Director remuneration in FTSE 250 companies

2025 market data report for executive and non-executive directors

December 2025

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This report provides a final update for the 2025 Annual General Meeting (AGM) season on key pay developments this year. It also sets out an overview of executive and non-executive market data for companies in the FTSE 250.

This report includes data sourced from WTW's Global Executive Compensation Analysis Team. This report is based on the FTSE 250, excluding investment trusts, as of 1st December 2025.

Key headlines from the 2025 AGM season

Who changed what?

This was not expected to be a peak year for policy renewals, yet 36% of FTSE 250 companies (58 companies) tabled a new remuneration policy for approval this season. One-third of these 'went early', putting their new policies to vote before the expiry of the previous one, and over 70% proposed major changes to one or more elements of remuneration.

Over 60% of companies tabling new policies increased variable pay opportunity.

Twenty companies (34% of those tabling new policies) increased annual bonus opportunity, twenty-six companies (45% of those tabling new policies) increased long-term incentive (LTI) opportunity, and ten of these increased levels under both. Annual bonus opportunity levels for FTSE 250 CEOs have not been impacted at the median (remaining at 150% of salary), although median levels have increased to 175% of salary for the largest companies in the index (i.e. those ranked in the FTSE 101-150). The same is true of LTI opportunity levels for companies operating only performance share plans (PSPs): there is no change at the FTSE 250 median (which remains at 200% of salary), and just a small increase in the median for the largest companies (from 245% to 250% of salary for the FTSE 101-150).

Almost 50% of companies tabling new policies made atypical changes to variable pay plan structures or vehicles.

Building on the updates to the Investment Association (IA) Principles of Remuneration and ISS Voting Policy Guidelines in the final months of last year, there has been a continuation of last year's 'bold mover' trends with more atypical structures proposed. Seven companies introduced hybrid plans, i.e., combining the use of performance and restricted shares, one of which also included a new 'stretch' element; another company introduced a 'performance-flexed' element to its restricted share plan (RSP) (resulting in a structure similar to a hybrid arrangement); three companies replaced their PSPs with value creation plans; one replaced its PSP with an RSP; one replaced its annual bonus with a single variable plan (SVP), combining both annual and longer-term elements.

Six companies reverted to more market-typical structures: three replaced their RSPs, and one replaced its ad hoc growth shares with market-standard PSPs; one company replaced its hybrid arrangement with a one-off, block, PSP award; and one replaced its SVP with an annual bonus and PSP. Around 75% of the FTSE 250 therefore continue to operate market-standard variable pay structures, i.e., annual bonus + PSP, with the remainder operating alternative structures.

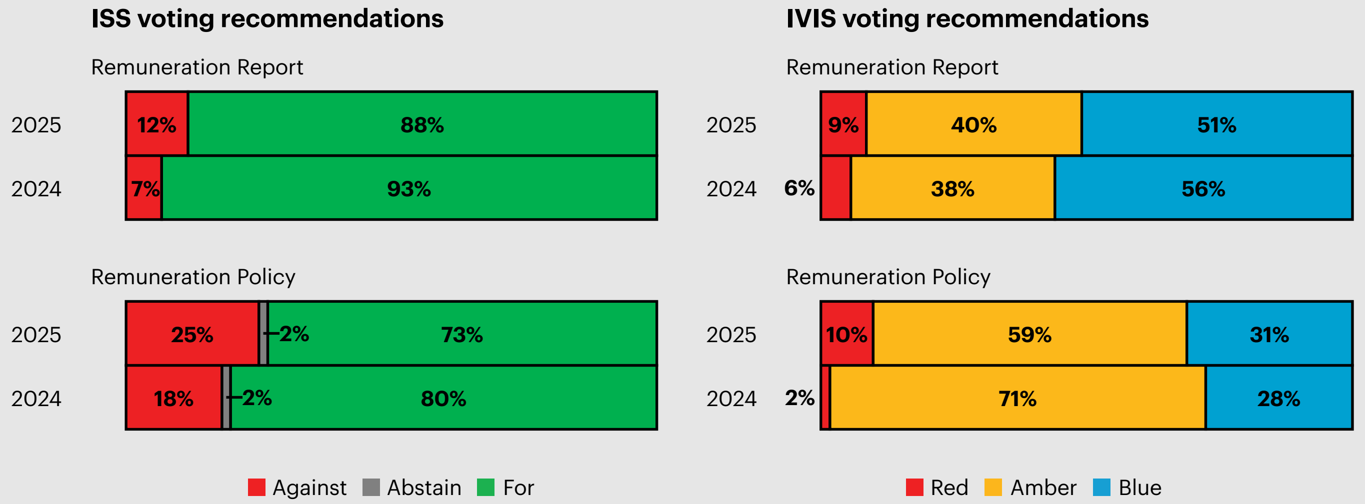
Fourteen companies reduced the proportion of bonus required to be deferred once executive directors (EDs) meet their share ownership guidelines (SOG). Over one-third of these companies removed the requirement entirely; others tapered the requirement down to between 33.3% and 50% of the prior level.

Although not a policy change requiring shareholder approval, around 15% of CEOs and CFOs received salary increases above 6.0%, many of these well in excess of median increases awarded to the wider workforce.

How did proxy agencies react?

More than one in five companies received 'against' recommendations from ISS and/or had their resolutions red-topped by IVIS – this is more than half again as many as last year. ISS, in particular, has not supported many of the proposals outlined above: only 73% of remuneration policies and 88% of remuneration reports received 'for' recommendations, down from 80% and 93% respectively last year. IVIS has been a little more circumspect: they red-topped 10% of remuneration policies this year, compared to only 2% last year, and amber-topped a further 59% (2024: 71%). In addition, 9% of remuneration reports were red-topped and a further 40% amber-topped versus 6% and 38% respectively last year.

Figure 1: **Proxy agencies' voting recommendations, 2024—2025**



And what happened at AGMs?

