

Remuneration Report



Phillip Colebatch
Chairman, Remuneration Committee

I am pleased to present the annual Remuneration Report summarising Man's remuneration policy and providing information on the Company's remuneration approach and arrangements for executive and non-executive directors for Financial Year 2011. This is presented in the context of company performance, market position and our corporate governance framework.

Remuneration highlights on page 42 sets out key remuneration developments this year, the steps taken by the Remuneration Committee on remuneration governance and risk management, the impact of the GLG acquisition and a summary of the Man Group plc remuneration principles; the full Statement of Remuneration Principles is available on the Company's website at www.mangroupplc.com/investor-relations.

This year the Remuneration Committee's focus has been on:

- Achieving a balance between rewarding staff for performance and maintaining the Company's competitive position whilst ensuring that remuneration is consistent with sustainable business development;
- Reviewing its terms of reference (available at the Company's website as set out above);
- Remuneration policy and processes to achieve alignment of reward with risk management; and
- Reviewing performance and determining the remuneration for executive directors and also approving remuneration for the Executive Committee members, Code Staff, senior control functions and other senior staff. Information about the Remuneration Committee meeting attendance is set out below.

Directors' attendance at Remuneration Committee meetings

Number of meetings held	6
Number of meetings attended by:	
(a) Committee members	
Phillip Colebatch, Chairman	6
Jon Aisbitt	6
Alison Carnwath	6
Ruud Hendriks	5
(b) Other Directors¹	
Peter Clarke	5
Kevin Hayes	6
Patrick O'Sullivan ²	1

¹ Attended the whole or part of the meeting by invitation.

² Patrick O'Sullivan, Chairman of the Audit & Risk Committee, was invited to attend to provide confirmation on risk issues in relation to remuneration.

This has been a year when we have seen regulation grow further and best practice continue to evolve. The Committee has taken advice from independent advisors as appropriate to keep itself informed about executive remuneration and other developments. Patterson Associates

has been appointed by and advised the Remuneration Committee regarding executive directors' incentives. Patterson Association does not provide any other services to the Company. PwC has advised management on the FSA Remuneration Code. McLagan and Towers Watson have also been engaged by management to provide independent compensation survey data where available. The Remuneration Committee was also assisted by the Chief Risk Officer, Group Head of HR and the Chief Executive.

With the acquisition and integration of GLG after consultation with major shareholders the Company adopted a firm-wide staff performance and remuneration process for the period ending December 2010. This resulted in a nine-month performance evaluation and remuneration period for Man staff (from 1 April 2010 to 31 December 2010) alongside the annual performance and remuneration cycle of GLG staff. This will be followed by an annual cycle for all staff for calendar years 2011 onwards, consistent with the financial reporting years. The results for the financial year ended 31 March 2011 accordingly include a three month accrual (1 January 2011 to 31 March 2011) on account of bonuses in respect of the remuneration cycle for the year to 31 December 2011.

Major shareholders were also consulted on the renewal of the Man Group Executive Share Option Scheme 2001 (ESOS) at the end of the plan's 10 year life. Please refer to the Notice of 2011 Annual General Meeting for full information on the ESOS plan renewal.

Remuneration is delivered in a combination of cash and deferred share-based and fund product based arrangements. In delivering remuneration, amongst other measures, the Remuneration Committee tracks the Company's compensation to revenue ratio, which has been amongst the lowest in the industry given the dominance of systematic investment strategies in Man's business. Discretionary investment management businesses such as GLG typically have higher compensation to revenue ratios. The acquisition of GLG will accordingly increase the firm's overall compensation ratio, but the Committee will continue to target a combined ratio which appropriately reflects the balance of the firm's business.

This Remuneration Report has been submitted by the Remuneration Committee and approved by the Board for the year ended 31 March 2011. We recommend this Remuneration Report to you. It will be put to an advisory vote of the Company's shareholders at the 2011 Annual General Meeting on 7 July 2011.

Phillip Colebatch
Chairman, Remuneration Committee

26 May 2011

Employee remuneration policy

Remuneration is managed within a governance framework with risk controls whilst being competitive in hiring, motivating and retaining staff. Remuneration includes base salary, benefits, an annual performance bonus, and, for senior contributors, share and fund grants.

Element	Additional Information	Condition
Base Salary	<ul style="list-style-type: none"> – Reflects individual responsibility and market value for employees of comparable status, responsibility and skills. – Independent remuneration surveys are used for comparison. – Reviewed annually. 	Skills and experience.
Pension and Benefits	<ul style="list-style-type: none"> – Includes retirement, medical cover, life and sickness assurance and holiday benefits. – Based on local market practice and legislation. 	Pensions and holiday are service-related.
Performance Bonus	<ul style="list-style-type: none"> – Annual performance bonus. – Incentive for individual and group performance. – Marketing incentives for Sales. 	Employee contribution to business objectives including managing risk. Performance measured against individual objectives.
Share/Fund Based Incentives	<ul style="list-style-type: none"> – For senior employees, alignment of interest with long term return to shareholders and interest of investors in funds. – Annual vesting over three years. 	Service related.

