

Introduction

This Report on Directors' Remuneration (Report) contains the following information:

- a description of the membership and role of the Group's Remuneration Committee;
- a summary of the remuneration policy of the Group including a statement of the Group's policy on Directors' remuneration;
- details of the terms of the service agreements and the remuneration of each Director for the preceding financial year;
- details of the share options and awards under long-term incentive schemes, held by the Directors; and
- details of each Director's interest in ordinary shares of the Group.

Henderson Group plc is a Jersey incorporated company and has no statutory requirement to prepare a Report on Directors' Remuneration. Nevertheless, on a voluntary basis, the requirements of the UK Companies Act have been taken into account in preparing this Report. The Report also meets the requirements of the Listing Rules of the UK Listing Authority. It sets out how the principles of the Combined Code and the ASX Principles relating to Executive Directors' remuneration are applied by the Group. In addition, it outlines our alignment with the FSA Code on Remuneration.

A resolution will be put to the AGM on 4 May 2011 inviting shareholders to consider and approve this Report.

Membership and responsibilities of the Remuneration Committee

Role of the Remuneration Committee

The Remuneration Committee reviews and approves, where appropriate, the Group's remuneration and remuneration plans, policies and practices. Its duties are to:

- review and recommend to the Board the Group's remuneration protocols and practices, which are performance-based and aligned with the Group's vision, values and overall business objectives;
- determine annually the remuneration of the Board Chairman, the Chief Executive and his direct reports, including the other Executive Director;
- approve the terms and conditions of employment and other contractual matters relating to the Group's SMT;
- approve the policy and terms of the Group's employee and executive share incentive plans; and
- approve the Group's Remuneration Policy Statement and the remuneration terms and arrangements for FSA code staff in accordance with the new FSA Code on Remuneration.

The full terms of reference of the Remuneration Committee are available on the Group's website.

No Director or member of the Group's SMT is involved in any decision on their own remuneration.

Membership

The Remuneration Committee consists entirely of independent Non-Executive Directors. During 2010, and as at 22 February 2011, the Remuneration Committee consisted of Gerald Aherne (Committee Chairman), Duncan Ferguson, Tim How and Robert Jeens.

The Board Chairman, the Chief Executive and Chief Financial Officer may attend meetings of the Remuneration Committee at the Remuneration Committee's invitation, save that they may not attend if their own remuneration is under consideration.

Meetings

The Remuneration Committee meets regularly and takes advice on a range of matters, including the scale and composition of the total remuneration package payable in comparable financial institutions to people with similar qualifications, skills and experience. Additionally, a focus in 2010 was preparing for compliance with the FSA Code on Remuneration and other regulatory developments in remuneration policies and practices.

Internal support is provided to the Remuneration Committee by the Chief Financial Officer, the General Counsel and the Managing Director, Human Resources. The Remuneration Committee also receives support from the Chief Risk Officer and the Risk Committee on risk management issues relating to remuneration matters. The Managing Director, Human Resources is invited to attend meetings, except when his own remuneration is under consideration.

The Remuneration Committee Chairman and the Chief Executive make remuneration recommendations for the senior managers who report to the Chief Executive. The Board Chairman is also consulted about the remuneration of both Executive Directors.

The Remuneration Committee met six times in 2010.

Advisers

During 2010, the Remuneration Committee took external advice on technical aspects of remuneration policy from independent external consultants appointed by the Remuneration Committee. These were Towers Watson, a specialist remuneration consulting firm, and PwC, both of which provided advice on a variety of matters (particularly the FSA Code on Remuneration) and Lane Clark & Peacock LLP, which provided advice to the Group on pension matters.

Remuneration survey data published by McLagan Partners was also presented to the Remuneration Committee.

None of Towers Watson, Lane Clark & Peacock LLP or McLagan Partners have any connection with the Group other than to provide data and information on remuneration and on pension matters and developments. PwC provide other consultancy or specialist advice to the Group on an ad hoc basis but have no other connection with the Group.

Policy statement

Remuneration policy

The Remuneration Committee considers that a successful remuneration policy should be sufficiently flexible to take account of future changes in the Group's business environment and remuneration practice and, therefore, the Group's policy is also subject to change.