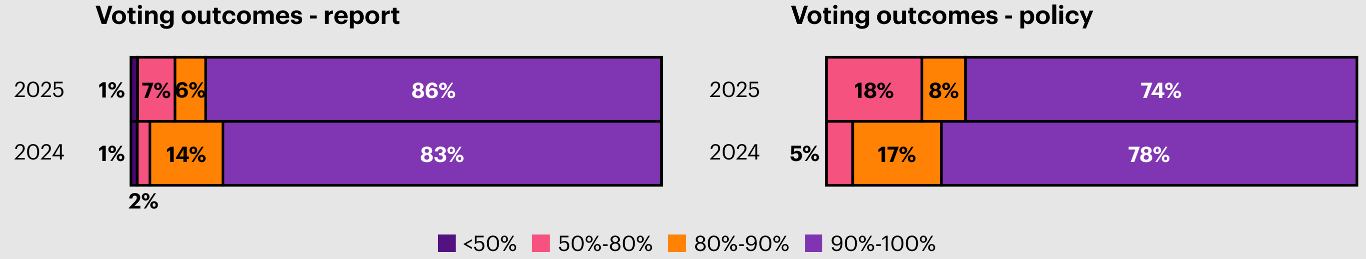
Despite this, shareholders have been broadly supportive and voting outcomes remained high, with median votes 'for' at 98% for remuneration reports (2024: 96%) and 95% for remuneration policies (2024: 95%).

That said, two companies lost the vote on their remuneration reports (2024: two), in one case for the fourth year running. Shareholder concerns included: the use of upwards discretion on bonus/LTI vesting outcomes; remuneration report disclosure continuing to lag UK market standards; pay-for-performance concerns and significant salary increases not linked to material changes in business/role.

The remuneration resolutions of twenty-one further companies (eleven remuneration reports and eleven remuneration policies; both in the case of one company) attracted 'low' votes below 80%; this compares to only seven last year but is more in line with figures for 2023. Contentions for these low votes varied but included:

- the potential for/actual excessive payouts;
- excessive salary increases;
- the structure of, and lack of compelling rationale for, variable pay (e.g. hybrid, RSP with kicker); and
- the excessive/insufficient application of discretion.

Figure 2: **AGM voting outcomes, 2024-2025**



Looking ahead to 2026

Key questions and considerations for Remuneration Committees (RemCos) and management going forward.

Levels

Increasing levels of pay is a trend that we expect to see continue. However, companies will need to make their case to stakeholders, and this may require more comprehensive disclosure than in the past. In a move away from previous guidance that RemCos shouldn't be overly focused on benchmarking, investors are now keen to know all the details of peer groups considered, including information on relative performance, and positioning against them when changes are proposed.

There has been much talk around the need for UK businesses to remain globally competitive, but this will apply to only a minority of the FTSE 250 and investors will likely begin to differentiate their approach for domestic companies, which don't directly compete for talent with higher-paying international markets. We expect some investors to express a preference for a move away from benchmarking against broad indices, such as the FTSE 250 which comprises a mix of international and domestic companies. Where possible, more focused sector-based peer groups will be preferred, and companies without directly relevant sector peer groups will be obliged to justify their chosen peer groups and rationale even more clearly.

Structure

In a response to the ongoing debate about flexibility and competitiveness, the IA's revised 2024 Principles explicitly declared their openness to companies making the case for the use of hybrid plans. Some companies have already taken this approach, and we expect this trend to continue although likely still be minority practice in the foreseeable future.

This raises the question about where the market equilibrium will be found. Will this combination of LTI vehicles be considered acceptable by investors only for those companies that can make the case that it is necessary to be competitive with markets where hybrids are the norm (e.g., the US)? Or will businesses presenting a different rationale, for example that a balanced approach would better suit their business/industry, also find favour with investors?

External market factors

There remains a huge amount of uncertainty in the market, caused by both global and local factors - wars, tariffs, changes to taxation, policy changes abroad (e.g., the US government's approach to DEI) to name but a few - that will continue to impact on UK businesses. How will RemCos cope with these challenges?

Financial uncertainty may prompt companies to review metrics, widen target ranges, make greater use of discretion or shift towards the use of restricted shares. Changing attitudes to DEI metrics will require companies to carefully consider how to balance their principles, the perspectives of investors (which may differ across the Atlantic) and pragmatic business impacts.

It will continue to be critical for companies to demonstrate via external disclosure and investor engagement that they have thoughtfully considered all of the above and explain how and why decisions made appropriately balance alignment with the shareholder experience and supporting business needs.

Key trends from the 2025 AGM season

Pay out-turns for 2024/25

2023/24 median single figure

£1.71 million

2024/25 median single figure

£1.65 million

The median annual bonus payout as a percentage of maximum has fallen slightly to 70%, but is in line with long-term norms (c. 70% of maximum). Median PSP vesting, 56% of maximum, has fallen versus prior year but is also back in line with long-term norms (between 55% and 60% of maximum).

RemCo interventions:

- Discretionary reductions to bonus outcomes were around half as prevalent as last year (7% vs 12%).
- Increases to formulaic LTI outcomes were slightly more prevalent than last year (2% vs 1%).
- Cases of upwards discretion applied to bonus outcomes and downwards discretion applied to LTI vesting were unchanged year-on-year (2% in each case, respectively).

Forward-looking salary

Median CEO/ CFO salary increase:

3.0%

below the wider workforce median (3.3%)

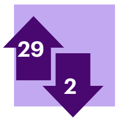
Around 15% of CEOs and CFOs (2023/24: c. 10%) received salary increases that were both above 6.0% and explicitly higher than those provided to the wider workforce.

Non-executive directors

Over 60% of companies (2024: c. 55%) increased Chair and/or basic NED fees. Median levels of increase were 3.1% for Chairs (2024: 4.4%) and 3.0% for NEDs (2024: 4.0%), a little lower than median salary increases for the wider workforce.

Forward-looking variable pay

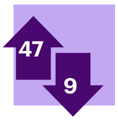
Annual bonus



Twenty-nine* companies increased bonus opportunities for one or more ED; one of these reflected the introduction of a bonus plan. One company re-balanced variable pay in favour of the long-term, resulting in a reduction in the annual bonus opportunity; another reduced its normal maximum while maintaining its exceptional maximum opportunity.

Fourteen companies reduced or entirely removed bonus deferral requirements where share ownership guidelines are met.

Long-term incentive plans



Forty-seven* companies increased LTI opportunities for one or more ED, one of which reflected the introduction of a long-term incentive plan. Nine companies decreased LTI opportunities: in four cases, these reflected changes of policy or re-balancing; in five cases, the reductions followed either poor corporate performance or the appointment of individuals with less experience than their predecessors.

Nineteen companies changed their LTI vehicles/structure: thirteen moved to atypical arrangements, e.g. hybrid, restricted share or value creation plans, and six reverted to market-typical performance share plans.

