Supervisory Board and Remuneration

Profile Supervisory Board

Adri Baan
Dutch, 1942, Chairman, appointed in 2002, current term until 2014, member of the Audit Committee and member of the Selection and Remuneration Committee

Position:
Former Executive Board Member of Royal Philips Electronics nv

Supervisory directorships and other positions:
- Chairman of the Supervisory Board and member of the Audit Committee of Koninklijke Volker Wessels Stevin nv
- Member of the Supervisory Board and of the Audit Committee of Imtech nv
- Member of the Supervisory Board, Chairman of the Remuneration Committee, and member of the Audit Committee of Océ nv
- Chairman of the Board of Directors (Non-Executive Director) and member of the Audit Committee of Dockwise Ltd. (Bermuda)
- Senior adviser Warburg Pincus LLC
- Member of the Supervisory Boards of The University of Amsterdam and Academic Medical Centre, Amsterdam

Peter Wakkie
Dutch, 1948, Deputy Chairman, appointed in 2005, current term until 2013, member of the Selection and Remuneration Committee

Position:
- Founding partner of law firm Spinath & Wakkie
- Former Chief Corporate Governance Counsel and member of the Executive Board of Royal AHOLD nv

Supervisory directorships and other positions:
- Member of the Supervisory Board of ABN AMRO Group N.V.
- Member of the Supervisory Board of BCD Holdings nv
- Member of the Supervisory Board of TomTom nv
- Member of the Dutch Monitoring Committee Corporate Governance

Bruno Angelici
French, 1947, appointed in 2007, current term until 2015, member of the Audit Committee

Position:
- Former Executive Vice President, Europe, Japan, Asia Pacific, Latin America, Middle East, and Africa of AstraZeneca Plc.

Supervisory directorships and other positions:
- Member of the Board (Non-Executive director) of Smiths Group plc (United Kingdom)
- Member of the Board (Non-Executive director) of Novo Nordisk A/S (Denmark)
- Member of the Global Advisory Board of Takeda Pharmaceuticals Ltd. (Japan)

Barbara Dalibard
French, 1958, appointed in 2009, current term until 2013

Position:
- Chief Executive Officer of SNCF Voyages (France)

Supervisory directorships and other positions:
- Member of the Supervisory Board of Michelin S.A. (France)

Len Forman
American, 1945, appointed in 2005, current term until 2013, Chairman of the Selection and Remuneration Committee and member of the Audit Committee

Position:
- Former Executive Vice President and Chief Financial Officer of the New York Times Company (United States)

Supervisory directorships and other positions:
- Member of the Board (Non-Executive Director) and Chairman of the Audit Committee of TechTarget Inc. (United States)

Stuart James
Australian, 1948, appointed in 2006, current term until 2014, member of the Selection and Remuneration Committee

Position:
- Former Group Managing Director and CEO of Mayne Group Ltd. (Australia)
- Former Managing Director of the Colonial State Bank (formerly State Bank of New South Wales) (Australia)

Supervisory directorships and other positions:
- Non-Executive Director and Chairman of Prime Financial Group Ltd., Progen Pharmaceutical Ltd., Pulse Health Ltd. (Australia)
- Non-Executive Director of Greencross Ltd. and Phosphagenics Ltd. (Australia)

Henk Scheffers
Dutch, 1948, appointed in 2004, current term until 2012, Chairman of the Audit Committee

Position:
- Former member of the Executive Board of Directors of SHV Holdings nv

Supervisory directorships and other positions:
- Chairman of the Supervisory Board of Aalberts Industries nv
- Vice Chairman of the Supervisory Board of Flint Holding nv
- Member of the Supervisory Board and of the Audit Committee of AON Nederland bv
- Member of the Supervisory Board and member of the Audit Committee of Royal BAM Group nv
- Member of the Supervisory Board and Chairman of the Audit Committee of Royal FrieslandCampina nv
- Member of the Supervisory Board of Made in Scotland
- Member of the Investment Committee of NPM Capital nv