Performance bonus

The bonus pool is determined by the profitability of the business for the financial year after a charge on surplus capital. The Audit and Risk Committee reviewed judgemental accounting items and reported to the Remuneration Committee to provide guidance determining the bonus pool. The success of the business, within a governance framework, is therefore the direct driver of compensation levels. Employees are measured against both delivery on business objectives, and risk management compliance with performance reviews to assess the employees' contribution and potential. Business objectives include building the sustainable profitability of the Company and managing risk within the governance framework. The purpose is to increase the effectiveness and potential of every Man employee by ensuring that individual objectives are consistent with overall business and department goals. Senior employees also have part of their performance bonus mandatorily deferred in shares and funds with the proportion deferred increasing as total compensation increases with maximum deferral levels at 50% of variable compensation. Awards are through the Man Group share plans to align them with the shareholders and the future performance of the Company. Deferred compensation awards for senior investment managers are also invested in fund based incentives to align employees with the interests of investors in funds managed by the Company. Senior sales staff are rewarded through a mix of performance bonus and marketing incentives based on funds under management.

Executive Committee remuneration

The Executive Committee members who are not executive directors have had their remuneration policy assessed to ensure that senior management are appropriately incentivised to deliver the Company's strategic plan.

A significant proportion of their remuneration has been delivered as long-term deferred awards. Variable incentives are structured such that 50% of the awards have been deferred into share or fund based incentive arrangements this year. This aligns their interests with the long-term return to shareholders and with the interests of investors in Man funds. Options with an exercise price 10% above the market price at grant (premium priced options) have also been awarded to incentivise sustained growth with the options exercisable between 3 and 10 years from the anniversary of grant.

Remuneration Report

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Deferred incentive plans for the Executive Committee, other senior staff excluding executive directors

Plan	Plan Information	Additional Information
Deferred Share Plan ("DSP")	Participants are awarded nil priced options over shares in Man Group plc. Additionally, key contributors may be awarded options over shares with an exercise price 10% above the market price at grant, subject to continuing service throughout the vesting period. This will align them directly with the interests of the shareholders. For the nil priced options awarded in 2011 there will be incremental vesting of one third over three years for Man legacy employees and a two year vesting schedule for GLG legacy employees. The 10% premium priced options will vest after three years and can be exercised between the third and tenth anniversary after grant.	The deferral into the plan is mandatory and designed to attract, retain and motivate talent in an increasingly competitive specialist market.
Fund Product Plan ("FPP")	Senior investment managers have a minimum of 25% of their deferral and may have up to 100% of their deferral invested in one of the fund products in the area they manage. In all other respects the FPP mirrors the DSP.	The requirement for at least 25% of the deferral to be in funds is new for senior investment managers from March 2011. This is to align investment managers with the investors in the Company products.

Note: The Deferred Share Plan replaced the Co-Investment scheme in 2008. No further awards have been made under the Co-Investment scheme. The 2007 Co-Investment awards will vest in June 2011.

UK All Employee Share Plans

Participants in the UK Sharesave Scheme ("SAYE") are permitted to save up to £250 per month to purchase Man Group plc shares at a discount. The option price is set at a 20% discount to the market value at the time the option is granted. This is an HMRC approved scheme. Contracts are for three or five year periods.

The Company encourages employee share ownership and has a high level of staff participation in employee share plans with 50% participating in the all employee or senior staff share plans.

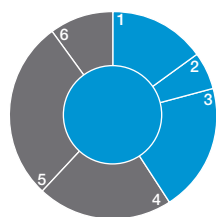
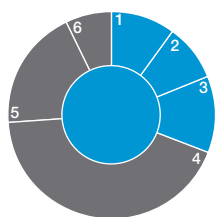
Executive directors' remuneration

The executive directors' remuneration has a direct and recognisable alignment between the executive directors and shareholders. This focuses on performance measures that are critical value drivers for the Company.

Executive directors' remuneration for 2011

Peter Clarke^(a)

Kevin Hayes^(a)



Unconditional compensation

- 1 Base salary and benefits
- 2 Performance bonus in cash
- 3 Performance bonus with mandatory deferral for PSP match

Conditional compensation

- 4 Restricted 10 year options^(c)
- 5 Performance Share Plan (PSP) basic and match^(b)
- 6 Executive Share Option Scheme (ESOS)^(b)

Notes:

- a) Performance period for 2011 was the nine months from 1 April 2010 to 31 December 2010 since the new financial year will be changed to a 31 December year end so this change has been made to harmonise the compensation year.
- b) A significant proportion of this total is subject to meeting performance and/or service conditions as summarised in the last column of the table and which may, or may not, be met. The actual amount of remuneration awarded this year which is eventually received is subject to these conditions. Performance-based share grants have been included at 2011 market value which takes account of the share price volatility and dividend yield at the time of grant.
- c) Restricted options have an exercise price 10% above the market price at grant (premium priced) with a three year service condition and exercisable between the third and tenth anniversary after grant.

Policy

Whilst ensuring shareholder interests are managed within a robust governance framework, the Company aims to attract, motivate and retain high calibre executive directors and align their remuneration with the interests of shareholders by paying competitive base salary and benefits, together with a performance bonus and long term incentive awards which are linked to:

- the achievement of individual objectives, which are consistent with the strategy of the Group and building sustainable profitability;
- the achievement of the Group's key financial targets;
- the creation of long-term shareholder value;
- ongoing oversight of a robust risk management framework;
- maintenance of strong capital and liquidity positions; and
- addition of senior talent, building succession for leadership and setting a strong governance structure for the Board's delegated authorities.

The Company operates in the alternative investment management sector and is listed in the FTSE 100, whilst the majority of its competitors are unlisted. The recruitment and retention of talent is critical and for this reason it is important that the remuneration structure is competitive and enables the Company to attract and retain high calibre executives and employees within this specialised sector. It is market practice in the alternative investment management industry for the total remuneration package of executives to contain a high proportion of variable pay which is consistent with the return to shareholders. For this reason, awards of Company shares under the Company's incentive plans are a significant proportion of the executive directors' total remuneration. This harmonises the interests of executive directors and senior executives with the Group's shareholders through the promotion and encouragement of share ownership, and is subject to achieving return on equity and growth targets.

