



Early insights from FTSE 100 Directors' Remuneration Report publications – 2026

By 23 March, 50 FTSE 100 companies had published their 2025 annual reports. This first update in our 2026 series highlights the key trends emerging so far.

Policy changes

Sharp rise in new remuneration policies

Half of these companies are putting their remuneration policies to vote this AGM season (up from 38% in 2025). Notably, **28%** are “going early” by tabling new policies before their existing ones expire.

Shift towards quantum increases, not structural redesign

Unlike many of the ‘bold mover’ shifts seen in the 2024 and 2025 seasons, this year’s proposals are largely about **quantum increases**, rather than changes to variable pay structure.

Variable pay levels continue to escalate, especially for largest global companies

Nearly **70%** of companies introducing new policies are proposing to increase LTI opportunities, and **40%** of these also propose increasing bonus. While the median bonus opportunity holds at **200%** of salary, median LTI levels (for PSP-only companies) have risen from **350% to 400%** of salary.

Total variable pay is now typically **450% to 800%** of salary. However, the largest global companies are breaking away: around **10%** of the index now offer total variable pay opportunities over **1,000%** of salary.

Evolving bonus deferral and ownership expectations

Around **20%** of companies (including two banks not tabling new policies) are reducing required bonus deferral once SOGs are met. More than one third of FTSE 100 companies now apply **tapered deferral** (up from one quarter last year), typically reducing deferral to 50% of the standard level or removing it entirely.

Three companies plan to add **stretch/kicker/multiplier** features to their PSPs and almost all companies increasing LTI opportunities are also proposing to lift SOG requirement for one or more EDs; the median requirement for CEOs is aligned to median PSP levels at **4x salary**.

Implementation changes

We observe several clear shifts compared to last year:

- fewer sizeable salary increases for EDs, beyond those received by the wider workforce;
- fewer companies raising bonus opportunities;
- more companies increasing LTI opportunities;
- no material change in median incentive payouts;
- more applications of discretion to bonus outcomes, but fewer to LTIP vesting outcomes;
- continued growth in the proportion of companies increasing Chair and/or basic NED fees.

In addition to the median Chair and basic NED fee movements outlined below, around 15% of companies have made significant (>20%) increases to other NED fees such as SID premia or committee chair/member fees.



Implementation for 2026

Base salary

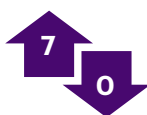
Median salary increases for the wider workforce have reduced from 3.5% in 2025 to 3.0%. Over two-thirds of ED increases disclosed so far have been set in-line with those of the wider workforce.

Median ED salary increases:



in line with the wider workforce

Annual bonus



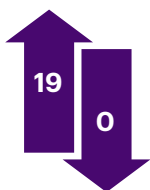
No change to median bonus opportunity

14% of companies are increasing bonus opportunities and none are decreasing



20% are reducing the level of mandatory deferral once share ownership guidelines have been met.

Long-term incentives (LTIs)



Median PSP opportunity has increased from 350% to 400% of salary

38% of companies are increasing LTI opportunities and none are decreasing

37% of those increasing LTI opportunities are also increasing annual bonus opportunities



Two companies increasing LTI opportunities are doing so within previously approved policy limits and seventeen are increasing policy limits. The range of increases is very wide, from 50% to 540% of salary.



Three companies are modifying the structure of their LTIs by introducing a stretch/kicker/modifier element to their PSPs.



Four large UK banks are aligning the structure of their variable pay following updated PRA and FCA regulations, e.g. revised bonus deferral, some including tapering, and / or LTI vesting schedules.

Share ownership guidelines (SOG)

30% of companies are increasing their SOG requirements for one or more ED, most in conjunction with a policy increase to LTI opportunities.

No change to median SOG requirement.



Chair and NED fees

Over 65% of companies (a little more than last year) have increased either their all-inclusive Chair and/or basic NED fee. Median levels of increase are above prior year, at 4.0% for Chairs (2024: 3.5%) and 3.2% for NEDs (2024: 3.0%), and also above wider workforce increases.

