal for a directive**

##### **Article 1 – point 4**

Directive 2007/36/EC

Article 9c – paragraph 1 – subparagraph 1

#### *Text proposed by the Commission*

1. Member States shall ensure that companies, in case of transactions with related parties ***that represent more than 1% of their assets***, publicly announce such transactions ***at the time of the conclusion of the transaction, and accompany the announcement by a report from an independent third party assessing whether or not it is on market terms and confirming that the transaction is fair and reasonable from the perspective of the shareholders, including minority shareholders.*** The announcement shall contain information on the nature of the related party relationship, the name of the related party, the amount of the transaction ***and any other information necessary to assess the transaction.***

#### *Amendment*

1. Member States shall ensure that companies, in case of ***significant*** transactions with related parties, publicly announce such transactions. The announcement shall contain information on the nature of the related party relationship, the name of the related party ***and*** the amount of the transaction.

Or. de

### **Amendment 408**

**Sajjad Karim**

#### **Proposal for a directive**

##### **Article 1 – point 4**

*Text proposed by the Commission*

1. Member States shall ensure that companies, in case of transactions with related parties that represent more than 1% of their assets, publicly announce such transactions at the time of the ***conclusion of the transaction, and accompany the announcement by a report from an independent third party assessing whether or not it is on market terms and confirming that the transaction is fair and reasonable from the perspective of the shareholders, including minority shareholders***. The announcement shall contain information on the nature of the related party relationship, the name of the related party, the amount of the transaction and any other information necessary to assess the transaction.

*Amendment*

1. Member States shall ensure that companies, in case of transactions with related parties that represent more than 1% of their assets, publicly announce such transactions at the time of the ***entry into*** the transaction.

The announcement shall contain information on the nature of the related party relationship, the name of the related party, the amount of the transaction and any other ***material*** information necessary to assess the ***economic fairness of the transaction from the perspective of the company***.

Or. en

**Amendment 409**  
**Sirpa Pietikäinen**

**Proposal for a directive**  
**Article 1 – point 4**  
Directive 2007/36/EC  
Article 9c – paragraph 1 – subparagraph 1

*Text proposed by the Commission*

1. Member States shall ensure that companies, in case of transactions with

*Amendment*

1. Member States shall ensure that companies, in case of transactions with

related parties that represent more than **1%** of their assets, publicly announce such transactions at the time of the conclusion of the transaction, and accompany the announcement by a report from an independent third party assessing whether or not it is on market terms and confirming that the transaction is fair and reasonable from the perspective of the shareholders, including minority shareholders. The announcement shall contain information on the nature of the related party relationship, the name of the related party, the amount of the transaction and any other information necessary to assess the transaction.

related parties that represent more than **5%** of their assets, publicly announce such transactions at the time of the conclusion of the transaction, and accompany the announcement by a report from an independent third party assessing whether or not it is on market terms and confirming that the transaction is fair and reasonable from the perspective of the shareholders, including minority shareholders. The announcement shall contain information on the nature of the related party relationship, the name of the related party, the amount of the transaction and any other information necessary to assess the transaction.

Or. en

#### **Amendment 410**

**Angelika Niebler, Axel Voss**

#### **Proposal for a directive**

##### **Article 1 – point 4**

Directive 2007/36/EC

Article 9c – paragraph 1 – subparagraph 1

#### *Text proposed by the Commission*

1. Member States shall ensure that companies, in case of transactions with related parties ***that represent more than 1% of their assets***, publicly announce such transactions ***at the time of the conclusion of the transaction, and accompany*** the announcement by a report from an independent third party assessing whether or not ***it is on market terms and confirming that*** the transaction is fair and reasonable from the perspective of the ***shareholders, including minority shareholders***. The announcement shall contain information on the nature of the related party relationship, the name of the related party, ***the amount of the transaction*** and ***any other*** information

#### *Amendment*

1. Member States shall ensure that companies, in case of ***significant*** transactions with related parties, publicly announce such transactions ***as soon as reasons of confidentiality no longer apply***. The announcement ***shall be accompanied*** by a report from an independent third party ***or the administrative or supervisory body*** assessing whether or not the transaction is fair and reasonable from the perspective of the ***company***. The announcement shall contain information on the nature of the related party relationship, the name of the related party and ***the main*** information necessary to assess the transaction.

necessary to assess the transaction.

Or. de

### *Justification*

*The obligation for companies to request a report from an independent third party for each transaction representing more than 1% of their assets would represent an enormous bureaucratic and financial burden for companies. It should therefore also be possible to fulfil disclosure obligations by presenting a report from the administrative or supervisory body assessing whether the transaction is on market terms and is fair and reasonable from the perspective of the company.*

### **Amendment 411**

**Morten Messerschmidt, Andrzej Duda**

#### **Proposal for a directive**

#### **Article 1 – point 4**

Directive 2007/36/EC

Article 9c – paragraph 1 – subparagraph 1

#### *Text proposed by the Commission*

1. Member States shall ensure that companies, in case of transactions with related parties that represent more than 1% of their assets, publicly announce such transactions at the time of the conclusion of the transaction, ***and accompany the announcement by a report from an independent third party assessing whether or not it is on market terms and confirming that the transaction is fair and reasonable from the perspective of the shareholders, including minority shareholders.*** The announcement shall contain information on the nature of the related party relationship, the name of the related party, the amount of the transaction and any other information necessary to assess the transaction.

#### *Amendment*

1. Member States shall ensure that companies, in case of transactions with related parties that represent more than 1% of their assets, publicly announce such transactions at the time of the conclusion of the transaction. The announcement shall contain information on the nature of the related party relationship, the name of the related party, the amount of the transaction and any other ***material*** information necessary to assess ***the economic fairness of the transaction from the perspective of the company.***

Or. en

**Amendment 412**  
**Philippe De Backer**

**Proposal for a directive**

**Article 1 – point 4**

Directive 2007/36/EC

Article 9c – paragraph 1 – subparagraph 1

*Text proposed by the Commission*

1. Member States shall ensure that companies, in case of transactions with related parties that represent more than 1% of their assets, publicly announce such transactions at the time of the conclusion of the transaction, ***and accompany the announcement by a report from an independent third party assessing whether or not it is on market terms and confirming that the transaction is fair and reasonable from the perspective of the shareholders, including minority shareholders.*** The announcement shall contain information on the nature of the related party relationship, the name of the related party, the amount of the transaction and any other information necessary to assess the transaction.

*Amendment*

1. Member States shall ensure that companies, in case of transactions with related parties that represent more than 1% of their assets, publicly announce such transactions at the time of the conclusion of the transaction. The announcement shall contain information on the nature of the related party relationship, the name of the related party, the amount of the transaction and any other information necessary to assess the transaction.

Or. en

**Amendment 413**  
**József Szájer**

**Proposal for a directive**

**Article 1 – point 4**

Directive 2007/36/EC

Article 9c – paragraph 1 – subparagraph 1a (new)

*Text proposed by the Commission*

*Amendment*

***Member States may provide that the announcement to be published pursuant to paragraph 1 is accompanied by a report assessing whether or not the transaction is fair and reasonable from the***

*perspective of the shareholders who are not related parties, in particular minority shareholders and explaining the assumptions it is based upon together with the methods used.*

*This report shall be produced by:*

*(a) an independent third party or;*

*(a) the administrative or the supervisory body or the company or;*

*(b) the audit committee or any committee the majority of which is composed of independent directors;*

*provided that the related parties and the persons related to them are excluded from the preparation of the report.*

Or. en

#### **Amendment 414**

**Angelika Niebler, Axel Voss**

#### **Proposal for a directive**

##### **Article 1 – point 4**

Directive 2007/36/EC

Article 9c – paragraph 1 – subparagraph 2

*Text proposed by the Commission*

*Amendment*

*Member States may provide that companies can request their shareholders to exempt them from the requirement of subparagraph 1 to accompany the announcement of the transaction with a related party by a report from an independent third party in case of clearly defined types of recurrent transactions with an identified related party in a period of not longer than 12 months after granting the exemption. Where the related party transactions involve a shareholder, this shareholder shall be excluded from the vote on the advance exemption.*

*deleted*

*(To be put to the vote only if the corresponding amendment by A. Niebler to Article 9c(1), first subparagraph has been adopted!)*

*Justification*

*The provisions in the second subparagraph are disproportionate.*

**Amendment 415**

**Bendt Bendtsen, Ulla Tørnæs**

**Proposal for a directive**

**Article 1 – point 4**

Directive 2007/36/EC

Article 9c – paragraph 1 – subparagraph 2

*Text proposed by the Commission*

Member States *may* provide that *companies can request their* shareholders *to* exempt *them* from the requirement of *subparagraph 1 to accompany the announcement of the transaction with a related party by a report from an independent third party* in case of clearly defined types of recurrent transactions with an identified related party in a period of not longer than 12 months after granting the exemption. Where the related party transactions involve a shareholder, this shareholder *shall* be excluded from the vote on the advance exemption.

*Amendment*

Member States *shall* provide that shareholders *may* exempt *companies* from the requirement of *paragraph 1* in case of clearly defined types of recurrent transactions with an identified related party in a period of not longer than 12 months after granting the exemption. Where the related party transactions involve a shareholder, this shareholder *may* be excluded from the vote on the advance exemption.

