Remuneration report for the financial year 2011 Wereldhave N.V.

March 1, 2012

Introduction

This remuneration report was written by the Supervisory Board of Wereldhave N.V. and is available on the company's website (www.wereldhave.com). The report outlines Wereldhave N.V.'s remuneration policy, as approved by the General Meeting of Shareholders on April 15, 2010.

At the General Meeting of Shareholders, to be held on April 23, 2012, a change in the principles for the variable remuneration will be proposed. The amount of the variable remuneration and the fixed remuneration will, except for indexation, not be amended.

In full compliance with the Corporate Governance Code, the Supervisory Board of Wereldhave N.V. did not appoint a remuneration committee as it consists of four members.

Remuneration policy

Policy premises

Wereldhave N.V.'s remuneration policy is designed to attract and retain qualified directors. The essential qualifications comprise not only knowledge and experience in the field of real estate, but also the prerequisite management competencies. The policy aims to safeguard the company's performance and value growth while positioning Wereldhave N.V. as a challenging employer for highly qualified directors.

In order to accomplish these objectives, both short-term and long-term remuneration levels must be comparable to those offered by similar property investment companies. The benchmark used by Wereldhave N.V. in determining suitable remuneration levels consists of a group of European property investment organisations. Decisions made with regard to director remuneration should therefore be considered in the context of developments within this benchmark. The Benchmark consists of:

- Corio
- Nieuwe Steen Investments
- VastNed Groep
- Cofinimmo
- Citycon
- Sponda

The Supervisory Board endeavours to set a remuneration level in keeping with levels established in the benchmark group. Remuneration is reviewed and adjusted annually. The Supervisory Board takes into consideration personal performance, results over the past year, any general salary review at Wereldhave N.V. in the Netherlands, and an increase of income if the standard level has not yet been attained. The principles for controlled remuneration policy published by the supervisory authorities DNB and AFM have been taken into account.

Relation fixed-variable

The sum for variable remuneration for at-target performance amounts to 50% of the agreed fixed annual salary; for far-above-target performance this sum is maximised at 85% of the fixed annual salary for the year over which the bonus is being awarded.

Remuneration package

The total remuneration of the Board of Management of Wereldhave N.V. currently consists of:

1. Fixed income
2. Variable income short and long term
3. Pension and other secondary employment benefits

Fixed income
The members of the Board of Management currently receive a fixed salary that is paid in twelve equal instalments. In accordance with the proposal as approved by the General Meeting of Shareholders in 2010, Mr Pars' fixed salary for 2011 amounted to € 381,000 and Mr Anbeek's fixed salary to € 335.280. For the year 2012, these amounts have been indexed as per january 1, 2012 with the Dutch consumer price indexation (CPI) of 2.6%. For the year 2012, the fixed income for Mr Pars thus amounts to € 390,906,-- and for Mr Anbeek € 343,997.--. No other changes of the fixed income will be proposed for the year 2012.

The salary is pensionable (average income) up to a maximum pensionable annual income of EUR 390,906 in 2012. This amount is indexed annually with CPI. The variable income is not pensionable.

Variable remuneration – amendment proposal
On April 15, 2010, the General Meeting of Shareholders set a new remuneration policy, with a short term variable remuneration in cash or in shares and a long term remuneration, only in shares.

The short-term and long-term bonuses are currently based on the direct result per share (hereafter also referred to as: EPS) and on personal objectives. The scheme assigns more weight to the long term development of the direct result per share. Each year, the amount for variable income payment will be calculated with the following indicators:

- Growth of the direct result compared to the previous year. Each % increase scores 17.5% of the fixed annual salary, with a maximum of 70%.
- For the achievement of personal objectives a total variable income is granted of 15% of the annual fixed salary, which amount is unconditionally awarded for the short term.

The Supervisory Board now proposes to change the remuneration policy. The announced exit from the United States and a total intended sales volume of non-core properties of € 1.1 bln during the next few years may lead to fluctuations of the direct result. The proposal for an amended schedule better matches the new strategy, where Wereldhave focuses on shopping centres in The Netherlands, Belgium, Finland and the United kingdom and on offices in Paris and Madrid.

Proposal 1: general change of the indicators for variable compensation
The proposal aims to base the variable compensation on the one hand on the growth of the like-for-like net rental income (exclusive of the US portfolio) compared to the previous year (with a cap of 40% of the fixed salary) and on the other hand on the growth of the direct result per share compared to the previous year (with a cap of 20% of the fixed salary). In addition it is proposed to raise the weight of personal objectives to 25% of the fixed salary. Each year the bonus payment is calculated with the following indicators:

- Growth of the net rental income (exclusive of the US portfolio) compared to the previous year (like-for-like): each % increase scores 10% of the annual fixed income, with a maximum of 40%.
- Growth of the direct result compared to the previous year. Each % increase scores 5% of the fixed annual salary, with a maximum of 20%.

