Directors' remuneration report

The Company's remuneration policy seeks to provide remuneration in a form to attract, retain and motivate high calibre executives, with an emphasis on delivering greater variable reward for achieving and exceeding the Group's strategic plan.

Remuneration policy principles

The Executive directors' total pay is analysed by looking across each of the different elements of remuneration including salary, pension, the annual bonus plan and long-term incentives to provide the Remuneration Committee ("the Committee") with a total remuneration view rather than just the competitiveness of the individual elements. It is important that the Group's remuneration policy reinforces the Company's goals, providing effective incentives for exceptional Group and individual performance with significant upward and downward variability from median based on performance. As well as providing motivation to perform, remuneration plays an important retention role and needs to be competitive with alternative employment opportunities, in particular at a time in the property cycle where demands on the Executive Directors and employees are high and there is a scarcity value on proven performers.

To achieve the Company's remuneration policy, the Committee seeks to position total executive remuneration around mid-market for on-target performance taking into account the size and complexity of the business as compared to other peer companies in the sector, using a significant proportion of variable reward with the opportunity to increase total potential remuneration for superior performance through the annual bonus plan and long-term incentives.

Changes in 2010/11

Following shareholders approval at the Annual General Meeting in July 2010 the following changes to the remuneration structure for Executive Directors were implemented:

- The Long-Term Incentive Plan ("LTIP") and Share Matching Plan ("SMP") were simplified so that only one scheme, the 2010 Long-Term Incentive Plan (the "New Plan") operates for the award of annual Performance Shares and Matching Shares;
- a new performance measure for the New Plan was adopted based on relative Total Property Return to ensure that the measures under the New Plan mirrored the fundamental measures that demonstrated the Group's performance being:
  - growth in absolute net asset value per share;
  - relative Total Shareholder Return; and
  - relative Total Property Return.
- the level of NAV growth that is required for awards to vest was increased significantly;
- the maximum award under the unmatched part of the LTIP was increased from 150% of basic salary to 200% of basic salary in order to provide a competitive overall total remuneration package;
- in order to receive a Matching Share award of up to 100% of basic salary, the Executive Directors were required to buy or pledge existing shares of one-third of basic salary rather than the 30% of salary previously required; and
- in the year to 31 March 2011 only, Executive Directors were given the opportunity to receive an award of an additional 100% of basic salary by making a further investment of one-third of basic salary in Company shares or pledging the same amount of shares currently held. The performance conditions in relation to this additional award are considerably more stretching than awards made under the ongoing LTIP.

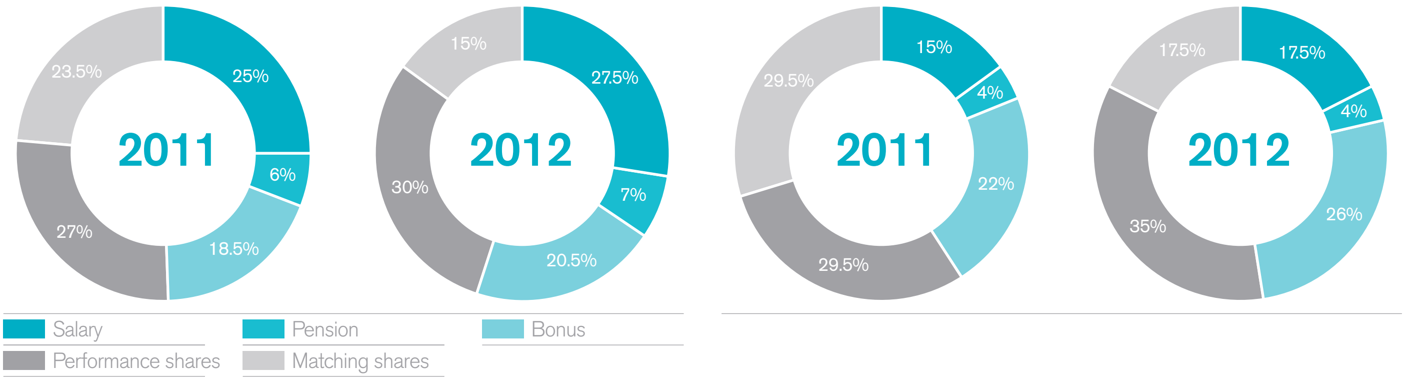
Charles Irby Chairman of the Remuneration Committee

Changes for 2011/12

In considering the Executive Directors' reward structure for the year to come, the Committee believes that the relative size of the elements of the variable reward structure and the proposed performance targets in the new incentive arrangement are appropriate in the current market environment.