In assessing the competitiveness of remuneration, base salaries, performance bonuses and long term incentives have been reviewed against available external market data. Internal relativities within the Company are also taken into account. These market and internal reviews cover the individual elements of base salaries, benefits and total compensation. Whilst the fixed component of remuneration is sufficiently high to allow the Company to operate a fully flexible bonus policy in order to preserve alignment with shareholder interests, the Remuneration Committee seeks to deliver a high proportion of total compensation as mandatory deferral into shares and into options over Company shares and as long term incentives.

Summary of executive directors' remuneration

Element	Further Information
Base Salary	– Base salaries have been frozen at the same level for a third year. Positioned below the median of the FTSE 100 financial services.
Pension and Benefits	– Group Personal Pension (GPP) or contribution to an alternative arrangement. The employer contribution is up to 14% of pensionable base salary. – Family private medical insurance, life assurance and permanent health insurance are provided. – Flexible benefits can be purchased from base salary.
Performance Bonus	– Cash. – Mandatory deferral into shares, held for three years to receive PSP match. – Deferred Bonus Share and Option Plan: Restricted options at 10% premium – three year service condition.
Long-Term Incentive Plans awarded by the Remuneration Committee	Performance Share Plan (PSP) <ul style="list-style-type: none"> – PSP match on 1:1 basis against mandatory deferral of performance bonus determined by the Remuneration Committee. – Basic PSP: 1 x salary. – PSP performance conditions: growth and returns measures of adjusted ROE and net management fee income growth over three year performance period. Further one year holding period.
	Executive Share Option Scheme (ESOS) <ul style="list-style-type: none"> – ESOS: 2 x salary. – ESOS performance conditions: as PSP.

Service contracts

Provision	Service Contract
Contract Dates	Peter Clarke: 1 April 1997. Kevin Hayes: 31 May 2007.
Current appointment term	No fixed term.
Notice period (by either Company or director)	12 months.
Contractual entitlement to fixed bonus or share based incentive	None.
Provisions for contract termination	Base salary and benefits for the notice period. Treatment of long term incentive share awards is covered under relevant shareholder approved plan rules.

To protect the Group's business interests, executive directors' service contracts contain covenants which restrict the executives' ability to solicit or deal with clients and also restricts their ability to solicit senior employees, to the extent permitted under the law of the relevant jurisdiction. Under their service contracts, external appointments require Board consent. The Remuneration Committee must approve in advance any termination payments. The Company has purchased and maintained throughout the year directors' and officers' liability insurance in respect of itself and its directors.

Emmanuel Roman was appointed to the Board of the Company on 5 May 2011. Under his service contract, his base salary is \$1,000,000. He does not receive any employer contribution to pension; benefits are consistent with those offered to the other executive directors. Any discretionary performance related remuneration will be considered at the end of the financial year. Emmanuel Roman is a major shareholder; his shareholding at appointment to the Board was 19,529,418 shares. Emmanuel Roman is a non-executive director of Grupo Prisa SA; he retains any fees in respect of this directorship.

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Base salary and benefits

Salaries are reviewed annually taking into account market benchmarks for executives of comparable status, responsibility and skill. Salaries were reviewed but, for the third year, there was no increase.

Base Salary at	Peter Clarke	Kevin Hayes
1 April 2010	\$925,000	\$625,000
1 April 2011	\$925,000	\$625,000

The US dollar is the functional currency of the Company and with effect from 1 June 2008 the directors' salaries were set in US dollars; this was the date of the last base salary increase.

Annual performance bonus and deferral

All executive directors and senior executives are eligible for an annual performance bonus, which is non-pensionable. Although the Remuneration Committee does not consider it appropriate to establish any maximum percentage of base salary payable by way of performance bonus, bonuses for employees (including executive directors) are determined by reference to the pre-tax profit after making certain adjustments, including a charge for the surplus capital held by the Group. Executive directors are awarded bonuses from the same bonus pool as employees which is subject to the governance and risk management set out in the employee section.

To harmonise with the new accounting cycle and the rest of the Company, the executive directors had a nine month performance evaluation and bonus period ended 31 December 2010.

Performance bonuses for executive directors are discretionary. In considering the appropriate level of bonus for each director, the Remuneration Committee considers:

- Strategy assessment measured by the extent to which the individual has contributed towards achievement of Company strategic objectives;
- Financial assessment measured by the extent to which the Group has achieved its financial targets; and
- Qualitative assessment measured by the extent to which the individual has achieved their agreed personal objectives for the year.

In our 2010 Annual Report, we set out five strategic priorities for the firm in the 2011 financial year.

- Harness new single manager content by executing on acquisitions/stakes
- Invest in AHL to ensure that we capture the programme's full potential
- Maximise Man Multi-Manager by rebuilding scale and profitability
- Deepen our distribution reach, specifically in onshore regulated markets and across institutions worldwide
- Maintain focus on efficiency by continually evaluating our cost base

The Remuneration Committee, in assessing performance and the bonus, is pleased to report significant progress on all five of these priorities, and particularly on our acquisition of GLG Partners, Inc. ("GLG").

To align executive directors with shareholders, there is a mandatory deferral of part of the annual performance bonus into Company shares which are matched by a long term incentive award in the Performance Share Plan. A further element of the performance bonus is deferred and awarded as options over shares with an exercise price set 10% above the market price at grant. These have been awarded under the Deferred Bonus Share and Option Plan (DBSOP). The premium pricing ensures that a return is delivered to the shareholders before the award has value for the executive directors. The Remuneration Committee has sought to weight the award with a smaller proportion as cash bonus and a larger proportion as mandatory deferral into shares and into options set at a 10% premium price so that executive directors have the same interests as shareholders with the quantum of payout directly reflecting share price achieved.