Report of the Supervisory Board

Financial statements
The Executive Board submitted the 2011 financial statements to the Supervisory Board. The Supervisory Board also took notice of the report and the statement by KPMG Accountants nv (as referred to in Article 27, paragraph 3 of the company's Articles of Association), which the Supervisory Board discussed with KPMG. Taking KPMG's report into account, the members of the Supervisory Board signed the 2011 financial statements, pursuant to their statutory obligation under clause 2:101 (2) of the Netherlands Civil Code. The Supervisory Board proposes to the shareholders that they adopt these financial statements, see Financial Statements at the Annual General Meeting of Shareholders of April 25, 2012. The resolutions to release the members of the Executive Board and of the Supervisory Board from liability for their respective duties will be voted on separately at the Annual General Meeting of Shareholders. In line with the existing dividend policy, it is proposed to distribute a dividend of €0.68 per share in cash, or, at the option of shareholders, in stock. Stock payments will be determined on May 11, 2012, after close of trading. Upon approval by the Annual General Meeting of Shareholders, the payments will be made as from May 15, 2012.

Activities
The Supervisory Board held seven meetings in 2011. One meeting was partly held without the members of the Executive Board being present. Three of the Board Members attended all meetings, three Board Members missed one meeting, and one Board Member missed two meetings. One of the meetings was combined with a working visit to Wolters Kluwer in Germany. During that meeting, several managers of Wolters Kluwer Germany gave presentations. The Supervisory Board also held several conference calls to discuss specific matters. In addition to the scheduled meetings, the Chairman and other members of the Supervisory Board had regular contact with the Chairman and other members of the Executive Board.

Evaluations
In accordance with the Dutch Corporate Governance Code, the functioning of the Supervisory Board and the Executive Board and the performance of the individual members of both Boards were discussed without the members of the Executive Board being present. The composition of the Supervisory Board, the Audit Committee, and the Selection and Remuneration Committee, was also discussed in the absence of the Executive Board. The Chairman of the Supervisory Board had individual meetings with each of the Supervisory Board Members to discuss the outcome of the written self-assessment on the functioning of the Supervisory Board.

To further increase the quality of the evaluation, the Supervisory Board has engaged an external party to assist in drafting questionnaires for the Supervisory Board evaluation over 2011 and to assist in reviewing the responses. The evaluation consists of five questionnaires to review the performance of the Supervisory Board, the Audit Committee, the Selection and Remuneration Committee, and the Chairman, next to a review of the Supervisory Board by the Executive Board Members (an upward review). The outcome of this evaluation was discussed early 2012 in a meeting without the Executive Board Members being present.

Strategy
The Executive Board has kept the Supervisory Board closely informed about the execution of the strategy for 2010-2012, Maximizing Value for Customers, as announced on November 4, 2009. Throughout the year, the Supervisory Board has discussed the company's strategy on various occasions. In relation to the strategy the Supervisory Board discussed portfolio management and capital allocation with the Executive Board. The divisional CEOs were invited to two Supervisory Board meetings in 2011 to present the strategy and three-year Business Developments Plans of their divisions. During one of the meetings, several external experts shared their views on the media industry with the Supervisory Board. The Supervisory Board was also extensively informed about the innovation activities within Wolters Kluwer, including the developments with respect to delivering information and services via mobile devices ("mobility"). The Supervisory Board is supportive of the increased focus on innovation throughout the entire company under the leadership of the Executive Board, including the institution of Innovation Awards. In addition to the overall strategy, the Executive Board and several managers from the divisions and business units gave presentations about specific strategic subjects, such as developments within certain regions or lines of business, potential acquisition candidates, and emerging business opportunities within certain business units. The Supervisory Board also spoke about opportunities in emerging economies for various Wolters Kluwer divisions. Competitor analyses are also an important aspect of the strategic discussions. The Supervisory Board values the extensive information and discussions about strategy-related subjects.

Mergers and acquisitions
The Supervisory Board discussed (potential) acquisitions and divestments with the Executive Board. The Executive Board informed the Supervisory Board about all pending acquisition activity, including smaller acquisitions for which no formal Supervisory Board approval is required. The Supervisory Board also discussed the general acquisition criteria and investment priorities with the Executive Board and reviewed

the performance of previous acquisitions. Acquisitions are an important contributor to the transformation of the company's portfolio towards higher-value electronic products and to geographic expansion. Acquisitions that were completed in 2011 after approval of the Supervisory Board were National Registered Agents, Inc. (NRAI) and Lexicomp, Inc. Through the NRAI acquisition, Wolters Kluwer Corporate Legal Services strengthens its position as a leading provider of legal compliance and corporate governance solutions. The Lexicomp acquisition fits in the strategy of the Health division to build out its Clinical Solutions business as part of the strong focus on the point-of-care market. Managers of the Corporate Legal Services and the Health division gave presentations with respect to the acquisitions, thus enabling the Supervisory Board to get a good picture of the acquisition candidates and to ask questions to the managers who are directly responsible for the implementation and management of the companies after acquirement.