Composition of total "on-target" annual Executive Director remuneration[1]

Composition of maximum annual Executive Director remuneration



1. The on-target award level for the bonus plan is assumed to be 75% of salary with a maximum award of 150% assuming the NAV underpin is achieved. If the NAV underpin is not achieved, the on-target award level for the bonus plan will be 52.5%. The on-target award for the Performance Shares and Matching Shares under the 2010 LTIP are based on the market norm expected values provided by PricewaterhouseCoopers LLP ("PwC") of 55% of face value apart from the additional award of Matching Shares in 2011 which has an expected value of 40% of face value.

Details of all payments to Executive Directors in the year, which are disclosed on page 104, show the relative values of the basic and performance related elements of remuneration for the year under review.

Basic salary and benefits

Basic salaries and the level and nature of benefits provided to Executive Directors are reviewed by the Committee annually and are assessed having regard to Company performance, individual performance and responsibilities, as well as salary levels in comparable organisations (particularly within the listed property sector). The Committee is, however, mindful of the need to treat comparisons with caution to avoid an upward ratchet of remuneration levels. It also takes account of pay and employment conditions across the Group, especially when determining annual salary increases. Basic salary is the only element of Executive Director remuneration which attracts pension contributions.

On 1 April 2011, the Executive Directors received increases in salaries as follows: Toby Courtauld £490,000 (from £471,000) and Neil Thompson £390,000 (from £325,000). The increase for Toby Courtauld is in line with the average increases provided to employees across the Group. The increase for Neil Thompson is ahead of the average across the Group because his responsibilities were significantly increased after the departure of the Property Director during the year to 31 March 2010 when he became Portfolio Director with responsibility for both the asset and development management teams. The Committee, taking account of salaries of senior operational directors at peer comparator companies, has sought to re-align Mr Thompson's salary since then to reflect these increased responsibilities as he has grown into the role.

Directors' remuneration report

It should be noted that, unlike many of its peers the Company does not provide a car allowance for Executive Directors. Benefits principally comprise life insurance, health insurance, private healthcare subscriptions, travel concessions and membership subscriptions. The taxable value of these benefits for Executive Directors is included in the table below. Following the increases to basic salary described above, the Committee notes that the fixed remuneration for the Executive Directors remains below market.

Directors' remuneration details in respect of the year ended 31 March 2011 (audited)

	Salaries/ fees £000	Performance related bonuses £000	2010 Adjustment for deferred receipts £000[4]	Benefits £000	Total 2011 £000	Total 2010 £000	Pension contribution 2011 £000	Pension contribution 2010 £000
Executive								
Toby Courtauld	471	707	167	19	1,364	792	94	89
Timon Drakesmith	315	473	102	10	900	486	63	55
Neil Thompson	325	488	107	17	937	511	65	57
Robert Noel[1]	–	–	–	–	–	286	–	54
	1,111	1,668	376	46	3,201	2,075	222	255
Non-Executive								
Martin Scicluna	185	–	–	7	192	175	–	–
Charles Irby	59	–	–	–	59	53	–	–
Phillip Rose	47	–	–	–	47	44	–	–
Jonathan Short	48	–	–	–	48	44	–	–
Jonathan Nicholls[3]	51	–	–	2	53	36	–	–
Kathleen O'Donovan[2]	–	–	–	–	–	16	–	–
Total	1,501	1,668	376	55	3,600	2,443	222	255

1. Resigned from the Board on 31 December 2009.
2. Retired from the Board on 9 July 2009.
3. Joined the Board on 10 July 2009.
4. As a result of the Group's results being adversely affected by the CPO of 18/19 Hanover Square, W1, in November 2009, the IPD target for the bonus plan was not met for the year ended 31 March 2010. Following continued negotiations with Transport for London during the course of 2011 in respect of the Group's claim in relation to the CPO of 18/19 Hanover Square, W1, a full and final settlement of an additional £5.6 million was reached in March 2011 in respect of the value of "Land Taken" in 2009. This amount has, therefore, been treated as relating to the year ended 31 March 2010 rather than 31 March 2011, resulting in the IPD target for the bonus plan for the year ended 31 March 2010 being partially met (50%) and resulting in a 2010 bonus payment to the Executive Directors of 37.5% of their 2010 salary. Discussions with Transport for London are continuing to resolve the remaining elements of the claim.