Information about the Deferred Bonus Share and Option Plan is below.

Deferred Bonus Share and Option Plan (DBSOP)

DBSOP Award	– Restricted options have been awarded to the executive directors at 10% premium price.
Additional Information	– Awards under the DBSOP have a three year service condition. – The options are exercisable between 3 and 10 years from the anniversary of grant. – Options may be granted at market value or premium priced at 10% or such other percentage as the Remuneration Committee determines.

Long-term share-based incentive plans

Executive directors are currently eligible to participate in the Performance Share Plan and Executive Share Option Scheme, at the Remuneration Committee's discretion.

The Remuneration Committee is not aware of any listed companies of substantial size whose main business activities are comparable in nature and scale to that of Man Group, and accordingly the Remuneration Committee does not see any merit in trying to benchmark performance criteria against any other companies. The Remuneration Committee sets performance conditions to achieve absolute returns, not relative returns, for its shareholders. These targets are considered by the Remuneration Committee to be both challenging and appropriate given the regulated nature of the Company's business.

Both PSP awards and ESOS awards have the same three-year growth and returns performance measures. There is an additional one year holding period for the PSP. These performance conditions have been chosen as relevant to the environment in which the Company operates and to the Company's business imperatives. The growth measure of Net Management Fee Income Growth (NMFIG) is a critical long-term value driver for Man. The performance conditions vesting thresholds have been selected to be challenging but motivational in current business conditions to encourage the executive directors to deliver value to shareholders.

The performance conditions for the 2011 awards have been weighted as follows:

- Cumulative three-year Net Management Fee Income Growth (NMFIG) – 75%; and
- Average three-year Adjusted Return on Equity (AROE) – 25%.

Performance measure	Vesting	
	Performance measure Threshold	Vesting percentage
Net Management Fee Income Growth (NMFIG)	10% 50%	25% 100%
Average three-year Adjusted Return on Equity (AROE)	10% 25%	25% 100%

There is straight line vesting between the threshold and maximum vesting.

The performance conditions are measured on the performance achieved over a three-year period with performance metrics derived from the Company financial statements in accordance with share plan rules. The shares and options subject to these performance conditions are set out on pages 104 to 105.

The executive directors have been made awards in the long-term share-based incentive plans below.

Long Term Incentive Plans

PSP Award	<ul style="list-style-type: none"> – Each year, participants are eligible to receive awards of performance shares up to a maximum of 100% of base salary. – Additionally the PSP participants will receive PSP matching shares (maximum of 1:1 match) for that part of their performance bonus which is mandatorily deferred into Company shares and held for at least three years. – After vesting according to performance over three years, PSP entitlements are subject to an additional one year restriction on transfer to participants dependent upon continued employment with the Company.
ESOS Award	<ul style="list-style-type: none"> – Individual share option awards are subject to annual cap of 200% of base salary, on a face value basis. – For 2010, the executive directors were awarded ESOS options equivalent to 200% of base salary. – Options issued under the Scheme may normally only be exercised between three and ten years from the date of grant and are subject to the satisfaction of performance conditions. – Performance criteria are calculated from the end of the financial year prior to the grant of option. No re-testing of the EPS performance targets will take place for options granted since 2005. Accordingly, if the targets attached to any option are not reached after three years, the option will lapse.
Performance target	<ul style="list-style-type: none"> – March 2011 PSP and ESOS awards: see above performance conditions. – 2009 and 2010 PSP and ESOS awards: performance-related over a three year measurement period. For all grants in July 2009 and June 2010 there is no vesting if there is negative AROE. Vesting commences at 8% where there is positive AROE and NMFIG is 10% or above. Vesting increases incrementally with full vesting achieved where (i) NMFIG is at least 30% and AROE is at least 10%; or (ii) NMFIG is at least 20% and AROE is at least 30% with incremental vesting between these thresholds. – Outstanding PSP awards to June 2008: performance conditions, are on the level of post-tax return on average shareholders' funds ("Return on Equity") achieved by the Group throughout the three year performance period. No award will be transferred unless the Group maintains an average annual Return on Equity of at least 20% across the performance period. For an average annual Return on Equity of 20%, 10% of the shares vest. Award shares will be transferred at levels above this on a linear sliding scale. Full benefits of an award can only be transferred when annual Return on Equity has averaged 30% or more. – Outstanding ESOS awards to June 2008: 50% of each option will continue to vest if the Company's underlying earnings per share (EPS) growth in the single three year performance period matches or exceeds the growth in RPI plus 5% per annum, with the entire option vesting at RPI plus 10% per annum.

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PSP: Status of award cycles

Cycle	Vesting level at threshold target	Threshold target (Statutory RoE unless otherwise stated)	Target for maximum vesting (Statutory RoE unless otherwise stated)	Actual Performance Outcome: Average Return on Equity	% of maximum award vesting
2011–2014 ^(b)	25% for each target	10% AROE 10% NMFIG	25% AROE 50% NMFIG	n/a	n/a
2010–2013	8%	See long term incentive plans for information on the dual performance conditions of adjusted Return on Equity and growth in net management fees		n/a	n/a
2009–2012	8%			n/a	n/a
2008–2011	10%	20%	30%	10.4%	nil
2007–2010	10%	20%	30%	21.7%	26%
2006–2009	10%	20%	30%	29.3%	92%

(Notes:

(a) Performance is assessed over a three year period. Following the three year period, awards are subject to one further year service before vesting.

