

The UK Total Remuneration Survey
September 2009

Introduction

Executive Directors' pay continues to make the headlines, generally for all the wrong reasons, and will continue to face close scrutiny over the next 12 months.

For investors and issuers alike facing potentially difficult questions decisions, access to authoritative, comprehensive and reliable information on market practice and trends is invaluable.

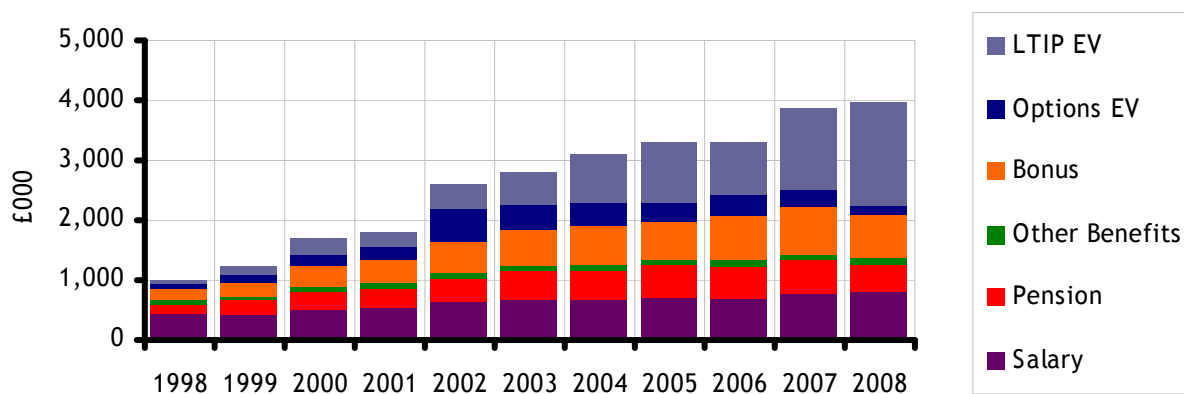
Why Total Remuneration?

Executive remuneration has changed dramatically in recent years.

The value of award levels for options, LTIPS and other long term incentives has risen 10 fold in the past 9 years. Values of defined benefit pensions have also increased driven by increases in salaries and life expectancy ahead of actuarial assumptions and the drop in annuity rates.

In addition to these changes in the mix of executive remuneration, companies have begun to adopt a wider range of approaches to remuneration and in particular to long term incentives.

AVERAGE REMUNERATION OF FTSE100 CEO



About the Survey

The Executive Directors' Survey published by Manifest & MM & K uses Manifest's unique proxy governance research database. It is the most authoritative and best value report on Board level remuneration in the UK.

The analysis is presented in a clear and concise format with key points identified by the experienced MM & K executive remuneration consultants.

The report provides a comprehensive view of total remuneration for executives taking into account base salaries, annual bonuses, long term incentives, pensions and other benefits and is presented in easy to understand graphs and tables.

Results are broken down to enable comparisons with more relevant peer groups of companies.

- By Key Index: FTSE100, FTSE250, Small Cap, AIM and Fledgling
- By Financials: Turnover and Market Capitalisation

Only through the use of a total remuneration approach is it possible to ensure that true like for like comparisons can be made with the wider market

What's Included?

Total remuneration: taking into account all elements of remuneration.

High-value research at a fraction of the cost. Over 1,000 hours of data collection and processing were involved in compiling the report.

Median, upper and lower quartile figures are presented for each band, giving a clear indication of how a director's remuneration compares to the current market.

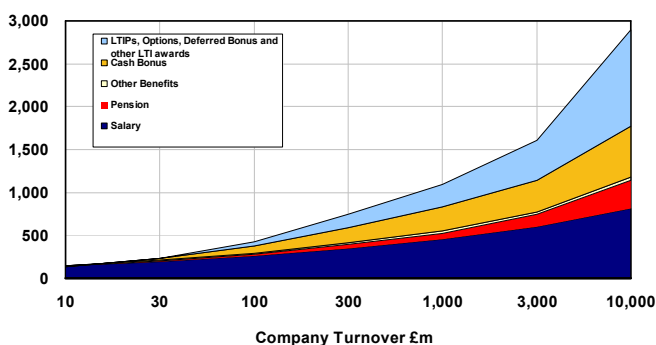
The 2009 edition has been extended to include two separate analyses of trends in the large cap and small cap companies. For the first time, the Survey also incorporates detailed pension data, including:

- Cash payments/allowances in lieu of pension
- DC pension - employer contribution
- DB pension - transfer value of increase in accrued pension.

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CEO Total Remuneration £000 - Median



Clear tables and graphs enable easy, at a glance comparisons.

Banding by turnover and market capitalisation allow fair comparison to similar sized companies.

What is your investment?

The Manifest /MM & K Executive Director Survey is competitively priced at £500 for a site-licensed E-Book which gives you the right to print multiple in-house copies or host it on your intranet. This is exceptional value when considering alternative reports which can typically cost in the region of £3,000 and not all of which provide a total remuneration approach.

Methodology

The data reported in annual reports is the only source used. Salary and bonuses are the figures quoted for the latest year in the last published accounts. The Manifest database is updated within 48 hours of new annual reports being published. Where companies quote the Estimated Value (EV) of long term incentives and share options, this figure is used. Otherwise the EV is estimated using the MM & K methodology. For defined benefit pension, the transfer value of the increase in accrued pension figure is used.

Comparisons are shown for the specific jobs of CEO and Finance Director. Other comparisons are shown for the 2nd highest paid ranked director, the 3rd highest, 4th highest and 5th highest and the average of the 2nd to 5th. Thus to compare, for example, the commercial director you need to make a judgment about the nature of the role and whether it is typically comparable with the 2nd, 3rd or 4th highest paid director elsewhere.

Five reasons to buy the Manifest/MM & K Survey

1. **A Comprehensive Approach:** The survey has total remuneration data and includes data on pensions and the expected value of long term incentives, deferred bonus and options.
2. **Easy to Use:** The survey is specially designed to meet the needs of busy investors and issuers who may be faced with competing time demands. In these tough economic times, a full remuneration review may not be appropriate, but the survey enables the Remuneration Committee and CEO to keep up to date with market developments.
3. **Time Saving:** There are thousands of man hours of data collection, verification and remuneration analysis expertise invested behind the scenes to make your life easier.
4. **An Independent Check:** This survey an outstanding second source of data to enable Investors and Remuneration Committees to quickly check that other data is directionally sound.
5. **Meet Best Practice Standards:** The Turner and Financial Stability Forum reports have stressed the need for Investors and Remuneration Committees to have access to independent and authoritative advice. The Manifest MMK Total Remuneration Survey helps achieve those standards.

How to Buy

Ordering is easy through the Manifest website: www.manifest.co.uk

Once your order has been approved and paid through our secure credit card processing system you will be emailed a download code to give you instant access to the report.

The site licensed E-Book can be printed, tables and graphs copied and stored on your intranet for you and your colleagues to use. This is a perpetual license and will not expire after 12 months.

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