

WYNDHAM WORLDWIDE CORP
Form DEF 14A
April 04, 2014

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934 (Amendment No.)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material under §240.14a-12

Wyndham Worldwide Corporation

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

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**NOTICE OF 2014 ANNUAL MEETING
OF SHAREHOLDERS AND
PROXY STATEMENT**

Wyndham Worldwide Corporation
22 Sylvan Way
Parsippany, New Jersey 07054

April 4, 2014

Dear Shareholder of Wyndham Worldwide Corporation,

You are cordially invited to attend the 2014 Annual Meeting of Shareholders to be held on Thursday, May 15, 2014.

The meeting will start at 11:30 a.m. local time at Wyndham Worldwide Corporation, 22 Sylvan Way, Parsippany, New Jersey 07054.

I appreciate your continued support of Wyndham Worldwide Corporation and look forward to seeing you on May 15, 2014.

Very truly yours,

Stephen P. Holmes
Chairman and Chief Executive Officer

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WYNDHAM WORLDWIDE CORPORATION

NOTICE OF 2014 ANNUAL MEETING OF SHAREHOLDERS

April 4, 2014

Date: Thursday, May 15, 2014
Time: 11:30 a.m. local time
Place: Wyndham Worldwide Corporation
22 Sylvan Way
Parsippany, New Jersey 07054

Purposes of the meeting:

to elect four Directors for a term expiring at the 2015 annual meeting;

to vote on an advisory resolution to approve executive compensation;

to vote on a proposal to ratify the appointment of Deloitte & Touche LLP to serve as our independent registered public accounting firm for fiscal year 2014;

to vote on a proposal to reapprove the material terms of the performance goals under the Wyndham Worldwide Corporation 2006 Equity and Incentive Plan for purposes of Section 162(m) of the Internal Revenue Code; and

to transact any other business that may be properly brought before the meeting or any adjournment or postponement of the meeting.

The matters specified for voting above are more fully described in the attached proxy statement. Only our shareholders of record at the close of business on March 24, 2014 will be entitled to notice of and to vote at the meeting and any adjournments or postponements for which no new record date is set.

Who may attend the meeting:

Only shareholders, persons holding proxies from shareholders, invited representatives of the media and financial community and other guests of Wyndham Worldwide Corporation may attend the meeting.

What to bring:

If you received (or requested and received) a printed copy of the proxy materials you should bring the enclosed Admission Ticket to gain admission to the meeting. If you received a Notice of Internet Availability of Proxy Materials (Notice) or voting instructions and will not be requesting a printed copy of the proxy materials please bring the Notice or voting instructions with you as your Admission Ticket. All persons attending the meeting must bring photo identification such as a valid driver's license or passport for purposes of personal identification.

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If your shares are held in the name of a broker, trust, bank or other nominee, you will also need to bring a proxy, letter or recent account statement from that broker, trust, bank or nominee that confirms that you are the beneficial owner of those shares.

Record Date:

March 24, 2014 is the record date for the meeting. This means that owners of Wyndham Worldwide common stock at the close of business on that date are entitled to:

receive notice of the meeting; and

vote at the meeting and any adjournments or postponements of the meeting for which no new record date is set.

Information About the Notice of Internet Availability of Proxy Materials:

Instead of mailing a printed copy of our proxy materials, including our Annual Report, to all of our shareholders, we provide access to these materials in a fast and efficient manner via the Internet. This reduces the amount of paper necessary to produce these materials as well as the costs associated with mailing these materials to all shareholders. Accordingly, on or about April 4, 2014, we will begin mailing a Notice to all shareholders as of March 24, 2014, and will post our proxy materials on the website referenced in the Notice. As more fully described in the Notice, shareholders may choose to access our proxy materials on the website referred to in the Notice or may request to receive a printed set of our proxy materials. In addition, the Notice and website provide information regarding how you may request to receive proxy materials in printed form by mail or electronically by email on an ongoing basis.

Householding Information:

We have adopted a procedure approved by the Securities and Exchange Commission called householding. Under this procedure, shareholders of record who have the same address and last name and have not previously requested electronic delivery of proxy materials will receive a single envelope containing the Notices for all shareholders having that address. The Notice for each shareholder will include that shareholder's unique control number needed to vote his or her shares. This procedure will reduce our printing costs and postage fees.

If, in the future, you do not wish to participate in householding and prefer to receive your Notice in a separate envelope, please contact Broadridge Financial Solutions, by calling their toll-free number at (800) 542-1061 or through Broadridge Financial Solutions, Attn.: Householding Department, 51 Mercedes Way, Edgewood, New York 11717.

For those shareholders who have the same address and last name and who request to receive a printed copy of the proxy materials by mail, we will send only one copy of such materials to each address unless one or more of those shareholders notifies us, in the same manner described above, that they wish to receive a printed copy for each shareholder at that address.

Beneficial shareholders may request information about householding from their banks, brokers or other holders of record.

Proxy Voting:

Your vote is important. Please vote your proxy promptly so your shares are represented, even if you plan to attend the annual meeting. You may vote by Internet, by telephone, by requesting a printed copy of the proxy materials and using the enclosed proxy card or in person at the annual meeting.