Alignment of variable awards with Company strategy for the year ended 31 March 2011

Variable component	Maximum percentage of salary	Key elements of strategy	Measured by	Maximum performance target	Actual/ anticipated vesting level
Annual Bonus Plan	75%	Market competitiveness	Growth of the Company's property portfolio against IPD's relevant Capital Growth Index (for the year to 31 March 2011)	Annual percentage rate of portfolio capital growth to exceed annual percentage rate of capital growth of the central London IPD index by 2.5%	75%
	45%	Absolute performance	Achievement of NAV targets (for the year to 31 March 2011) – positive NAV growth underpin	Positive NAV growth greater than 130% of target	45%
	30%	Operational excellence	Achievement against objectives (for the year to 31 March 2011)	Exceeding personal objectives	30%
2007, 2008 and 2009 LTIP[1]	75%	Shareholder value	Total shareholder return (based on a three year performance period)	Upper quartile TSR performance	2007[2] 2008[3] 2009–n/a
	75%	Absolute performance	Growth in the Group's net assets per share (based on a three year performance period)	The Group's net assets to exceed RPI plus 8%	2007[2] 2008[3] 2009–n/a
2007, 2008 and 2009 SMP[1,4]	50%	Shareholder value	Total shareholder return (based on a three year performance period)	Upper quartile TSR performance	2007[5] 2008[6] 2009–n/a
	50%	Absolute performance	Growth in the Group's net assets per share (based on a three year performance period)	The Group's net assets to exceed RPI plus 12%	2007[5] 2008[6] 2009–n/a
New Plan[1] Ongoing	100%	Shareholder value	Total shareholder return (based on a three year performance period)	Upper quartile TSR performance	2010–n/a
Additional (2010 only)	33.33%			Upper quintile TSR performance	
Ongoing	100%	Absolute performance	Growth in the Group's net assets per share (based on a three year performance period)	The Group's net assets to exceed RPI plus 9% p.a.	2010–n/a
Additional (2010 only)	33.33%			The Group's net assets to exceed RPI plus 9.5% p.a.	
Ongoing	100%	Market competitiveness	Total property return (based on a three year performance period)	Upper quintile TPR performance	2010–n/a
Additional (2010 only)	33.33%			Upper quintile TPR performance	

1. Measured over a three year performance period.
2. 88% of the 2007 TSR LTIP award vested to Toby Courtauld, Timon Drakesmith and Neil Thompson for awards made on 31 May 2007 and vesting in 2010 following TSR targets being met. 0% of the 2007 NAV LTIP award vested as a result of NAV targets not being met.
3. As at the date of this Report, 100% of shares under the 2008 TSR LTIP target would vest and 0% of shares under the NAV target will vest.
4. Maximum SMP award is based on a maximum investment of 30% of pre-tax salary, grossed up at the prevailing marginal rate of income tax (i.e. 40%) and matched on a ratio of 2:1.
5. 88% of the 2007 TSR SMP award vested to Toby Courtauld, Timon Drakesmith and Neil Thompson for awards made on 8 June 2007 and vesting in 2010 following TSR targets being met. 0% of the 2007 NAV SMP award vested as a result of NAV targets not being met.
6. As at the date of this Report, 100% of shares under the 2008 TSR SMP target would vest and 0% of shares under the NAV target will vest.

Bonus plan

Each year the Committee considers the appropriateness of the component parts of the annual bonus plan on page 105 in assessing the overall remuneration of Executive Directors. The Committee also has the discretion to recommend the payment of an additional bonus to a director for exceptional performance over and above the high standard already required. This discretion was not exercised for the year ended 31 March 2011.

The Company has continued to perform well overall, both in its relative total shareholder return, achievement against NAV and IPD targets and in the Executive Directors' achievement of their personal objectives to progress the Company's strategy.

