
STATUTORY INSTRUMENTS

2019 No. 970

**The Companies (Directors' Remuneration Policy and
Directors' Remuneration Report) Regulations 2019**

PART 2

Amendments to the Companies Act 2006

CHAPTER 1

Amendments to Part 10 (a company's directors)

Amendments to section 215

- 4.** In section 215 (payments for loss of office)(1)—
- (a) in subsection (5), after “company” insert “or unquoted traded company”;
 - (b) after subsection (5) insert—
“**(6)** “Unquoted traded company” means a traded company (as defined by section 360C) that is not a quoted company.”

Amendment to Chapter 4A

- 5.** In the heading to Chapter 4A(2), after “companies” insert “and traded companies”.

Amendments to section 226A

- 6.** In section 226A (key definitions)—
- (a) in subsection (1)—
 - (i) in the definition of “directors’ remuneration policy”, after “company” insert “, or of an unquoted traded company,”;
 - (ii) after the definition of “payment for loss of office” insert—
““unquoted traded company” means a traded company (as defined by section 360C) that is not a quoted company.”;
 - (b) in subsection (2), after “quoted company” insert “or unquoted traded company”;
 - (c) after subsection (9) insert—
“(10) References in this Chapter (other than sections 226E(2)(b) and (5)) to a director of a company include a person who is not a director of the company but who is—
 - (a) its chief executive officer (however described), or

(1) Section 215(5) was inserted by section 81 of the Enterprise and Regulatory Reform Act 2013.
(2) Chapter 4A was inserted by section 80 of the Enterprise and Regulatory Reform Act 2013.

- (b) where such a function exists in the company, its deputy chief executive officer (however described).”

Amendments to section 226B

- 7. In section 226B (remuneration payments)—
 - (a) in subsection (1), after “quoted company” insert “or unquoted traded company”;
 - (b) for subsection (1)(b) substitute—
 - “(b) an amendment to that policy authorising the company to make the payment has been approved by resolution of the members of the company.”.

Amendments to section 226C

- 8. In section 226C (loss of office payments)—
 - (a) in subsection (1), after “quoted company” insert “or of an unquoted traded company”;
 - (b) for subsection (1)(b) substitute—
 - “(b) an amendment to that policy authorising the company to make the payment has been approved by resolution of the members of the company.”.

Amendments to section 226D

- 9. In section 226D (sections 226B and 226C: supplementary)—
 - (a) in subsection (1)—
 - (i) for “a payment” substitute “an amendment”;
 - (ii) after “proposed payment” insert “to which the amendment relates”;
 - (b) for subsection (2) substitute—
 - “(2) The memorandum must explain the ways in which the payment would be inconsistent with the approved directors’ remuneration policy (within the meaning of the section in question) but for the amendment.”;
 - (c) in subsection (4), for “a payment” substitute “the amendment”;
 - (d) in subsection (6)—
 - (i) in the opening words, after “quoted company” insert “or of an unquoted traded company”, and
 - (ii) in paragraph (a) after “quoted company” insert “or (as the case may be) an unquoted traded company”.

Amendments to section 226E

- 10. In section 226E (payments made without approval: civil consequences)—
 - (a) in subsection (3), after “quoted company” insert “or of an unquoted traded company”;
 - (b) in subsection (4), after “quoted company” insert “or of an unquoted traded company”.