The Group has established a remuneration framework, which is designed to be market competitive and motivate employees to improve individual and business performance, retain key employees and align employee actions with the interests of shareholders. Our remuneration policies are also designed to address risk management and compliance issues. The Remuneration Committee has discretion and authority to make recommendations on matters of remuneration where they consider it appropriate to do so especially relating to FSA code staff.

The Group's remuneration framework is based on a total reward approach designed to deliver top quartile pay for top performance. There are three key components:

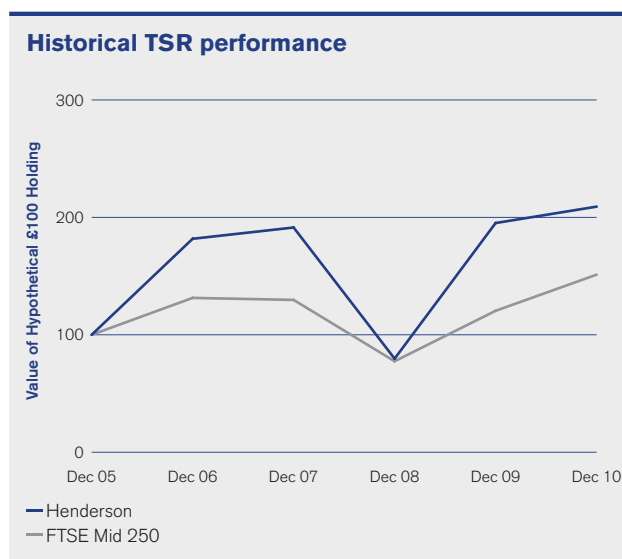
- basic salary – paid within appropriate market range;
- annual bonus – paid under a short-term incentive plan where individuals have the opportunity to receive a bonus (of which a substantial portion is deferred over three years) based on business and individual performance against targets; and
- long-term incentive – performance-based for senior executives and certain professionals such as senior fund managers and key distribution personnel.

The Group and Remuneration Committee also considered, in detail, guidelines from the FSA and the Walker Report on executive pay and remuneration practices. As a result, the Group has implemented several changes that strengthen the link between its remuneration policies and practice and the increased focus on corporate remuneration governance, these being;

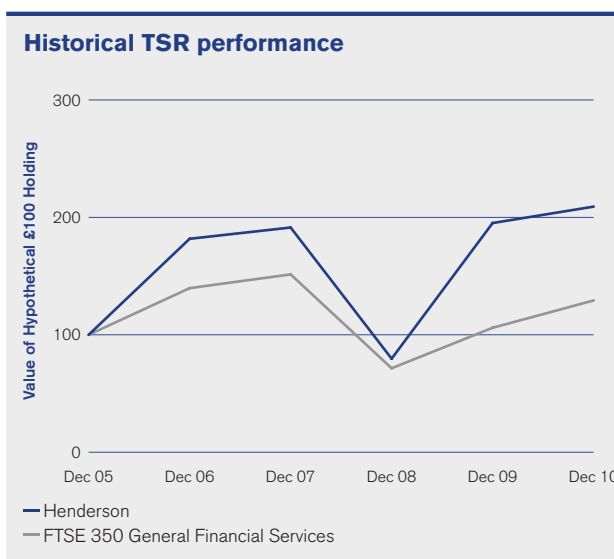
- the production of a Group Remuneration Policy Statement that sets out the Group's remuneration policies and practice;
- the introduction of risk assessment factors into our key reward processes through liaison with the Chief Risk Officer, the Risk Committee and the Remuneration Committee when awards are made and vest;
- new rules for the Group's share plans to provide the Remuneration Committee with the power to vary or lapse individual unvested awards in cases of poor risk management or where results have been misstated or where there has been serious misconduct;
- the introduction of non-financial objectives and risk measures into key remuneration and the annual employee appraisal processes; and
- implementation of processes that enable the Remuneration Committee to identify and regularly monitor all FSA code staff especially in respect of levels of reward, risk management, compulsory deferral and annual appraisals.

Total Shareholder Return (TSR) performance

The graphs below show the Company's share price performance compared to the movement in the FTSE 250 Index and the FTSE 350 General Financial Services Index. These two indices were selected as the most appropriate indices for the Group. The share price in 2010 ranged from a low of 112.80 pence on 10 February 2010, peaked at 151.80 pence on 15 April 2010 and closed at 135.50 pence on 31 December 2010.



