

The Manifest/MM&K Executive Director

Total Remuneration Survey - 2011

May 2011

Introduction

Executive Directors' pay continues to make the headlines, generally for all the wrong reasons, and will continue to face close scrutiny. Motivating high calibre CEOs and executive directors is crucial to business success. Benchmarking against high quality total remuneration data provides essential background data to retaining, recruiting and rewarding at the right level."

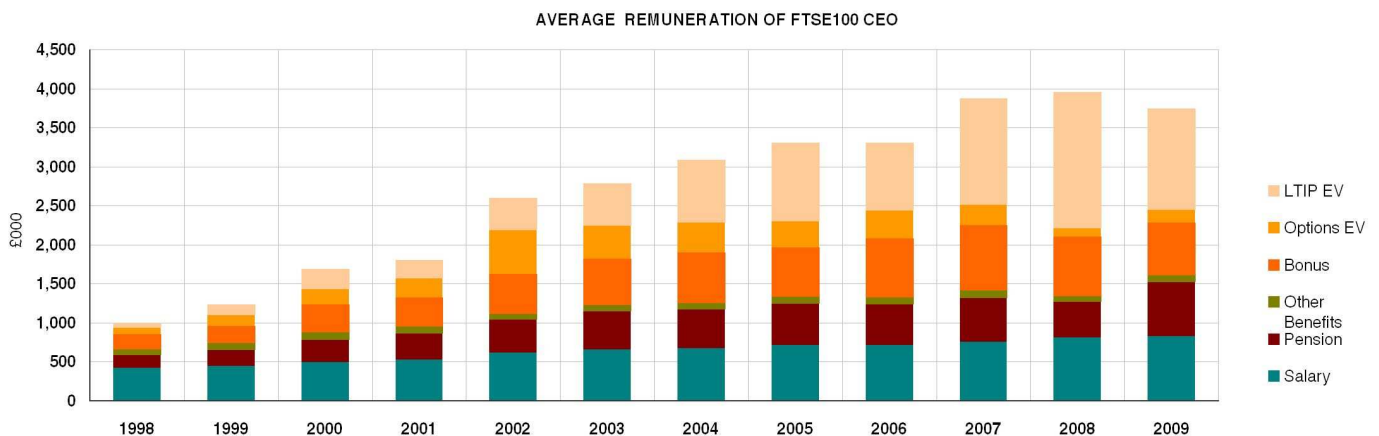
For investors and issuers alike facing potentially difficult questions and decisions, access to authoritative, comprehensive and reliable information on market practice and trends is invaluable.

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.



About the Survey

The Total Remuneration Survey uses Manifest's unique corporate 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 MM&K's highly regarded and experienced 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?

The Survey offers high-value research at a fraction of the cost of other surveys or ways of analysing this highly complex data. There are thousands of man hours of data collection and processing involved in compiling the report.

Total remuneration analysis taking into account all elements of remuneration. Median, upper and lower quartile figures presented for each band, giving a clear indication of how a director's remuneration compares to the current market. Banding by turnover and market capitalisation; thus allowing fair comparison to similar sized companies.

The 2011 edition has been extended to incorporate detailed pension data, including:

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

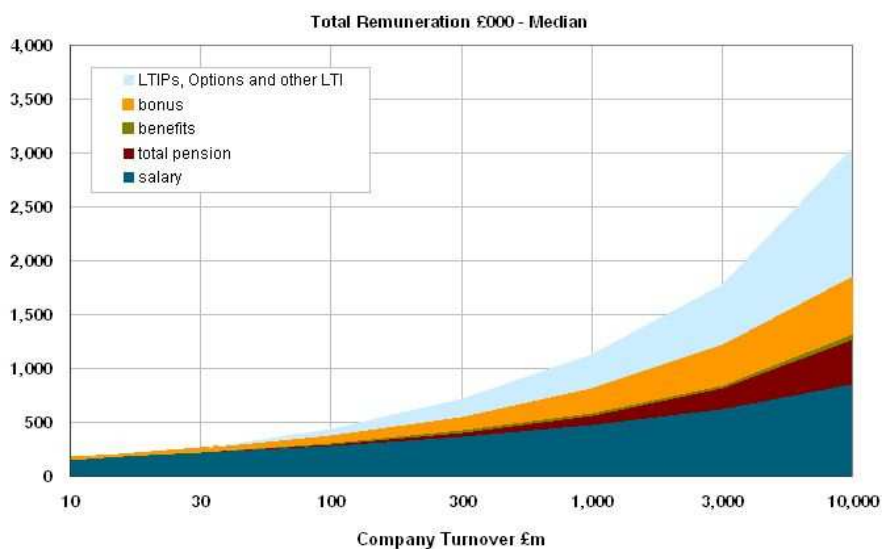
Table of Contents

PART A: Levels of Remuneration

Non-Executive Chairman
 Chief Executive
 Average of other executive directors
 2nd highest paid director
 3rd highest paid director
 4th highest paid director
 Finance Director

PART B: Trends & Analyses

Trends
 CEO & Director Differentials
 Remuneration Mix
 Sector & Size Differences
 Short Term Incentives, Annual Bonus
 Long Term Incentives
 Pensions
 Linkage of Pay and Performance



What is your investment?

The Manifest/MM&K Executive Director Survey is competitively priced from £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. Where companies quote the Estimated Value (EV) of long term incentives and share options, this figure is used. Otherwise the EV is estimated using MM&K's in-house 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 and 4th highest and the average of the 2nd to 4th. Thus to compare your commercial director for example 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 report 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.

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Manifest, 9 Freebournes Court, Newland Street, Witham, Essex, CM8 2BL
Telephone: +44 (0)1376 503500 | Fax: +44 (0)1376 503550 | Email: info@manifest.co.uk
Manifest Information Services Ltd, Registered in England Number 3401145.
VAT Registration Number: GB 700 1880 77 | Registered office at above address.