* Note - figures include both policy and implementation changes

Executive director market data

Salary

- The tables below set out the quartile salary data for CEOs and CFOs in the full FTSE 250, as well as two subgroups - those companies ranked in the top 50 (FTSE 101-150) and the rest (FTSE 151-350).
- Although median salary increases (incl. 0%) have come down a little (3%, compared to 4% for the past two years), this disguises a shift away from the post-pandemic trend of ED increases typically being lower than their respective wider workforce averages. This year, 45% of CEOs and c. 50% of CFOs received salary increases in line with, and a further c. 25% received increases above, those of the wider workforce.
- Median FTSE 250 CEO and CFO salaries have increased by 2%, from £650,000 to £660,000 and from £439,000 to £448,000, respectively.
- The typical salary differential of 60% to 75% for the CFO to CEO remains broadly unchanged with a median of 66%.

CEO

Figure 3: **CEO salary**

	Lower quartile	Median	Upper quartile
FTSE 101-150	£715,000	£800,000	£906,000
FTSE 151-350	£550,000	£636,000	£730,000
FTSE 250	£561,000	£660,000	£800,000

Figure 4: **CEO median salary increases**

FTSE 101-150	3.0%
FTSE 151-350	3.0%
FTSE 250	3.0%

Figure 5: **Proportion of companies awarding 0% increase to CEO salaries**

FTSE 101-150	15%
FTSE 151-350	17%
FTSE 250	16%

CFO

Figure 6: **CFO salary**

	Lower quartile	Median	Upper quartile
FTSE 101-150	£467,000	£508,000	£583,000
FTSE 151-350	£383,000	£425,000	£490,000
FTSE 250	£400,000	£448,000	£509,000

Figure 7: **CFO median salary increases**

FTSE 101-150	3.0%
FTSE 151-350	3.0%
FTSE 250	3.0%

Figure 8: **Proportion of companies awarding 0% increase to CFO salaries**

FTSE 101-150	5%
FTSE 151-350	12%
FTSE 250	11%

Benefits

- Retirement benefits for EDs are almost universally aligned with levels offered to the wider workforce and median defined contribution/cash allowance benefits are 8%-10% of salary.
- Car allowances continue to be a common benefit for EDs, with median car benefits ranging from £15,000 to £17,000.

Pension contribution

- As shown in *Figures 9* and *10*, median defined contribution/cash allowance benefits have stabilised around 8% of salary for the FTSE 250 and FTSE 151-350, and 10% of salary for the FTSE 101-150.
- All FTSE 250 companies explicitly align pension provision for newly appointed EDs with that offered to the wider workforce, apart from three companies where this is not disclosed.
- 99% of companies have aligned their provision for incumbent EDs. One company has phased reductions down from previous levels, but full alignment is not planned; another has made no commitment to change or review incumbent ED pension provision.

Figure 9: **Value of defined contribution/cash allowance for CEO (% of base salary)**

	Lower quartile	Median	Quartile
FTSE 101-150	7%	10%	11%
FTSE 151-350	5%	7%	10%
FTSE 250	5%	8%	10%

Figure 10: **Value of defined contribution/cash allowance for CFO (% of base salary)**

	Lower quartile	Median	Upper quartile
FTSE 101-150	7%	10%	11%
FTSE 151-350	5%	8%	10%
FTSE 250	5%	8%	10%

Car benefit

Around 70% of companies in the FTSE 250 disclose that EDs receive a car benefit or car allowance, although only around 30% of them explicitly disclose its value. *Figure 11* provides data for those companies that do disclose the details of this benefit, including fuel allowances and company/personal drivers where applicable. Quartile stats are largely the same as last year, with medians unchanged at £17,000 and £15,000 for CEOs and CFOs respectively.

Figure 11: **Value of car benefit for Executive Directors**

	CEO	CFO
Upper quartile	£20,000	£16,000
Median	£17,000	£15,000
Lower quartile	£15,000	£12,000

Annual bonus plans

- Annual bonus payouts, 70% of maximum at median, were a little lower than last year but in line with longer-term levels for the full FTSE 250. Median payouts for the FTSE 101-150 (75% of maximum) were higher than last year (69% of maximum).
- Median opportunities for the full FTSE 250 are unchanged at 150% of salary, although we observe an increase from 150% to 175% of salary for FTSE 101-150 companies.
- The prevalence of many metrics has reduced as companies focus on fewer metrics in their annual bonus plans.
- A significant change to annual bonus design this year has been the reduction, or entire removal, of deferral requirements where share ownership guidelines are met.

Bonus pay-outs

Figure 12: **Bonus pay-outs for CEO (% of maximum opportunity)**

	Lower quartile	Median	Upper quartile
FTSE 101-150	54%	75%	90%
FTSE 151-350	47%	67%	90%
FTSE 250	48%	70%	90%

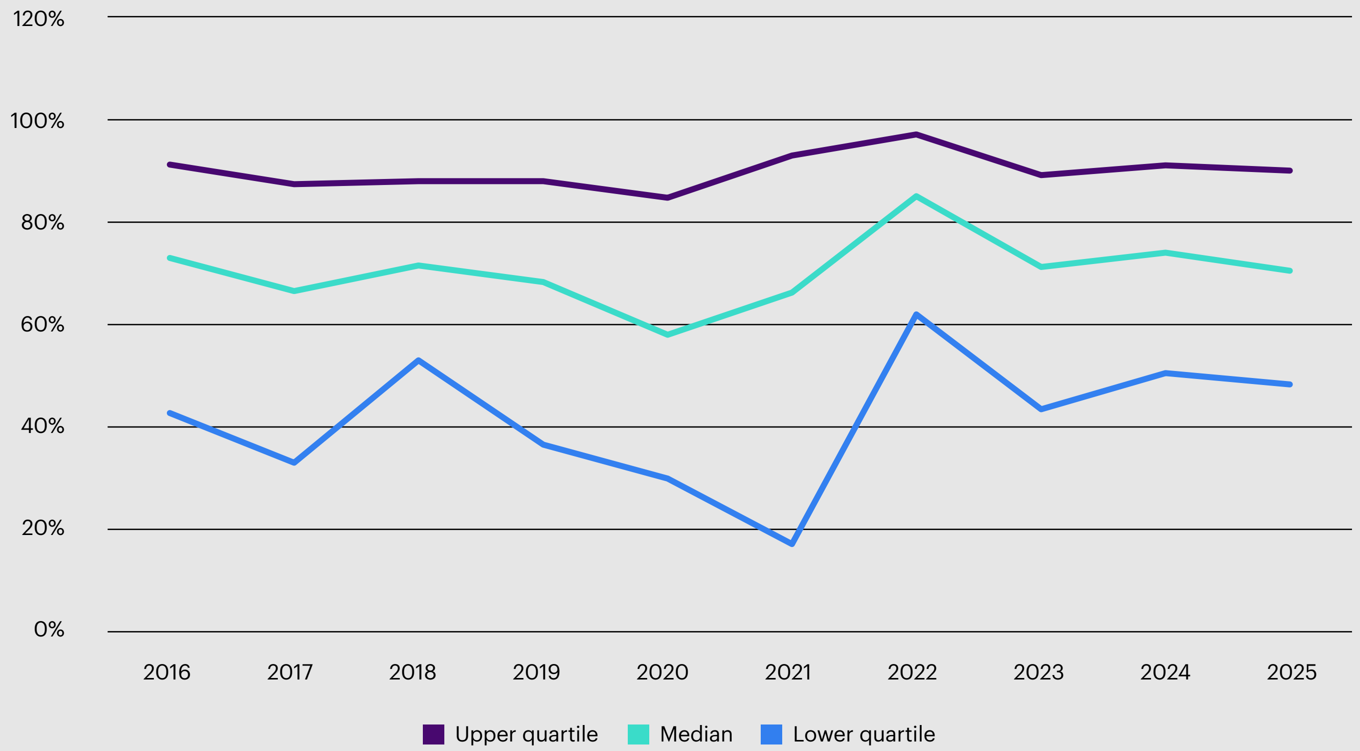
Figure 13: **Bonus pay-outs for CFO (% of maximum opportunity)**