Growth in the value of a £100 holding since December 2005
FTSE Mid 250 comparison based on 30 trading day average values



Growth in the value of a £100 holding since December 2005
FTSE 350 General Financial Services Index comparison based on 30 trading day average values

Source: Graphs provided by Towers Watson and calculated according to a methodology that is compliant with the UK Companies Act.
Data sources: FTSE and Datastream.

Executive Directors' remuneration: individual elements

Overall structure

Executive Directors' remuneration comprises:

- basic salary;
- annual bonus;
- pension benefits;
- benefits in kind; and
- the opportunity to participate in certain Group-wide incentive schemes, such as the Long-Term Incentive Plan (LTIP), the Restricted Share Plan (RSP), the Sharesave scheme (SAYE) and the Buy As You Earn Share Plan (BAYE).

The LTIP and the annual bonus are performance-related and these are key elements in the Executive Directors' remuneration packages. The SAYE is available to all UK and US employees and is not performance-related. Awards to Executive Directors can be made under the RSP and may be subject to performance conditions.

For target levels of performance, at least 60% of total remuneration (excluding pension) should be performance-related. The expected value of awards made under the LTIP was calculated by the Group's adviser, Towers Watson, using a proprietary methodology. Its methodology considers TSR rank at which payment begins, the payment level at this threshold, the maximum payment under the plan and the rank at which this maximum is achieved. The methodology also takes into account the correlation of the Company's share price with those companies in its peer group, starting from the premise that the value of the shares awarded at the end of the performance period is correlated with the TSR ranking. The Remuneration Committee is satisfied that the overall structure is a well-considered set of arrangements for the Executive Directors' remuneration. It is kept under review to take account of changing circumstances. Incentive payments are not taken into account for pension purposes.

Performance linkage

Each element of the Executive Directors' reward package supports the achievement of key business measures and rewards outperformance as illustrated in the table below:

Element	Structure	Purpose	Performance measure
Basic salary	Fixed	Reflects the competitive market rate for the role, the individual's contribution and prior contractual arrangements	Experience and qualifications
Annual bonus	Variable	Rewards the delivery of operational goals, financial and non-financial targets	Return on equity, underlying pre-tax profit, operating margins, net fund flows and investment performance. Non-financial measures (see note 1 below) are also considered
Long-term incentives	Variable	Supports superior business performance in relation to competitor companies and aligns Executive Directors' with shareholders' interests	Relative TSR

Note 1

In 2010, the Committee agreed to particularly consider any non-financial measures:

- potential external and/or reputational issues arising from regulatory issues, including an adverse report from, or financial penalty imposed by, the FSA, Securities and Exchange Commission, Monetary Authority of Singapore or other regulator, an adverse report from Ernst & Young relating to the Group's Annual AAF or reputational risk, other than those included above; and
- operational risk and internal controls: the cost of any error deals in the year, together with a failure to satisfactorily close actions relating to any incidents; the number of serious issues identified by Internal Audit, combined with a failure to close related actions within agreed timescales or non-adherence to internal procedures, i.e. Group-wide compulsory training (such as TCF and market abuse) or control sign-offs not completed on time.

Basic salary

Salaries are reviewed annually for each Executive Director. In 2010, the salaries of the Chief Executive and the Chief Financial Officer remained unchanged at £350,000 per annum and £300,000 per annum respectively.

Annual bonus

At the discretion of the Remuneration Committee, each Executive Director may receive a cash bonus subject to achieving performance targets set by the Remuneration Committee. Payment of bonuses (if any) will be made to the Executive Directors annually, in February, on condition that performance targets were met in the preceding calendar year. The Remuneration Committee has the flexibility to take into account other factors in determining any bonus. The bonus range is zero to a specified maximum. The maximum bonus entitlement is based on a percentage of annual basic salary. The maximum entitlements for 2010 performance are 600% of salary for the Chief Executive (2009: 600%) and 200% of salary for the Chief Financial Officer (2009: 200%).

For the Executive Directors, the corporate performance targets relate to Group performance measures as set out in the Performance linkage section above. The Group's performance measure in 2010 was predominantly underlying pre-tax profit. However, operating margins, net fund flows, return on equity and investment performance were also factored in. Also considered were a number of non-financial measures and a report from the Chief Risk Officer on risk. The Remuneration Committee and the Board review the performance of each Executive Director on an annual basis against these targets and guidance from the FSA in its code of practice on remuneration. The Committee determined that annual bonuses for Executive Directors should continue to be subject to deferral in line with the FSA Code on Remuneration (this also applies to FSA code staff).