The personal objectives, other than those covered by the corporate measures, for the Executive Directors for 2011 included the following and were specific as to each individual's role and responsibilities:

- proactive targeting of potential investment and development opportunities;
- de-risking of the short- to medium-term development programme;
- successful progression of the development programme;
- active tracking of, and responsiveness to, changing tenant requirements;
- exceeding rental income, void and delinquency targets;
- ensuring appropriate turnover of assets;
- proactive shareholder relations programme;
- provision of high quality financial reporting;
- maintaining and extending strong relationships with debt finance providers;
- arrangement of appropriate financing facilities;
- effective internal and external communication;
- ensuring appropriate levels of human resources and succession planning;
- development of individuals/teams;
- active representation on key property industry associations;
- setting of the Group's environmental and sustainability strategy;
- integration of the Group's property and finance IT systems; and
- ensuring delivery of health and safety objectives.

As a result of the achievement of the Executive Directors' objectives during the year, as reflected in the review of the Company on pages 2 to 56, the Committee has awarded the Executive Directors the full 30% of salary for operational excellence.

Long-Term Incentive Plans

New 2010 LTIP

Following shareholder approval, a new incentive arrangement – the 2010 Long-Term Incentive Plan (the "New Plan"), was introduced in July 2010 to simplify the LTIP and SMP arrangements and to improve the alignment of executive incentives with the Company's strategy.

The New Plan has two elements: firstly, participants are eligible to receive a conditional annual allocation of shares or nil price options worth up to 200% of base salary ("Performance Shares"); secondly, participants may purchase or pledge shares already owned in the Company ("Investment Shares") up to a value of one-third of basic salary in return for which they receive a conditional allocation of shares worth up to three times the equivalent of the amount so invested or pledged ("Matching Share Award"). Except in the first year, the Matching Share Award will be limited to shares worth up to 100% of salary. Awards vest based on the achievement of performance conditions after three years.

In the first year of operation only, if Executive Directors purchase or pledge shares worth an additional one-third of basic salary, this limit was extended by an additional 100% of salary. The associated additional Matching Share Award is also subject to more stretching performance conditions.

Investment Shares will remain registered in the name of the holder with full voting and dividend rights but if Investment Shares are disposed of then the corresponding conditional Matching Share Awards will lapse.

Dividends on Matching Shares will be rolled up and paid to the extent that the Matching Shares vest.

Under the New Plan there are three separate performance conditions for the vesting of the Performance Shares and the Matching Share Award, each applying to one-third of the shares awarded. The Committee believes these provide the best alignment between the interests of participants and shareholders.

- the performance condition attached to one-third of an award requires NAV growth of between RPI plus 3% p.a. on a straight-line to RPI plus 9% p.a. over three financial years (starting with the financial year that commences immediately before the date of grant) for between 20% and 100% of this part of the award to vest. The additional Matching Share Award requires NAV performance of between RPI plus 4% p.a. to RPI plus 9.5% p.a. to vest. Straight-line vesting is provided between these points;
- the performance condition attached to the second third requires TSR performance against constituents of the FTSE 350 Real Estate Sector (excluding agencies) over the three years from grant of the award of between median and upper quartile for between 20% and 100% of this part of the award to vest. The additional Matching Share Award in the first year requires TSR performance of between the 60th percentile and 80th percentile for the award to vest. Straight-line vesting is provided between these points; and
- the performance condition attached to the final third requires Total Property Return ("TPR") performance against constituents of the IPD Total Property Return – Central London Index over the three years from grant of the award of between median and upper quartile for between 20% and 100% of this part of the award to vest. The additional Matching Share Award in the first year requires TPR performance of between the 60th percentile and 80th percentile for the award to vest. Straight-line vesting is provided between these points.

The performance conditions selected for the New Plan are considered by the Committee to mirror the fundamental measures that demonstrate the Group's performance of:

- growth in absolute net asset value per share;
- relative Total Property Return; and
- relative Total Shareholder Return.

Actual performance against the conditions will be independently verified and reported to the Committee.

Upon vesting, shares to satisfy awards under the LTIP, SMP and New Plan are transferred out of the Great Portland Estates plc LTIP Employer Share Trust ("the Trust"), a discretionary trust established to facilitate the operation of the Company's share plans. The shares to satisfy vested awards have been purchased by the Trustees of the Trust in the open market.

The number of shares held by the Trust as at 31 March 2011 was 2,482,630.

2008 and 2009 LTIP awards

Executive Directors (and Senior Managers to a lesser extent) were eligible to be awarded shares under an LTIP, up to an annual limit of 150% of a participant's salary. Under the scheme there are two separate performance conditions for the vesting of awards, each applying to one half of the shares awarded.

