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TO

Require that companies' remuneration committees have employee representation; to require that companies hold an annual binding shareholder vote on executive remuneration; and for connected purposes.

BE IT ENACTED by the Queen's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

1 Employee representation on remuneration committees

- (1) Any public company which has a remuneration committee shall provide that at least one place on the committee shall be reserved for a person representative of the employees of that company.
- (2) The company may determine whether such persons shall have a vote on the remuneration committee. 5

2 Annual binding vote on executive remuneration

- (1) Each public company limited by shares shall, at each annual general meeting, propose a motion specifying the remuneration of executives employed by the company, and the result of the vote shall be binding on the company. 10
- (2) In this section, "executive" means any executive director of the company.

3 Short title, commencement and extent

- (1) This Act may be cited as the Executive Pay and Remuneration Act 2013.
- (2) This Act shall come into force at the end of the period of two months beginning on the day on which it is passed. 15
- (3) This Act extends to England and Wales, Scotland and Northern Ireland.

Executive Pay and Remuneration Bill

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To require that companies' remuneration committees have employee representation; to require that companies hold an annual binding shareholder vote on executive remuneration; and for connected purposes.

*Presented by Thomas Docherty,
supported by
Sheila Gilmore, Katy Clark and Ian Lavery.*

*Ordered, by The House of Commons,
to be Printed, 25 June 2012.*

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