(b) 2011 awards are weighted with 75% on the NMFIG and 25% on the AROE performance condition.

ESOS: Status of award cycles

Cycle	Vesting level at threshold target	Threshold target (EPS Growth unless otherwise stated)	Target for maximum vesting (EPS Growth unless otherwise stated)	Actual Performance Outcome: EPS growth in excess of RPI	% of maximum award vesting
2011–2014 ^(a)	25% for each target	10% AROE 10% NMFIG	25% AROE 50% NMFIG	n/a	n/a
2010–2013	8%	See long term incentive plans for information on the dual performance conditions of adjusted Return on Equity and growth in net management fees		n/a	n/a
2009–2012	8%			n/a	n/a
2008–2011	50%	RPI plus 5%	RPI plus 10%	-24.1%	nil
2007–2010	50%	RPI plus 5%	RPI plus 10%	-19.5%	nil
2006–2009	50%	RPI plus 5%	RPI plus 10%	9.4%	50%

(a) 2011 awards are weighted with 75% on the NMFIG and 25% on the AROE performance condition.

Share ownership requirements

The Chief Executive is required to maintain a shareholding of 200% of base salary. The Finance Director is required to maintain a shareholding of 100% of base salary. Vested PSP and ESOS can be taken into account in applying this test but unvested awards are not eligible for inclusion. Executive directors are required to build up this shareholding on joining the Board or after a reduction in share price as share and option plan awards vest. The executive directors meet these requirements. Non-executive directors are encouraged to build a shareholding. The shareholdings of directors are set out on page 106.

Man Group has always sought to facilitate significant share ownership by directors and senior management, principally through plans which encourage and assist the purchase of shares with their own funds or by way of bonus deferral. The Board and employees worldwide together own an estimated 11.3% of the Company's share capital, either directly or through employee trusts established and funded for this purpose. The Board alone directly holds 0.45% of the issued capital. The Employee Trusts are included in the Group's consolidated financial statements.

Non-executive directors' fees and terms of appointment

The fees of the non-executive directors are determined by the Board within the limits agreed by shareholders and set out in the Articles of Association. Non-executive directors receive a base fee for Board service and additional fees for Board Committee membership and other responsibilities as shown in the table on page 101. They do not participate in any share option or share incentive plans.

The Chairman's remuneration is recommended by the Remuneration Committee and approved by the Board. Neither the Chairman nor the non-executive directors take part in discussions or vote on their own remuneration. The non-executive directors and the Chairman's fees were not increased during the year.

Structure of non-executive director fees

Base non-executive director fee (includes Nomination Committee membership)	Committee membership fees				
	Audit & Risk		Remuneration		Senior Independent Director ¹
	Member	Chair ¹	Member	Chair ¹	
£65,000	£15,000	£15,000	£10,000	£15,000	£10,000

¹ In addition to the committee membership fee.

Non-executive directors have formal letters of appointment. These do not contain any notice provisions or provision for compensation in the event of early termination. The Chairman has a contract with the Company which provides that his appointment as Chairman is terminable on three months' notice; there are no notice provisions relating to his appointment as a director. The Board's policy is to appoint non-executive directors for an initial three year term, subject to retirement by rotation and reappointment by shareholders at the AGM, which may be followed by a further three years by mutual agreement. Any further extension will be by exception and will be subject to rigorous review. Any director serving for more than nine years is subject to annual retirement and reappointment by shareholders at the AGM. The initial date of appointment of the non-executive directors to the Board, the start date of their current term of appointment and their fee levels are given in the following table.

Non-executive directors' terms of appointment and annual fee levels as at 31 March 2011

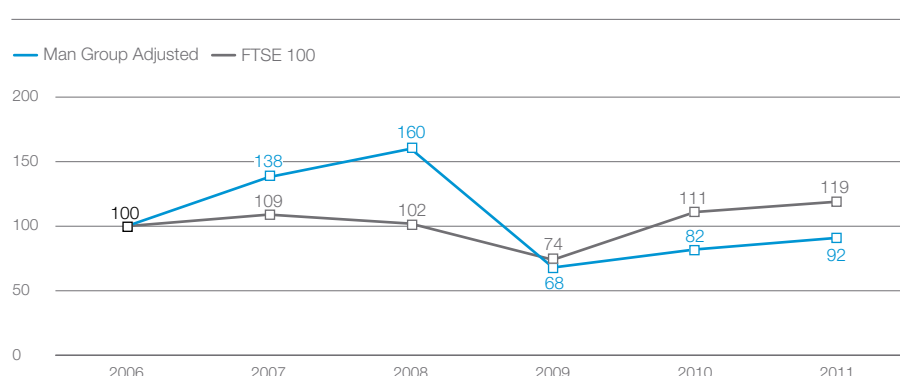
Name	Date of Appointment to the Board	Start of current term of office	Base Fee £000	Additional Fees					Total Board Fees £000
				Audit & Risk Committee		Remuneration Committee		Senior Independent Director £000	
				Chair £000	Member £000	Chair £000	Member £000		
Jon Aisbitt (Chairman)	20 August 2003	10 July 2009	450						450
Alison Carnwath	24 January 2001	9 July 2010	65		15		10	10	100
Phillip Colebatch	1 September 2007	11 July 2008	65			15	10		90
Dugald Eadie	29 January 2002	11 July 2008	65		15				80
Ruud Hendriks	1 August 2009	1 August 2009	65				10		75
Frederic Jolly	1 August 2009	1 August 2009	65		15				80
Patrick O'Sullivan	1 September 2007	9 July 2010	65	15	15				95

Matthew Lester was appointed to the Company Board on 5 May 2011 as a non-executive director. Under his letter of appointment he receives fees of £80,000 per annum. This includes his base fee and an additional fee for Audit and Risk Committee membership.

