Abstract

The name of this diploma thesis is „Remuneration of members of governing bodies of joint-stock companies". The goal of this work is to examine current legal framework of this topic both in legal norms of Czech Republic and in normative and recommendative acts of relevant international organizations (European Union, OECD), consequently to assess real application of these norms and eventually to appraise possibilities of enforcement of the respective principles in real-life practice. First chapter focuses on principles of integrity of business affairs and defines basic terms. Second chapter centers primarily around legal problematic of Contract on Execution of Function of Member of a Board of Directors in a joints stock company and its practical implementation. Third chapter analyses and describes - within framework of both current and historic legal norms - possibilities of various forms of remuneration, which can be however also denied under certain circumstances. Fourth chapter deals with Principles of Corporate Governance. Fifth and final chapter provides for a reflection of real life practice, i.e. how respective joints stock companies interact with legal regulation, respectively how will they interact with it. Proper remuneration policy is a complex issue, which has a free right of owners (shareholders) on decision making about their ownership (which applies also for reward of „agents", i.e. board of directors) on one side, public interest of the society in protection against risky behavior of companies with high general impact (e.g. banks), and natural human need for fair reward for work on other side. Current trend aiming to implementation of rules requiring e.g. distribution of variable rewards/bonuses in longer time horizon, possibility of claw back, would the reword appear as inappropriate or contradicting good manners, can be assessed as positive and meaningful, corresponding to legislative activity in the European Union at the same time.

Key words: remuneration, board of directors, joint stock company