

Directors each receive a fee agreed by the Board following a review of fees paid by comparable organisations. The Board also takes into account the time commitments of the Non-executive Directors, which are reviewed annually as part of the Board appraisal process.

No increases in Non-Executive Directors' fees were awarded during the year under review since as part of a review of such fees in 2006/07 it was agreed to maintain the level of fees for a period of two years. The base Non-executive Directors' fee remained at £55,000. No additional fees are payable for attendance at Board or Committee meetings or for membership of Board Committees, but the additional fees outlined below are payable in respect of specific responsibilities:

Chair of Audit Committee	£15,000
Chair of Remuneration Committee	£10,000
Senior Independent Director	£7,500

Sir Christopher Bland serves as Non-executive Chairman of Trillium and receives additional fees of £100,000 per annum in respect of this role. Neither the Chairman nor the other Non-executive Directors receive any pension benefits from the Company, nor do they participate in any bonus or incentive schemes. Non-executive Directors are appointed under letters of appointment which provide for an initial term of service of three years. A specimen letter of appointment is available on the Company's website at www.landsecurities.com. The dates of the current letters of appointment of the Non-executive Directors are shown in *Table 61*.

The appointment of the Non-executive Directors can be terminated upon one month's notice while the appointment of the Chairman can be terminated upon three months' notice.

Table 61
When were the Non-executive Directors appointed?

Name	Date of appointment*	Date of current letter of appointment
D Rough	2 April 2002	29 April 2004
Sir Stuart Rose	21 May 2003	29 April 2004
B A Lerenius	1 June 2004	6 May 2004
A J Carnwath	1 September 2004	7 June 2004
P Myners	1 September 2006	20 Sept 2006
Sir Christopher Bland	1 April 2008	9 April 2008
R N Haythornthwaite	1 April 2008	24 April 2008
K O'Byrne	1 April 2008	9 April 2008

*Date of appointment to the Board of Land Securities Group PLC or its predecessor company, Land Securities PLC.
Sir Winfried Bischoff was appointed to the Board on 1 November 1999 and retired from the Board on 1 April 2008.

Service agreements

The Committee's policy on service agreements for Executive Directors is that they should provide for 12 months' rolling notice of termination by the Company. As a result, the unexpired term and the notice periods (both from the Company and from the Executive Director) are 12 months and there are no service contracts with provisions for predetermined compensation on termination which exceeds 12 months' salary and benefits in kind. Any proposals for the early termination of the service agreements of Directors or senior executives are considered by the Committee.

The dates of appointment and the dates of the service agreements of the Executive Directors are in *Table 62*.

Table 62
When were the Executive Directors appointed?

Name	Date of appointment*	Date of contract
F W Salway	2 April 2001	31 May 2005
M F Greenslade	1 September 2005	1 September 2005
I D Ellis	20 November 2002	28 January 2003
M R Hussey	30 September 2004	1 January 2006
R J Akers	17 May 2005	17 May 2005

*Date of appointment to the Board of Land Securities Group PLC or its predecessor company, Land Securities PLC.

The service agreements of the Executive Directors provide for phased payments of amounts payable on termination, in order to mitigate amounts potentially payable by the Company. Bonus, LTIP, redundancy and outplacement payments are considered by the Committee and are dependent on the circumstances of leaving and the rules of the relevant bonus and incentive schemes.

Chart 63
What is the total shareholder return produced by the Company?



Source: Thomson Financial

The Chairman and the other Non-executive Directors do not have service agreements with the Company.

Board approval is required before any external appointment may be accepted by an Executive Director. Any fees earned in relation to outside appointments are retained by the Executive Director.

Directors' shareholdings

The interests of the Directors in the shares of the Company as at 31 March are shown in *Table 58*.

There have been no changes in the shareholdings of the Directors between the end of the financial year and 13 May 2008, save that on 1 May 2008 Alison Carnwath acquired 59 shares under the Company's Dividend Reinvestment Plan. No Director had any other interests in contracts or securities of Land Securities Group PLC or any of its subsidiary undertakings during the year.

Shareholding guidelines

The Committee believes that it is important for a significant part of the compensation of each Executive Director to be tied to ownership of the Company's shares so that each Executive Director's interest in the growth and performance of the Company is closely aligned with the interests of our shareholders. The Committee has, therefore, established share ownership guidelines for the Company's Executive Directors. These guidelines require the Chief Executive to own shares with a value equal to twice his base salary and for other Executive Directors to own shares with a value equal to 1.5 times their base salary. An Executive Director must normally satisfy the guidelines within five years of his date of appointment or the date of introduction of this requirement in order to qualify for future awards of long-term incentives.