Performance graph

The performance graph below compares the Company's total shareholder return performance against the FTSE 100 Index. This index has been chosen because it is a widely recognised performance comparison for large UK companies.

Total shareholder return – five year performance to 31 March 2011



Source: Datastream

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Code Staff Remuneration

The FSA classifies Code Staff as those staff whose activities could have a material impact on a firm's risk profile. They have been identified through a rigorous risk mapping process to determine those with responsibility for risk and the risk control framework. The Remuneration Committee determined the remuneration for Executive Directors, and reviewed and approved remuneration for the Code Staff for the performance period to 31 December 2010.

A total of 19 individuals have been identified as Code Staff



Notes:

- (a) Aggregate unconditional and conditional remuneration for financial period ending 31 March 2011 for Code Staff was \$37m.
- (b) Unconditional compensation represents salary, employer pension contribution, benefits, performance bonus and performance bonus with mandatory deferral.
- (c) Conditional compensation represents deferred awards in respect of the nine month period 1 April to 31 December 2011: (i) share, option or fund grants with service and price conditionality, or, (ii) share and option grants with performance conditionality. The actual amount of remuneration which will eventually be received is subject to these conditions. Performance-based share grants have been included at 2011 market value which takes account of the share price volatility and dividend yield at the time of grant.
- (d) Man's performance and bonus period for 2011 was the nine months from 1 April 2010 to 31 December 2010. GLG Code Staff performance and bonus period for 2010 was for twelve months from 1 January 2010 to 31 December 2010. Bonus and share awards have been included for this period. Salary and benefits has been included for the financial year 2011 with GLG Code Staff included from GLG's acquisition in October 2010.

Audited Section

Average number of employees

Number	2011	2010
UK	726	661
Switzerland	469	554
USA	120	127
Other countries	223	232
Average number of employees	1,538	1,574

Key management compensation

Key management compensation and other benefits to those directors and employees classified as key management, being those having authority and responsibility for planning, directing and controlling the activities of Man, are as follows:

	2011 ^(a) \$000	2010 \$000
Salaries and other short-term employee benefits ^(b)	9,360	6,670
Post-employment benefits ^(c)	393	1,885
Share-based payments ^(d)	8,504	(3,508)
Other long term benefits ^(d)	937	–
Total	19,194	5,047

Notes:

- (a) After the acquisition of GLG, a new Executive Committee of the board ("Exco") was set up. Employees that are members of this Committee are included in key management compensation above from the Committee's formation on 22 November 2010.
- (b) Salary, benefits, performance cash bonus and performance bonus with mandatory deferral into shares and social security.
- (c) Money purchase pension and defined benefit increase in transfer value pension benefit.
- (d) Other long term benefits relate to fund product deferrals. Refer to Note 19 of the Financial Review section for further explanation of share-based and fund product based deferred compensation arrangements. Further information around share-based payments is also included in Note 14 of the Additional Financial Information.

Directors' remuneration

	2011 ^(a) \$000	2010 \$000
Fees and remuneration	6,466	6,669
Gains made on transfer of share awards and exercise of share options in the year	3,606	8,166
Contributions to money purchase pension schemes	151	51

Note:

The remuneration above is for executive directors and non-executive directors including social security.

The remuneration of the directors listed by individual director:

	2011				Total \$'000	2010 Total \$'000
	Base Salary ^(a,b) \$'000	Benefits ^(c,d) \$'000	Performance Bonus Cash ^(e) \$'000	Performance Bonus with mandatory deferral ^(e) \$'000		
Executive directors						
Peter Clarke	925	21	750	1,000	2,696	2,697
Kevin Hayes	625	2	200	700	1,527	1,727
31 March total	1,550	23	950	1,700	4,223	4,424
Sterling equivalent (£'000) total	£1,000	£15	£596	£1,067	£2,678	£2,869

Notes:

- (a) 2011 was a 9 month performance period for the bonus and amounts determined in US dollars.
- (b) Base salary stated prior to waiver into pension plan.
- (c) Benefits provided are car, medical and other benefits.
- (d) Sterling equivalent at the relevant FX rate at payment.
- (e) Performance bonus for nine-month period. Mandatory deferral into shares for three years. Peter Clarke's mandatory deferral has been granted as a pre-tax share award in the Performance Share Plan.

	2011 Fees £'000	2010 Fees £'000
Non-executive directors		
Jon Aisbitt	450	450
Alison Carnwath ^(a)	100	92
Phillip Colebatch ^(b)	90	88
Dugald Eadie ^(c)	80	85
Ruud Hendriks ^(d)	75	50
Frederic Jolly ^(e)	80	53
Patrick O'Sullivan ^(f)	95	88
Glen Moreno ^(g)	–	26
31 March (£'000) total	970	932

Notes:

- (a) Alison Carnwath was appointed Senior Independent Director on 9 July 2009.
- (b) Phillip Colebatch ceased to be a member of the Audit and Risk Committee on 31 July 2009.
- (c) Dugald Eadie retired as Chairman of the Audit and Risk Committee on 31 July 2009. He ceased to be a member of the Remuneration Committee on 31 July 2009.
- (d) Ruud Hendriks was appointed to the Board and as a member of the Remuneration Committee on 1 August 2009.
- (e) Frederic Jolly was appointed to the Board and as a member of the Audit and Risk Committee on 1 August 2009.
- (f) Patrick O'Sullivan was appointed Chairman of the Audit and Risk Committee on 1 August 2009. He ceased to be a member of the Remuneration Committee on 31 July 2009.
- (g) Glen Moreno retired from the Board on 9 July 2009.