	Lower quartile	Median	Upper quartile
FTSE 101-150	48%	70%	89%
FTSE 151-350	46%	69%	88%
FTSE 250	47%	70%	89%

Bonus pay-outs over time

Following two years of pandemic-related lows and exceptionally high levels in 2022, FTSE 250 bonus pay-outs as a percentage of maximum were lower than last year but still a little higher than typical levels observed in the late 2010s.

Figure 14: **CEO bonus payouts, 2016-2025 (% of maximum opportunity)**



Maximum bonus opportunity

Figure 15: **Maximum bonus opportunity for CEO (% of base salary)**

	Lower quartile	Median	Upper quartile
FTSE 101-150	150%	175%	200%
FTSE 151-350	150%	150%	200%
FTSE 250	150%	150%	200%

Figure 16: **Maximum bonus opportunity for CFO (% of base salary)**

	Lower quartile	Median	Upper quartile
FTSE 101-150	150%	150%	190%
FTSE 151-350	125%	150%	150%
FTSE 250	125%	150%	157.5%

Performance measures in bonus plans

The median weighting of financial vs non-financial measures remains unchanged at 75% financial, 25% non-financial.

Figure 17 shows that profit/income continues to be the most prevalent measure used in FTSE 250 annual bonus plans. We observe a year-on-year reduction in the prevalence of many metrics, in particular the strategic and other non-financial measures (down 40-50% since last year), as companies focus on a smaller number of performance metrics (6 and 8 at the median and upper quartile, down from 7 and 10 last year).

The proportion of companies that include ESG metrics in their bonus plans has remained stable (over 85%, including bundled metrics). However, the general focusing of metrics is also observed here, with reduced prevalence across all standalone ESG categories (*Figure 18*). The most significant are a 65% reduction in environment & sustainability measures, many companies preferring to consider these within their long-term incentive plans, and a c. 50% reduction in DEI measures.

Figure 17: **Prevalence of performance measures in bonus plans**

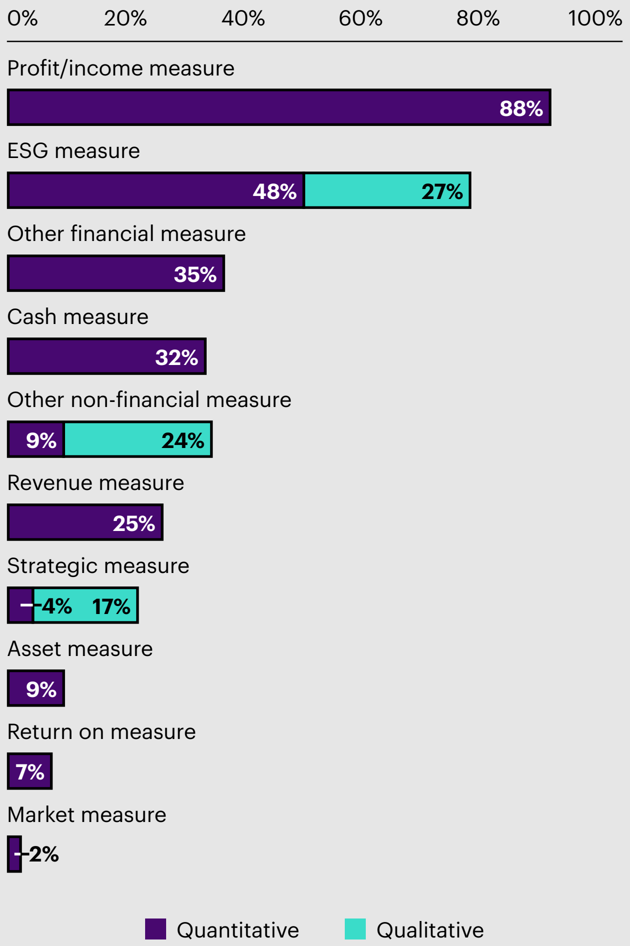
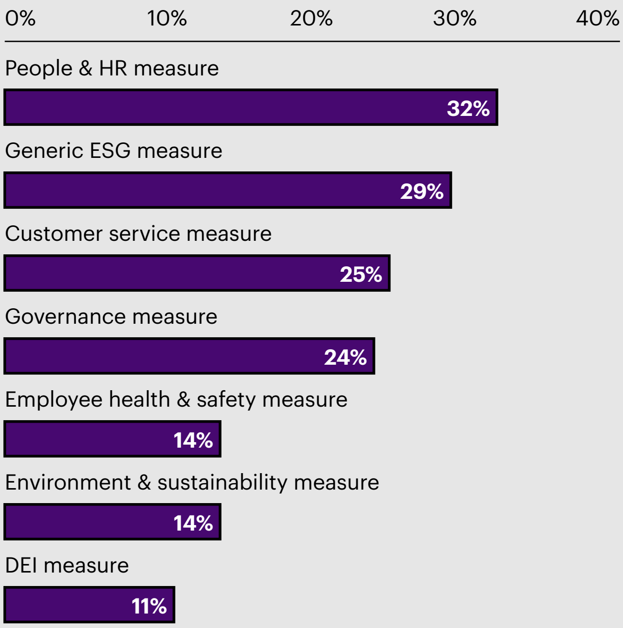


Figure 18: **Prevalence of ESG performance measures in bonus plans**



Bonus deferral

Compulsory deferral of some portion of the annual bonus continues to be majority practice, and *Figure 19* shows the maximum proportion of bonus requiring deferral.

