

## **ABSTRACT**

*This project studies the determinants of directors' remuneration in Hong Kong listed companies. Different variables such as profitability, sales revenue, firm size and stock returns are measured. Using multiple regression model, the relationship between these variables and directors' remuneration are examined. Data were extracted from annual reports of 20 listed companies in Hong Kong (all of which are components of Hang Seng index) for the five-year period from 1990 to 1994.*

*It is discovered that these variables explains most of the variations in directors' remuneration and their relationship are relatively different over time, possibly due to change in price level and other economic factors.*

*This study tends to conform with the results of some previous related research - directors' remuneration is influenced by a firm's performance.*