Retirement benefits

Retirement benefits contributions to money purchase schemes were as follows:

	2011 £'000	2010 £'000
Money Purchase Schemes		
Executive director		
Peter Clarke	65	–
Kevin Hayes ^(Note)	32	32

Note:

Kevin Hayes agreed to an employee salary sacrifice/waiver of pensionable base salary of £47,334, which is not included in the above pension figures.

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Defined benefit

Retirement benefits accruing to Peter Clarke under a defined benefit pension scheme were as follows:

	Age	Accrued pension at 31 March 2011 ^(a) £'000 per annum	Increase in accrued pension during the year ^(b) £'000 per annum	Increase in accrued pension during the year (net of inflation) ^(b) £'000 per annum	Transfer value at 31 March 2011 of increase in accrued pension during the year (net of inflation) ^(c,d,e) £'000	Transfer value of accrued pension at 31 March 2011 ^(d,e) £'000	Transfer value of accrued pension at 31 March 2010 ^(d,e) £'000	Increase in transfer value over the year £'000
Peter Clarke	51	69	3	–	–	2,107	2,003	104

Notes:

- (a) Peter Clarke continues to be employed on a full-time basis as the Group Chief Executive. However, he elected to draw his defined benefit pension from the Man Group plc Pension Fund (the Fund) with effect from 1 March 2010. The accrued pension represents his pension in payment as at 31 March 2011, calculated in accordance with the rules of the Fund. The equivalent figure at 31 March 2010 was £66,000. The accrued pension as at 31 March 2010 disclosed last year was the accrued pension before the reduction applied in exchange for the cash lump sum of £531,747 taken by Peter Clarke under the Fund rules. Peter Clarke will not accrue any further benefits in the Man Group plc Pension Fund. Pension provision after 1 March 2010 has been provided via an alternative pension arrangement into which the Company contributes 14% of basic salary.
- (b) The increase in accrued pension figures compares the pension in payment as at 31 March 2010 (£66,000) against the pension in payment as at 31 March 2011.
- (c) The increase in transfer value represents (i) the increase in the value of Peter Clarke's pension as a result of the annual increase granted to pensions in payment and (ii) a change in the underlying transfer value assumptions and market conditions. No adjustment has been applied to these figures for directors' contribution paid since none have been paid during the year.
- (d) The transfer values have been calculated in accordance with the relevant legislation using the approach set by the Trustees of the Fund.
- (e) The transfer value figures at 31 March 2011 and 31 March 2010 exclude benefits paid to Peter Clarke prior to the respective dates of calculation, in particular his cash lump sum of £531,747. They are calculated based on market conditions as at 31 March 2011 and 31 March 2010 respectively.

Shares under option in the Deferred Bonus Share and Option Plan (DBSOP) – subject to service conditions and an exercise price set 10% above the market price at grant

	Date of grant	Number of Options ^(a)							
		01 April 2010	Granted during year	Exercised during year	Lapsed during year	31 March 2011	Option exercise price	Earliest exercise date	Latest exercise date
Executive directors									
Peter Clarke	June 2010	–	2,997,442	–	–	2,997,442	280.1799p	June 2013	June 2020
	March 2011	–	3,629,238	–	–	3,629,238	273.0795p	March 2014	March 2021
Kevin Hayes	June 2010	–	749,360	–	–	749,360	280.1799p	June 2013	June 2020
	March 2011	–	777,693	–	–	777,693	273.0795p	March 2014	March 2021

The obligations of the executive share plans are externally economically hedged. Refer to Note 16 and Note 19 of the Financial Review section.

Shares under option under the Man Group Executive Share Option Scheme 2001 – subject to performance and service conditions

	Date of grant	Number of Options ^(a)							
		01 April 2010	Granted during year	Exercised during year	Lapsed during year	31 March 2011	Option exercise price	Earliest exercise date	Latest exercise date
Executive directors									
Peter Clarke	June 2006	93,789	–	–	–	93,789	399.83p	June 2009	June 2016
	June 2008	157,306	–	–	157,306	–	604.5p	June 2011	June 2018
	July 2009	478,941	–	–	–	478,941	239.25p	July 2012	July 2019
	June 2010	–	484,179	–	–	484,179	258.3p	June 2013	June 2020
	March 2011	–	345,073	–	–	345,073	247.5p	March 2014	March 2021
Kevin Hayes	June 2008	106,288	–	–	106,288	–	604.50p	June 2011	June 2018
	July 2009	323,609	–	–	–	323,609	239.25p	July 2012	July 2019
	June 2010	–	327,148	–	–	327,148	258.3p	June 2013	June 2020
	March 2011	–	233,157	–	–	233,157	247.5p	March 2014	March 2021

Notes:

- (a) For grants prior to 2009, the performance condition was earnings per share growth in excess of RPI over a three year performance period. For grants from June 2009 onwards, vesting is subject to achieving cumulative three-year net management fee income growth (NMFIG) and average three-year adjusted ROE (AROE). For all grants in March 2011 75% of vesting is subject to achieving cumulative three year NMFIG and 25% of vesting is subject to achieving three year average AROE. More information is provided on pages 98 to 100.