Our proxy tabulator, Broadridge Financial Solutions, must receive any proxy that will not be delivered in person to the annual meeting by 11:59 p.m., Eastern Daylight Time on Wednesday, May 14, 2014.

By order of the Board of Directors,

Scott G. McLester
Corporate Secretary

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WYNDHAM WORLDWIDE CORPORATION

PROXY STATEMENT

The enclosed proxy materials are provided to you at the request of the Board of Directors of Wyndham Worldwide Corporation (Board) to encourage you to vote your shares at our 2014 annual meeting of shareholders. This proxy statement contains information on matters that will be presented at the meeting and is provided to assist you in voting your shares. References in this proxy statement to "we," "us," "our," and "Wyndham Worldwide" refer to Wyndham Worldwide Corporation and our consolidated subsidiaries.

Our Board made these materials available to you over the Internet or, upon your request, mailed you printed versions of these materials in connection with our 2014 annual meeting. We will mail a Notice of Internet Availability of Proxy Materials (Notice) to our shareholders beginning on or about April 4, 2014 and will post our proxy materials on our website referenced in the Notice on that same date. We are, on behalf of our Board, soliciting your proxy to vote your shares at our 2014 annual meeting of shareholders. We solicit proxies to give all shareholders of record an opportunity to vote on matters that will be presented at the annual meeting.

FREQUENTLY ASKED QUESTIONS

When and where will the annual meeting be held?

The annual meeting will be held on Thursday, May 15, 2014 at 11:30 a.m. local time at Wyndham Worldwide Corporation, 22 Sylvan Way, Parsippany, New Jersey 07054.

What am I being asked to vote on at the meeting?

You are being asked to vote on the following:

the election of four Directors for a one-year term (nominations for Director must comply with our By-Laws including the applicable notice requirements)

the approval of our executive compensation program

the ratification of the appointment of Deloitte & Touche LLP to serve as our independent registered public accounting firm for fiscal year 2014

to reapprove the material terms of the performance goals under the Wyndham Worldwide Corporation 2006 Equity and Incentive Plan for purposes of Section 162(m) of the Internal Revenue Code and

to transact any other business that may be properly brought before the meeting or any adjournment or postponement of the meeting.

We are not aware of any other matters that will be brought before the shareholders for a vote at the annual meeting. If any other matters are properly presented for a vote the individuals named as proxies will have discretionary authority to the extent permitted by law to vote on such matters according to their best judgment.

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Who may vote and how many votes does a shareholder have?

All holders of record of our common stock as of the close of business on March 24, 2014 (record date) are entitled to vote at the meeting. Each shareholder will have one vote for each share of our common stock held as of the close of business on the record date. As of the record date 127,495,831 shares of our common stock were outstanding. There is no cumulative voting and the holders of our common stock vote together as a single class.

How many votes must be present to hold the meeting?

The holders of a majority of the outstanding shares of our common stock entitled to vote at the meeting, or 63,747,916 shares (also known as a quorum), must be present in person or by proxy at the meeting in order to constitute a quorum necessary to conduct the meeting. Abstentions and broker non-votes will be counted for the purposes of establishing a quorum at the meeting.

A broker non-vote occurs when a broker or other nominee submits a proxy that states that the broker does not vote for some or all of the proposals because the broker has not received instructions from the beneficial owner on how to vote on the proposals and does not have discretionary authority to vote in the absence of instructions.

We urge you to vote by proxy even if you plan to attend the meeting so that we will know as soon as possible that a quorum has been achieved.

How do I vote?

Even if you plan to attend the meeting you are encouraged to vote by proxy.

If you are a shareholder of record, also known as a registered shareholder, you may vote in one of the following ways:

by **telephone** by calling the toll-free number (800) 690-6903 (have your Notice or proxy card in hand when you call);

by **Internet** at <http://www.proxyvote.com> (have your Notice or proxy card in hand when you access the website);

if you received (or requested and received) a printed copy of the annual meeting materials, by returning the enclosed **proxy card** (signed and dated) in the envelope provided; or

in person at the annual meeting (please see below under How do I attend the meeting?).

If your shares are registered in the name of a bank, broker or other nominee, follow the proxy instructions on the form you receive from the bank, broker or other nominee. You may also vote in person at the annual meeting (please see below under How do I attend the meeting?).

When you vote by proxy your shares will be voted according to your instructions. If you sign your proxy card, vote by Internet or by telephone but do not specify how you want your shares to be voted they will be voted as the Board recommends.

What if I am a participant in the Wyndham Worldwide Corporation Employee Savings Plan?

For participants in the Wyndham Worldwide Corporation Employee Savings Plan with shares of our common stock credited to their accounts, voting instructions for the trustees of the plan are also being

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solicited through this proxy statement. In accordance with the provisions of the plan the trustee will vote shares of our common stock in accordance with instructions received from the participants to whose accounts the shares are credited. If you do not instruct the plan trustee on how to vote the shares of our common stock credited to your account the trustee will vote those shares in proportion to the shares for which instructions are received.