- the performance condition attached to one half of an award requires NAV growth of between RPI plus 3% in total increasing on a straight-line to RPI plus 8% in total over three financial years (starting with the financial year that commences immediately before the date of grant) for between 20% and 100% of this part of the award to vest (i.e. between 10% and 50% of the total award); and
- the performance condition attached to the other half requires total shareholder return ("TSR") performance against constituents of the FTSE 350 Real Estate Sector (excluding agencies) over the three years from grant of the award of between median and upper quartile for between 20% and 100% of this part of the award to vest (i.e. between 10% and 50% of the total award) with straight-line vesting in between.

Directors' remuneration report

Long-Term Incentive Award details in respect of the year ended 31 March 2011 (audited)

	Plan	Award date	Market value of a share on grant Pence[3]	Number of shares under award at 1 April 2010[4]	Number of shares awarded during the year	Number of shares lapsed/did not vest during the year	Number of shares vested during the year	Market value on date of vesting Pence	**Number of shares under award at 31 March 2011**	Vesting date of outstanding shares
Toby Courtauld	LTIP	31 May 2007[2]	534.20	122,856	–	69,462	53,934	313.30	**–**	n/a
	LTIP	29 May 2008[2]	295.47	213,565	–	–	–	–	**213,565**	29 May 2011
	LTIP	28 May 2009[2]	229.96	278,647	–	–	–	–	**278,647**	28 May 2012
	New Plan	16 July 2010[3]	298.00	–	311,920	–	–	–	**311,920**	16 July 2013
Total awards outstanding									**804,132**	
Timon Drakesmith[1]	LTIP	31 May 2007[2]	534.20	75,160	–	42,165	32,995	313.30	**–**	n/a
	LTIP	29 May 2008[2]	295.47	130,652	–	130,652	–	–	**–**	n/a
	LTIP	28 May 2009[2]	229.96	170,466	–	170,466	–	–	**–**	n/a
	New Plan	16 July 2010[3]	298.00	–	208,609	208,609	–	–	**–**	n/a
Total awards outstanding									**–**	
Neil Thompson	LTIP	31 May 2007[2]	534.20	75,160	–	42,165	32,995	313.30	–	n/a
	LTIP	29 May 2008[2]	295.47	136,873	–	–	–	–	**136,873**	29 May 2011
	LTIP	28 May 2009[2]	229.96	178,584	–	–	–	–	**178,584**	28 May 2012
	New Plan	16 July 2010[3]	298.00	–	215,231	–	–	–	**215,231**	16 July 2013
Total awards outstanding									**530,688**	

1. Timon Drakesmith has resigned from the Board with effect from 27 May 2011.
2. Performance conditions attached to the 2008 and 2009 LTIP awards are described on page 107.
3. Performance conditions attached to the 2010 Performance Shares awards are described on pages 106 and 107.
4. To take account of the Rights Issue completed in June 2009 adjustments were made to 2008 and 2009 awards under the LTIP and SMP by applying an adjustment factor to the awards to ensure that the value of shares under award before and immediately after shares in the Company became "ex-rights" were, as far as possible, the same. The figures in the table show the number of shares after the adjustment factor was applied.

Share Matching Plan

2008 and 2009 SMP awards

Executive Directors (and to a lesser extent Senior Managers) were eligible to be awarded shares under an SMP.

- an individual could purchase or pledge shares already owned in the Company ("Investment" shares) up to an amount equal to 30% of their pre-tax annual base salary. After the Investment shares have been purchased or pledged, the Company granted conditional awards of shares ("Matching" shares) under the SMP with a value equal to two times the value of the Investment shares (grossed up for the marginal rate of income tax and employee National Insurance);
- Investment shares remain registered in the name of the holder with full voting and dividend rights but if Investment shares are disposed of then the conditional Matching awards will lapse on a proportionate basis; and
- dividends on Matching shares are rolled up.

There are two separate performance conditions, each applying to half of the Matching shares awarded:

- the performance condition attached to one half of an award will require NAV growth of between RPI plus 4% in total increasing on a straight-line to RPI plus 12% in total over three financial years (starting with the financial year that commences immediately before the date of grant) over the three years from grant of the award for between 20% and 100% of this part of the award to vest (i.e. between 10% and 50% of the total award); and

– the performance condition attached to the other half will require total shareholder return ("TSR") performance against the constituents of the FTSE 350 Real Estate Sector (excluding agencies) of between median and upper quartile for between 20% and 100% of this part of the award to vest (i.e. between 10% and 50% of the total award) with straight-line vesting in between.