*Justification*

*In order to provide for the necessary flexibility of everyday business, shareholders need to have the option to exempt certain transactions from para 1, in case these transactions are recurrent.*



**Amendment 416**  
**József Szájer**

**Proposal for a directive**

**Article 1 – point 4**

Directive 2007/36/EC

Article 9c – paragraph 1 – subparagraph 2

*Text proposed by the Commission*

Member States *may* provide that *companies can request their* shareholders *to exempt them* from the requirement of *subparagraph 1 to accompany the announcement of the transaction with a related party by a report from an independent third party* in case of clearly defined types of recurrent transactions with an identified related party in a period of not longer than 12 months after granting the exemption. Where the related party transactions involve a shareholder, this shareholder *shall* be excluded from the vote on the advance exemption.

*Amendment*

Member States *shall* provide that shareholders *can* exempt from the requirement of *paragraph 1* in case of clearly defined types of recurrent transactions with an identified related party in a period of not longer than 12 months after granting the exemption. Where the related party transactions involve a shareholder, this shareholder *may* be excluded from the vote on the advance exemption.

Or. en

*Justification*

*In order to provide for the necessary flexibility of everyday business, shareholders need to have the option to exempt certain transactions from para 1, in case these transactions are recurrent.*

**Amendment 417**  
**Heinz K. Becker**

**Proposal for a directive**

**Article 1 – point 4**

Directive 2007/36/EC

Article 9c – paragraph 1 – subparagraph 2

*Text proposed by the Commission*

*Member States may provide that companies can request their shareholders*

*Amendment*

*deleted*

*to exempt them from the requirement of subparagraph 1 to accompany the announcement of the transaction with a related party by a report from an independent third party in case of clearly defined types of recurrent transactions with an identified related party in a period of not longer than 12 months after granting the exemption. Where the related party transactions involve a shareholder, this shareholder shall be excluded from the vote on the advance exemption.*

Or. de

**Amendment 418**  
**Sajjad Karim**

**Proposal for a directive**  
**Article 1 – point 4**  
Directive 2007/36/EC  
Article 9c – paragraph 1 – subparagraph 2

*Text proposed by the Commission*

Member States may provide that *companies can request their shareholders to exempt them from the requirement of subparagraph 1 to accompany the announcement of the transaction with a related party by a report from an independent third party in case of clearly defined types of recurrent transactions with an identified related party in a period of not longer than 12 months after granting the exemption. Where the related party transactions involve a shareholder, this shareholder shall be excluded from the vote on the advance exemption.*

*Amendment*

Member States may provide that *the announcement published pursuant to paragraph 1 is accompanied by a report assessing whether or not the transaction is fair from the perspective of the shareholders, including minority shareholders, and explaining the assumptions the report based upon together with the methods used.*

*The report shall be produced by an independent third party. Member States may provide that this report can be produced by:*

*(a) the independent directors of the company; or*

*(b) the audit committee or any committee the majority of which is composed of independent directors;*

*provided that the related parties are prevented from influencing the preparation of the report.*

Or. en

**Amendment 419**  
**Morten Messerschmidt, Andrzej Duda**

**Proposal for a directive**  
**Article 1 – point 4**  
Directive 2007/36/EC  
Article 9c – paragraph 1 – subparagraph 2

*Text proposed by the Commission*

Member States may provide that *companies can request their shareholders to exempt them from the requirement of subparagraph 1 to accompany the announcement of the transaction with a related party by a report from an independent third party in case of clearly defined types of recurrent transactions with an identified related party in a period of not longer than 12 months after granting the exemption. Where the related party transactions involve a shareholder, this shareholder shall be excluded from the vote on the advance exemption.*

*Amendment*

Member States may provide that *the announcement published pursuant to paragraph 1 is accompanied by a report assessing whether or not the transaction is fair from the perspective of the company, including minority shareholders, and explaining the assumptions the report is based upon together with the methods used.*

*The report shall be produced by:*

- (a) an independent third party;*
- (b) the administrative or supervisory body;*
- (c) the audit committee or any other committee the majority of which is composed of directors with no conflict of interest in the transaction; or*
- (d) any other qualified people in the company with no conflict of interest in the transaction*

*provided that the related parties are prevented from influencing the preparation of the report.*

Or. en

### *Justification*

*Disclosure is one of the key measures in safeguarding against abusive related party transactions and should be the measure in focus at the EU-level balanced against the risk of unnecessary disclosure of business sensitive information to competitors. Member States supplement disclosure requirements with a range of other measures to safeguard against the risk of abuse, including inter alia control by independent directors, auditors and tax authorities. These supplementary measures fit into the specific national setting of the individual Member and works well in many Member States without the additional measures proposed by the Commission. It would go against the subsidiarity and proportionality principles if EU-level legislation makes prescriptive “one-size-fits-all” solutions that undermine well-functioning national systems. EU-regulation against abusive related party transaction, other than disclosure requirements, must therefore be principles-based and flexible enough to allow for national differences.*

### **Amendment 420**

**Therese Comodini Cachia**

### **Proposal for a directive**

#### **Article 1 – point 4**

Directive 2007/36/EC

Article 9c – paragraph 2 – subparagraph 1

#### *Text proposed by the Commission*

2. Member States shall ensure that transactions with related parties ***representing more than 5% of the companies’ assets or transactions which can have a significant impact on profits or turnover*** are submitted to a vote by the shareholders ***in a general meeting***. Where the related party transaction involves a shareholder, this shareholder shall be excluded from that vote. The company shall not conclude the transaction before the shareholders’ approval of the transaction. The company may however conclude the transaction under the

#### *Amendment*

2. Member States shall ensure that ***significant*** transactions with related parties are submitted to a vote by the shareholders. Where the related party transaction involves a shareholder, this shareholder shall be excluded from that vote. The company shall not conclude the transaction before the shareholders’ approval of the transaction. The company may however conclude the transaction under the condition of shareholder approval.

condition of shareholder approval.

Or. en

#### **Amendment 421**

**Bendt Bendtsen, Ulla Tørnæs**

#### **Proposal for a directive**

##### **Article 1 – point 4**

Directive 2007/36/EC

Article 9c – paragraph 2 – subparagraph 1

*Text proposed by the Commission*

*Amendment*

**2. Member States shall ensure that *deleted*  
transactions with related parties  
representing more than 5% of the  
companies' assets or transactions which  
can have a significant impact on profits or  
turnover are submitted to a vote by the  
shareholders in a general meeting. Where  
the related party transaction involves a  
shareholder, this shareholder shall be  
excluded from that vote. The company  
shall not conclude the transaction before  
the shareholders' approval of the  
transaction. The company may however  
conclude the transaction under the  
condition of shareholder approval.**

Or. en

#### *Justification*

*Introducing an EU one-size-fits-all approach to deal with Related Party Transactions interferes unnecessarily with the national set-ups and therefore disrespects the subsidiarity and proportionality principles. It will lead to unnecessary burdens in Member States where well-functioning less rigorous safeguards are already in place.*

#### **Amendment 422**

**Giovanni Toti**

## Proposal for a directive

### Article 1 – point 4

Directive 2007/36/EC

Article 9c – paragraph 2 – subparagraph 1

#### *Text proposed by the Commission*

2. Member States shall ensure that transactions with related parties ***representing more than 5% of the companies' assets or transactions*** which ***can have a significant impact on profits or turnover are submitted to a vote by the shareholders in a general meeting. Where the related party transaction involves a shareholder, this shareholder shall be excluded from that vote.*** The company ***shall not conclude the transaction before the shareholders' approval of the transaction. The company may however conclude the transaction under the condition of shareholder approval.***

#### *Amendment*

2. Member States shall ensure that ***material*** transactions with related parties ***are approved by the shareholders or by the administrative or supervisory body*** of the company ***in accordance with procedures which prevent a related party from taking advantage of its position and provide adequate protection for the interests of shareholders who are not related parties, in particular minority shareholders.***

***Member States may provide that shareholders have the right to vote on material transactions approved by the administrative or supervisory body of the company.***

***Member States may provide that where the related party transaction involves a director or a shareholder, the director or shareholder and the persons related to them shall be prevented from having a determining role in the approval process.***

Or. en

#### *Justification*

*Involvement of shareholders in the general meeting should be on an exceptional basis only, in the case of a prior negative opinion on a related party transaction by a board committee of non-executive directors.*

**Amendment 423**

**Emil Radev**

**Proposal for a directive**

**Article 1 – point 4**

Directive 2007/36/EC

Article 9b – paragraph 2 – subparagraph 1

*Text proposed by the Commission*

2. Member States shall ensure that transactions with related parties representing more than 5% of the companies' assets or transactions which can have a significant impact on profits or turnover are submitted to a vote by the shareholders in a general meeting. Where the related party transaction involves a shareholder, this shareholder shall be excluded from that vote. The company shall not conclude the transaction before the shareholders' approval of the transaction. The company may however conclude the transaction under the condition of shareholder approval.

*Amendment*

2. Member States shall ensure that transactions with related parties representing more than 5% of the companies' assets or transactions which can have a significant impact on profits or turnover are **compulsorily** submitted to a vote by the shareholders in a general meeting. Where the related party transaction involves a shareholder, this shareholder shall be excluded from that vote. The company shall not conclude the transaction before the shareholders' approval of the transaction. The company may however conclude the transaction under the condition of shareholder approval.