The Supervisory Board also approved the resolution to divest the Pharma Solutions business, part of Wolters Kluwer's Health & Pharma Solutions division, and the related impairment. This divestment was discussed with both the Executive Board and division management. Part of this divestment (the Marketing & Publishing Services) was completed in 2011.

Various activities

The Supervisory Board was kept informed about the Springboard Program. The program was finalized by the end of 2011. Springboard has helped the Company to achieve cost containment and increased efficiency. In addition to general updates about the program, the Supervisory Board approved a contract regarding outsourcing of technology infrastructure.

The Supervisory Board spoke about developments with respect to Corporate Governance. An overview of the Company's Corporate Governance can be found in Corporate Governance. The Supervisory Board and Audit Committee were also informed about the general and financial risks of the business and about the results of an assessment of internal risk management and control systems. The Supervisory Board is supportive of the continuing actions the Company takes to further improve the internal risk management and controls systems. For more information, see Risk Management.

The Supervisory Board discussed talent management and succession planning within Wolters Kluwer. Due to talent management overviews that are provided to the Supervisory Board, in combination with the opportunity to meet executives and managers during presentations and working visits, the Supervisory Board has an increasingly better picture of management talent at Wolters Kluwer. Mr. Forman attended one of the global management meetings of Wolters Kluwer which brought together the top executives and the high potential managers at Wolters Kluwer. This gave him the opportunity to speak to managers from a broad cross section of the business, and also to get a better view on various innovation initiatives within the company.

The Supervisory Board was kept informed about the progress of the share buy-back of €100 million that was executed in 2011 after approval from the Supervisory Board. The buy-back was completed in the third quarter of the year.

The Supervisory Board was well informed about Investor Relations. Updates were given during several meetings, and a former analyst presented during one of the meetings to give the Supervisory Board a better view on investor dynamics in the market. Furthermore, the Vice President of Investor Relations attended one of the Supervisory Board meetings to provide an update.

Other subjects discussed were the budget, the financial outlook for 2011, the dividend policy and the proposed dividend, use of free cash flow, the financing of the company, the outcome of the annual impairment test, annual and interim financial results and press releases, competitive developments, technology developments, remuneration, sustainability, and human resources. During several meetings, managers and employees of various Wolters Kluwer divisions and businesses gave presentations on these specific subjects.

Audit Committee

The Audit Committee met four times in 2011, during the preparation of the annual and half-year results, and during the presentation of the interim trading updates after the first and third quarter. Mr. Baan, who previously stepped down as member of the Audit Committee, was appointed as member of the Audit Committee again in 2011, with a view on continuity, also in light of the upcoming retirement of Mr. Scheffers. The Audit Committee currently consists of Mr. Scheffers (Chairman), Mr. Angelici, Mr. Baan, and Mr. Forman. The meetings of the Audit Committee were held in the presence of representatives of the Executive Board, the external auditor, the internal auditor, and other corporate staff members. In line with the Dutch Corporate Governance Code, the Audit Committee meets once a year with the external auditors without members of the Executive Board being present. Among the main items discussed during the Audit Committee meetings were the financial results of the company, IFRSs, pensions, tax planning, impairment testing, the Treasury policy, the financing of the company, hedging, the quarterly reports and full-year report of KPMG, the revised auditor independence policy, and internal risk management and control systems including IT systems. The Audit Committee has reviewed the proposed audit scope and approach, the audit fees, the independence of the external auditor, and the non-audit services provided by the external auditor.