- For the achievement of personal objectives a total variable income is granted of 25% of the annual fixed salary, which amount is unconditionally awarded for the short term.

Proposal 2: indicators variable compensation for the financial years 2012-2013
For the financial years 2012 and 2013 it is proposed (in view of possible fluctuations in the direct result due to the sales volume) to use the total shareholder return for the year, compared to a TSR peer group of six large property investment companies (Unibail-Rodamco; Klépierre; Corio, NSI, VastNed and ECP), awarding the first place with 20% and discounting 4% per lower rank.

Target of the schedule is:

- Growth of the net rental income (exclusive of the US portfolio) compared to the previous year (like-for-like): each % increase scores 10% of the annual fixed income, with a maximum of 40%.
- Total shareholder return for the year, compared to the TSR peer group. Place 1 = 20%, each lower rank -4%. Places 6 and 7 thus score 0%.
- For the achievement of personal objectives a total variable income is granted of 25% of the annual fixed salary, which amount is unconditionally awarded for the short term.

Should one of the companies drop from this TSR peer group, the points to be allocated will be divided over the remaining companies within the group, but if two or more companies would disappear from the group, the Supervisory Board will appoint new companies to replace the companies that disappeared from the group.

Proposal 3: Variable compensation 2010 – long term condition
In respect of the year 2010, a long term variable compensation of € 158,025 was granted to Mr Pars and € 139,062 to Mr Anbeek. These amounts have been paid out in shares which are held on a blocked account. The granting is made under the long term condition that over a period of three years, the moving average must still reflect an increase in the direct result as compared to the result over the year 2009. This is expressed in the formula: [(EPS $_{2010}$ + EPS $_{2011}$ + EPS $_{2012}$ / 3) > EPS $_{2009}$].

As at December 31, 2011, the moving average direct result per share was positive: (€ 5.10 (EPS $_{2010}$)+ € 4.93 (EPS $_{2011}$) / 2) > € 4.93 (EPS $_{2009}$)].

If the direct result for the year 2012 would be below € 4.76 per share, the long term variable compensation for the year 2010 would not be payable. The execution of the amended strategy with a disposal of the American property investments during the next two to three years, may negatively impact the direct result in 2012, if appropriate reinvestment opportunities are not immediately available. The original method for variable compensation does therefore not match the amended strategy and might lead to unfair results. The Supervisory Board therefore proposes to make the long term variable compensation for the year 2010 unconditional in 2012 after the Wereldhave share is listed ex-dividend and to eliminate any possible incentive to not dispose of properties.

Division short term/long term variable compensation
Personal objectives (max. 25% of the fixed income) unconditional for the short term.

Remainder:

- Like-for-like net rental growth (exclusive of the US portfolio): 30% unconditional for the short term, 70% is granted under the long term condition that the average like-for-like net rental growth over the next two years will be positive. [formula: $(\text{l-f-l } RG_2 + \text{l-f-l } RG_3)/2 > 0$].
- Growth of the direct result: 30% unconditional for the short term, 70% is granted under the long term condition that over a period of three years, the moving average must still reflect an increase in the direct result as compared to the result over the year that precedes the year to which the payment relates. This is expressed in the formula: $[(EPS_1 + EPS_2 + EPS) / 3 > EPS_0]$.
- The TSR variable compensation (2012-2013) is made unconditional and paid as short term.

This remuneration scheme results in a maximum ratio between the short-term bonus and long-term bonus of about 60 short and 40 long for at-target performance and approximately 50/50 for far-above-target performance. During the period that the TSR is used, the share of the short term variable compensation temporarily rises, since the TSR variable compensation is made unconditional and for the short term.

Conditions for variable compensation
If in any year the downward deviation from the minimum financing ratios as defined in the business plan (and approved by the Supervisory Board) exceeds 5%, no short-term or long-term bonus is awarded over that year.

If in any given year investments or divestments deviate from the principles of the investment policy as determined in the business plan approved by the Supervisory Board, no short-term or long-term bonus is awarded over that year.

In the director's discretion, the short-term bonus can be paid in cash, in shares, or as a combination of the two. The short-term bonus sum is calculated into a share balance based on the share price at the end of the first day of trading after the ex-dividend listing of the Wereldhave share. If the short-term bonus is to be paid in shares, the amount of the short-term bonus paid in shares will be increased by 10%, subject to the restriction that the shares may not be traded for at least four years. (Please note that under the current tax rules, this means that for each year the shares are blocked, a reduction of 2.5% is applied in calculating the taxable benefit). Blocked shares qualify for dividends.

