

SAVILLS PLC (“THE COMPANY”)

REMUNERATION COMMITTEE (“THE COMMITTEE”)

1. Constitution

1.1 Members

The Committee shall comprise at least three Non-Executive Directors appointed by the Board, all of whom shall be independent, and the Chairman of the plc Board.

1.2 By Invitation

The Group Chief Executive and any other Director or Executive of the Company may be invited by the Committee from time to time to attend all or part of the Committee’s proceedings.

1.3 Chairman

The Committee shall appoint a Committee Chairman. In the absence of the Committee Chairman, the remaining members present shall elect one of their number to chair the meeting. The Chairman shall not have a casting vote.

1.4 Secretary

The Company Secretary or his/her nominee shall act as the Secretary to the Committee.

1.5 Quorum

The quorum for meetings of the Committee shall be any two Committee members.

2. Terms of Reference

Having regard to the rules of the UK Listing Authority and the principles of the Combined Code, the Committee shall carry out the following duties:

2.1 To approve all remuneration schemes for Executive Directors, including, but not limited to: those related to base pay, short and long term incentives, retirement and death benefits, share option and other share participation schemes and to determine the individual levels thereunder.

2.2 To consider and, if thought appropriate, approve recommendations by the relevant employing subsidiary company boards for the remuneration of the Executive Directors.

To determine the remuneration of the Group Chief Executive, Group Finance Director and any other Executive Directors, having regard to the Group’s performance and the remuneration packages of the other Executive Directors. The Committee will consult with the Chairman and Group Chief Executive (as appropriate) in relation to individual packages for the Executive Directors. The remuneration of the Non-Executive Directors shall be determined by the Board.

To set and monitor performance conditions for any bonus arrangements operated for any Executive Directors ensuring that they represent achievable and motivating rewards for appropriate levels of performance and, where appropriate, are justifiable taking into account the Company’s and the Group’s overall performance.

2.5 In determining matters relating to executive remuneration, the Committee’s objective shall be to attract, retain and motivate directors of the quality required to run the Company successfully and to provide incentives that are appropriate to encourage enhanced performance and to reward individual contributions in a fair and reasonable manner.

- 2.6 To determine the policy for, and the scope of, pension arrangements for each Executive Director.
- 2.7 To approve the guidelines for all Company remuneration schemes, including those related to base pay, bonuses, short and long term incentives, retirement and death benefits, commissions, share option and other share participation schemes. The Executive Directors shall be responsible for determining individual levels thereunder.
- 2.8 In relation to the Company's share option and share award schemes:
 - (i) to review and approve the introduction of any new schemes;
 - (ii) to set or recommend performance criteria for share awards before options or share awards are granted which are justifiable in terms of the Company's and the Group's performance; and
 - (iii) to approve proposed option grants or share awards to Executive Directors.
- 2.9 To determine the terms of service contracts with Directors and review any proposed amendments thereto.
- 2.10 To ensure that terms agreed in respect of the termination of any Executive Director including any payment are fair and reasonable and not excessive.
- 2.11 To review the remuneration arrangements of the Company Secretary, Head of Internal Audit and the Head of Risk Management to ensure that they are fair and appropriate.
- 2.12 To consider any other matter referred to the Committee by the Board.

3. Proceedings and Other matters

- 3.1 The Committee shall have the power to employ the services of such advisers as it deems necessary to fulfil its responsibilities at the cost of the Company.
- 3.2 The Committee is authorised to seek any information it requires from any employee of the Company in order to perform its duties.
- 3.3 The Chairman of the Committee shall attend the Annual General Meeting prepared to respond to any shareholder questions on the Committee's activities.
- 3.4 The Committee shall meet at least twice a year and at such other times as shall be necessary. A meeting may be called by any member of the Committee or by the Secretary.
- 3.5 Minutes of the Committee meetings shall be prepared by the Committee Secretary. After approval by the Committee Chairman, the Minutes shall be forthwith circulated under confidential cover to the whole Board of Directors unless a conflict of interest exists.
- 3.6 At least once a year the Committee shall review its own performance, constitution and duties and recommend any changes it considers necessary for Board approval.
- 3.7 The Committee shall ensure that the Company complies with Directors Remuneration Report Regulations 2002 and the Combined Code regarding disclosure of the Directors' remuneration and produce a statement required for inclusion in the Annual Report.

UPDATED: 4 March 09