

## Remuneration report

### Remuneration Committee

The Remuneration Committee is responsible for the broad policy governing senior employees' pay and remuneration. It sets the actual levels of all elements of the remuneration of all Executive Directors of the Company. The Committee also oversees the administration of Savills employee share schemes and determines the level of fees for the Chairman of the Board. The Committee's terms of reference are available at [www.savills.com](http://www.savills.com)

The Committee aims to ensure that senior employees (including Executive Directors of the Company) are rewarded for their contribution to Savills and are motivated to enhance returns to shareholders.

It advises the Board on the remuneration framework and policy for such senior executives and, once formally endorsed by the full Board, it applies the policy. The composition of the Committee is detailed on page 26.

### Remuneration policy

It is essential that the Group provides remuneration packages which attract, retain and motivate Executive Directors and employees of the highest quality. Benefit packages awarded to Executive Directors are structured to provide a competitive mix of performance and non-performance related remuneration. The arrangements are reviewed on a regular basis. In setting the remuneration of the Executive Directors the Committee is able to consider corporate performance on environmental, social and governance issues.

The Board accepted all of the recommendations relating to the Executive Directors' remuneration made by the Remuneration Committee during the financial year ended 31 December 2009.

The remuneration for each of the Directors is shown on page 38. Bonus earned reflects performance against the criteria set out.

### Base salary

Savills business philosophy is founded on the premise that employees should be motivated through highly incentive-based (and therefore variable) remuneration packages. Salaries for fee-earners, particularly more senior ones, are generally below market averages for similar businesses and a greater emphasis is placed on the performance related bonus of either profit share or commission in the total remuneration package. These lower salary levels help to limit related costs (e.g. pension) and also have the effect of reducing the fixed element of the business cost base. For support staff, salaries are generally set closer to market levels. Salaries are reviewed annually (although not necessarily increased) by each operating subsidiary for all employees. The salaries of the Executive Directors were not increased with effect from 1 January 2009 or 1 January 2010, with the base salary of Robert McKellar being reduced for 2009 by 12.5%, consistent with the cost reduction initiatives implemented across the Group's Asia Pacific business in the year (base salaries have, effective 1 January 2010, reverted to 2008 levels). Long term incentives are provided through the grant of options under the Savills Executive Share Option Scheme (2001).

### Performance related bonus

In general, each operating subsidiary has a fee-earner discretionary bonus scheme where the annual bonus pool available for distribution is directly related to the profit of that subsidiary after charging all costs (pre-bonus) including central overheads and finance charges. The bonus pool for each subsidiary company is generated by a formula. In the UK and Europe, the amounts available for distribution within these bonus pools are calculated in bands between 30% of the pre-tax and pre-bonus profits through to 65% for excellent performance, based on the achievement of predetermined thresholds. These bands are reviewed regularly.

The Remuneration Committee expects, over the cycle, profit share bonuses and commissions, in aggregate, to be in the order of 55% to 65% of pre-tax profits excluding charges for such payments. Awards to fee-earning employees are assessed by reference to fee earning achievements, the profitability of the individual's area of responsibility, contribution to business development and managerial responsibilities.

Similar arrangements are in place in the US and Asia Pacific, tailored to the particular requirements of each individual market.

A portion of the bonus of senior employees and Executive Directors may be deferred for a period of not less than three years and awarded in shares under the Savills Deferred Share Bonus Plan, details of which can be found on page 40.

Senior employees and Executive Directors may participate in the Savills Deferred Share Bonus Plan, the Savills Executive Share Option Scheme (2001), the Savills Share Incentive Plan and the Savills Sharesave Scheme; details of which are given on pages 40 and 41. Details of any awards made to Executive Directors under these schemes are given on pages 42 to 44.

Senior employees, excluding the Executive Directors, may also participate in the Savills Deferred Share Plan, details of which are given on page 40.

### Executive salary and bonus

The salary and bonus arrangements of the Executive Directors are structured by reference to their primary role within the Group. The base salaries for all Executive Directors are set at levels which are significantly below market averages.

