

October 26 2011

Issued by Mattison Public Relations on behalf of Incomes Data Services

FTSE 100 directors get 49% increase in total earnings

- **Outpacing CEOs who saw 43% hike in earnings**
- **Base pay held down, but bonuses increase sharply**

FTSE 100 directors have seen their total earnings increase by an average of 49% in the last financial year, and are now averaging £2,697,664 per annum reveals the latest research by Incomes Data Services (IDS).

IDS say that this increase was even higher than the 43% rise in total earnings for CEOs, which suggests that executive largesse is evenly spread across the board.

Total earnings is fixed pay, salary and benefits, the value of bonuses earned during the year, both cash and deferred, plus the ‘crystallised’ money value of any long term incentive plan (LTIP) awards and the nominal gains made on the exercise of any share options cashed-in during the year.

FTSE 100 directors saw their average bonus payments increase by 23%, from £737,624 in 2010 to £906,044 in 2011.

Steve Tatton, editor of the IDS report, comments: “Britain’s economy may be struggling to return to pre-recession levels of output, but the same cannot be said of FTSE 100 directors’ remuneration.”

According to the IDS data, the increase in LTIPs and bonus payments received by FTSE 100 directors more than made up for a modest 3.2% growth in base salary that FTSE 100 directors averaged over the last year.

Steve Tatton says: “The generous remuneration packages that FTSE 100 directors now receive indicates a marked improvement in boardroom fortunes.”

“But with closer scrutiny of boardroom pay expected in the future, remuneration committees will have to make sure that they are able to provide full and thorough justifications for the bonuses awarded.”

“This means that they will have to be much more transparent about how total benefits packages are structured and how performance is measured.”

Total earnings of FTSE 100 directors rose across the board, with the breakdown as follows:

- CEOs received an average increase of 43.5% (£3,855,172)
- Finance directors received an average increase of 34.1% (£2,001,515)
- All other directors received an average increase of 66.5% (£2,260,033)

Comments Steve Tatton: “At a time when employees are experiencing real wage cuts and risk losing their livelihoods, without further explanation it may be difficult for FTSE 100 companies to justify the significant increase in earnings awarded to their directors.”

“The pay gap between the boardroom and the shop floor does not yet show any signs of closing.”

All data in the IDS Directors’ Pay Report is taken from the latest available published annual accounts with year-end dates between February 2010 and April 2011.

ENDS

Note to editors:

Incomes Data Services is the leading UK information and research service on employment issues, providing a range of publications for employers, trade unions, government departments and other agencies. In any report it would be helpful if you would include our telephone number 020 7429 6800 and website address (www.incomesdata.co.uk)

Sweet & Maxwell (www.sweetandmaxwell.co.uk) is a leading provider of information and solutions to the legal and professional markets in the UK and Ireland. With over 200 years of history and heritage in legal publishing, Sweet & Maxwell offers detailed and specialist knowledge, understanding, interpretation and commentary across a wide range of subjects in a variety of formats to meet customers' needs - books, journals, periodicals, looseleaves, CD-ROMs and online services.

Thomson Reuters is the world’s leading source of intelligent information for businesses and professionals. We combine industry expertise with innovative technology to deliver critical information to leading decision makers in the financial, legal, tax and accounting, scientific, healthcare and media markets, powered by the world’s most trusted news organization. With headquarters in New York and major operations in London and Eagan, Minnesota, Thomson Reuters employs more than 50,000 people in 93 countries. For more information, go to www.thomsonreuters.com.

Press Contacts

Steve Tatton
Incomes Data Services
Tel: 020 7422 4925

Nick Mattison or Toto Reissland
Mattison Public Relations
Tel: 020 7645 3636