Selection and Remuneration Committee

The Selection and Remuneration Committee met four times in 2011 and had one conference call. The Committee currently consists of Mr. Forman (Chairman), Mr. Baan, Mr. James, and Mr. Wakkie. The Committee has discussed the remuneration policy for the Executive Board, including the base salary, new conditional awards of performance shares under the Long-Term Incentive Plan, and targets for the Short-Term Incentive Plan. The Committee engaged an outside compensation advisor to provide recommendations and information on market practices for compensation structure and levels. In 2011, based on a recommendation of the Committee, the base salary of the Executive Board Members increased with 3%. The Supervisory Board resolved to use revenues from electronic products as a percentage of total revenues as new target within the Short-Term Incentive Plan to reflect the commitment of the Company to improving its sustainability efforts. Electronic products reduce paper consumption and increase productivity which contributes to sustainability of Wolters Kluwer and its customers. On April 27, 2011, the Annual General Meeting of Shareholders approved the proposal to amend the Long-Term Incentive Plan of the Executive Board by adding diluted earnings per share as a second performance measure, in addition to relative total shareholder return. Notwithstanding the strong performance of the Company and management, the Supervisory Board has agreed with the Executive Board that in light of the general public discussion about executive remuneration in the Netherlands, and in the context of the current macroeconomic situation, the base salary of the Executive Board Members will not increase in 2012. For more information about the remuneration policy of the Executive Board see Remuneration Report and note 31 of the Consolidated Financial Statements.

The Selection and Remuneration Committee has also reviewed the remuneration of the members of the Supervisory Board. Taking into consideration the increased responsibilities of Supervisory Board members, market practice, and the fact that the last increase of remuneration took place in 2007, it was proposed at the Annual General Meetings of Shareholders of April 27, 2011, to increase the remuneration of the members of the Supervisory Board. This proposal was approved. The details about Supervisory Board remuneration can be found in note 31 of the Consolidated Financial Statements.

Based on a nomination from the Selection and Remuneration Committee, the Supervisory Board proposed to the Annual general Meeting of Shareholders of April 27, 2011, to reappoint Jack Lynch, whose term expired in 2011, as member of the Executive Board. This proposal was approved.

Composition

In 2011, the first term of Mr. B.F.J. Angelici expired. Mr. Angelici was reappointed at the Annual General Meeting of Shareholders in 2011.

In 2012, the second term of Mr. H. Scheffers will expire. Mr. Scheffers has informed the Supervisory Board that he is not available for reappointment.

At the General Meeting of Shareholders that will be held on April 25, 2012, the Supervisory Board will propose to appoint Mr. D.R. Hooft Graafland as new member of the Supervisory Board.

For more information on each of the Supervisory Board members in accordance with the Dutch Corporate Governance Code, see Profile Supervisory Board. All members of the Supervisory Board are independent from the company within the meaning of Best Practice Provision III.2.2 of the Dutch Corporate Governance Code.

Finally, the Supervisory Board would like to take this opportunity to thank the Executive Board and all employees for their efforts in the past year.

Alphen aan den Rijn, February 21, 2012

Supervisory Board
A. Baan, Chairman
P.N. Wakkie, Deputy Chairman
B.F.J. Angelici
B.M. Dalibard
L.P. Forman
S.B. James
H. Scheffers

Retirement of Mr. Scheffers

We would like to thank Henk Scheffers for his contribution to the Supervisory Board. Mr. Scheffers became a member of the Supervisory Board in 2004. He has been member of the Audit Committee since his appointment and became Chairman of this Committee in 2005. With his financial expertise and general management experience, Mr. Scheffers made an important contribution to the Supervisory Board and Audit Committee meetings. We express our great appreciation for the commitment and extensive knowledge sharing over the last eight years.

Supervisory Board
A. Baan, Chairman
P.N. Wakkie, Deputy Chairman
B.F.J. Angelici
B.M. Dalibard
L.P. Forman
S.B. James

Executive Board
N. McKinstry
B.L.J.M. Beerkens
J.J. Lynch

Remuneration Report

Introduction

During the Annual General Meeting of Shareholders of April 21, 2004, the remuneration policy for members of the Executive Board was adopted and the Long-Term Incentive Plan approved. Amendments to the Remuneration Policy and the Long-Term Incentive Plan were approved during the Annual General Meeting of Shareholders of April 20, 2007. The Supervisory Board proposed to the Annual General Meeting of Shareholders that was held on April 27, 2011, to amend the Long-Term Incentive Plan, which proposal was accepted.

Remuneration policy

The goals of Executive Board remuneration are to align individual and company performance, strengthen long-term commitment to the company, and attract and retain the best executive management talent.