Or. bg

**Amendment 424**

**Tadeusz Zwiefka**

**Proposal for a directive**

**Article 1 – point 4**

Directive 2007/36/EC

Article 9c – paragraph 2 – subparagraph 1

*Text proposed by the Commission*

2. Member States shall ensure that transactions with related parties ***representing more than 5% of the companies' assets or transactions which can have a significant impact on profits or turnover are submitted to a vote by the*** shareholders in a general meeting. Where the related party transaction involves a shareholder, this shareholder shall be excluded from that vote. The company

*Amendment*

2. Member States shall ensure that ***significant*** transactions with related parties ***are submitted to a vote by the administrative body or supervising body*** or the shareholders in a general meeting. Where the related party transaction involves a shareholder, this shareholder shall be excluded from that vote. The company shall not conclude the transaction before the shareholders' approval of the

shall not conclude the transaction before the shareholders' approval of the transaction. The company may however conclude the transaction under the condition of shareholder approval.

transaction. The company may however conclude the transaction under the condition of shareholder approval.

Or. en

#### **Amendment 425**

**Cecilia Wikström, Nils Torvalds, Ulla Tørnæs**

#### **Proposal for a directive**

##### **Article 1 – point 4**

2007/36/EC

Article 9c – paragraph 2 – subparagraph 1

#### *Text proposed by the Commission*

2. Member States shall ensure that transactions with related parties representing more than 5% of the companies' assets *or transactions which can have a significant impact on profits or turnover* are submitted to a vote by the shareholders in a general meeting. *Where the related party transaction involves a shareholder, this shareholder shall be excluded from that vote.* The company shall not conclude the transaction before the shareholders' approval of the transaction. *The company may however conclude the transaction under the condition of shareholder approval.*

#### *Amendment*

2. Member States shall ensure that transactions with related parties representing more than 5% of the companies' assets *are either* submitted to a vote by the shareholders in a general meeting *or to the approval of an administrative or supervisory body of the company or a committee within such a body, assessing whether or not the transaction is fair and reasonable from the perspective of the company and consequently its shareholders.*

Or. en

#### **Amendment 426**

**József Szájer**

#### **Proposal for a directive**

##### **Article 1 – point 4**

Directive 2007/36/EC

Article 9c – paragraph 2 – subparagraph 1



*Text proposed by the Commission*

2. Member States shall ensure that transactions with related parties ***representing more than 5% of the companies' assets or transactions which can have a significant impact on profits or turnover are submitted to a vote by the shareholders in a general meeting. Where the related party transaction involves a shareholder, this shareholder shall be excluded from that vote. The company shall not conclude the transaction before the shareholders' approval of the transaction. The company may however conclude the transaction under the condition of shareholder approval.***

*Amendment*

2. Member States shall ensure that ***material*** transactions with related parties ***are approved by the shareholders or by the administrative or supervisory body of the company in accordance with procedures which prevent a related party from taking advantage of its position and provide adequate protection for the interests of shareholders who are not related parties, in particular minority shareholders.***

***Where the related party transaction involves a director or a shareholder, the director or shareholder and the persons related to them shall be excluded from the vote.***

Or. en

**Amendment 427**

**Heinz K. Becker**

**Proposal for a directive**

**Article 1 – point 4**

Directive 2007/36/EC

Article 9c – paragraph 2 – subparagraph 1

*Text proposed by the Commission*

2. Member States shall ensure that transactions with related parties ***representing more than 5% of the companies' assets or transactions which can have a significant impact on profits or turnover are submitted to a vote by the shareholders in a general meeting. Where the related party transaction involves a shareholder, this shareholder shall be excluded from that vote. The company***

*Amendment*

2. Member States shall ensure that ***significant*** transactions with related parties ***are confirmed by shareholders or an administrative or other supervisory body of the company. The intention is to prevent related parties from gaining an advantage from a special position and to provide proper protection for the minority of the shareholders. In the event of a conflict of interests, the shareholder or***

*shall not conclude the transaction before the shareholders' approval of the transaction. The company may however conclude the transaction under the condition of shareholder approval.*

*member of the administrative or other supervisory body shall be excluded from the corresponding vote.*

Or. de

**Amendment 428**  
**Sajjad Karim**

**Proposal for a directive**  
**Article 1 – point 4**  
Directive 2007/36/EC  
Article 9c – paragraph 2 – subparagraph 1

*Text proposed by the Commission*

2. Member States shall ensure that transactions with related parties *representing more than 5% of the companies' assets or transactions which can have a significant impact on profits or turnover are submitted to a vote by the shareholders in a general meeting. Where the related party transaction involves a shareholder, this shareholder shall be excluded from that vote. The company shall not conclude the transaction before the shareholders' approval of the transaction. The company may however conclude the transaction under the condition of shareholder approval.*

*Amendment*

2. Member States shall ensure that **material** transactions with related parties **are approved at the latest immediately before the time of their completion by the shareholders or by the administrative or supervisory bodies of the company in accordance with procedures which prevent a related party from taking advantage of its position and provide adequate protection for the minority shareholders' interests.**

Or. en

**Amendment 429**  
**Angelika Niebler, Axel Voss**

**Proposal for a directive**  
**Article 1 – point 4**  
Directive 2007/36/EC  
Article 9c – paragraph 2 – subparagraph 1

*Text proposed by the Commission*

2. Member States shall ensure that transactions with related parties ***representing more than 5% of the companies' assets or transactions which can have a significant impact on profits or turnover*** are submitted to a vote by the shareholders in a general meeting. Where the related party transaction involves a ***shareholder***, this ***shareholder*** shall be excluded from that ***vote***. The company shall not conclude the transaction before the ***shareholders'*** approval of the transaction. The company may however conclude the transaction under the condition of ***shareholder*** approval.

*Amendment*

2. Member States shall ensure that ***significant*** transactions with related parties are submitted to a vote by the shareholders in a general meeting. ***Alternatively, approval by the administrative or supervisory body, that shall take account of the special nature of the transaction, may take the place of approval by the shareholders. In this case, the transactions shall be discussed with the shareholders in the next general meeting.*** Where the related party transaction involves a ***member of the administrative or supervisory body***, this ***member of the administrative or supervisory body*** shall be excluded from that ***decision on approval***. The company shall not conclude the transaction before the approval of the transaction. The company may however conclude the transaction under the condition of approval.

Or. de

*Justification*

*A binding shareholder vote in a general meeting before the transaction is concluded could lead to a delay that would be detrimental to the company, given the amount of time that might elapse before the next general meeting and the difficulty of rapidly calling an extraordinary general meeting. It should therefore also be permissible for approval to be given by the administrative or supervisory body and for the transaction to be referred subsequently to the general meeting.*

**Amendment 430**

**Morten Messerschmidt, Andrzej Duda**

**Proposal for a directive**

**Article 1 – point 4**

Directive 2007/36/EC

Article 9c – paragraph 2 – subparagraph 1

*Text proposed by the Commission*

2. Member States shall ensure that transactions with related parties representing more than 5% of the companies' assets or transactions which can have a significant impact on profits or turnover are ***submitted to a vote*** by the shareholders in a general meeting. ***Where the related party transaction involves a shareholder, this shareholder shall be excluded from that vote. The company shall not conclude the transaction before the shareholders' approval of the transaction. The company may however conclude the transaction under the condition of shareholder approval.***

*Amendment*

2. Member States shall ensure that transactions with related parties representing more than 5% of the companies' assets or transactions which can have a significant impact on profits or turnover are ***approved*** by the shareholders in a general meeting ***or by the administrative or supervisory body of the company in accordance with procedures which prevent a related party from taking advantage of its position and provide adequate protection of the interests of shareholders who are not related parties.***

***Where the related party is a shareholder, the related party and other shareholders controlled by the related party shall be excluded from voting on the approval of the transaction, unless a report fulfilling the requirements in paragraph 1, subparagraph 2, concludes that the transaction is fair from the perspective of the company, including the interests of minority shareholders.***

***Where the related party is a director, the director and any other person having a conflict of interest shall be excluded from the vote in the administrative or supervisory body.***

Or. en

*Justification*

*Excluding a shareholder from making use of his/her right to vote at the general meeting is a very intrusive measure taking away a fundamental shareholder right. Such intrusive measure should only be put in place if other less rigorous safeguards are not sufficient to protect against abuse (proportionality). A report fulfilling the requirements in our proposal for a new paragraph 1, subparagraph 2, concluding that the transaction is fair from the perspective of the company, including the interests of minority shareholders, provides such alternative safeguard. Many Member States also have additional safeguards in place, e.g. the right for minority shareholders to demand that the district court or a public authority appoint a special*

*investigator to be paid for by the company with the duty to examine specific circumstances (e.g. related party transactions) and the right to sue the management for damages on behalf of the company.*

## **Amendment 431**

**Heidi Hautala**

### **Proposal for a directive**

#### **Article 1 – point 4**

Directive 2007/36/EC

Article 9c – paragraph 2 – subparagraph 1

#### *Text proposed by the Commission*

2. Member States ***shall ensure that*** transactions with related parties representing more than 5% of the companies' assets or ***transactions which can have a significant impact on profits or turnover are submitted to a vote by the shareholders in a general meeting.*** Where the related party transaction involves a shareholder, this shareholder shall be excluded from that vote. The company shall not conclude the transaction before the shareholders' approval of the transaction. The company may however conclude the transaction under the condition of shareholder approval.