Long-term incentives

Under the LTIP, the Remuneration Committee may make awards to Executive Directors up to a maximum number of ordinary shares determined by the Remuneration Committee at the date of grant. Vesting of awards is conditional upon the achievement of a performance target measured over a three year period and the Executive Director's continued employment during the performance period. The primary performance measure is the relative TSR and the Remuneration Committee must be satisfied that the Group's TSR performance reasonably reflects its underlying financial performance over the performance period. In addition, the Committee has the power to vary or lapse individual unvested awards in cases of poor risk management or where results have been misstated or where there has been serious misconduct.

The Group made awards under the LTIP to Andrew Formica and Shirley Garrod on 21 June 2010. The aggregate market value of the ordinary shares capable of being acquired under these awards at the date of award was equivalent to 464% and 217% of salary respectively.

The Remuneration Committee will consider awards under the LTIP to the Executive Directors in 2011. The Committee also intends to change the LTIP from a three year plan to one where the full benefit of the plan occurs between years three and five.

2010 LTIP award

The proportion of the 2010 LTIP awards that will vest will be determined by reference to the Group's TSR over the three year period commencing 1 January 2010, compared to that achieved over the same period by the companies in the FTSE 350 General Financial Services Index. If the Group's TSR performance is below the 50th percentile, none of the shares awarded will vest. If the Group's TSR performance is at the 50th percentile, 25% of the shares awarded will vest and if it is at or above the 75th percentile, 100% of the shares awarded will vest. Vesting between these latter two points will be calculated on a straight-line basis.

2009 LTIP award

The awards made in 2009 continue to be held, subject to the same TSR performance condition as the 2010 LTIP, over the three year period to 31 December 2011. The awards will vest in May 2012.

2008 LTIP award

The TSR performance condition for this award, which was also the Company's TSR performance versus the FTSE 350 General Financial Services Index, was satisfied at the end of 2010 and resulted in 100% of the shares in the award being capable of exercise. The award will vest in February 2011.

2007 LTIP award

2007 LTIP awards vested in March 2010 and based on the TSR performance condition over the prior three calendar years, resulted in 100% of the shares in the award being capable of exercise.

Shareholding requirement

The Remuneration Committee has also determined that, over time, each Executive Director should be required to maintain a target shareholding of ordinary shares in the Company, equivalent to 100% of basic salary, in order to align the interests of Executive Directors more closely with those of shareholders. The Chief Executive and Chief Financial Officer met this requirement throughout 2010.

All-employee Group share schemes

The SAYE, a savings-related share option scheme, is available to all UK employees. It operates within specific UK tax legislation (including a requirement to finance exercise of the option using the proceeds of a monthly savings contract) and exercise of the option is not subject to satisfaction of a performance target since this is an all-employee scheme. Executive Directors are eligible to participate in the SAYE on the same terms as other employees. There is a similar plan for US employees.

The BAYE, available to all UK employees, is a scheme that operates within specific UK tax legislation and was established following shareholder approval at the 2004 AGM. The BAYE represents a further opportunity for employees to increase their share ownership in the Company, which is an important tool in attracting and retaining staff in the asset management industry. The BAYE enables participants to acquire ordinary shares via deductions from gross salary, for which the Company provides two matching shares for every one purchased. The BAYE also allows for limited annual awards of free shares up to HM Revenue & Customs (HMRC) (UK tax authority) limits. Executive Directors are eligible to participate in the BAYE. There are similar plans for employees outside the UK (except for China and India).

The Employee Share Ownership Plan (ESOP), last offered in 2008, provides an opportunity for employees to further increase their ownership in the Group. Employees are able to purchase Company shares up to a set limit through the Deferred Equity Plan (DEP) and, subject to continued employment over a specified period, the Company provides one further matching share for each share purchased.

The Company Share Option Plan (CSOP) is a global plan that provides employees with an opportunity to buy shares after three years at an option price fixed at the start of the scheme. Under the CSOP, an employee may receive one or several awards of stock options. Being a global plan means that the tax treatment for this plan can vary by country and tax jurisdiction but in the UK an employee's CSOP is limited to £30,000 in aggregate. Executive Directors are not eligible to participate in the CSOP.