- Over 80% of companies operate this as a fixed proportion to be deferred, regardless of shareholding;
- However, almost one in five now operate tapered deferral, down from this maximum level, once share ownership guidelines (SOG) are met:
  - for just over half of these companies, deferral reduces typically to 50% of the prior level; and
  - just under half taper down to no deferral.

4% of FTSE 250 companies have no bonus deferral requirements at all.

Figure 19: **Proportion of bonus deferred**

	% of FTSE 101-150	% of FTSE 151-350	% of FTSE 250
Up to 25.0%	10%	13%	12%
25.1%—33.3%	21%	27%	25%
33.4%—50.0%	33%	28%	30%
50.1%+	18%	9%	11%
% in excess of salary/other	15%	18%	17%
Voluntary only	0%	1%	1%

Figure 20: **Deferral mechanism**

	% of FTSE 101-150	% of FTSE 151-350	% of FTSE 250
Deferral with no match	95%	96%	96%
Deferral with match	3%	0%	1%
No deferral	3%	4%	4%

Deferred bonuses typically become available after two or three years, however a minority have phased deferral with an average of around 3.2 years.

Figure 21: **Deferral time period**

	% of FTSE 101-150	% of FTSE 151-350	% of FTSE 250
Two years	15%	30%	27%
Three years	59%	46%	49%
More than three years	3%	3%	3%
No deferral	3%	4%	4%
Phased	21%	17%	18%

Malus and clawback

The prevalence of malus and clawback provisions in FTSE 250 annual bonus plans has remained stable for a number of years, with a few companies taking the opportunity of tabling new remuneration policies to strengthen or expand triggers.

- 99% have the ability to operate clawback on the cash bonus; and
- 97% have the ability to operate malus on shares that have not yet vested.

The most common practice is for clawback provisions to apply for three years after payment of cash bonuses, and for malus provisions on bonus shares to apply during the deferral period.

Long-term incentive plans (LTIPs)

- Median PSP vesting levels, 56% of maximum, have fallen significantly since last year but align with longer-term levels.
- While the performance share plan (PSP) continues to be the most prevalent plan type, and operation of a single plan remains the norm, we observe an increase in the use of two or more plans particularly among the FTSE 101-150 subgroup (up from 8% to 18%).
- Maximum opportunities for companies operating only PSPs are largely unchanged, with the FTSE 250 median remaining at 200% of salary.
- Median maximum opportunities for companies operating hybrid plans, on a performance share-equivalent basis (300% of salary, excluding outliers), are 50% higher than for companies operating only PSPs.
- The proportion of companies using ESG metrics in their long-term plans has fallen from 53% to 45%, and we observe a reduction in prevalence across all ESG metric categories.

PSP vesting outcomes

We observe the same payouts, as a percentage of maximum, for CEOs and CFOs, as they generally participate in the same plan with the same performance measures.

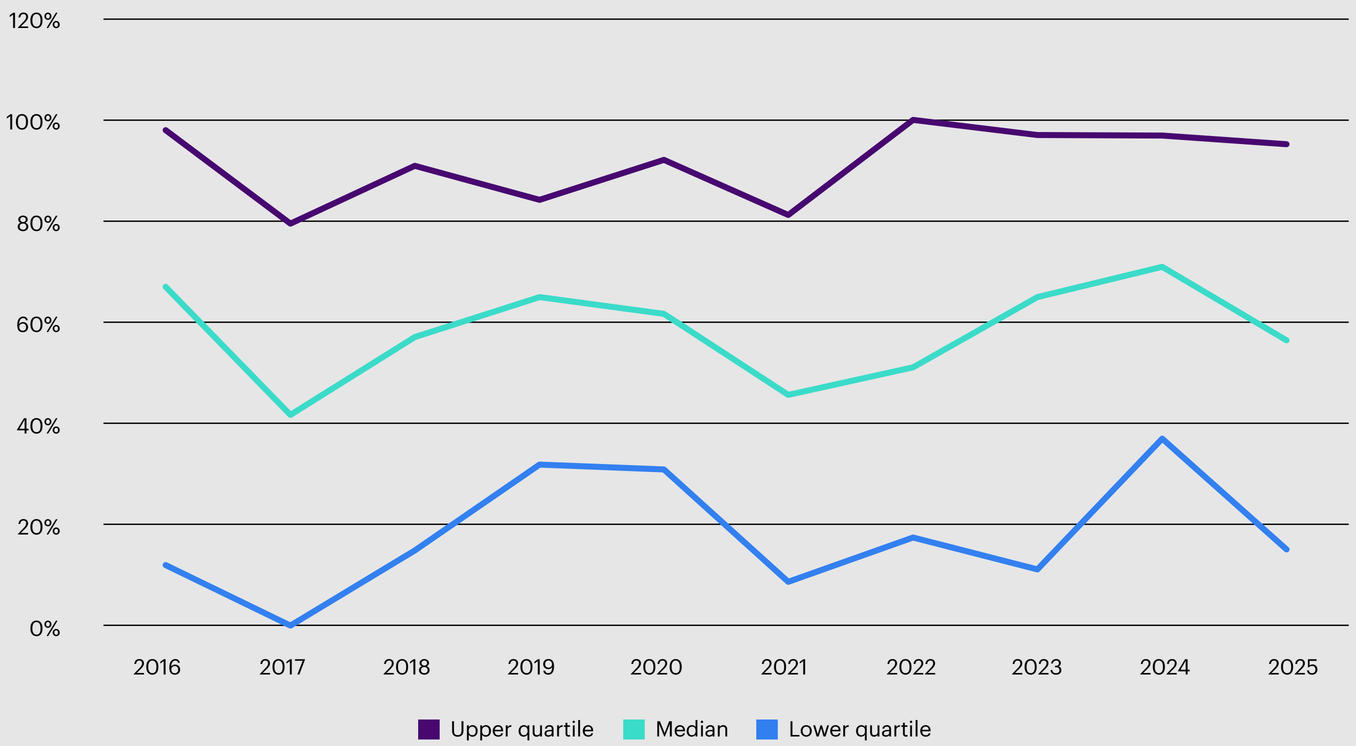
Figure 22: **PSP vesting outcomes (% of maximum opportunity)**

	Lower quartile	Median	Upper quartile
FTSE 101-150	28%	56%	96%
FTSE 151-350	14%	57%	94%
FTSE 250	15%	56%	95%

PSP vesting outcomes over time

FTSE 250 PSP vesting outcomes have fallen significantly at the median and lower quartile, although both are in line with pre-pandemic levels; at the upper quartile, vesting levels remain high and above pre-pandemic norms.