#### *Amendment*

2. Member States ***may, depending on national conditions and practices, decide whether the requirement to hold a shareholder vote is proportionate for all*** transactions with related parties representing more than 5% of the companies' assets or ***whether it should apply only to transactions which are not concluded on market terms.*** Where the related party transaction involves a shareholder, this shareholder shall be excluded from that vote. The company shall not conclude the transaction before the shareholders' approval of the transaction. The company may however conclude the transaction under the condition of shareholder approval

Or. en

## **Amendment 432**

**Bendt Bendtsen, Ulla Tørnæs**

### **Proposal for a directive**

#### **Article 1 – point 4**

Directive 2007/36

Article 9c – paragraph 2 – subparagraph 2

*Text proposed by the Commission*

*Amendment*

***Member States may provide that  
companies can request the advance  
approval by shareholders of the  
transactions referred to in subparagraph  
1 in case of clearly defined types of  
recurrent transactions with an identified  
related party in a period of not longer  
than 12 months after the advance  
approval of the transactions. Where the  
related party transactions involve a  
shareholder, this shareholder shall be  
excluded from the vote on the advance  
approval.*** ***deleted***

Or. en

*Justification*

*Introducing an EU one-size-fits-all approach to deal with Related Party Transactions interferes unnecessarily with the national set-ups and therefore disrespects the subsidiarity and proportionality principles. It will lead to unnecessary burdens in Member States where well-functioning less rigorous safeguards are already in place.*

**Amendment 433**  
**Jean-Marie Cavada**

**Proposal for a directive**  
**Article 1 – point 4**  
Directive 2007/36/EC  
Article 9 c – paragraph 2 – subparagraph 2

*Text proposed by the Commission*

*Amendment*

***Member States may provide that  
companies can request the advance  
approval by shareholders of the  
transactions referred to in subparagraph  
1 in case of clearly defined types of  
recurrent transactions with an identified  
related party in a period of not longer  
than 12 months after the advance  
approval of the transactions. Where the*** ***deleted***

*related party transactions involve a shareholder, this shareholder shall be excluded from the vote on the advance approval.*

Or. fr

**Amendment 434**

**Angelika Niebler, Axel Voss**

**Proposal for a directive**

**Article 1 – point 4**

Directive 2007/36/EC

Article 9c – paragraph 2 – subparagraph 2

*Text proposed by the Commission*

*Amendment*

*Member States may provide that  
companies can request the advance  
approval by shareholders of the  
transactions referred to in subparagraph  
1 in case of clearly defined types of  
recurrent transactions with an identified  
related party in a period of not longer  
than 12 months after the advance  
approval of the transactions. Where the  
related party transactions involve a  
shareholder, this shareholder shall be  
excluded from the vote on the advance  
approval.*

*deleted*

Or. de

*(To be put to the vote only if the corresponding amendment by A. Niebler to Article 9c(1), first subparagraph has been adopted!)*

*Justification*

*These rules are disproportionate. Moreover, many Member States already have rules in place to prevent abuse.*

**Amendment 435**

**Heinz K. Becker**

**Proposal for a directive**

**Article 1 – point 4**

Directive 2007/36/EC

Article 9c – paragraph 2 – subparagraph 2

*Text proposed by the Commission*

*Amendment*

***Member States may provide that companies can request the advance approval by shareholders of the transactions referred to in subparagraph 1 in case of clearly defined types of recurrent transactions with an identified related party in a period of not longer than 12 months after the advance approval of the transactions. Where the related party transactions involve a shareholder, this shareholder shall be excluded from the vote on the advance approval.***

***deleted***

Or. de

**Amendment 436**

**József Szájer**

**Proposal for a directive**

**Article 1 – point 4**

Directive 2007/36/EC

Article 9c – paragraph 2 a (new)

*Text proposed by the Commission*

*Amendment*

***2a. Paragraphs 1, 1a and 2 shall not apply to transactions entered into in the ordinary course of business and concluded on normal market terms, provided that the administrative or supervisory body of the company assesses whether these conditions are fulfilled. The related parties and the persons related to them shall be excluded from this assessment.***

Or. en



**Amendment 437**  
**Tadeusz Zwiefka**

**Proposal for a directive**

**Article 1 – point 4**

Directive 2007/36/EC

Article 9c – paragraph 2 a (new)

*Text proposed by the Commission*

*Amendment*

***2a. Member States shall provide in national law for the definition of significant transactions. However Member States may provide for different factors for assessing the significance of transactions provided for in paragraphs 1 and 2.***

Or. en

**Amendment 438**  
**Therese Comodini Cachia**

**Proposal for a directive**

**Article 1 – point 4**

Directive 2007/36/EC

Article 9c – paragraph 3

*Text proposed by the Commission*

*Amendment*

3. Transactions with the same related party that have been concluded during the previous 12 months period and have not been approved by shareholders shall be aggregated for the purposes of application of paragraph 2. If the value of these aggregated transactions exceeds **5% of the assets**, the transaction by which this threshold is exceeded and any subsequent transactions with the same related party shall be submitted to a shareholder vote and may only be unconditionally concluded after shareholder approval.

3. Transactions with the same related party that have been concluded during the previous 12 months period and have not been approved by shareholders shall be aggregated for the purposes of application of paragraph 2. If the value of these aggregated transactions exceeds **significance under national law**, the transaction by which this threshold is exceeded and any subsequent transactions with the same related party shall be submitted to a shareholder vote and may only be unconditionally concluded after shareholder approval.

**Amendment 439**  
**Bendt Bendtsen, Ulla Tørnæs**

**Proposal for a directive**  
**Article 1 – point 4**  
Directive 2007/36/EC  
Article 9c – paragraph 3

*Text proposed by the Commission*

*Amendment*

**3. Transactions with the same related party that have been concluded during the previous 12 months period and have not been approved by shareholders shall be aggregated for the purposes of application of paragraph 2. If the value of these aggregated transactions exceeds 5% of the assets, the transaction by which this threshold is exceeded and any subsequent transactions with the same related party shall be submitted to a shareholder vote and may only be unconditionally concluded after shareholder approval.** **deleted**

Or. en

*Justification*

*Introducing an EU one-size-fits-all approach to deal with Related Party Transactions interferes unnecessarily with the national set-ups and therefore disrespects the subsidiarity and proportionality principles. It will lead to unnecessary burdens in Member States where well-functioning less rigorous safeguards are already in place.*

**Amendment 440**  
**József Szájer**

**Proposal for a directive**  
**Article 1 – point 4**  
Directive 2007/36/EC  
Article 9c – paragraph 3

*Text proposed by the Commission*

*Amendment*

**3. Transactions with the same related party that have been concluded during the previous 12 months period and have not been approved by shareholders shall be aggregated for the purposes of application of paragraph 2. If the value of these aggregated transactions exceeds 5% of the assets, the transaction by which this threshold is exceeded and any subsequent transactions with the same related party shall be submitted to a shareholder vote and may only be unconditionally concluded after shareholder approval.** *deleted*

Or. en

**Amendment 441**

**Angelika Niebler, Axel Voss**

**Proposal for a directive**

**Article 1 – point 4**

Directive 2007/36/EC

Article 9c – paragraph 3

*Text proposed by the Commission*

*Amendment*

**3. Transactions with the same related party that have been concluded during the previous 12 months period and have not been approved by shareholders shall be aggregated for the purposes of application of paragraph 2. If the value of these aggregated transactions exceeds 5% of the assets, the transaction by which this threshold is exceeded and any subsequent transactions with the same related party shall be submitted to a shareholder vote and may only be unconditionally concluded after shareholder approval.** *deleted*

Or. de

**Amendment 442**  
**Giovanni Toti**

**Proposal for a directive**  
**Article 1 – point 4**  
Directive 2007/36/EC  
Article 9c – paragraph 3

*Text proposed by the Commission*

3. Transactions with the same related party that have been concluded **during the previous** 12 months period **and have not been approved by shareholders shall be aggregated for the purposes of application of paragraph 2. If the value of these aggregated transactions exceeds 5% of the assets, the transaction by which this threshold is exceeded and any subsequent transactions with the same related party shall be submitted to a shareholder vote and may only be unconditionally concluded after shareholder approval.**

*Amendment*

3. **Member States shall ensure that** transactions with the same related party that have been concluded **in any** 12 months period **or in the same financial year and have not been subject to the obligations listed in paragraphs 1 or 2 are aggregated for the purposes of those paragraphs.**

Or. en

*Justification*

*The amendment removes the 5% threshold while retaining the aggregation requirement for related party transactions concluded in the same financial year. The aim is to avoid the circumvention of provisions relating to transparency and to the requirement to inform shareholders.*

**Amendment 443**  
**Tadeusz Zwiefka**

**Proposal for a directive**  
**Article 1 – point 4**  
Directive 2007/36/EC  
Article 9c – paragraph 3

*Text proposed by the Commission*

3. Transactions with the same related party that have been concluded during the

*Amendment*

3. Transactions with the same related party that have been concluded during the

previous 12 months period and have not been approved by shareholders shall be aggregated for the purposes of application of paragraph 2. If the value of these aggregated transactions exceeds **5% of the assets**, the transaction by which this threshold is exceeded and any subsequent transactions with the same related party shall be submitted to a shareholder vote and may only be unconditionally concluded after shareholder approval.

previous 12 months period and have not been approved by shareholders shall be aggregated for the purposes of application of paragraph 2. If the value of these aggregated transactions exceeds **the significance set under paragraph 2**, the transaction by which this threshold is exceeded and any subsequent transactions with the same related party shall be submitted to a shareholder vote and may only be unconditionally concluded after shareholder approval.