The Executive Shared Ownership Plan (ExSOP) was introduced in 2010 to encourage employee share ownership at middle management level. Under the ExSOP, selected employees were invited to acquire, jointly with an employee benefit trust (Co-Owner) and upon the terms of a joint ownership agreement a restricted beneficial interest in a given number of shares in the Company. When the jointly owned shares are sold, after at least three years, the participant receives the growth in the value of the shares and the Co-Owner retains the original value of the shares. Executive Directors are excluded from participating in the ExSOP.

All Group share awards can be funded by issuing shares except for an element of the BAYE and DEP which are made through on-market purchases. All awards to Executive Directors are satisfied by on-market purchases.

The Group's share plans rules currently restrict the level of shares that may be issued to satisfy share plan vestings to 10% of the issued share capital of the Group over a 10 year rolling period. Executive plans are restricted to 5%. This is consistent with ABI guidelines.

Pensions

Retirement benefits are designed to be both market competitive and cost effective. HGI Group Limited is the sponsoring employer of the Henderson Group Pension Scheme (Pension Scheme), which has both a defined benefit section (closed to new members) and a defined contribution section. No members of the defined benefit section of the scheme receive unapproved pension benefits in addition to their normal scheme benefits. In the UK scheme, the Group replaced the statutory earnings cap which was abolished on 6 April 2006 by the Finance Act 2004 with an internal scheme earnings cap, which is broadly the same as the previous statutory figure adjusted for inflation. The annual scheme earnings cap of £122,760, remained unchanged on the previous year.

The Executive Directors participate in the non-contributory section of the Pension Scheme providing benefits on a defined contribution basis on the same age-related basis as other employees. The Chief Executive receives a Group contribution, currently 10.5% of basic salary, into the pension plan limited by the operation of the scheme earnings cap and the Chief Financial Officer receives 11.5%, again limited by the operation of the scheme earnings cap.

In 2007, the Group introduced a Self Invested Personal Pension (SIPP) that allows UK employees to make voluntary contributions into a wider range of funds and also the ability to transfer in Company shares from maturing share plans in a tax effective manner. The Group rebates some of the national insurance savings to employees' SIPP accounts. The Chief Executive and the Chief Financial Officer made no contributions to the Group SIPP in 2010 that qualified for any rebate.

The Group also has pension arrangements in place for its non-UK-based employees, which are in line with market practice.

Benefits and benefits in kind

The Executive Directors are contractually entitled to a lump-sum life assurance benefit of four times basic salary, permanent health insurance and medical insurance.

The Executive Directors also benefit from indemnity arrangements in respect of their services as Directors, and Directors' and Officers' liability insurance, under separate Deeds of Indemnity. Further details can be found in the Directors' Report section.

Contracts and termination provisions

The Group's policy is to employ Executive Directors on annual rolling contracts although, in exceptional circumstances on recruitment, longer initial terms may be approved by the Remuneration Committee. To date, it has not exercised this power. The Remuneration Committee will, consistent with the best interests of the Group, seek to minimise termination payments.

The Executive Directors have service agreements terminable on not less than 12 months' written notice by the Group or on not less than six months' written notice by the relevant Executive Director.

The service agreements allow the Group to suspend the Executive Directors from their duties at any time after notice has been given by either party, provided they continue to receive full pay. Under certain circumstances (such as serious misconduct), the Group may terminate employment immediately with no liability to make any further payment (other than amounts accrued to the date of termination).

The Executive Directors' employment agreements have no provisions for remuneration payable on early termination. In relation to their participation in long-term incentive-related pay, Executive Directors are subject to the same LTIP rules as other participants.

Roger Yates, former Chief Executive, received 624,166 shares in March 2010 in respect of a prorated award from the 2007 LTIP and his adherence to contractual post-termination restrictions agreed at the time of his departure in 2008. Toby Hiscock, former Chief Financial Officer, received 312,500 shares in respect of a prorated award from the 2007 LTIP and a cash award of £225,000 in March 2010, as part of his contractual post-termination arrangements and his adherence to restrictions post termination agreed at the time of his departure in 2009.