The remuneration of Executive Board members is based on surveys and analyses by internationally recognized firms specializing in executive compensation. Because Wolters Kluwer is a global organization and its Executive Board represents diverse nationalities, remuneration is benchmarked individually against surveys from European and U.S. companies, taking into consideration geographic locations where Executive Board members might be recruited to and where new members might be recruited from in the future.

Composition of remuneration

Remuneration for the Executive Board consists of three elements: a base salary, a Short-Term Incentive Plan (STIP) on which a cash bonus can be earned, and a Long-Term Incentive Plan (LTIP) on which performance shares can be earned. The base salary of individual Executive Board members is determined annually by the Supervisory Board, based on recommendations from its Selection and Remuneration Committee. Both the short-term and long-term incentives vary according to performance. The Supervisory Board resolves annually which targets are set for the STIP. Variable elements of the remuneration package make up the largest portion of the Executive Board's total compensation, reflecting the philosophy that senior executive compensation is linked to shareholder value and performance. Because the LTIP is based on the performance over a three-year period, the remuneration policy contributes to the long-term objectives of the company. The STIP targets largely reflect the key performance indicators that the company reports about in its periodical results. These indicators are an important measure of the success of the execution of the company's strategy. As such, the remuneration is directly linked to performance and the strategy.

Executive Board members participate in pension schemes of their home countries, except in the Netherlands where an individually defined contribution plan is used.

Governance

In line with the Dutch Corporate Governance Code, the Selection and Remuneration Committee and Supervisory Board made scenario analyses when they determined the level and structure of the Executive Board's remuneration. These analyses included all elements of remuneration, including potential LTIP and STIP pay outs, under various scenarios. The Committee has also discussed to which extent the variable remuneration might expose the company to risks, taking into consideration the overall risk profile of the company, as described in Risk Management. The Committee reached the conclusion that the remuneration policy provides management with good incentives to create long-term value for the shareholders, without increasing the overall risk profile of the company. In line with the Corporate Governance Code, the Supervisory Board has agreed with the Executive Board that it may recover from the Executive Board members any variable remuneration awarded on the basis of incorrect financial or other data (claw back clause).

Employment contracts

In line with the Corporate Governance Code, as a policy, future appointments of Executive Board members will take place for a period of four years. In line with the Code, Mr. Lynch was appointed as Executive Board member for a period of four years at the Annual General Meeting of Shareholders that was held in 2007. Mr. Lynch was reappointed for a second period of four years at the Annual General Meeting of Shareholders of April 27, 2011. The existing contracts of Ms. McKinstry and Mr. Beerkens, who were appointed before the introduction of the first Dutch Corporate Governance Code and have employment contracts for an indefinite period of time, will be honored. Periods of notice vary between 30 days and one year. Severance arrangements with Executive Board members are either specifically determined in employment contracts or will be determined based on local laws. With respect to future Executive Board appointments, the company will, as a policy, comply with the best practice provision that severance remuneration in the event of dismissal will not exceed a one year salary. Therefore, upon reappointment by the Annual General Meeting of Shareholders in 2011, the contract of Mr. Lynch was amended to reflect this best practice provision. However, the company will honor existing contracts and arrangements with current Executive Board members who were appointed before the introduction of the first Dutch Corporate Governance Code.

The employment contracts of the Executive Board members contain stipulations with respect to a change of control of the company. According to these stipulations, in case of a change of control, the Executive Board members will receive 100% of the number of conditional rights on shares awarded to them with respect to pending Long-Term Incentive Plans of which the performance period has not yet ended. In addition, they will receive cash compensation if their employment agreement would end following a change of control.

Executive Board remuneration 2011 and 2012

Fixed and variable compensation and other considerations for members of the Executive Board in 2011 are detailed in note 31 of the Consolidated Financial Statements.

In 2011, the base salary of the Executive Board Members increased with 3%. Notwithstanding the strong performance of the Company and management, the Supervisory Board has agreed with the Executive Board that in light of the general public discussion about executive compensation in the Netherlands, and in the context of the current macro-economic situation, the base salary of the Executive Board Members will not increase in 2012.