Or. en

**Amendment 444**  
**Jean-Marie Cavada**

**Proposal for a directive**  
**Article 1 – point 4**  
Directive 2007/36/EC  
Article 9 c – paragraph 3

*Text proposed by the Commission*

**3. Transactions with the same related party that have been concluded during the previous 12 months period and have not been approved by shareholders shall be aggregated for the purposes of application of paragraph 2. If the value of these aggregated transactions exceeds 5% of the assets, the transaction by which this threshold is exceeded and any subsequent transactions with the same related party shall be submitted to a shareholder vote and may only be unconditionally concluded after shareholder approval.**

*Amendment*

**3. Member States shall ensure that significant transactions with related parties are put to a vote of shareholders at the general meeting or by the administrative or supervisory body. If the transaction with a related party involves a shareholder or a director, that shareholder or director shall not be allowed to vote.**

Or. fr

**Amendment 445**  
**Heinz K. Becker**

**Proposal for a directive**  
**Article 1 – paragraph 1 – point 4**  
Directive 2007/36/EC  
Article 9c – paragraph 3

*Text proposed by the Commission*

*Amendment*

**3. Transactions with the same related party that have been concluded during the previous 12 months period and have not been approved by shareholders shall be aggregated for the purposes of application of paragraph 2. If the value of these aggregated transactions exceeds 5% of the assets, the transaction by which this threshold is exceeded and any subsequent transactions with the same related party shall be submitted to a shareholder vote and may only be unconditionally concluded after shareholder approval.** *deleted*

Or. de

**Amendment 446**  
**Therese Comodini Cachia**

**Proposal for a directive**  
**Article 1 – point 4**  
Directive 2007/36/EC  
Article 9c – paragraph 3a (new)

*Text proposed by the Commission*

*Amendment*

**3a. Member States shall provide in national law for the definition of significant transactions.**

Or. en

**Amendment 447**  
**Cecilia Wikström, Nils Torvalds, Ulla Tørnæs, Cora van Nieuwenhuizen**

**Proposal for a directive**  
**Article 1 – point 4**

Directive 2007/36/EC  
Article 9c – paragraph 3a (new)

*Text proposed by the Commission*

*Amendment*

***3a. The requirements in paragraphs 1, 2 and 3 shall not apply to transactions entered into in the ordinary course of business or concluded on market terms or on market equivalent terms.***

Or. en

*Justification*

*It would be very cumbersome and disproportionate to cover every transaction, including those entered into in the ordinary course of business or concluded on market terms or on market equivalent terms. If the obligations are applied to companies' normal business operations, that also triggers uncertainty in the planning of business operations and opens up a possibility for malpractices.*

**Amendment 448**  
**Therese Comodini Cachia**

**Proposal for a directive**  
**Article 1 – paragraph 1 – point 4**  
Directive 2007/36/EC  
Article 9c – paragraph 3a (new)

*Text proposed by the Commission*

*Amendment*

***3a. The requirements in paragraphs 1, 2 and 3 shall not apply to transactions entered into in the ordinary course of business or concluded on market terms or market equivalent terms.***

Or. en

**Amendment 449**  
**Tadeusz Zwiefka**

**Proposal for a directive**

**Article 1 – paragraph 1 – point 4**

Directive 2007/36/EC

Article 9c – paragraph 3a (new)

*Text proposed by the Commission*

*Amendment*

***3a. The requirements in paragraphs 1 and 2 shall not apply to transactions entered into the ordinary course of business or concluded on market terms or market equivalent terms.***

Or. en

*Justification*

*Art. 9c as it is proposed could will create a heavy administrative burden and high costs for companies, as it gives could give minority shareholders more control rights over transactions with related parties. There should be a proper balance between requirements of protecting the rights of shareholders and administrative burdens. Regulation on relating party transactions should also reflect local economic situation.*

**Amendment 450**

**Sirpa Pietikäinen**

**Proposal for a directive**

**Article 1 – point 4**

Directive 2007/36/EC

Article 9c – paragraph 3 a (new)

*Text proposed by the Commission*

*Amendment*

***3a. The provisions of paragraphs 1, 2 and 3 shall not apply to transactions carried out in the ordinary course of business on market terms.***

Or. en

**Amendment 451**

**Giovanni Toti**



**Proposal for a directive**  
**Article 1 – point 4**  
Directive 2007/36/EC  
Article 9c – paragraph 4

*Text proposed by the Commission*

4. Member States may exclude transactions entered into between the company and one or more members of its group from the requirements in paragraphs 1, 2 and 3, ***provided that those members of the group are wholly owned by the company.***

*Amendment*

***4. Paragraphs 1, 2 and 3 shall not apply to transactions entered into in the ordinary course of business and concluded on normal market terms or on market equivalent terms.***

Member States may exclude transactions entered into between the company and one or more members of its group from the requirements in paragraphs 1, 2 and 3.

***Member States may also exclude clearly defined types of transactions in relation to which national law provides for adequate protection of minority shareholders.***

Or. en

*Justification*

*The procedural and information requirements described should not be applied to ordinary transactions concluded on normal market terms or on market equivalent terms, for which there is a minimal risk of malpractice on the part of related parties. The amendment enables Member States to identify a range of transactions that can be excluded from the rules, to comply with existing provisions of a number of national laws.*

**Amendment 452**  
**Bendt Bendtsen, Ulla Tørnæs**

**Proposal for a directive**  
**Article 1 – point 4**  
Directive 2007/36/EC  
Article 9c – paragraph 4

*Text proposed by the Commission*

4. Member States may exclude transactions entered into between the company and one or more members of its group from the

*Amendment*

4. Member States may exclude transactions entered into between the company and one or more members of its group from the

requirements in **paragraphs 1, 2 and 3**, provided that those members of the group are wholly owned by the company.

requirements in **paragraph 1** provided that those members of the group are wholly owned by the company.

Or. en

*Justification*

*According to previous amendments - awaiting final correction*

**Amendment 453**

**József Szájer**

**Proposal for a directive**

**Article 1 – point 4**

Directive 2007/36/EC

Article 9c – paragraph 4

*Text proposed by the Commission*

4. Member States may exclude transactions entered into between the company and ***one or more members of its group from the requirements in paragraphs 1, 2 and 3, provided that those members of the group are wholly owned by the company.***

*Amendment*

4. Member States may exclude ***from the requirements in paragraphs 1, 1a and 2*** transactions entered into between the company and ***its subsidiaries provided that they are wholly owned or that no other related party of the company has an interest in the subsidiary or that national law provides for adequate protection of the interests of shareholders who are not related parties, in particular minority shareholders in such transactions;***

Or. en

**Amendment 454**

**Jean-Marie Cavada**

**Proposal for a directive**

**Article 1 – point 4**

Directive 2007/36/EC

Article 9 c – paragraph 4

*Text proposed by the Commission*

*Amendment*

4. Member States may exclude transactions entered into between the company and one or more members of its group from the requirements in paragraphs 1, 2 and 3, provided that those members of the group are wholly owned by the company.

4. Member States may exclude transactions entered into between the company and one or more members of its group from the requirements in paragraphs 1, 2 and 3, provided that those members of the group are wholly owned by the company.

***Member States may also exclude certain types of clearly defined transactions in respect of which minority shareholders enjoy adequate protection under national law.***

Or. fr

**Amendment 455**

**Cecilia Wikström, Nils Torvalds, Ulla Tørnæs, Cora van Nieuwenhuizen**

**Proposal for a directive**

**Article 1 – point 4**

Directive 2007/36/EC

Article 9c – paragraph 4

*Text proposed by the Commission*

*Amendment*

4. ***Member States may exclude*** transactions entered into between the company and one or more members of its group ***from the requirements in paragraphs 1, 2 and 3***, provided that those members of the group are wholly owned by the company.

4. ***The requirements in paragraphs 1, 2 and 3 shall not apply to*** transactions entered into between the company and one or more members of its group provided that those members ***or joint ventures*** of the group are wholly ***or partly*** owned by the company.

Or. en

*Justification*

*Original wording only covers a very limited proportion of normal related-party transactions between companies in the same group. i.e. the exclusion would only be applicable for transactions between a company and its wholly (100%) owned subsidiaries. The original wording is also problematic for joint ventures. In order to be useful, applicable and to reduce unnecessary administrative burdens it should have some flexibility so that the most relevant related-party transactions can be covered.*

**Amendment 456**  
**Sajjad Karim**

**Proposal for a directive**  
**Article 1 – point 4**  
Directive 2007/36/EC  
Article 9c – paragraph 4

*Text proposed by the Commission*

**4. Member States may exclude** transactions entered into between the company and one or more members of its group ***from the requirements in paragraphs 1, 2 and 3***, provided that those ***members of the group are*** wholly owned ***by the company***.