For the part of an award to which the TSR performance condition applies, for both the LTIP and SMP the Committee must also be satisfied that the number of shares that vest as a result of the performance conditions being met is reflective of the underlying financial performance of the Company. Actual performance against the conditions will be independently verified and reported to the Committee.

Matching Award details[1] in respect of the year ended 31 March 2011 (audited)

	Plan	Award date	Market value of a share on grant Pence[3]	Number of shares under award at 1 April 2010[4]	Number of shares awarded during the year	Number of shares lapsed/did not vest during the year	Number of shares vested during the year	Market value on date of vesting Pence	**Number of shares under award at 31 March 2011**	Vesting date of outstanding shares
Toby Courtauld	SMP	08 June 2007	493.88	81,268	–	45,449	35,819	285.60	**–**	n/a
	SMP	06 June 2008	285.58	142,377	–	–	–	–	**142,377**	06 June 2011
	SMP	03 June 2009	231.45	185,762	–	–	–	–	**185,762**	03 June 2012
	New Plan	16 July 2010	298.00	–	332,016	–	–	–	**332,016**	16 July 2013
Total awards outstanding									**660,155**	
Timon Drakesmith[2]	SMP	08 June 2007	493.88	49,719	–	27,805	21,914	285.60	**–**	n/a
	SMP	06 June 2008	285.58	48,187	–	48,187	–	–	**–**	06 June 2011
	SMP	03 June 2009	231.45	113,64	–	113,641	–	–	**–**	03 June 2012
	New Plan	16 July 2010	298.00	–	222,048	222,048	–	–	**–**	16 July 2013
Total awards outstanding									**–**	
Neil Thompson	SMP	08 June 2007	493.88	49,719	–	27,805	21,914	285.60	**–**	n/a
	SMP	06 June 2008	285.58	91,248	–	–	–	–	**91,248**	06 June 2011
	SMP	03 June 2009	231.45	119,052	–	–	–	–	**119,052**	03 June 2012
	New Plan	16 July 2010	298.00	–	229,098	–	–	–	**229,098**	16 July 2013
Total awards outstanding									**439,398**	

1. Performance conditions attached to the 2008 and 2009 SMP awards are described on pages 108 and 109.

2. Timon Drakesmith has resigned from the Board with effect from 27 May 2011.

3. Performance conditions attached to the 2010 Matching Share awards are described on page 107.

4. To take account of the Rights Issue completed in June 2009 adjustments were made to awards under the LTIP and SMP by applying an adjustment factor to the awards to ensure that the value of shares under award before and immediately after shares in the Company became "ex-rights" were, as far as possible, the same. The figures in the table show the number of shares after the adjustment factor was applied.

Share ownership

Executive Directors are expected to build and hold a shareholding of the Company's shares obtained through incentive plans equal in value to 100% of salary within five years from appointment. As at 31 March 2011, all of the Executive Directors held shares considerably in excess of this requirement.

As at 31 March 2011

Director	Target value of shareholding £	Current shareholding shares	Value of shareholding 31 March 2011 £	Percentage holding against target
Toby Courtauld	471,000	517,002	1,994,593	423%
Timon Drakesmith	315,000	171,273	660,772	209%
Neil Thompson	325,000	191,687	739,529	227%

Pensions

A contribution of 20% of basic salary is made to each Executive Director for his personal pension arrangements or direct to his personal pension plan.

Remuneration of Non-Executive Directors

Non-Executive Directors' annual fees as at 31 March 2011

	Base fee £	Senior Independent Director £	Audit Committee £	Remuneration Committee £	Nomination Committee £	Total fees £
Martin Scicluna	185,000	–	–	–	–	185,000
Charles Irby	39,000	5,000	4,500	7,000	3,350	58,850
Phillip Rose	39,000	–	4,500	–	3,350	46,850
Jonathan Short	39,000	–	4,500	4,500	–	48,000
Jonathan Nicholls	39,000	–	8,000	4,500	–	51,500