The bonuses for Executive Directors in respect of the 2009 financial year were determined as follows:

Jeremy Helsby – bonus reflects, firstly, the Group's financial performance and secondly an objectives-based element reflecting his performance/contribution during the course of the relevant year measured against criteria pre-set by the Committee. His maximum bonus potential is £2m in any year. Part of the bonus is delivered in the form of deferred shares with the proportion that is delivered in the form of deferred shares increasing as bonus increases. For the 2009 financial year, no bonus was paid to Jeremy Helsby in respect of Group financial performance as this was below the threshold determined by the Committee (2008 : £nil). The objectives-based bonus awarded to him reflects his delivery against his objectives, and particularly his ongoing action to re-shape the Group and reduce its cost base significantly to a level which is appropriate for the challenging markets in which we are now operating.

Simon Hope, Robert McKellar and Rupert Sebag-Montefiore – bonus is now earned in a manner consistent with the principles of the arrangements implemented for Jeremy Helsby in 2008.

For Robert McKellar and Rupert Sebag-Montefiore – bonus reflects, firstly, the financial performance of the business for which they have responsibility; secondly, their performances/contributions during the relevant year measured against objectives pre-set by the Committee; and, thirdly, overall Group performance. Under these revised arrangements at least 75% of bonus potential is linked to the financial performance of a business stream and/or the Group.

For Simon Hope – bonus reflects, firstly, his fee-earning activities and contribution to the profit of the UK Commercial business and the financial performance of the European and US businesses, secondly, his performance/contribution during the relevant year measured against objectives pre-set by the Committee; and, thirdly, overall Group performance.

Maximum bonus potential for all three is capped in respect of any financial year and, with the exception of Robert McKellar (the delivery of reward in the form of deferred shares is not tax efficient for the employing company nor the individual) at the higher levels of bonus up to 30% of any award is paid in deferred shares. Maximum bonus will only accrue for exceptional performance.

The above arrangements remain in place for Simon Hope, Robert McKellar and Rupert Sebag-Montefiore notwithstanding that they stood down from the Board effective 18 January 2010.

Simon Shaw (Group Chief Financial Officer appointed 16 March 2009) – bonus reflects, consistent with Jeremy Helsby's arrangements, firstly, the financial performance of the Group; and, secondly his performance measured against objectives pre-set by the Committee.

Part of the bonus is delivered in the form of deferred shares with the proportion that is delivered in the form of shares increasing as bonus increases. Simon Shaw's maximum potential bonus is capped at £1.5m in any year.

The above arrangements also apply for the 2010 and 2011 financial years.

### Pension

Following the year end it was agreed that the Pension Plan of Savills (the Plan), which provided final salary pension benefits to some employees (including three Executive Directors) would close with regard to future benefit accrual with effect from 31 March 2010 (full details of the pension benefits provided by the Plan for Executive Directors are on page 39). Pension benefits for former members of the Plan (including Executive Directors) will from 1 April 2010 instead be provided through the Group's defined contribution Personal Pension Plan. Employer contributions in relation to all former Final Salary Scheme members, including Executive Directors, are set at 20% of pensionable salary for the period until March 2015; thereafter employer contributions for former Final Salary Scheme members, including Executive Directors are set at 14% of pensionable salary.

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## Analysis of Directors' remuneration (audited)

	Salary/fees		Bonus	Benefits	Employer pension contribution (including final salary, GPP and bonus waived)		Total
	Year to 31 December 2009 £	Year to 31 December 2009 Cash £	Year to 31 December 2009 Deferred* £	Year to 31 December 2009 £	Year to 31 December 2009 £	Year to 31 December 2009 £	Year to 31 December 2008 £
<b>Executive Directors</b>							
Jeremy Helsby	195,000	422,500	117,500	10,460	25,823	771,283	780,690
Simon Shaw (appointed 16 March 2009)	140,417	280,000	145,000	7,160	8,352	580,929	n/a
<b>Former Executive Directors</b>							
Simon Hope (resigned 18 January 2010)	105,000	340,000	110,000	10,460	24,990	590,450	600,233
Robert McKellar**** (resigned 18 January 2010)	151,986	496,000	–	98,484	7,562	754,032	711,447
Rupert Sebag-Montefiore (resigned 18 January 2010)	100,000	416,000	156,000	10,389	23,800	706,189	464,072
Mark Dearsley (resigned 13 February 2009)	65,842	–	–	2,381	–	68,223	359,866
<b>Non-Executive Directors</b>							
Martin Angle	40,000	–	–	–	–	40,000	36,250
Timothy Ingram**	40,000	–	–	–	–	40,000	36,250
Charles McVeigh (Chairman – Remuneration Committee)***	47,500	–	–	–	–	47,500	42,500
Peter Smith	150,000	–	–	–	–	150,000	190,000
Fields Wicker-Miurin (Chairman – Audit Committee)***	47,500	–	–	–	–	47,500	42,500

\* For details of the Deferred Share Bonus Plan please refer to page 40.