*Amendment*

**4. By way of derogation from paragraph 1**, transactions entered into between the company and one or more members of its group ***shall not constitute related party transactions for the purposes of this Article where the transactions are:***

***(a) conducted on standard terms in the ordinary course of business;***

***(b) concluded on market terms, provided that the administrative or supervisory body, without influence from the related party, has sanctioned what constitutes market terms in the particular type of case; or***

***transactions entered into between the company and its subsidiary undertakings provided that no other related party of the company has an interest in the subsidiary undertaking or provided that national law provides for adequate protection of interests of minority shareholders of the company and of its subsidiary undertakings in such transactions;***

***(c) clearly defined types of transactions which are not disadvantageous to minority shareholders, such as issuance of shares on a pre-emptive basis or payment of dividends, provided that the related party is offered or granted terms not more favourable than those terms offered or granted to the other shareholders.***

*Member States may exclude from the requirements in paragraphs 1 and 2 transactions entered into between the company and any of its subsidiaries that are not wholly owned if national law provides for adequate protection of the interests of shareholders who are not a related party.*

Or. en

**Amendment 457**

**Heinz K. Becker**

**Proposal for a directive**

**Article 1 – point 4**

Directive 2007/36/EC

Article 9c – paragraph 4

*Text proposed by the Commission*

4. *Member States may exclude* transactions entered into between the company and *one or more members of its group* from the requirements in paragraphs 1, 2 and 3, *provided that those members of the group are wholly owned by the company.*

*Amendment*

4. *The requirements in paragraphs 1, 2 and 3 shall not apply to the following transactions:*

*(a) normal business activities and transactions based on standard market conditions;*

*(b) transactions entered into between the company and its subsidiaries or between undertakings in the same group, in so far as national law provides adequate protection for the interests of the minority of shareholders of a subsidiary company.*

*Member States may establish exemptions from the requirements in paragraphs 1, 2 and 3 for clearly defined types of transactions for which national law provides adequate protection for the interests of the minority of shareholders of a subsidiary company.*

**Amendment 458**  
**Angelika Niebler, Axel Voss**

**Proposal for a directive**  
**Article 1 – point 4**  
Directive 2007/36/EC  
Article 9c – paragraph 4

*Text proposed by the Commission*

4. Member States may exclude transactions entered into between the company and one or more members of its group ***from the requirements in paragraphs 1, 2 and 3, provided that those members of the group are wholly owned by the company.***

*Amendment*

4. Member States may exclude ***the following transactions from the requirements in paragraphs 1, 2 and 3:***

***(a) transactions carried out in the ordinary course of business on market terms;***

***(b) transactions entered into between the company and subsidiary companies and vice versa or between one or more members of its group, on condition that no other related parties have a substantial interest in the subsidiary company or the member of the group, or on condition that national law provides adequate protection for minority shareholders.***

*Justification*

*The Commission proposal for Article 9c takes no account of the fact that most Member States already have functioning mechanisms to protect minority shareholders against abuse, and that transactions between parent and subsidiary companies in particular may be a daily occurrence. Ordinary business transactions should therefore not be subject to the provisions of paragraphs 1, 2 and 3 of Article 9c.*

**Amendment 459**  
**Morten Messerschmidt, Andrzej Duda**

**Proposal for a directive**

**Article 1 – point 4**

Directive 2007/36/EC

Article 9c – paragraph 4

*Text proposed by the Commission*

**4. Member States may exclude** transactions entered into between the company and one or more members of its group from the requirements in paragraphs 1, 2 and 3, **provided that those members of the group are wholly owned by the company.**

*Amendment*

**4. Paragraphs 1 and 2 shall not apply to** transactions:

**(a) conducted on standard terms in the ordinary course of business,**

**(b) concluded on market terms, provided that the administrative or supervisory body, without influence from the related party, has sanctioned what constitutes market terms in the particular type of case, or**

**(c) transactions** entered into between the company and one or more **wholly owned** members of its group.

**Member States may exclude** from the requirements in paragraphs 1 **and 2** **transactions entered into between the company and any of its subsidiaries that are not wholly owned if national law provides for adequate protection of the interests of shareholders who are not a related party.**

Or. en

*Justification*

*Transactions conducted on standard terms in the ordinary course of business, transactions on market terms and transactions with wholly owned subsidiaries offer no risk of abuse and should therefore not be covered by the requirements in the proposal. Several Member States already have a well-functioning framework in relation to intra-group transactions regardless whether the entities are wholly owned or not, e.g. protection transfer pricing rules or group law.*

**Amendment 460**  
**Giovanni Toti**

**Proposal for a directive**  
**Article 1 – point 4**  
Directive 2007/36/EC  
Article 9c – paragraph 4a (new)

*Text proposed by the Commission*

*Amendment*

***4a. Member States shall exclude from the requirements in paragraphs 1 and 2:***

***(a) intra-group transactions;***

***(b) clearly defined types of transactions for which national law provides for adequate protection of minority shareholders, provided that the related party is subject to terms not more favourable than those to which other shareholders are subject.***

Or. en

*Justification*

*This amendment is made to be consistent with the changes suggested to improve the Commission proposal on related party transactions.*

**Amendment 461**  
**Therese Comodini Cachia**

**Proposal for a directive**  
**Article 1 – point 4**  
Directive 2007/36/EC  
Article 9c – paragraph 4a (new)

*Text proposed by the Commission*

*Amendment*

***4a. This Chapter is without prejudice to the provisions laid down in sectorial legislation regulating asset managers and institutional investors and credit institutions to the extent that the***



*requirements provided by this Chapter duplicate or contradict the requirements laid down in sectorial legislation. The provisions of sectorial legislation should be considered as lex specialis in relation to this chapter.*

Or. en

*Justification*

*New rules for asset managers and institutional investors proposed in Chapter 1B overlap with requirements asset managers and institutional investors are already subject to in AIFMD, UCITS Directive and MIFID, Directive 2009/138/EC, Directive 2003/41/EC. The proposed rules overlap with Directive 2013/36/EU on credit institutions as well.*

**Amendment 462**

**Bendt Bendtsen, Ulla Tørnæs**

**Proposal for a directive**

**Article 1 – point 4**

Directive 2007/36/EC

Article 9c – paragraph 4a (new)

*Text proposed by the Commission*

*Amendment*

***4a. Member States shall ensure that paragraph 1 does not apply to transactions made in the ordinary course of business on market terms and transactions between the company and its subsidiaries when national law provides for adequate protection of the interests of minority shareholders.***

Or. en

*Justification*

*These transactions should be excluded as a minimum, as these form a vital part of several companies' basic business model*

**Amendment 463**

**József Szájer**

**Proposal for a directive**

**Article 1 – point 4**

Directive 2007/36/EC

Article 9c – paragraph 4a (new)

*Text proposed by the Commission*

*Amendment*

***4a. Member States shall ensure that the interests of the shareholders of the company who are not related parties, in particular minority shareholders are adequately protected in the case of transactions concluded between the related party of the company and that company's subsidiaries.***

Or. en

**Amendment 464**

**Angelika Niebler, Axel Voss**

**Proposal for a directive**

**Article 1 – point 4**

Directive 2007/36/EC

Article 9c – paragraph 4a (new)

*Text proposed by the Commission*

*Amendment*

***4a. Member States may provide that paragraphs 1 to 4 of Article 9c shall not apply where the Member State's existing legal provisions provide adequate protection for minority shareholders by other means.***

Or. de

*Justification*

*The rules set out in Article 9c are intended to prevent companies from losing significant corporate assets to the detriment of (minority) shareholders without their consent. In some Member States, existing company law already provides adequate and appropriate regulation*

*for possible conflicts relating to internal transactions.*

**Amendment 465**  
**Heidi Hautala**

**Proposal for a directive**  
**Article 1 – point 4**  
Directive 2007/36/EC  
Article 9c – paragraph 4a (new)

*Text proposed by the Commission*

*Amendment*

***4a. Member States may, depending on national conditions and practices, decide that the requirements in paragraphs 1, 2 and 3 shall not apply to transactions entered into in the ordinary course of business or concluded on market terms or on market equivalent terms.***

Or. en

**Amendment 466**  
**Virginie Rozière**

**Proposal for a directive**  
**Article 1 – point 4**  
Directive 2007/36/EC  
Article 9 c – paragraph 4 a (new)

*Text proposed by the Commission*

*Amendment*

***4a. Member States shall encourage companies to adopt internal charters on the approval by shareholders of transactions with related parties.***

Or. fr

**Amendment 467**  
**Jean-Marie Cavada**

**Proposal for a directive**  
**Article 1 – point 4**  
Directive 2007/36/EC  
Article 9 c – paragraph 4 a (new)

*Text proposed by the Commission*

*Amendment*

***4a. For the purposes of this Article, Member States shall take account of the following when defining significant transactions:***

***(a) the nature of the transaction and the position of the related party; or***

***(b) the impact of the transaction on the company's results, assets, capitalisation or turnover; or***

***(c) the risks which the transaction creates for the company and its shareholders.***

Or. fr

**Amendment 468**  
**Giovanni Toti**

**Proposal for a directive**  
**Article 1 – point 4**  
Directive 2007/36/EC  
Article 9c – paragraph 4b (new)

*Text proposed by the Commission*

*Amendment*

***4b. For the purpose of this Article, material transactions are defined by Member States taking into account:***

***(a) the influence that the information about the transaction may have on the decisions of the subjects involved in the approval process;***