Short-Term Incentive Plan

The Wolters Kluwer STIP grants Executive Board members a cash bonus if specific targets are met. The Supervisory Board determines the targets on an annual basis. Payment of the STIP bonus for each Executive Board member only takes place after verification by the external auditor of the Financial Statements of the company, including the financial performance indicators on which the financial STIP targets are based.

The STIP bonus for performance in 2011 (pay-out in 2012) for the members of the Executive Board was based on the achievement of targets with respect to free cash flow (33.3%), ordinary net income (33.3%), revenue performance (28.3%), and a new sustainability related target, revenues from electronic products as a percentage of total revenues (5%). The Supervisory Board selected this target because electronic products reduce paper consumption and increase productivity which contributes to sustainability for Wolters Kluwer and its customers. Consistent with the changes to the remuneration policy that were approved at the 2007 Annual General Meeting of Shareholders, the pay-out percentages that could be earned depending on the performance were determined for each of the Executive Board members through individual benchmarking. The achieved percentages, earned in 2011 and payable in March 2012, will be 130.37% for Ms. McKinstry, 100.40% for Mr. Beerkens, and 80.42% for Mr. Lynch. Since these bonuses are related to 2011 performance, the amounts are included in the total remuneration for 2011 as shown in note 31 of the Consolidated Financial Statements.

For 2012, the Supervisory Board has approved the same pay-out targets for Executive Board members as in 2011: 125% of the base salary for Ms. McKinstry, 95% of the base salary for Mr. Beerkens, and 75% of the base salary for Mr. Lynch. The maximum achievable pay-outs will be 175% (Ms. McKinstry), 145% (Mr. Beerkens), and 125% (Mr. Lynch). These amounts would only be payable if the actual performance exceeds 110% of target. There is no pay-out for results below 90% of target.

For 2012, the Supervisory Board has approved the same measures as in 2011: Free cash flow (33.3%), ordinary net income (33.3%), revenue performance (28.3%), and revenues from electronic products as a percentage of total revenues (5%).

Long-Term Incentive Plan

The Long-Term Incentive Plan (LTIP) aligns the organization and its management with the strategic goals of the company, thus rewarding the creation of shareholder value. The plan uses performance shares and at the beginning of a three-year period a conditional award of shares is established. The total number of shares that the Executive Board members will actually receive at the end of the three-year performance period depends on the achievement of predetermined performance conditions.

Until 2011, rewards were fully based on Wolters Kluwer's Total Shareholder Return (TSR) in relation to a group of peer companies (TSR ranking). TSR is calculated as the share price appreciation over a three-year period including dividend reinvestment. By using a three-year performance period, there is a clear relation between remuneration and long-term value creation.

At the Annual General Meeting of Shareholders of April 27, 2011, the proposal to add diluted earnings per share ("EPS") as second performance measure for the Executive Board LTIP 2011-13 and future plans was approved. According to this amendment, for 50% of the value of the shares conditionally awarded at the beginning of a three-year performance period, the pay-out at the end of the performance period will depend on targets which are based on EPS performance ("EPS Related Shares"). For the other 50% of the value of the shares conditionally awarded at the beginning of a three-year performance period, the pay-out at the end of the performance period will continue to depend on targets based on TSR in relation to a group of peer companies ("TSR Related Shares"). For calculation purposes the definition of diluted earnings per share (EPS) as disclosed in the Annual Reports of Wolters Kluwer will be used, the definition of which is similar to basic earnings per share (the profit or loss attributable to the ordinary shareholders of the company, divided by the weighted average number of ordinary shares outstanding during the period), except that the weighted average number of ordinary shares is adjusted for the effects of all dilutive potential ordinary shares. Adding EPS as performance measure for LTIP will lead to a stronger alignment between the successful execution of the strategy to generate shareholder value and management compensation.

TSR peer group and incentive zones

In 2011, the TSR peer group consisted of the following companies: Arnoldo Mondadori, Axel Springer, Daily Mail & General, Dun & Bradstreet, Grupo PRISA, John Wiley & Sons, Lagardère, McGraw-Hill, Pearson, Reed Elsevier, T&F Informa, Thomson Reuters, Trinity Mirror, United Business Media, and McClatchy. This peer group is consistent with the peer group at the launch of the plan in 2004, with the exception of replacements of companies of which the shares are no longer publicly traded. At the time of introduction of the plan the peer group consisted entirely of media companies from the Morgan Stanley Capital Index (MSCI), the index most widely used by media analysts, and at present still the majority of the peer group companies is included in that index. The Supervisory Board has established a secondary tier of peer group companies that can be used to substitute for any of the current peer group companies should they de-list during the term of the performance period. These companies include Aegis Group, Gannet Co, Supermedia, and Yell Group. In case of delisting of a peer group company due to a takeover, the Supervisory Board can resolve to replace that peer group company either by the acquiring company, or by one of the secondary tier companies.