The fees of the Non-Executive Directors, excluding the Chairman, are reviewed annually by the Executive Directors, who make recommendations to the Board. The Remuneration Committee is responsible for setting the Chairman's fee. The total of Non-Executive Directors' fees is limited by the Articles of Association. Remuneration of the Non-Executive Directors excluding the Chairman comprises a basic fee, together with a fee for serving on each Board Committee. The Chairman, who also chairs the Nomination Committee, receives a basic fee of £185,000 per annum (increased to £192,500 from 1 April 2011) and all other Non-Executive Directors receive a basic fee of £39,000 per annum (increased to £41,000 from 1 April 2011). In addition, in recognition of greater responsibility and time commitment, the Senior Independent Director receives a fee of £5,000 per annum, the Chairman of the Audit Committee receives a fee of £8,000 per annum (increased to £9,000 from 1 April 2011) and the Chairman of the Remuneration Committee a fee of £7,000 per annum (increased to £7,500 from 1 April 2011). Members of the Audit and Remuneration Committee receive a fee of £4,500 per annum and £3,350 for the Nomination Committee. Non-Executive Directors are not eligible for the Bonus Plan, LTIP or SMP, nor are contributions made to any pension arrangements.

Service agreements

The policy of the Company is to have service contracts for Executive Directors with notice periods of one year. It is sometimes necessary when recruiting a new Executive Director to give a service contract with an initial term of longer than one year. In such circumstances it is the policy of the Company that the notice period should reduce to one year after the initial period of service.

Toby Courtauld's compensation in lieu of notice, payable at the Company's discretion, is 12 months' basic salary. Compensation in lieu of notice of Timon Drakesmith and Neil Thompson, payable at the Company's discretion, is 12 months' basic salary, pension allowance and the value of benefits in kind provided in the previous year, or the actual provision of those benefits. At the discretion of the Remuneration Committee, LTIP, SMP and other awards may be permitted to vest based upon the applicable performance conditions being tested.

The Company's policy on termination payments is to consider the circumstances on a case-by-case basis, taking into account the relevant contractual terms, the circumstances of the termination and any applicable duty to mitigate. It is the Committee's policy not to reward poor performance.

On a change of control, under the terms of the Bonus Plan, the LTIP and the SMP, all the Executive Directors would also be entitled to pro rata bonuses and outstanding awards subject to the meeting of the appropriate performance conditions for the period concerned.

Executive Directors may, with the consent of the Committee, retain fees paid to them for acting as a Non-Executive Director of a company outside the Group, except where the directorship is a representative of the Company. Toby Courtauld is a member of the Royal and Sun Alliance, London Board for which he receives £1,300 per annum and is a Non-Executive Director of Liv-ex Limited, for which he received no remuneration during the year. Toby Courtauld received no remuneration for serving as director of The New West End Company.

Non-Executive Directors have letters of appointment, are subject to the provisions of the Articles of Association dealing with appointment and rotation every three years, however, in accordance with the UK Corporate Governance Code are subject to annual re-election and have a notice period of three months by either party.

The following table sets out the dates of each of the Executive Directors' service agreements and their unexpired term, the dates of the Non-Executive Directors' letters of appointment and the date on which the Non-Executive Director is next subject to reappointment or re-election.

Executive	Date of service agreement	Unexpired term (months)
Toby Courtauld	18 March 2002	12
Timon Drakesmith	15 August 2005	12
Neil Thompson	1 August 2006	12
Non-Executive	Date of appointment letter	Date when next subject to re-election
Martin Scicluna	1 October 2008	2011
Charles Irby	1 April 2004	2011
Phillip Rose	11 April 2005	2011
Jonathan Nicholls	10 July 2009	2011
Jonathan Short	22 March 2007	2011