\*\* Payment made to Caledonia Investments plc where he is Chief Executive.

\*\*\* The Chairmen of the Audit and Remuneration Committees each receive £7,500 for undertaking these additional responsibilities.

\*\*\*\* Robert McKellar's base salary was reduced in Hong Kong dollar terms (the currency in which it is paid) by 12.5% effective 1 January 2009 consistent with the cost savings initiatives implemented across the Group's Asia Pacific business (although this reduction in base salary is not apparent due to the increase in the value of the Hong Kong \$ relative to sterling during 2009). His base salary has returned to 2008 levels effective 1 January 2010.

Excluded from the cash bonus figures for 2009 for Jeremy Helsby and Rupert Sebag-Montefiore are amounts of £10,000 and £15,000 which were waived in favour of contributions to registered charities by their employing companies (2008: Jeremy Helsby waived £10,000).

Fees payable to the Non-Executive Directors were not increased during 2009. As disclosed in the 2008 Report and Accounts the fees paid to the Non-Executive Directors were increased in 2007 from £32,500 p.a. to £40,000 p.a. with effect from 1 July 2008 (the first increase in fees payable since 2006).

## Benefits

Executive Directors and senior employees are provided with a company car (or car allowance) and they and their immediate families are members of the Savills Group's private medical or hospital insurance schemes.

## Advice

During the year Towers Watson advised the Committee on appropriate salary and incentive arrangements for the Executive Directors. The Group received no other services from Towers Watson. The Committee was also advised and supported by the Group Company Secretary.

## External directorships

The Executive Directors are allowed to accept external non-executive directorships, subject to approval by the Board and any conditions that it might impose. For non-executive directorships which are considered to arise by virtue of an Executive Director's position within Savills, the fees are paid directly to Savills. During 2009 Rupert Sebag-Montefiore was paid £25,000 for acting as non-executive chairman of the non-statutory board of The Digital Property Group. Unrelated to his employment with the Group, Simon Shaw receives a fee of £25,000 p.a. in relation to his appointment as Non-Executive Chairman of Synairgen plc.

## Non-Executive Directors' remuneration

The fees for the Chairman are determined by the Remuneration Committee.

The fees for the other Non-Executive Directors are set by the Board, excluding these Non-Executive Directors, within the limits set in the Company's Articles of Association. The Non-Executive Directors do not receive any share options, bonuses or any other performance related payments nor do they receive any pension entitlement. The fees payable to the Non-Executive Directors were not increased during 2009.

Consistent with the cost savings initiatives progressed across the Group, Peter Smith's annual fee as Chairman was agreed at a reduced rate of £150,000 p.a. (2008: £190,000) effective 1 January 2009.

## Pension

Three Executive Directors (Jeremy Helsby, Simon Hope and Rupert Sebag-Montefiore) participated in the Pension Plan of Savills (the Plan) for final salary pension benefits during the year. The Plan is a contributory defined benefit scheme which provides a pension based on final base salary and length of service. In addition to the Company's contribution, members contributed 7% of salary during the year ended 31 December 2009. This Plan will be closed to future benefit accrual with effect from 31 March 2010. Pension benefits for former members of the Plan (including Executive Directors) will instead, from 1 April 2010, be provided through the Group's defined contribution Personal Pension Plan (GPP).

Under the Plan and the GPP only base salary is pensionable (in the case of Jeremy Helsby currently capped at £107,000 p.a.). The current normal retirement age under the Plan is 60 although as a result of Age Discrimination legislation the Company's normal retirement age has increased to 65. The current normal retirement age under the GPP is age 65.

The Company makes contributions for Robert McKellar to a Mandatory Provident Fund in Hong Kong and during the year contributed £7,562.