Figure 23: **PSP vesting outcomes, 2016-2025 (% of maximum opportunity)**



Types of LTIPs

The most prevalent LTIP continues to be the PSP, operated by 80% of FTSE 250 companies.

84% of FTSE 250 companies operate just one LTIP and 11% operate two or more. The most common approaches are:

- PSP only, 72% (2024: 74%);
- RSP only, 9% (2024: 10%); and
- hybrid, i.e., performance and restricted shares, 7% (2024: 3%).

The remainder operate either share option plans alongside their PSPs, or stand-alone value creation, single variable, share option or long-term cash plans.

Figure 24: **Number of LTIPs operated**

	FTSE 101-150	FTSE 151-350	FTSE 250
No plans	8%	6%	6%
One plan	74%	86%	84%
Two plans	15%	8%	10%
Three plans	3%	0%	1%

Maximum PSP opportunity

Maximum opportunities for FTSE 250 CEOs participating only in PSPs are broadly unchanged at most quartiles, with the FTSE 250 median remaining at 200% of salary. There has been an increase for FTSE 250 CFOs at the upper quartile, with opportunities increasing from 200% to 225% of salary.

Just under 30% of FTSE 250 companies disclose an exceptional award maximum in their policy; these are often, although not always, restricted for use in recruitment scenarios. This is typically 25% to 50% above the usual maximum opportunity.

Figure 25: **Maximum PSP opportunity for CEO (% of base salary)**

	Lower quartile	Median	Upper quartile
FTSE 101-150	200%	250%	300%
FTSE 151-350	150%	200%	200%
FTSE 250	175%	200%	250%

Figure 26: **Maximum PSP opportunity for CFO (% of base salary)**

	Lower quartile	Median	Upper quartile
FTSE 101-150	175%	200%	250%
FTSE 151-350	150%	175%	200%
FTSE 250	150%	175%	225%

PSP time horizons

98% of FTSE 250 companies that operate PSPs have a total time horizon (i.e., performance plus holding periods) of at least five years and most include holding periods.

Figure 27: **Length of performance period**

	FTSE 101-150	FTSE 151-350	FTSE 250
Three years	94%	96%	96%
Four years	0%	0%	0%
Five years	0%	2%	1%
More than five years	6%	2%	3%

Figure 28: **Length of post-vesting holding period**

	FTSE 101-150	FTSE 151-350	FTSE 250
One year	3%	2%	2%
Two years	89%	96%	94%
Until retirement	3%	0%	1%
No holding period	6%	2%	3%

RSPs and hybrid plans

Twenty-five companies operate an RSP, just over half as standalone plans and just under half as hybrid structures alongside PSPs. Vesting for all bar four (three hybrid, one stand-alone) is subject to performance underpins:

- for two companies, the underpin comprises both quantitative financial and qualitative criteria;
- for one company, it covers quantitative financial criteria only; and
- for the vast majority, eighteen companies, only qualitative criteria are considered.

Maximum opportunities for FTSE 250 EDs participating only in RSPs are unchanged at 100% of salary at median. On a PS-equivalent basis, i.e., using the market standard 2:1 conversion rate, this is in line with the equivalent for CEOs participating only in PSPs (200% of salary).

Maximum opportunities for FTSE 250 CEOs participating in hybrid plans (i.e., both performance and restricted shares), on a PS-equivalent basis, are 300% of salary at median, when a couple of outliers are excluded. This is 50% higher than the median PSP only maximum and reflects that, to date, the adoption of hybrid plans has typically been by companies competing on a global (i.e., US) basis where higher LTI opportunities are the norm.

PSP performance measures

The proportion of FTSE 250 companies measuring only financial performance in their long-term incentive plans has increased from c. 45% to 50% since last year. This has led to the median weighting of financial vs non-financial metrics shifting from 90%/10% last year to 100%/0% this year, although average figures remain around 90%/10%.

Figure 29 shows that TSR (or other market-based measures) continues to be the most prevalent measure used in FTSE 250 PSPs, and prevalence has increased 5% year-on-year. The prevalence of most other measures has reduced since last year, most significantly those in the other financial measures category (down 27%, from 19% to 14%).

The overall prevalence of companies using ESG metrics in their LTI plans has reduced by c. 15% year-on-year, and we observe a reduction in prevalence across all ESG categories. The most significant reductions are in the governance, DEI and broader people & HR categories, all falling by more than 50%. This makes environment & sustainability now stand out as the most prevalent category of ESG measures by a sigificant margin.

Figure 29: **Prevalence of performance measures in PSPs**

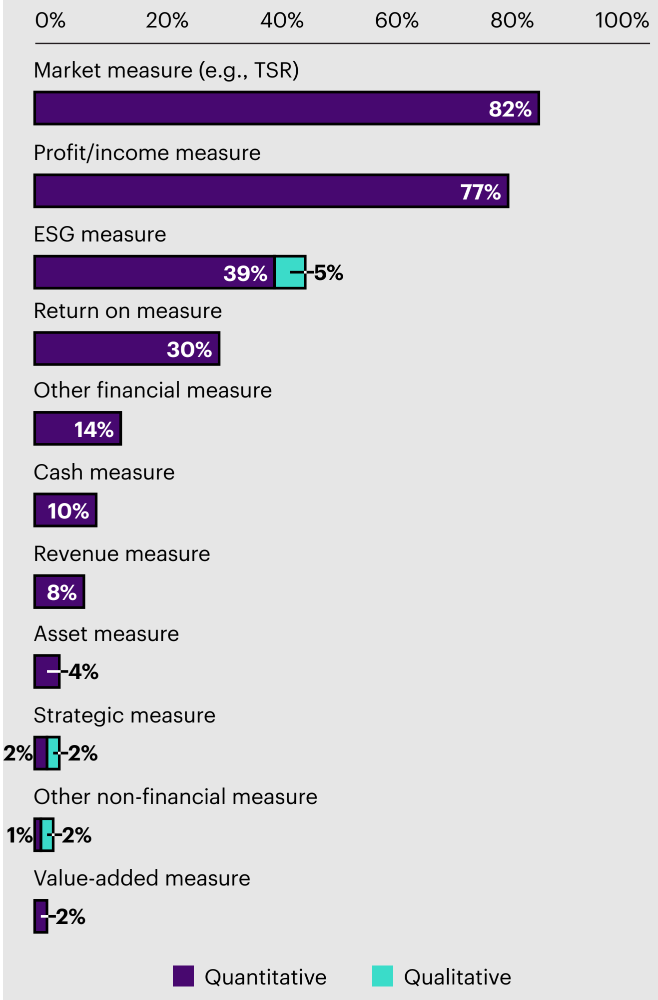
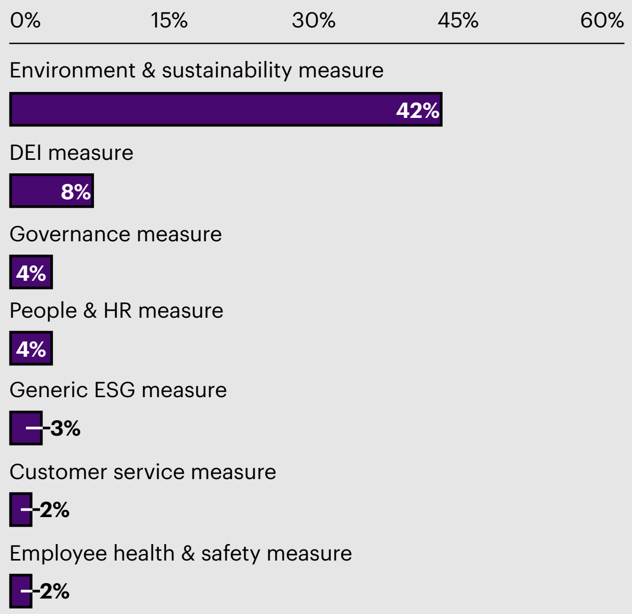


