



# FTSE SmallCap Directors' Remuneration Trends 2021

Published on Alvarez & Marsal | Management Consulting | Professional Services

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December 15, 2021

A&M is pleased to provide our latest summary of observable trends in FTSE SmallCap Executive Director compensation outcomes. 2020 was a challenging period for many companies, and this has been reflected in the remuneration outcomes for executive directors of SmallCap companies.

Our report discusses the factors that have contributed to overall shifts in pay levels, notably with this year's key findings highlighting:

- Lower payments from bonus and long-term incentive plans coupled with the reduction in share price at many companies has reduced the amounts earned by executives.
- Total remuneration for FTSE SmallCap CEOs and CFOs at companies with year-ends up to 31 March 2021 fell by 17 percent and 30 percent, respectively, compared to the previous year.
- More companies introducing ESG performance measures in more annual bonuses and long-term incentive plans (LTIPs).
- Restricted share plans becoming more common, although still very much in the minority as performance share plans (PSPs) continue to dominate.
- Continued alignment with “best practice” corporate governance requirements (e.g. pension alignment and post-employment shareholding requirements).

We expect these developments to continue in 2022. Although, instead of simply following the market trend, it is critical that changes to existing structures have a robust rationale and are aligned with company strategy.

A&M invites you to explore these and other developments in our latest report **FTSE SmallCap Directors' Remuneration Trends 2021**.



[DOWNLOAD OUR REPORT HERE](#)

## The A&M Difference

A&M expects key developments to continue through 2022. Although, instead of simply following the market trend, the A&M Executive Compensation team understands it is critical that changes to existing structures have a robust rationale and are aligned with company strategy.

Talk to our team led by hands-on Managing Directors with 80+ cumulative years' experience advising clients on remuneration matters to discuss your corporate Executive Compensation strategy.

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