## Pensions disclosure (audited)

	Increase in accrued pension during the year in excess of inflation <sup>1</sup>		Transfer value of the increase less Director's contributions <sup>1</sup>		Accumulated total accrued pension at the end of the year <sup>2</sup>		Total increase in accrued pension during the year <sup>2</sup>		Transfer value of total pension at start and end of the year <sup>3</sup>		Increase in transfer value over the year, less Director's contributions <sup>4</sup>	
	31 December 2009	31 December 2008	31 December 2009	31 December 2008	31 December 2009	31 December 2008	31 December 2009	31 December 2008	31 December 2009	31 December 2008	31 December 2009	31 December 2008
<b>Executive Directors</b>												
Jeremy Helsby	2,692	416	40,910	(6,049)	49,504	46,813	2,692	2,625	983,494	810,492	165,407	156,655
Simon Hope	1,750	503	13,291	(6,472)	28,438	26,688	1,750	1,750	436,093	324,986	103,757	63,927
Rupert Sebag-Montefiore	1,667	(479)	23,169	(20,573)	46,250	44,583	1,667	1,667	946,144	800,874	138,270	136,831

### Notes

- The table shows the increase in accrued pension during the year, excluding any increase for inflation. The transfer value of this increase in pension is also shown, less the contributions made by the Director during the year.
- The accumulated accrued pension entitlement shown is that which would be paid annually on retirement based on service to the year-end. The actual increase in pension over the year is also shown (with no allowance for the increase in inflation).
- The transfer value of the total pension accrued at the year-end, determined at the year-end is set out along with the comparative amounts at the end of the previous year.
- The increase in the amount of this transfer value, less the contributions made by the Director during the period, has also been determined.

The transfer value represents the amount payable by the pension plan should the Director transfer his pension rights to another provider. All transfer values quoted are calculated on the basis of actuarial advice in accordance with Actuarial Guidance Note 11 (GN11).

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### Share related incentives

#### Directors' Deferred Share Bonuses and Option Schemes

The Group operates five employee share schemes, details of which are below. The Committee keeps these schemes under review to ensure their continued effectiveness and compliance with best practice and contribution to shareholder value.

#### The Savills Deferred Share Bonus Plan (the DSBP) and The Savills Deferred Share Plan (the DSP)

The DSBP was adopted by the Board on the recommendation of the Remuneration Committee in 2001. It provides for the award of conditional rights to acquire Savills shares based on performance achievements measured over the immediately preceding financial year.

The performance targets are specific to each individual and either relate to Group thresholds, subsidiary company targets or a combination of both. In order to support retention of key fee-earners, a proportion of bonuses decided by the Remuneration Committee are required to be taken in the form of deferred shares.

The DSBP remains closely aligned to Savills successful executive remuneration strategy, which is to include a meaningful performance related pay element and to control the level of base annual salaries at senior levels significantly below market comparables. The deferred element provides an added incentive in the form of potential share price growth over the deferred period together with an important retention aspect in that awards normally lapse in the event of executives leaving service before the vesting date.

Awards of deferred shares normally vest after a deferred period of not less than three years although a longer deferred period may apply. The shares are subject to forfeiture if the executive leaves service prior to the vesting date other than in defined 'good leaver' situations (e.g. redundancy, ill-health, etc.). The shares are acquired by purchase in the market through an independent employee benefit trust (the EBT) with funds provided by the relevant employing company. For awards made from 2006 onwards, the number of shares awarded is increased on the vesting date to reflect final and interim dividends paid to ordinary shareholders throughout the deferred period. There are no powers to issue new shares (or to reissue existing treasury shares) under either the DSBP or the EBT and therefore there is no dilution of existing shareholdings. The EBT can hold up to 15% of the Company's issued share capital. This limit was agreed after full consultation with institutional shareholders in 2002–2003 and approved by ordinary resolution of shareholders at the AGM in 2003.

In summary, the combination of a bonus award system which is highly geared to reward performance together with a deferred element in the form of Savills shares provides a key element in Savills remuneration strategy both as an incentive and as a retention tool.

The DSP provides for the grant of awards of deferred shares which normally vest not earlier than three years from the award date (the deferred period may be longer). The DSP provides the scope for the Board to make such awards to key executives where the Board considers that there are particular business reasons, in the interests of the Company, for applying a retention element to remuneration (for example on the acquisition of a business). Awards under the DSP are forfeited if the executive leaves the employment of the Group before the end of the deferred period (other than in defined 'good leaver' situations such as redundancy or ill-health). The shares required to satisfy DSP awards are funded through the EBT in the same manner as DSBP awards are funded (see paragraph two of the previous section) and there are no powers to issue new shares or to reissue existing treasury shares under the DSP and therefore there is no dilution of existing shareholdings. The Executive Directors are not eligible to receive awards under the DSP.