Figure 30: **Prevalence of ESG performance measures in PSPs**



Malus and clawback

The prevalence of malus and clawback provisions in FTSE 250 LTI plans has also remained stable for a number of years, with a few companies taking the opportunity of tabling new remuneration policies to strengthen or expand triggers.

- 98% of companies have the ability to operate malus; and
- 98% have the ability to operate clawback.

Clawback provisions continue to apply most commonly for two years after the shares have vested.

Single figure

CEO single figure

The median FTSE 250 CEO single total figure of remuneration (STFR) has fallen slightly since last year but remains above longer term norms. The FTSE 101-150 upper quartile figure has increased by almost 30% year-on-year.

We would advise caution in using the single figure as an indication of excess/restraint in relation to quantum, given the significant impact of company financial and share price performance on the out-turn.

Figure 31: **CEO STFR (000s) in 2024/25**

	Lower quartile	Median	Upper quartile
FTSE 101-150	1,573	2,526	3,721
FTSE 151-350	1,099	1,563	2,409
FTSE 250	1,149	1,651	2,757

Figure 32: **CEO STFR from 2016-2025**

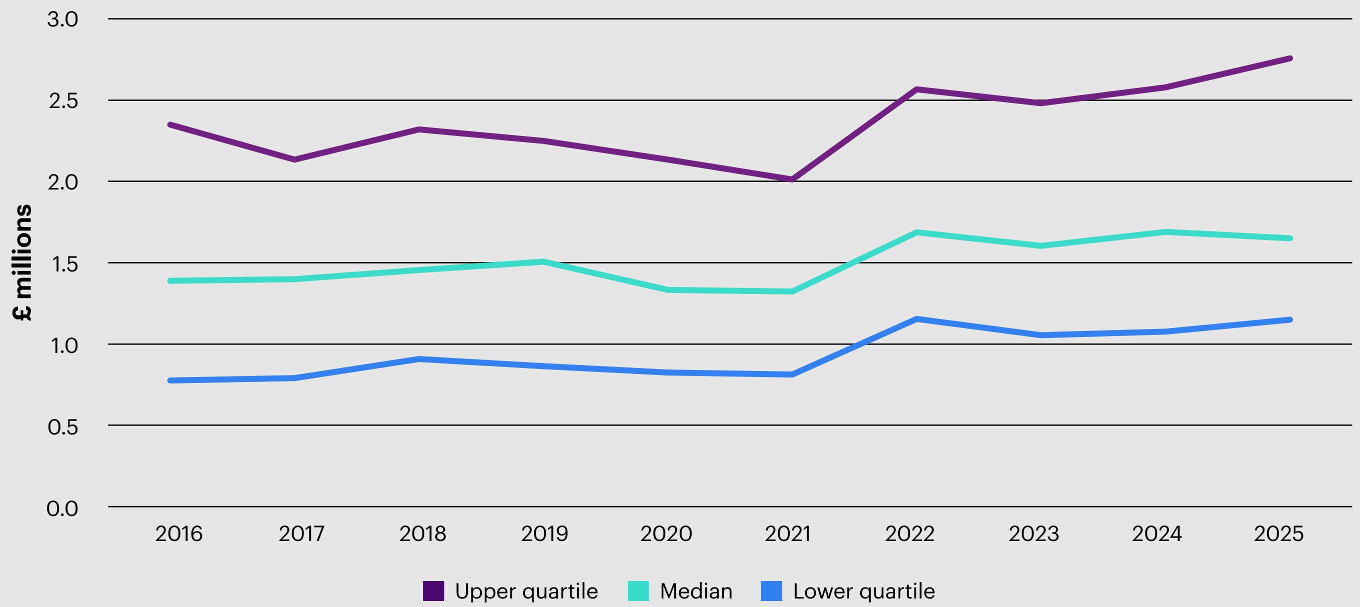
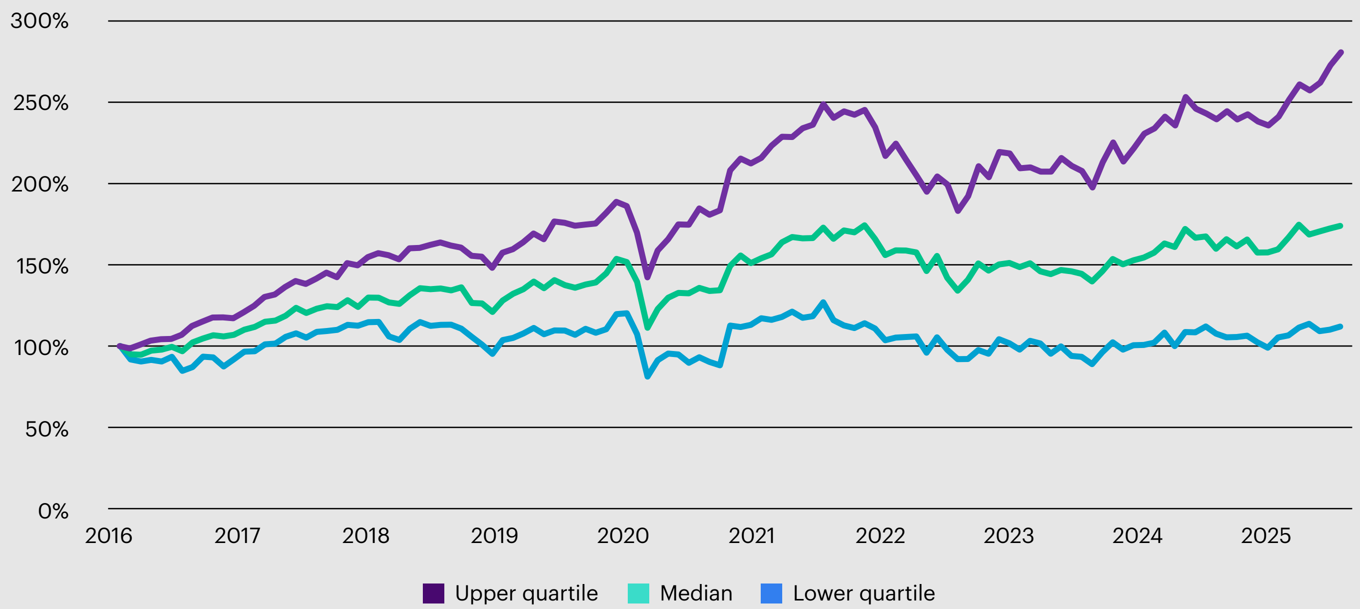