The long-term bonus is payable in shares only. When the conditional bonus is determined each year, the amount in cash is calculated into a conditional share balance based on the share price at the end of the first day of trading after ex-dividend listing of the Wereldhave share in the year in which the conditional bonus is awarded. If a dividend is paid on Wereldhave shares, the conditional share balance will be increased by a number of conditional shares equal to the amount of the dividend divided by the current share price. These additional conditional shares are subject to the same terms
as the conditional shares that were initially awarded. If the terms are satisfied after a period of three years, the vested shares are transferred to the director. From the point in time that the shares have vested, the director can have all or part of the shares blocked for a period of a number of complete years.

Other conditions
If the director voluntarily resigns within the agreed appointment period or if the director is dismissed without further notice in accordance with the law, the conditional share balance reverts to the company. If the director is not reappointed at the end of the agreed appointment period, the scheme remains intact with regard to the conditional share balance. Once the conditions have been met, the vested shares will be transferred to the director.

A separate securities account will be established, by or on behalf of the company for the benefit of the director, to hold the blocked share balance. The director is entitled to sell the shares after the end of the agreed holding period.

The personal targets to be achieved in both the short and long term are laid down in a performance contract between the Supervisory Board and each director. This performance contract contains a claw back clause that enables the Supervisory Board to rectify after the fact any unfair results based on incorrect financial data or extraordinary circumstances.

Pension en other secundary employment conditions
No provision facilitating early retirement is currently in place. Members of the Board of Management are subject to the same pension scheme as all other Wereldhave N.V. employees in the Netherlands. Participants are subject to a conditionally indexed average-income scheme with a retirement age of 65. These employees accrue 2% of their retirement benefits each year, with a salary threshold in 2012 of EUR 18,775. Pensionable income is capped at EUR 390,906 as from January 1 2012. Employees pay a private contribution of 4.9% of their annual pensionable income.

Wereldhave N.V. offers the members of its Board of Management a competitive package of secondary employment benefits in accordance with those offered to its other employees. This benefit package includes an expense account, accident insurance, disability insurance, a company car and Director Liability insurance. The company does not issue loans, advances or guarantees to the members of its Board of Management.

Conditions of employment
Directors are appointed for a four-year period with a possibility of early termination. The severance payment is capped at one year's salary with a notification period of two months for the director and four months for the company. The employment contract does not contain a change-of-control clause.

It does contain a clause that requires the company to compensate the directors for any loss or damage in relation to liability claims based on acts or omissions in the performance of their duties. Damage to reputation is explicitly excluded. The indemnification does not apply to claims related to personal gain, advantage or rewards to which the director was not entitled, or if the claimed loss or damage was caused by gross negligence, intent, deliberate recklessness or serious imputability. It does include the costs of defence, which are advanced by the company under the condition that these expenses must be repaid if it is determined in a final judgment that the director was not entitled to indemnification.

Remuneration in 2011

J. Pars

Fixed income 2011		381,000
Variable income 2011		
• Component 1: increase direct result per share 4.93/5.10 = -3.33%	0	
• Component 2: personal targets 2011 5 targets, each 3 points. 100% score = 15% 15% * 381,000	57,150	
Total variable income	57,150	
Of which short term: 100% * score component 2: 57.150 =		57,150
Of which long term conditional claim		0
Total income 2011		438,150

D.J. Anbeek

Fixed income 2011		335,280
Variable income 2011		
• Component 1: increase direct result per share 4.93/5.10 = -3.33%	0	
• Component 2: personal targets 2011 5 targets, each 3 points. 100% score = 15% 15% * 335,280	50,292	
Total variable income	50,292	
Of which short term: 100% * score component 2: 50,292 =		50,292
Of which long term conditional claim		0
Total income 2011		385,572

2011

(x € 1,000)	**Fixed income**	**Short term variable**	**Long term variable***	**Pension costs**	**Social charges**	**Total**
J. Pars	381	57	53	114	24	629
D.J. Anbeek	335	50	46	101	22	554
Total	716	107	99	215	45	1,183

2010

(x € 1,000)	**Fixed income**	**Short term variable**	**Long term variable***	**Pension costs**	**Social charges**	**Total**
J. Pars	375	124	53	113	22	687
D.J. Anbeek	330	109	46	99	20	605
Total	705	233	99	212	43	1,292

***) Long term variable income 2010**
The long term variable remuneration is a share based reward which is granted conditionally. The condition is that long-term condition that over a period of three years, the moving average must still reflect an increase in the direct result as compared to the result over the year preceding the year to which the payment relates.

For this reason the long term remuneration for the year 2010 must be distributed evenly over the period of conditionality. In the accounts for the year 2011, 33.33% of the long term variable income 2010 has been taken into account. The full amount of the long term variable remuneration for the year 2010 amounts to € 158,025 for Mr Pars and € 139,062 for Mr Anbeek.