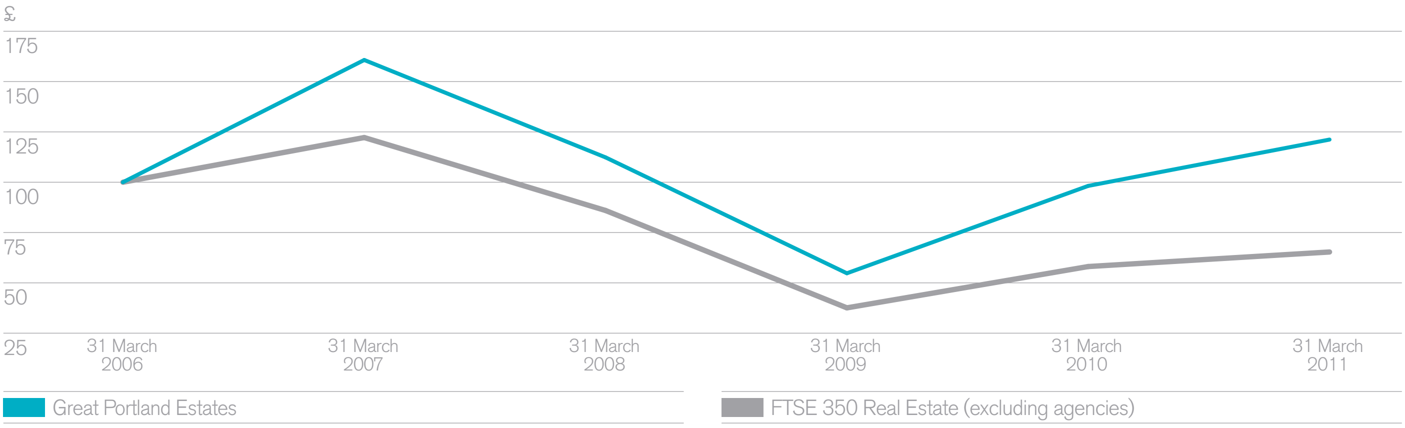
All-employee share plans

Following approval by shareholders at the 2010 Annual General Meeting, the Company introduced an HMRC approved Share Incentive Plan (the "2010 SIP") by which all employees may purchase shares up to £1,500 and be gifted two additional shares for each share purchased. If the shares are held in a trust for at least three years and the employee does not leave the Company during that period then the shares may be retained by the individual subject to some relief against income tax and national insurance charges.

Total shareholder return

The following graph shows the total shareholder returns for the Company for each of the last five financial years compared to the FTSE 350 Real Estate index (excluding agencies). The Company is a constituent of the FTSE 350 Real Estate index, and the Committee considers this benchmark to be the most appropriate for illustrating the Company's performance.

Total shareholder return



This graph shows the value, by 31 March 2011, of £100 invested in Great Portland Estates on 31 March 2006 compared with the value of £100 invested in the FTSE 350 Real Estate index, excluding agencies. The other points plotted are the values at intervening financial year ends.

Source: Datastream

Remuneration Committee and advisers

The Committee comprises three independent Non-Executive Directors, Charles Irby (Chairman), Jonathan Nicholls and Jonathan Short, and has responsibility for:

- determining the remuneration, contract terms and other benefits of the Chairman and Executive Directors in light of remuneration payable to employees across the Group;
- reviewing the remuneration framework for Senior Managers including the annual bonus plan, and long-term incentive arrangements and determining the remuneration, contract terms and other benefits for all employees with a basic salary of more than £150,000 per annum;
- reviewing the remuneration framework for all other employees including the annual bonus plan, where employees are eligible to participate in performance related bonus plans based on Company and individual performance targets;
- overseeing any significant changes to employee benefits, including pensions; and
- approving the design of and targets for performance related incentive schemes.

The Committee's Terms of Reference are available on written request and from the Company's website on www.gpe.co.uk/investors/governance/

The Committee was advised during the year by PwC as independent remuneration consultants who were appointed by the Committee. PwC also act as the Group's tax advisor. During the year the Committee was also advised by Hewitt New Bridge Street ("HNBS"), a firm of independent remuneration consultants, who provided advice to the Committee in respect of vesting of the Total Shareholder Return element of the LTIP and SMP awards and Investment Property Databank ("IPD") who provide measurement against its property benchmark, with both companies being appointed by the Committee in respect of these roles.

Toby Courtauld, the Chief Executive, provided input with regard to the discretionary bonuses for the other Executive Directors.

Remuneration report

In preparing this Remuneration report, the Committee has followed the requirements of section 1 of the 2008 Combined Code on Corporate Governance, the Companies Act 2006, schedule 8 of the Large and Medium sized Companies and Groups (Accounts and Reports) Regulation 2008, and the Listing Rules of the Financial Service Authority. This report will be submitted to shareholders for approval at the Annual General Meeting to be held on 7 July 2011.

Approved by the Board on 24 May 2011 and signed on its behalf by

Charles Irby
Chairman of the Remuneration Committee