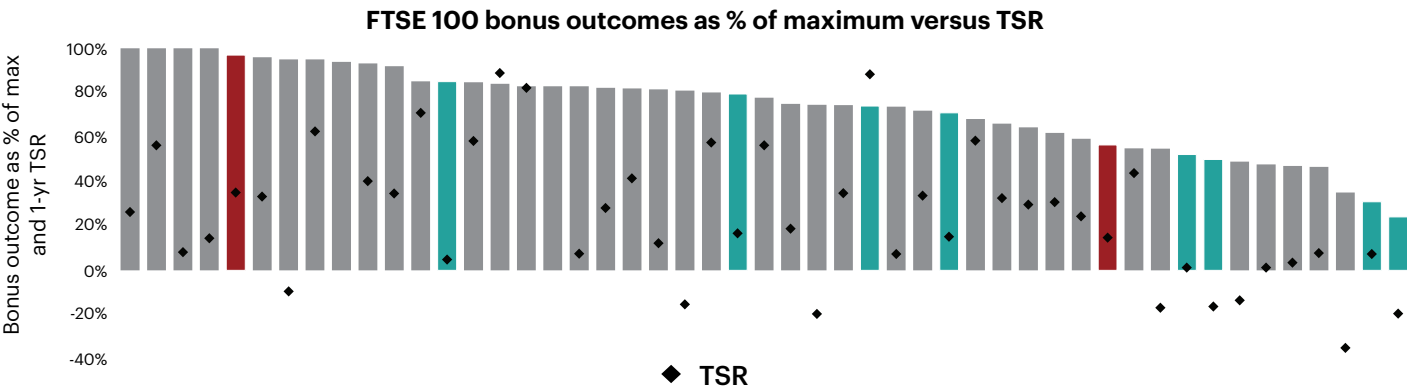


Incentive outcomes for 2025

Summary

- The median annual bonus payout is 78% of maximum
 - This is in line with last year (79%) and higher than longer-term median levels (c. 70% of maximum)
- PSP payouts vary more widely than annual bonus outcomes but the median so far is 75% of maximum
 - This is in line with last year (74%) and higher than longer-term median levels (c. 65% of maximum)
- Interventions have been more prevalent for annual bonus than PSP outcomes:
 - Bonuses were reduced at 16% of companies (2024/25: 13%)
 - Formulaic PSP outcomes were reduced at 2% of companies (2024/25: 5%)
 - Two companies increased the annual bonus payout (4% vs 2% in 2024/25) and one company increased PSP vesting (2% vs 4% in 2024/25)

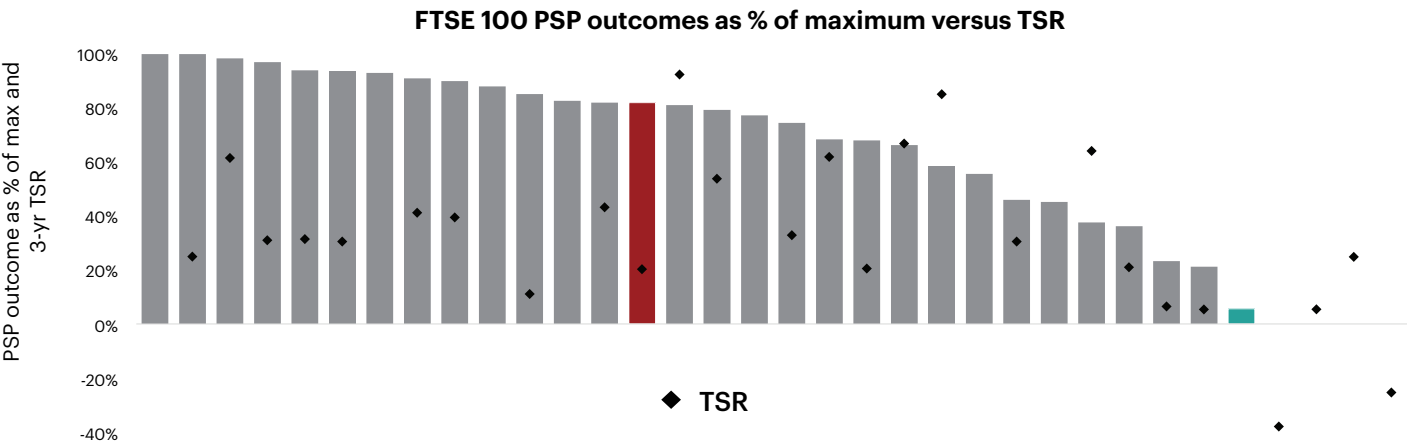
Annual bonus



78% Median bonus outcome, as % of maximum

8 RemCos used their discretion to reduce formulaic outcomes.
2 RemCos used their discretion to increase payouts beyond formulaic outcomes.

Long-term incentives



75% Median PSP outcome, as % of maximum
8% of companies' PSPs lapsed entirely

1 RemCo used its discretion to reduce vesting below the formulaic outcome.
1 RemCo used its discretion to increase vesting beyond the formulaic outcome.

Further information

For more information on FTSE 100 market data and pay trends please contact your WTW contact or:

Paul Townsend

+44 (0) 7989 210505

paul.townsend@wtwco.com

About WTW

At WTW (NASDAQ: WTW), we provide data-driven, insight-led solutions in the areas of people, risk and capital. Leveraging the global view and local expertise of our colleagues serving 140 countries and markets, we help you sharpen your strategy, enhance organisational resilience, motivate your workforce and maximise performance. Working shoulder to shoulder with you, we uncover opportunities for sustainable success — and provide perspective that moves you. Learn more at wtwco.com.

This report includes data sourced from **WTW's Global Executive Compensation Analysis Team**. This report is based on the FTSE 100 as at 23 March 2026.



wtwco.com/social-media

Copyright © 2026 WTW. All rights reserved.

wtwco.com