Figure 33: **FTSE 250 total shareholder return (TSR) performance from 2016-2025**



Share ownership guidelines

The tables below set out the level of share ownership guidelines in the FTSE 250, and two subgroups thereof, for both the CEO and CFO. These are mostly unchanged since last year (typically 200% of salary), apart from a c. 10% increase in the upper quartile for FTSE 101-150 CFOs (from 225% to 250% of salary).

Other features remain unchanged from prior years:

- 30% of FTSE 250 companies have a higher guideline for CEOs than other EDs;
- just under half disclose a time period over which the shareholding must be achieved; and
- 90% of these compliance periods are 5 years.

Figure 34: **Share ownership guidelines for CEO (% of base salary)**

	Lower quartile	Median	Upper quartile
FTSE 101-150	200%	250%	300%
FTSE 151-350	200%	200%	250%
FTSE 250	200%	200%	300%

Figure 35: **Share ownership guidelines for CFO (% of base salary)**

	Lower quartile	Median	Upper quartile
FTSE 101-150	200%	200%	250%
FTSE 151-350	200%	200%	200%
FTSE 250	200%	200%	200%

Actual shareholdings

Median levels of CEOs' beneficial interests in shares are higher than last year with actual CEO shareholdings exceeding median policy requirements for all peer groups. Levels for CFOs, however, have fallen below those of recent years (around 90-100% of salary), perhaps reflecting the churn we have observed among CFOs in the market.

That said, note that most companies allow all shares that are no longer subject to performance conditions to count towards their policy guidelines, including unvested deferred bonus and vested LTI shares in holding periods (perhaps on a net of tax basis). This means that the number of beneficial shares held does not necessarily fully reflect whether or not EDs meet their company's shareholding requirements.

Figure 36: **Actual median shareholdings (% of base salary)**

	CEO	CFO
FTSE 101-150	340%	60%
FTSE 151-350	290%	75%
FTSE 250	295%	70%

Post-cessation share ownership guidelines

Post-cessation share ownership guidelines are almost universally prevalent (95% of companies), with c. 70% IA-compliance and most non-compliance being due to the requirement applying on a phased basis.

Non-executive director market data

The tables below set out fee levels paid to non-executive directors (NEDs) in the FTSE 101-150, FTSE 151-350 and FTSE 250.

The Board Chair is typically paid an all-inclusive fee for all responsibilities, based on company size, time commitment and role responsibilities. Just over half of FTSE 250 companies increased Chair fees this year, by 3.1% at median. However, taken together with changes to constituents, the overall median fee (Figure 37) has increased 6% since last year (£250,000 vs £236,000).

NEDs are typically paid a base fee for board membership, with additional fees for other responsibilities such as chairing a board committee.

Figure 37: **Chair fee**

	Lower quartile	Median	Upper quartile
FTSE 101-150	£291,000	£325,000	£388,000
FTSE 151-350	£208,000	£232,000	£275,000
FTSE 250	£211,000	£250,000	£309,000

Figure 38: **Basic non-executive director fee**

	Lower quartile	Median	Upper quartile
FTSE 101-150	£66,000	£70,000	£80,000
FTSE 151-350	£58,000	£62,000	£67,000
FTSE 250	£60,000	£64,000	£71,000

Figure 39: **Senior independent director premium**

	Lower quartile	Median	Upper quartile
FTSE 101-150	£11,500	£15,000	£24,000
FTSE 151-350	£10,000	£11,000	£14,000
FTSE 250	£10,000	£12,000	£15,500

Figure 40: **Median committee fee levels and prevalence**

Audit committee				
	Chair fee	Chair fee prevalence	Member fee	Member fee prevalence
FTSE 101-150	£18,500	90%	£9,000	37%
FTSE 151-350	£12,500	93%	£5,500	23%
FTSE 250	£14,000	92%	£7,000	27%

Remuneration committee				
	Chair fee	Chair fee prevalence	Member fee	Member fee prevalence
FTSE 101-150	£18,500	90%	£9,000	38%
FTSE 151-350	£12,000	93%	£5,500	24%
FTSE 250	£13,500	92%	£7,000	27%

Nominations committee				
	Chair fee	Chair fee prevalence	Member fee	Member fee prevalence
FTSE 101-150	£16,500	24%	£7,500	27%
FTSE 151-350	£11,500	29%	£5,000	17%
FTSE 250	£12,000	28%	£5,000	20%

ESG committee				
	Chair fee	Chair fee prevalence	Member fee	Member fee prevalence
FTSE 101-150	£18,000	90%	£7,000	43%
FTSE 151-350	£12,000	88%	£5,500	23%
FTSE 250	£13,000	88%	£6,000	28%

Basic NED fees and senior independent director (SID) premia have increased by 5% and 9% respectively at median across the full FTSE 250. Among the largest companies, however, median and upper quartile SID premia have increased by 15% and 20% respectively. For committee chair- and membership, additional fees have typically increased by up to 8-9%, apart from a few more significant increases, again amongst the FTSE 101-150. For this subgroup of companies, Remuneration committee chair fees have increased by over 20%, and ESG committee chair- and membership fees have increased by 20% and 40% respectively, bringing them more in line with those of the other major committees of the Board.

About WTW
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