### **The Savills Executive Share Option Scheme (2001) (the 2001 Scheme)**

The 2001 Scheme was authorised by shareholders at the AGM in 2001 and comprises a scheme approved by HM Revenue and Customs (HMRC) and a schedule under which options which do not fall within the HMRC approval limits may be granted. Options granted under the 2001 Scheme are normally exercisable not earlier than three years following the date of grant and not later than ten years from the date of grant (with exceptions for 'good leavers'). Grants are normally made annually on a phased basis and the exercise of options is subject to the achievement of a performance target related to the increase in the Company's earnings per share compared to a stated percentage above inflation over a fixed three year period.

The ability to re-measure performance over a later period if not met within the initial three year period was removed in 2004 subject to one transitional grant whereby the performance could, if necessary, be re-measured over an extended period of four years. Options are currently satisfied by the issue of new shares within the ABI's dilution limits.

The performance target that applies to options granted between 2001 and 2005 requires that the Company's earnings per share must increase over the period of three consecutive financial years by an average of at least 3% p.a. above inflation (as measured by the Retail Prices Index (all items) (RPI)). Options granted from 2006 onwards are subject to a tiered approach whereby, in respect of any grant, the first one-third of the number of shares under option is subject to the above RPI + 3% p.a. target with an escalating performance requirement in respect of the remaining two-thirds as follows:

Second one-third of the number of shares – RPI + 4% p.a.

Final one-third of the number of shares – RPI + 5% p.a.

### **The Savills Sharesave Scheme (the Sharesave Scheme)**

Executive Directors are eligible to participate in the Sharesave Scheme, which is an HMRC approved scheme open to all employees of nominated participating companies who have a minimum of three months' service at the date of invitation. The Sharesave Scheme was adopted by shareholders in 1998 with a ten-year life and, following shareholder approval, replaced in 2008 with an updated scheme. The Sharesave Scheme is linked to a monthly savings contract and options are granted at a maximum 20% discount to market price. The most recent invitation was limited to three year savings contracts, although the rules currently allow three or five year savings contracts to be offered.

### **The Savills Share Incentive Plan (SIP)**

At the AGM on 7 May 2003, shareholders approved the introduction of the SIP. This is a share purchase plan approved by HMRC available to all employees including the Executive Directors. The scheme is aimed at encouraging employee share ownership and an interest in the Company's performance. Employees invest in Savills plc shares by making contributions from their gross salary subject to a current statutory annual limit of £1,500 (£125 per month). If the shares are held in the SIP for five years no income tax or NICs are payable. The scheme was launched in May 2004. There are other elements of the SIP authorised by shareholders but it is not the present intention to offer these elements.

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## Ordinary shares (audited)

Interests in the share capital of the Company beneficially held by the Directors as at 31 December 2009 are detailed below:

	31 December 2009	31 December 2008
Martin Angle	–	–
Jeremy Helsby	604,849	604,849
Simon Hope	105,516	87,702
Timothy Ingram	24,000	24,000
Robert McKellar	132,048	132,048
Charles McVeigh	–	–
Rupert Sebag-Montefiore	263,955	263,439
Simon Shaw	192	n/a
Peter Smith	20,000	20,000
Fields Wicker-Miurin	1,360	1,360

No Directors have bought or sold shares since 31 December 2009, with the exception of Simon Hope, Rupert Sebag-Montefiore and Simon Shaw who are members of the Savills Incentive Plan (SIP) and as such have acquired 115, 115 and 114 respectively through the SIP.

It is the Board's policy that each Executive Director should aim to hold at least 105,000 shares in the Company (except for the Group Chief Executive who should own at least 150,000 shares). Above these limits the Board takes the view that the Directors may retain or sell shares as they see fit.

## The Savills Sharesave Scheme (audited)

Directors	Number of shares							
	At 31 December 2008 Restated	Granted during year	Exercised during year	Lapsed during year	At 31 December 2009	Market price on date of exercise	Exercise price per share	Exercisable within six months from
Jeremy Helsby	1,098	–	–	–	1,098	–	510.5p	01.07.09
Simon Hope	3,018	–	–	–	3,018	–	318p	01.12.10
Rupert Sebag-Montefiore*	–	3,398	–	–	3,398	–	267p	01.12.12
Simon Shaw	–	3,398	–	–	3,398	–	267p	01.12.12

\* Rupert Sebag-Montefiore's holding as at 31 December 2008 was stated in the Report and Accounts 2008 as 3,018. This option lapsed on 22 December 2008.