Chairman and other Non-Executive Directors

The remuneration of the Board Chairman is determined by the Chairman of the Remuneration Committee and the other Non-Executive Directors and, for other Non-Executive Directors, is determined by the Chairman and the Executive Directors, both on the basis of external independent advice. The Board Chairman and other Non-Executive Directors serve the Company under letters of appointment that are terminable by the Company on one month's written notice without liability for remuneration; they do not have service agreements. It is the Company's policy that the Board Chairman and other Non-Executive Directors do not participate in any of the Group's bonus, incentive or pension schemes, nor are they entitled to any retirement benefits. Under their respective letters of appointment:

- the annual fee payable to each Non-Executive Director (other than the Board Chairman and the Audit, Remuneration and Risk Committee Chairmen) is £50,000, of which £5,000 is paid in the form of Company shares. The fee was increased from £45,000 with effect from 1 July 2010;
- the annual additional fee payable to the Audit, Remuneration and Risk Committee Chairmen is £20,000, of which £5,000 is paid in the form of Company shares;
- Rupert Pennant-Rea is Non-Executive Chairman of the Group. His fees are £170,000 per annum, of which £20,000 is paid in the form of Company shares;
- Gerald Aherne was entitled to additional fees of £20,000 per annum, of which £5,000 is paid in the form of Company shares as Chairman of the Remuneration Committee;

- Duncan Ferguson was entitled to additional fees of £20,000 per annum, of which £5,000 is paid in the form of Company shares as Chairman of the Risk Committee. He was appointed Chairman of the Risk Committee with effect from 29 June 2010 and therefore received a prorated cash fee in 2010. The £2,500 payable in shares will be purchased on-market in 2011;
- Tim How was entitled to additional fees of £5,000 per annum, as the Senior Independent Director; and
- Robert Jeens was entitled to additional fees of £20,000 per annum, of which £5,000 is paid in the form of Company shares as Chairman of the Audit Committee.

The Chairman, together with the Executive Directors, has reviewed the basic fees paid to other Non-Executive Directors and determined that they would rise by £5,000 to £55,000 per annum with effect from 1 January 2011. The increase would be in the form of cash. The additional fees for the Audit, Remuneration and Risk Committee Chairmen and the Senior Independent Director will remain unchanged.

The Chairman of the Remuneration Committee and the other Non-Executive Directors (excluding the Board Chairman) also reviewed the fees payable to the Board Chairman and determined that they would rise from £170,000 to £180,000 per annum, with effect from 1 January 2011. The increase would be in the form of cash.

The Chairman and other Non-Executive Director remuneration was determined after having reviewed market survey data and a report from the Managing Director, Human Resources on pay levels and employment conditions of employees across the Group.

The following tables provide greater detail in respect of each of the Directors' remuneration, pension entitlements and share interests which have been audited by the Group's auditors.

Directors' remuneration in 2010

The remuneration (cash payments and benefits in kind, but not including any pension) of the Directors in respect of the period for which they were in office in the relevant year, including any remuneration in respect of subsidiary undertakings, comprised:

