



PRACTISE YOUR VOCABULARY

1 The diagram shows who controls a public limited company. Use the terms in the box to complete it.

board of directors managers shareholders

a _____ (owners of the company)



b _____ (responsible to the shareholders)



c _____ (appointed by the board to run the company)

2 Use the terms in the box to complete the paragraph.

board of directors board senior executives chief executive officer managing director company secretary chair

People at the head of an organization are _____ or senior managers. The _____ is the person who has overall responsibility for the day-to-day running of an organization. In the case of a limited company the CEO is normally the _____, appointed by the _____ on the authority of its members. The same person is usually the _____ of meetings of the _____, i.e. the people who are legally responsible for a company. The person responsible for keeping the minutes of board meetings is the _____.

3 Which of the following people are likely to be on the board of directors of a company?

- a company secretary c CEO e executive directors
b non-executive directors d managers f members of staff

4 Match each of the roles (i–iv) to the correct definition (a–d).

i director ii executive director iii non-executive director iv board of directors

- a A company director with a seat on the board who is also a salaried employee of the company, and actively involved in the running of the company.
b A director with a seat on the board who is not a working employee of the company, sometimes brought onto the board for his or her specialist knowledge. He or she takes no part in the running of the company.
c The management committee of a limited company, the members of which are appointed by the shareholders whose interests they represent. They meet under the company chairman to decide on major policy matters and the appointment of key managers.
d A person who is appointed an elected officer of the company at the annual general meeting (AGM) and manages the company on behalf of the shareholders. He or she acts by resolutions made at meetings of the board.