Share Awards and Matching Awards under the Performance Share Plan - subject to performance and service conditions

Performance Share Plan – Share Awards ^(a)							
Number of Awards							
Date of award	01 April 2010	Awarded during year ^(c)	Transferred during year ^(b)	Lapsed during year	31 March 2011	Transfer Date	
Peter Clarke	June 2006	87,740	–	87,740	–	–	June 2010
	June 2007	19,907	–	–	–	19,907	June 2011
	June 2008	77,335	–	–	77,335	–	June 2012
	July 2009	225,824	–	–	–	225,824	July 2013
	June 2010	–	251,212	–	–	251,212	June 2014
	March 2011	–	172,537	–	–	172,537	March 2015
Kevin Hayes	June 2008	52,253	–	–	52,253	–	June 2012
	July 2009	152,584	–	–	–	152,584	July 2013
	June 2010	–	169,738	–	–	169,738	June 2014
	March 2011	–	116,579	–	–	116,579	March 2015

Performance Share Plan – Matching Awards ^(a)							
Number of Awards							
Date of award	01 April 2010	Awarded during year ^(c)	Transferred during year ^(b)	Lapsed during year	31 March 2011	Transfer Date	
Peter Clarke	June 2006	421,159	–	421,159	–	–	June 2010
	June 2007	210,786	–	–	–	210,786	June 2011
	June 2008	1,128,674	–	–	1,128,674	–	June 2012
	July 2009	1,464,802	–	–	–	1,464,802	July 2013
	June 2010	–	271,581	–	–	271,581	June 2014
	March 2011	–	248,702	–	–	248,702	March 2015
Kevin Hayes	June 2008	327,110	–	–	327,110	–	June 2012
	July 2009	732,401	–	–	–	732,401	July 2013
	June 2010	–	230,843	–	–	230,843	June 2014
	March 2011	–	174,091	–	–	174,091	March 2015

Notes:

- (a) For grants prior to 2009, the performance condition was ROE. For grants from June 2009 onwards, vesting is subject to achieving cumulative three-year net management fee income growth (NMFIG) and average three-year adjusted ROE (AROE). For all grants in March 2011 75% of vesting is subject to achieving cumulative three year NMFIG and 25% of vesting is subject to achieving three year average AROE. More information is provided on pages 98 to 100. Based on performance conditions, the 2006 awards have vested at 92% and were transferred in June 2010; the 2007 awards have vested at 26% and will be transferred in June 2011; the 2008 awards have lapsed in their entirety.
- (b) On 9 June 2010 the following award shares under the Performance Share Plan were transferred:
Peter Clarke: shares awarded in 2006 when the share price was 393.2 pence per share giving a market value at grant of £2,000,991. At transfer date the share price was 236.88 pence giving a market value of £1,205,480.
- (c) In relation to shares awarded on 23 June 2010, the share price was 248.92 pence representing the 5 day average prior to that date. In relation to the shares awarded on 24 March 2011, the share price was 247.5 pence representing the mid-market quotation on the previous day.

Matching Share Awards under the Group's Co-Investment Plan - subject to service conditions

	01 April 2010	Awarded During year	Exercised in Year	31 March 2011
Kevin Hayes ^(a)	468,916	–	468,916	–

Notes:

- (a) Kevin Hayes was granted matching awards under this scheme prior to his appointment as a director.
- (b) On 31 March 2011 the following award shares under the Co-Investment Plan were transferred:
Kevin Hayes: shares awarded in 2007 when the share price was 543.00 pence per share giving a market value at grant of £2,546,214. At transfer date the share price was 247.24 pence giving a market value of £1,159,348.

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Shares under option under the Man Group Sharesave Scheme

	Date of grant	1 April 2010	Lapsed during year	Granted during year	Number of Options				
					Exercised during Year	31 March 2011	Option Price	Earliest exercise date	Latest exercise date
Executive directors									
Peter Clarke	June 2009	4,653	–	–	–	4,653	195.0p	August 2012	January 2013
Kevin Hayes	June 2010	3,476	3,476	8,174	–	8,174	189.0p	August 2015	January 2016

Directors' Interests in Ordinary Shares of Man Group plc

	Number of shares ^(a)	
	31 March 2011 ^(b)	31 March 2010
Executive directors		
Peter Clarke ^(c,d)	4,958,281	4,709,245
Kevin Hayes ^(c,d)	1,104,731	663,738
Non-executive directors		
Jon Aisbitt	1,631,250	1,631,250
Alison Carnwath	239,125	217,115
Phillip Colebatch	10,000	10,000
Dugald Eadie	360,000	360,000
Ruud Hendriks	101,246	93,796
Frederic Jolly	9,705	9,705
Patrick O'Sullivan	86,353	80,000

Notes:

(a) All of the above interests are beneficial.

(b) There has been no change in the directors' interests in the ordinary shares of Man Group plc from 31 March 2011 to the date of this report.

(c) Peter Clarke and Kevin Hayes also hold the following leveraged equity linked warrants relating to ordinary shares of 3 3/4 US cents in Man Group plc:

Peter Clarke: Number of shares to which the warrants relate: 1,128,722, Number of warrants purchased: 1,128,722, Price per warrant: 57.59p.

Kevin Hayes: Number of shares to which the warrants relate: 260,474, Number of warrants purchased: 260,474, Price per warrant: 57.59p.

(d) Each warrant purchased will entitle the holder to the payment, at the end of three years, of an amount representing a proportion of the difference between the strike price of the warrant and the average share price of Man Group plc ordinary shares over the three year period from the date of issue.

The market price of the Company's shares at the end of the financial year was 245.9p. The highest and lowest daily closing share prices during the financial year were 311.0p and 201.9p respectively.

For and on behalf of the Board

Phillip Colebatch
Chairman, Remuneration Committee

26 May 2011