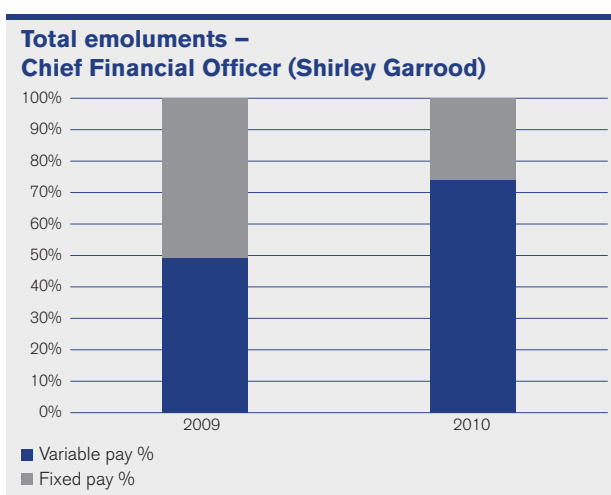
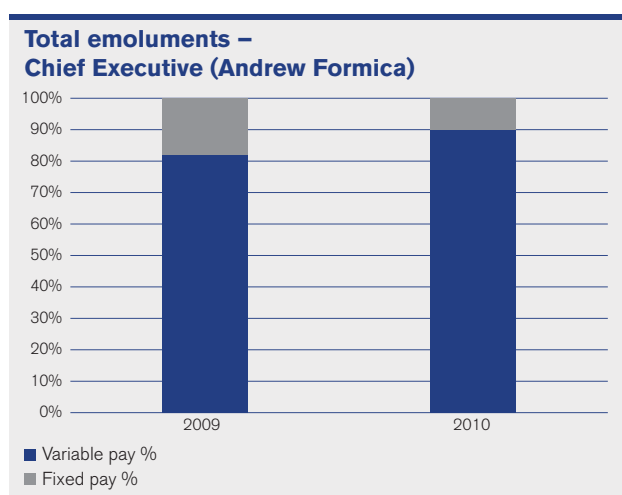
	Salary and fees (a) £000	Benefits in kind (b) £000	Annual bonus award before deferral (c) £000	Total (a) to (c) £000	Share plan vesting £000	Other £000	2010 total £000	2009 total £000
Chairman								
R.L. Pennant-Rea (Chairman and Non-Executive Director)	170	–	–	170	–	–	170	170
Executive Directors								
A.J. Formica (Chief Executive)	350	1	1,395	1,746	1,702	13	3,461	2,074
S.J. Garrood (Chief Financial Officer)	300	2	600	902	302	15	1,219	207
N.T. Hiscock (Chief Financial Officer to 1/9/2009)	–	–	–	–	–	–	–	624
Other Non-Executive Directors								
G.P. Aherne	68	–	–	68	–	–	68	60
D.G.R. Ferguson	58	–	–	58	–	–	58	45
T.F. How	53	–	–	53	–	–	53	45
R.C.H. Jeens	68	–	–	68	–	–	68	22
A.C. Hotson (to 11/5/2009)	–	–	–	–	–	–	–	1
D.J.S. Roques (retired 31/12/2009)	–	–	–	–	–	–	–	6
Total	1,067	3	1,995	3,065	2,004	28	5,097	3,329

Notes

- Annual bonus awards paid to the Executive Directors are subject to the same Company mandatory deferral terms that apply to other employees. The annual bonus shown above is the amount before deferral.
- There were no amounts paid to the Executive Directors in respect of their qualifying services by way of expenses allowance that was chargeable to UK income tax.
- Remuneration of all Directors is stated with effect from 1 January 2010 or from date of appointment. Shirley Garrood's 2009 remuneration reflects her remuneration from her date of appointment, 26 August 2009.
- The non-cash elements of the Executive Directors' remuneration packages (disclosed in the table above as Benefits in kind) consist of the provision of life assurance and private medical insurance.
- The payment under Other in the table above relates to pension contribution and a rebate of hedge fund commission charges.
- The Share plan vesting figures in the table above relate to the market value at the date of vesting of the 2007 LTIP and the first tranche of the Chief Executive RSP award in 2010.

The graphs below illustrate the fixed and variable elements of the Executive Directors' emoluments for the last two years. The amounts for the Chief Executive reflect his full remuneration for 2009 and 2010.

The 2009 remuneration for the Chief Financial Officer, covers the period from 26 August 2009 to 31 December 2009. The amounts for 2010 reflect her full remuneration.



Pensions and share interests

Directors' pension entitlements

The Executive Directors are members of the defined contribution section of the Pension Scheme. The contribution made by the Group to their Money Purchase accounts for their role is shown below:

	Service at 31 December 2010	Contribution for period to 31 December 2010 £000
A.J. Formica (Chief Executive)	17 years 10 months	13
S.J. Garrod (Chief Financial Officer)	9 years 8 months	14

Directors' share interests

As at 22 February 2011, 31 December 2010 and 31 December 2009, the Directors had the following beneficial interests in shares in the Company:

	22 February 2011	31 December 2010	31 December 2009
Chairman			
R.L. Pennant-Rea	51,333	51,333	43,071
Executive Directors			
A.J. Formica (Chief Executive)	3,498,822	3,498,822	2,646,789
S.J. Garrod (Chief Financial Officer)	1,004,235	1,004,235	776,176
Other Non-Executive Directors			
G.P. Aherne	9,571	9,571	4,591
D.G.R. Ferguson	13,688	13,688	11,137
T.F. How	5,898	5,898	3,591
R.C.H. Jeens	5,845	5,845	864
Total	4,589,392	4,589,392	3,486,219

Note

- Beneficial interests in the table above represent shares held by a Director, either directly or through a nominee, and any holdings of their spouse and children under 18. They do not include any unvested awards held in the SAYE, BAYE, DEP, ESOP, CSOP, RSP or LTIP.