***(b) the risks that the transaction creates for the company and its minority shareholders.***

***When defining material transactions, Member States may set one or more***

*quantitative ratios based on the impact of the transaction on the revenues, assets, capitalization or turnover of the company or take into account the nature of the transaction and the position of the related party. Member States may adopt quantitative ratios materiality definitions for the application of paragraphs 1 and 1a different from those for the application of paragraph 2 and may differentiate the ratio definitions according to the company size.*

Or. en

#### *Justification*

*This amendment seeks to make the definition of materiality thresholds for related party transactions more flexible, to comply with transparency requirements and with the approval procedure, allowing Member States to draw up such definitions, in compliance with existing national laws.*

#### **Amendment 469**

**József Szájer**

#### **Proposal for a directive**

#### **Article 1 – point 4**

Directive 2007/36/EC

Article 9c – paragraph 4b (new)

*Text proposed by the Commission*

*Amendment*

***4b. For the purposes of this Article material transactions with related parties shall be defined by Member States taking into account:***

***(a) the influence that the information about the transaction may have on the economic decisions of shareholders of the company;***

***(b) the risk that the transaction creates for the company and its minority shareholders.***

***When defining material transactions,***

*Member States shall set one or more quantitative ratios based on the impact of the transaction on the revenues, assets, capitalisation or turnover of the company or take into account the nature of the transaction and the position of the related party.*

*Member States may adopt materiality definitions for the application of paragraphs 1 and 1a that are different from those for the application of paragraph 2 and may differentiate the definitions according to the company size.*

Or. en

**Amendment 470**  
**Angelika Niebler, Axel Voss**

**Proposal for a directive**  
**Article 1 – point 4**  
Directive 2007/36/EC  
Article 9c – paragraph 4b (new)

*Text proposed by the Commission*

*Amendment*

***4b. For the purposes of this article, the Member States shall establish a definition of ‘significant transactions with related parties’ that shall include:***

***- one or more quantitative thresholds based on criteria such as market capitalisation and assets or turnover and capable of taking account of the type of transaction with related parties.***

***Member States may establish different thresholds to determine whether transactions are significant for the purposes of applying paragraphs 1, 2 and 3 and may differentiate the thresholds according to the size of the company. Member States may also lay down other criteria such as the type of transaction or the position of the related party.***

*Justification*

*Many Member States already have an effective system to protect against abuse. Member States should therefore be granted enough flexibility to adapt the need for further regulation to their specific situation.*

**Amendment 471**

**József Szájer**

**Proposal for a directive**

**Article 1 – point 4**

Directive 2007/36/EC

Article 9c – paragraph 4c (new)

*Text proposed by the Commission*

*Amendment*

***4c. Member States shall ensure that transactions with the same related party that have been concluded in any 12 month period or in the same financial year and have not been subject to the obligations listed in paragraphs 1, 1a or 2 are aggregated for the purposes of those paragraphs.***

Or. en

**Amendment 472**

**József Szájer**

**Proposal for a directive**

**Article 1 – point 4**

Directive 2007/36/EC

Article 9c – paragraph 4d (new)

*Text proposed by the Commission*

*Amendment*

***4d. This Article is without prejudice to the rules on public disclosure of inside information laid down in Article 17 of Regulation (EU) No 596/2014 of the European Parliament and of the***

*Council.\**

---

*\*Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (market abuse regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC OJ L 173, 12.6.2014, p. 1.*

Or. en

**Amendment 473**

**Pascal Durand**

**Proposal for a directive**

**Article 1 – point 5**

Directive 2007/36/EC

Chapitre II a (new) – titre

*Text proposed by the Commission*

*Amendment*

***Implementing*** acts and penalties

***Delegated*** acts and penalties

Or. fr

**Amendment 474**

**Cecilia Wikström, Nils Torvalds, Ulla Tørnæs**

**Proposal for a directive**

**Article 1 – paragraph 1 – point 5**

Directive 2007/36/EC

Chapter IIa – title

*Text proposed by the Commission*

*Amendment*

***Implementing acts and*** penalties

Penalties

Or. en



*Justification*

*Deletion in order to correspond to the deletion of all proposed implementing acts*

**Amendment 475**

**Cecilia Wikström, Nils Torvalds, Ulla Tørnæs**

**Proposal for a directive**

**Article 1 – point 5**

Directive 2007/36/EC

Article 14a

*Text proposed by the Commission*

*Amendment*

**Article 14a**

**deleted**

**Committee procedure**

**1. The Commission shall be assisted by the European Securities Committee established by Commission Decision 2001/528/EC . That committee shall be a committee within the meaning of Regulation (EU) No 182/2011.**

**2. Were reference is made to this paragraph, Article 5 of Regulation (EU) No 182/2011 shall apply.**

Or. en

*Justification*

*Deletion in order to correspond to the deletion of all proposed implementing acts*

**Amendment 476**

**Pascal Durand**

**Proposal for a directive**

**Article 1 – point 5**

Directive 2007/36/EC

Article 14 b

*Text proposed by the Commission*

*Amendment*

Member States shall lay down the rules on

Member States shall lay down the rules on

AM\1051130EN.doc

129/141

PE549.159v02-00

penalties applicable to infringements of the national provisions adopted pursuant to this Directive and shall take all measures necessary to ensure that they are implemented. The penalties provided for must be effective, proportionate and dissuasive. Member States shall notify those provisions to the Commission by [[date for transposition at the latest and shall notify it without delay of any subsequent amendment affecting them.

penalties applicable to infringements of the national provisions adopted pursuant to this Directive and shall take all measures necessary to ensure that they are implemented. The penalties provided for, ***which*** must be effective, proportionate and dissuasive, ***may involve the suspension of payment or the repayment of State aid granted***. Member States shall notify those provisions to the Commission by [[date for transposition at the latest and shall notify it without delay of any subsequent amendment affecting them.

Or. fr

#### **Amendment 477**

**Pascal Durand, Philippe Lamberts**  
on behalf of the Verts/ALE Group

#### **Proposal for a directive**

#### **Article 2 – paragraph -1 (new)**

Directive 2013/34/EU

Article 2 – point 17 (new)

*Text proposed by the Commission*

*Amendment*

***(-1) In Article 2 the following point is added:***

***"(17) 'tax ruling' means any advance interpretation or application of a legal provision for a cross-border situation or transaction of a company which might lead to a loss of tax in Member States or which might lead to tax savings for the company resulting from artificial intra-group transfers of profits."***

Or. en

#### **Amendment 478**

**Evelyn Regner, Sylvia-Yvonne Kaufmann, Mary Honeyball, Jytte Guteland, Virginie Rozière, Dietmar Köster**

**Proposal for a directive**  
**Article 2 – paragraph -1 a (new)**  
Directive 2013/34/EU  
Article 18 – paragraph 2 a (new)

*Text proposed by the Commission*

*Amendment*

*(-1a) In Article 18, the following paragraph is inserted after paragraph 2:*

*'2a. In the notes to the financial statements large undertakings and public-interest entities shall also disclose, specifying by Member State and by third country in which they have an establishment, the following information on a consolidated basis for the financial year:*

*(a) name(s), nature of activities and geographical location;*

*(b) turnover;*

*(c) number of employees on a full time equivalent basis;*

*(d) value of assets and annual cost of maintaining those assets;*

*(e) sales and purchases;*

*(f) profit or loss before tax;*

*(g) tax on profit or loss;*

*(h) public subsidies received;*

*(i) parent companies shall provide a list of subsidiaries operating in each Member State or third country alongside the relevant data.'*

Or. en

**Amendment 479**  
**Evelyn Regner, Jytte Guteland, Sylvia-Yvonne Kaufmann, Dietmar Köster, Mary Honeyball, Virginie Rozière**

**Proposal for a directive**  
**Article 2 – point -1 b (new)**

Directive 2013/34/EU  
Article 18 – paragraph 3

*Text proposed by the Commission*

*Amendment*

***(-1b) In Article 18, paragraph 3 is replaced by the following:***

***'3. Member States may provide that point (b) of paragraph 1 and paragraph 2a are not to apply to the annual financial statements of an undertaking where that undertaking is included within the consolidated financial statements required to be drawn up under Article 22, provided that that information is given in the notes to the consolidated financial statement.***

Or. en

#### **Amendment 480**

**Pascal Durand, Heidi Hautala, Philippe Lamberts**  
on behalf of the Verts/ALE Group

#### **Proposal for a directive**

#### **Article 2 – paragraph -1 c (new)**

Directive 2013/34/EU

Article 18 a (new)

*Text proposed by the Commission*

*Amendment*

***(-1c) The following Article 18a is inserted:***

***1. In the notes to the financial statements, large undertakings shall, in addition to the information required under Articles 16, 17 18 and any other provisions of this Directive, publically disclose information in respect of the following matters, specifying by Member State and by third country in which it has a subsidiary:***

***(a) name(s), nature of activities and geographical location;***

***(b) turnover;***

***(c) number of employees on a full time***

*equivalent basis;*

*(d) profit or loss before tax;*

*(e) tax on profit or loss;*

*(f) public subsidies received.*

*2. Undertakings whose average number of employees on a consolidated basis during the financial year does not exceed 500 and, on their balance sheet dates, do not exceed on a consolidated basis either a balance sheet total of EUR 86 million or a net turnover of EUR 100 million shall be exempt from the obligation set out in paragraph 1 of this Article.*