## The Savills Executive Share Option Scheme (2001) (audited)

Directors	Number of shares					At 31 December 2009	Market price on date of exercise	Exercise price per share	Date normally first exercisable	Expiry date
	At 31 December 2008	Granted during year	HMRC Approved/ Unapproved	Exercised during year	Lapsed during year					
Jeremy Helsby	9,338	–	Approved	–	–	9,338	–	321.25p	14.03.08	14.03.15
	23,662	–	Unapproved	–	–	23,662	–	321.25p	14.03.08	14.03.15
	20,000	–	Unapproved	–	20,000	–	–	596p	13.03.09	13.03.16
	50,000	–	Unapproved	–	–	50,000	–	300.125p	16.04.11	16.04.18
	–	135,064	Unapproved	–	–	135,064	–	288.75p	17.04.12	17.04.19
Simon Hope	9,338	–	Approved	–	–	9,338	–	321.25p	14.03.08	14.03.15
	22,662	–	Unapproved	–	–	22,662	–	321.25p	14.03.08	14.03.15
	20,000	–	Unapproved	–	20,000	–	–	596p	13.03.09	13.03.16
	36,666	–	Unapproved	–	–	36,666	–	300.125p	16.04.11	16.04.18
	–	72,727	Unapproved	–	–	72,727	–	288.75p	17.04.12	17.04.19
Robert McKellar	9,338	–	Approved	–	–	9,338	–	321.25p	14.03.08	14.03.15
	20,662	–	Unapproved	–	–	20,662	–	321.25p	14.03.08	14.03.15
	20,000	–	Unapproved	–	20,000	–	–	596p	13.03.09	13.03.16
	36,666	–	Unapproved	–	–	36,666	–	300.125p	16.04.11	16.04.18
	–	72,727	Unapproved	–	–	72,727	–	288.75p	17.04.12	17.04.19
Rupert Sebag-Montefiore	46,000	–	Unapproved	–	–	46,000	–	217.75p	30.03.07	30.03.14
	9,338	–	Approved	–	–	9,338	–	321.25p	14.03.08	14.03.15
	23,662	–	Unapproved	–	–	23,662	–	321.25p	14.03.08	14.03.15
	20,000	–	Unapproved	–	20,000	–	–	596p	13.03.09	13.03.16
	36,666	–	Unapproved	–	–	36,366	–	300.125p	16.04.11	16.04.18
	–	72,727	Unapproved	–	–	72,727	–	288.75p	17.04.12	17.04.19
Simon Shaw	–	10,389	Approved	–	–	10,389	–	288.75p	17.04.12	17.04.19
	–	114,286	Unapproved	–	–	114,286	–	288.75p	17.04.12	17.04.19

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## The Savills Deferred Share Bonus Plan (DSBP) (audited)

Directors	Number of shares						
	At 31 December 2008	Awarded during year	Vested during year	At 31 December 2009	Closing mid- market price of a Savills plc share the day before grant*	Market value at date of vesting	Normal vesting date
Jeremy Helsby	17,350	–	17,350	–	426.5p	260p	15.03.09
	11,284	–	–	11,284	642.5p	–	14.03.10
	18,456	–	18,456	–	596p	260p	13.03.09
	26,676	–	–	26,676	656p	–	19.03.10
	60,929	–	–	60,929	328.25p	–	17.03.11
	–	72,727	–	72,727	288.75p	–	17.04.12
Simon Hope	38,804	–	38,804	–	426.5p	260p	15.03.09
	113,618	–	–	113,618	642.5p	–	14.03.10
	35,234	–	35,234	–	596p	260p	13.03.09
	57,164	–	–	57,164	656p	–	19.03.10
	45,696	–	–	45,696	328.25p	–	17.03.11
	–	51,948	–	51,948	288.75p	–	17.04.12
Robert McKellar	11,722	–	11,722	–	426.5p	294.5p	15.03.09
	15,564	–	–	15,564	642.5p	–	14.03.10
	8,388	–	8,388	–	596p	294.5p	13.03.09
	11,432	–	–	11,432	656p	–	19.03.10
	30,464	–	–	30,464	328.25p	–	17.03.11
	–	25,974	–	25,974	288.75p	–	17.04.12
Rupert Sebag-Montefiore	17,350	–	17,350	–	426.5p	260p	15.03.09
	25,166	–	25,166	–	596p	260p	13.03.09
	30,487	–	–	30,487	656p	–	19.03.10
	60,929	–	–	60,929	328.25p	–	17.03.11
	–	10,389	–	10,389	288.75p	–	17.04.12

\* Mid-market prices for awards prior to 11 May 2006 have not been adjusted to account for the 2:1 share subdivision on that date.