The Executive Board can earn 0-150% of the number of conditionally awarded TSR Related Shares at the end of the three-year performance period depending on Wolters Kluwer's TSR performance compared to the peer group (TSR Ranking). The company's external auditor or an independent expert, appointed by the Supervisory Board, will verify the TSR Ranking.

As approved in the 2007 Annual General Meeting of Shareholders, there will be no pay-out for the Executive Board if Wolters Kluwer ends below the eighth position in the TSR Ranking, 150% for first or second position, 125% for third or fourth position, 100% for fifth or sixth position, and 75% pay-out for seventh or eighth position. These incentive zones are in line with best practice recommendations for the governance of long-term incentive plans.

TSR Ranking 2008-10 and 2009-11

For the three-year performance period 2008-10, Wolters Kluwer has reached the tenth position in the TSR Ranking. As a result, in 2011, the Executive Board members received 0% of the number of conditional rights on shares that were awarded in 2008.

For the three-year performance period 2009-11, Wolters Kluwer has reached the eleventh position in the TSR Ranking. As a result, in 2012, the Executive Board members will receive 0% of the number of conditional rights on shares that were awarded in 2009.

EPS Targets and pay-out schedules

With respect to the EPS Related Shares (2011-13, 2012-14 and future plans) the Executive Board members can earn 0-150% of the number of conditionally awarded EPS Related Shares, depending on Wolters Kluwer's EPS performance over the three-year performance period. At the end of the three-year performance period, the participants will receive 100% of the number of conditionally awarded EPS Related Shares if the performance over the three-year performance is on target. There will be no pay-out if the performance over three years is less than 50% of the target. In case of overachievement of the target, the Executive Board members can earn up to a maximum of 150% of the conditionally awarded shares. The Supervisory Board will set the exact targets for the EPS Related Shares for each three-year performance period. The targets will be based on the EPS performance in constant currencies, to exclude benefits or disadvantages based on currency effects over which the Executive Board has no control. Pay-out of the performance shares at the end of the three-year performance period will only take place after verification by the external auditor of the EPS performance over the three-year performance period.

Conditional share awards

The conditional share awards for the Executive Board are determined by the comparable market information from European and U.S. companies. The actual number of conditional rights on shares awarded over the performance periods 2010-12 and 2011-13 can be found in note 31 of the Consolidated Financial Statements.

As explained above, shares are conditionally awarded at the beginning of a three-year performance period. The 2007 Annual General Meeting of Shareholders also approved the proposal to determine awards of conditional rights on shares for the Executive Board on a fixed percentage of base salary determined by individual benchmarking. For the 2012-14 performance period, these percentages are, similar to last year, determined to be 285% (Ms. McKinstry), 175% (Mr. Beerkens), and 170% (Mr. Lynch). These percentages are determined through an annual benchmarking process.

The number of shares that is conditionally awarded at the start of the performance period is computed by dividing the amount, as calculated above, by the fair value of a conditionally awarded share at the start of the performance period. The actual amount granted can vary from year to year, depending upon benchmark salary reviews. Because the fair value of TSR Related Shares can be different from the fair value of EPS Related Shares, the number of conditionally awarded TSR Related Shares can deviate from the number of conditionally awarded EPS Related Shares.

Senior management remuneration

Senior management remuneration consists of a base salary, STIP, and LTIP. The senior management STIP is based on the achievement of specific objective targets that are linked to creating value for shareholders, such as revenue performance and free cash flow. Per 2012, the LTIP targets and pay-out schedule of senior management will become equal to the LTIP targets and pay-out schedule of the Executive Board.

Alphen aan den Rijn, February 21, 2012

Selection and Remuneration Committee

L.P. Forman, Chairman
A. Baan
S.B. James
P.N. Wakkie