*3. The obligation set out in paragraph 1 of this Article shall not apply to any undertaking governed by the law of a Member State whose parent undertaking is subject to the laws of a Member State and whose information is included in the information disclosed by that parent undertaking in accordance with paragraph 1 of this Article.*

*4. The information referred to in paragraph 1 shall be audited in accordance with Directive 2006/43/EC.*

Or. en

## **Amendment 481**

**Cecilia Wikström, Nils Torvalds, Ulla Tørnæs**

### **Proposal for a directive**

#### **Article 2 – paragraph -1 d (new)**

Directive 2013/34/EU

Article 18 a (new)

*Text proposed by the Commission*

*Amendment*

*(-1d) The following Article 18a is inserted*

*"Article 18a Additional disclosure for large undertakings*

*1. In the notes to the financial statements,*

*large undertakings shall, in addition to the information required under Articles 16, 17 18 and any other provisions of this Directive, disclose information in respect of the following matters, specifying by Member State and by third country in which it has a subsidiary:*

*(a) name(s), nature of activities and geographical location;*

*(b) turnover;*

*(c) number of employees on a full time equivalent basis;*

*(d) profit or loss before tax;*

*(e) tax on profit or loss;*

*(f) public subsidies received.*

*2. Undertakings whose average number of employees on a consolidated basis during the financial year does not exceed 500 and, on their balance sheet dates, do not exceed on a consolidated basis either a balance sheet total of EUR 86 million or a net turnover of EUR 100 million shall be exempt from the obligation set out in paragraph 1 of this Article.*

*3. The obligation set out in paragraph 1 of this Article shall not apply to any undertaking governed by the law of a Member State whose parent undertaking is subject to the laws of a Member State and whose information is included in the information disclosed by that parent undertaking in accordance with paragraph 1 of this Article.*

*4. The information referred to in paragraph 1 shall be audited in accordance with Directive 2006/43/EC.*

Or. en

**Amendment 482**

**Pascal Durand, Heidi Hautala, Philippe Lamberts**  
on behalf of the Verts/ALE Group

***(-1e) The following Article 18b is inserted:***

***"Article 18b Additional disclosure for large undertakings***

- 1. In the notes to the financial statements, large undertakings shall, in addition to the information required under Articles 16, 17, 18 and any other provisions of this Directive, publicly disclose essential elements of and information regarding tax rulings, providing a break-down by Member State and by third country in which the large undertaking in question has a subsidiary. The Commission shall be empowered to set out, by means of delegated act in accordance with Article 49, the format and content of publication.***
- 2. Undertakings whose average number of employees on a consolidated basis during the financial year does not exceed 500 and, on their balance sheet dates, do not exceed on a consolidated basis either a balance sheet total of 86 million euros or a net turnover of 100 million euros shall be exempt from the obligation set out in paragraph 1 of this Article.***
- 3. The obligation set out in paragraph 1 of this Article shall not apply to any undertaking governed by the law of a Member State whose parent undertaking is subject to the laws of a Member State and whose information is included in the information disclosed by that parent undertaking in accordance with paragraph 1 of this Article.***
- 4. The information referred to in paragraph 1 shall be audited in accordance with Directive 2006/43/EC.***

**Amendment 483**  
**Therese Comodini Cachia**

**Proposal for a directive**  
**Article 2 – point a**  
Directive 2013/34/EU  
Article 20 – paragraph 1 – point h

*Text proposed by the Commission*

*Amendment*

***(a) In paragraph 1, the following point (h) is added:*** ***deleted***

***(h) the remuneration report referred to in Article 9b of Directive 2007/36/EC.***

Or. en

*Justification*

*The remuneration report cannot form the part of the corporate governance code as technically it doesn't belong there.*

**Amendment 484**  
**József Szájer**

**Proposal for a directive**  
**Article 2 – point a**  
Directive 2013/34/EU  
Article 20 – paragraph 1 – point h

*Text proposed by the Commission*

*Amendment*

***(a) In paragraph 1, the following point (h) is added:*** ***deleted***

***(h) the remuneration report referred to in Article 9b of Directive 2007/36/EC.***

Or. en



*Justification*

*The remuneration report shall not form the part of the remuneration policy, since it doesn't belong there.*

**Amendment 485**

**Cecilia Wikström, Nils Torvalds, Ulla Tørnæs, Cora van Nieuwenhuizen**

**Proposal for a directive**

**Article 2 – point a**

Directive 2013/34/EC

Article 20 – paragraph 1 – point h

*Text proposed by the Commission*

*Amendment*

***(a) In paragraph 1, the following point (h) is added:*** ***deleted***

***(h) the remuneration report referred to in Article 9b of Directive 2007/36/EC.***

Or. en

*Justification*

*The deletion is a consequence of deleting the introduction of a mandatory vote on a remuneration report in article 9b in 2007/36/EC.*

**Amendment 486**

**Pascal Durand, Heidi Hautala, Philippe Lamberts**

on behalf of the Verts/ALE Group

**Proposal for a directive**

**Article 2 a (new) – point 1 (new)**

Directive 2004/109/EC

Article 2 – paragraph 1 – point r (new)

*Text proposed by the Commission*

*Amendment*

***(1) In paragraph 1 of Article 2 the following point (r) is added:***

***"(r) 'tax ruling' means any advance interpretation or application of a legal provision for a cross border situation or***

*transaction of a company which might lead to a loss of tax in Member States or which might lead to tax savings for the company resulting from artificial intra-group transfers of profits".*

Or. en

**Amendment 487**

**Pascal Durand, Heidi Hautala, Philippe Lamberts**  
on behalf of the Verts/ALE Group

**Proposal for a directive**

**Article 2 a (new) – point 2 (new)**

Directive 2004/109/EC

Article 16 a (new)

*Text proposed by the Commission*

*Amendment*

***(2) The following article 16a is inserted:***

***"Article 16a Additional disclosure for issuers***

***1. Member States shall require each issuer to publicly disclose annually, specifying by Member State and by third country in which it has a subsidiary, the following information on a consolidated basis for the financial year :***

***(a) name(s), nature of activities and geographical location***

***(b) turnover***

***(c) number of employees on a full-time equivalent basis***

***(d) profit or loss before tax***

***(e) tax on profit or loss***

***(f) public subsidies received***

***2. The obligation set out in paragraph 1 of this Article shall not apply to any issuer governed by the law of a Member State whose parent company is subject to the laws of a Member State and whose information is included in the information***

*disclosed by that parent company in accordance with paragraph 1 of this Article.*

*3. The information referred to in paragraph 1 shall be audited in accordance with Directive 2006/43/EC and shall be published, where possible, as an annex to the annual financial statements or, where applicable, to the consolidated financial statements of the issuer concerned.*

Or. en

**Amendment 488**

**Pascal Durand, Heidi Hautala, Philippe Lamberts**  
on behalf of the Verts/ALE Group

**Proposal for a directive**

**Article 2 a (new) – point 3 (new)**

Directive 2004/109/EC

Article 16 b (new)

*Text proposed by the Commission*

*Amendment*

*(3) The following Article 16b is inserted:*

*"Article 16b Additional disclosure for issuers*

*1. Member States shall require each issuer to publicly disclose annually, on a consolidated basis for the financial year, essential elements of and information regarding tax rulings, providing a breakdown by Member State and by third country in which it has a subsidiary. The Commission shall be empowered to set out, by means of delegated acts in accordance with Article 27(2a), (2b) and (2c), the format and content of publication.*

*2. The obligation set out in paragraph 1 of this Article shall not apply to any issuer governed by the law of a Member State whose parent company is subject to the laws of a Member State and whose*

*information is included in the information disclosed by that parent company in accordance with paragraph 1 of this article.*

*3. The information referred to in paragraph 1 shall be audited in accordance with Directive 2006/43/EC and shall be published, where possible, as an annex to the annual financial statements or, where applicable, to the consolidated financial statements of the issuer concerned.*

Or. en

#### **Amendment 489**

**Pascal Durand, Heidi Hautala, Philippe Lamberts**

#### **Proposal for a directive**

#### **Article 2 a (new) – point 4 (new)**

Directive 2004/109/EC

Article 27 – paragraph 2a

*Text proposed by the Commission*

*Amendment*

*(4) In Article 27, paragraph 2a is replaced by the following:*

*"(2a) The power to adopt the delegated acts referred to in Article 2(3), Article 5(6), Article 9(7), Article 12(8), Article 13(2), Article 14(2), Article 16a(1), Article 17(4), Article 18(5), Article 19(4), Article 21(4), Article 23(4), Article 23(5) and Article 23(7) shall be conferred on the Commission for a period of 4 years from January 2011. The Commission shall draw up a report in respect of delegated power at the latest 6 months before the end of the four-year period. The delegation of power shall be automatically extended for periods of an identical duration, unless the European Parliament or the Council revokes it in accordance with Article 27a."*

**Amendment 490**

**József Szájer**

**Proposal for a directive**

**Article 3 – paragraph 1 – subparagraph 1**

*Text proposed by the Commission*

Member States shall bring into force the laws, regulations and administrative provisions necessary to comply with this Directive by [**18** months after entry into force] at the latest. They shall forthwith communicate to the Commission the text of those provisions.

*Amendment*

Member States shall bring into force the laws, regulations and administrative provisions necessary to comply with this Directive by [**24** months after entry into force] at the latest. They shall forthwith communicate to the Commission the text of those provisions.