No options granted under the Executive Share Option Scheme (2001) were exercised by Directors during the year. Under the DSBP 172,470 shares vested during the year; no DSBP awards lapsed. Under the Executive Share Option Scheme (2001) options over 80,000 ordinary shares lapsed during the year. The mid-market price of the shares at 31 December 2009 was 320p and the range during the year was 223.5p to 377.5p.

**Directors' service contracts**

The Group Chief Executive and Group Chief Financial Officer both have service agreements with Savills plc. These agreements can be terminated by the Company on provision of 12 months' notice. The Chairman's letter of engagement allows for six months' notice. Other Non-Executive Directors are appointed for an initial period of three years. These appointments may also be renewed for subsequent terms. Details are as follows:

	Date appointed to Board	Date resigned from the Board	End date of current letter of appointment	Notice period
Martin Angle	2 January 2007		1 January 2013	Terminable at will
Jeremy Helsby	1 May 1999		n/a*	12 months
Timothy Ingram	27 June 2002		26 June 2011	Terminable at will
Charles McVeigh	1 August 2000		31 July 2012	Terminable at will
Simon Shaw	16 March 2009		n/a*	12 months
Peter Smith	24 May 2004		23 May 2010	6 months
Fields Wicker-Miurin	27 June 2002		26 June 2011	Terminable at will

\* But subject to the Articles of Association.

The Company may, if it chooses, terminate an Executive Director's service contract by making a payment in lieu of notice to him. No Executive Director, except for the Group Chief Executive, is entitled to receive any unpaid bonus on termination of employment unless he is employed by the Company on the first day of the month in which such bonus is payable and has not previously given notice. The Group Chief Executive is entitled to receive a pro rata bonus on termination of employment in respect of the period up to the date of expiry of his contractual notice period provided he is a 'good leaver' (which expression does not include dismissal due to poor performance).

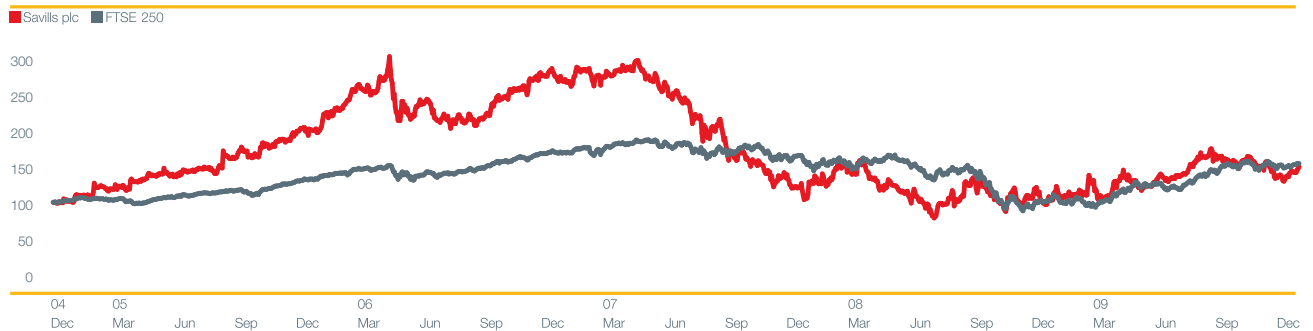
### Performance graph

The total shareholder return delivered by the Company over the last five years is shown in the chart below. Over this period the Company has delivered total shareholder return of 49% (FTSE 250: 54%). Savills was ranked 96th by performance in the FTSE 250 over the five years to 31 December 2009.

The Directors believe that the FTSE 250 is the most appropriate index against which to compare total shareholder return as it is an index of companies of similar size to Savills plc.

Below is a graph showing total shareholder return for Savills plc against the FTSE 250 Index over the last five years:

### Total Shareholder Return (rebased) – five years to 31 December 2009



By order of the Board

**Charles McVeigh**

Chairman of the Remuneration Committee

17 March 2010

Registered Office: 20 Grosvenor Hill, Berkeley Square, London W1K 3HQ