Executive Directors' interests in share awards

The table below shows the Executive Directors' interests in the various share schemes:

	Andrew Formica (Chief Executive)	Shirley Garrood (Chief Financial Officer)
Interests at 31 December 2009		
SAYE	15,721	15,721
BAYE	35,107	35,107
DEP and ESOP	490,514	410,463
CSOP	–	41,000
RSP	3,684,207	–
Maximum LTIP award	2,350,000	1,175,000
Awards made, vested or lapsed during 2010		
BAYE awarded	4,882	4,882
DEP and ESOP vested	(138,977)	(202,162)
RSP lapsed	(132,069)	–
RSP vested	(1,096,000)	–
LTIP vested	(175,000)	(175,000)
Maximum LTIP award	1,250,000	500,000
Interests at 31 December 2010		
SAYE	15,721	15,721
BAYE	39,989	39,989
DEP and ESOP	351,537	208,301
CSOP	–	41,000
RSP	2,456,138	–
Maximum LTIP award	3,425,000	1,500,000

Notes

- Under the SAYE, after 36 monthly contributions of up to £250, SAYE participants may exercise their options to acquire Company shares at a pre-defined issue price set at a 20% discount to the closing mid-market value on a pre-defined date.
- The vested LTIP relates to the 2007 award. On exercise, for the 2007 plan, awards were satisfied by the transfer to participants of shares purchased on-market by the LTIP trustee.
- Maximum LTIP award – this number reflects the number of shares that would vest on the vesting date. However, the expected level of achievement of the TSR performance target at the time of award is 40.6% of the maximum award.
- The CSOP award to Shirley Garrood was in respect of her previous role as Chief Operating Officer.

Additional remuneration information

The ASX Principles encourage companies that are not subject to the Australian Corporations Act 2001 to make certain disclosures about the remuneration of the five highest paid non-Director executives in accordance with section 300A of that Act. Details of the remuneration of each individual and the value of the component parts of their remuneration have not been disclosed. The Group considers this information to be commercially sensitive. However, generic disclosures are given as follows.

The five highest paid non-Director executives during 2010 were:

Name (in alphabetical order)	Position
Andrew Boorman	Managing Director, Human Resources
James Darkins	Managing Director, Property
Roger Greville	Managing Director, Private Equity
David Jacob	Managing Director, Listed Assets and Chief Investment Officer
Arno Kitts	Director of Global Distribution

The aggregate annual remuneration of the executives listed above was £6,107,000 made up of the following:

- basic salary;
- discretionary annual bonus, which is dependent on stipulated Group, divisional and individual performance measures;
- discretionary performance fee or transaction fee awards in 2010;
- Group non-contributory (i.e. the employee does not contribute and the Group bears all the costs) pension plan in the defined contribution and defined benefits sections of the plan;
- other benefits including private medical insurance, car allowance, season ticket loans and life assurance and free shares under the BAYE; and
- vesting of discretionary share plan awards, refund of commission charges on mandatory deferral into hedge funds and cash payment of BAYE dividend awards that exceeded the HMRC annual dividend limit.

In June 2010, the Remuneration Committee made awards to non-Director executives under the LTIP as described on page 63. In 2010, the aggregate market value of the ordinary shares (averaged over the three month period immediately prior to the date of grant) capable of being acquired by any non-Director executives under these awards was a maximum of 300% of basic salary, depending on the role and responsibilities of the relevant executive. The vesting criteria set out on page 63 will apply to these awards. The executives were awarded a total of 1,825,000 shares under the LTIP in June 2010. Non-Director executives are entitled to participate in the SAYE and BAYE as described on page 63. In addition, the Remuneration Committee made an award of 10,000 jointly owned shares under the ExSOP in June 2010 to Andrew Boorman.

Non-Director executives (as with Executive Directors) also participate in the DEP under which participants receive part of their annual bonus, principally since 2004, in the form of Company shares or, an interest in an investment fund vesting at the end of a specified restricted period, subject to the executive continuing to be employed by the Group. The restricted period will normally be three years, but cannot be less than one year or more than five years.

The structure of the remuneration packages for non-Director executives and FSA code staff is designed to support the achievement of the same key measures as for Executive Directors (as set out on page 37) and to ensure that executive pay complies with the Board's remuneration policy (as described on pages 34 to 35).

Signed on behalf of the Board



Gerald Aherne

Chairman of the Remuneration Committee
22 February 2011