How does the Board recommend that I vote?

The Board recommends the following votes:

FOR the election of each of the Director nominees

FOR the approval of our executive compensation program

FOR the ratification of the appointment of Deloitte & Touche LLP to serve as our independent registered public accounting firm for fiscal year 2014 and

FOR reapproval of the material terms of the performance goals under our 2006 Equity Plan for purposes of Section 162(m) of the Internal Revenue Code

How many votes are required to approve each proposal?

In the election of Directors the affirmative vote of a plurality of the votes present in person or by proxy and entitled to vote at the meeting is required. This means the Director nominees receiving the greatest number of votes will be elected and abstentions and broker non-votes will have no effect on the outcome of the vote. However, as further described under Shareholder Voting for Election of Directors, under the Board's Corporate Governance Guidelines any nominee for Director who receives a greater number of votes withheld than votes for election is required to tender his or her resignation for consideration by the Corporate Governance Committee.

For the remaining proposals, the affirmative vote of the holders of a majority of the shares represented at the meeting in person or by proxy and entitled to vote on the proposal will be required for approval. Abstentions will have the effect of a vote against any of these proposals. Broker non-votes will have no effect on the outcome of these proposals.

If your shares are registered in the name of a bank, broker or other financial institution and you do not give your broker or other nominee specific voting instructions for your shares, under rules of the New York Stock Exchange, your record holder has discretion to vote your shares on the ratification of auditor proposal but does not have discretion to vote your shares on the election of Director nominees, the advisory vote on executive compensation or the proposal to reapprove the material terms of the performance goals under the 2006 Equity Plan. Your broker, bank or other financial institution will not be permitted to vote on your behalf on the election of Director nominees, the advisory vote on executive compensation or the reapproval of the material terms of the performance goals under the 2006 Equity Plan unless you provide specific instructions before the date of the annual meeting by completing and returning the voting instruction or proxy card or following the instructions provided to you to vote your shares by telephone or the Internet.

How do I attend the meeting?

If you received (or requested and received) a printed copy of the proxy materials, you should bring the enclosed Admission Ticket to gain admission to the meeting. If you received a Notice or voting instructions and will not be requesting a printed copy of the proxy materials please bring the Notice or voting instructions with you as your Admission Ticket. You must bring with you a photo identification such as a valid driver's license or passport for purposes of personal identification.

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If your shares are held in the name of a broker, trust, bank or other nominee, you will also need to bring a proxy, letter or recent account statement from that broker, trust, bank or nominee that confirms that you are the beneficial owner of those shares.

Can I change or revoke my vote?

You may change or revoke your proxy at any time prior to the voting at the meeting by submitting a later dated proxy, by entering new instructions by Internet or telephone, by giving timely written notice of such change or revocation to the Corporate Secretary or by attending the meeting and voting in person and requesting that your prior proxy not be used.

How are proxies solicited?

We retained Phoenix Advisory Partners to advise and assist us in soliciting proxies at a cost of \$9,000 plus reasonable expenses. Proxies may also be solicited by our Directors, officers and employees personally, by mail, telephone or other electronic means. We will pay all costs relating to the solicitation of proxies. We will also reimburse brokers, custodians, nominees and fiduciaries for reasonable expenses in forwarding proxy materials to beneficial owners of our common stock.

How do I make a shareholder proposal for the 2015 meeting?

Shareholders interested in presenting a proposal for inclusion in our proxy statement and proxy relating to our 2015 Annual Meeting of Shareholders may do so by following the procedures prescribed in Rule 14a-8 under the Securities Exchange Act of 1934, as amended, and our By-Laws. To be eligible for inclusion in next year's proxy statement, shareholder proposals must be received by the Corporate Secretary at our principal executive offices no later than the close of business on December 5, 2014.

In general, any shareholder proposal to be considered at next year's annual meeting but not included in the proxy statement must be submitted in writing to and received by the Corporate Secretary at our principal executive offices not earlier than January 15, 2015 and not later than February 14, 2015. However, if the date of the 2015 Annual Meeting of Shareholders is not within 30 days before or after May 15, 2015 then a shareholder will be able to submit a proposal for consideration at the annual meeting not later than the close of business on the 10th day following the day on which public disclosure of the date of the annual meeting was made or such notice of the date of such annual meeting was mailed whichever occurs first. Any notification to bring any proposal before an Annual Meeting of Shareholders must comply with the requirements of our By-Laws. A shareholder may obtain a copy of our By-Laws on our website or by writing to our Corporate Secretary.

Shareholders may also nominate directors for election at an annual meeting. To nominate a Director shareholders must comply with provisions of applicable law and our By-Laws. The Corporate Governance Committee will also consider shareholder recommendations for candidates to the Board sent to the Committee c/o the Corporate Secretary. See below under Director Nomination Process for information regarding nomination or recommendation of a director.

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GOVERNANCE OF THE COMPANY

Strong corporate governance is an integral part of our core values. Our Board is committed to having sound corporate governance principles and practices. Please visit our website at www.WyndhamWorldwide.com under the Investor Relations/Corporate Governance page (which can be reached by clicking on the Investor Relations link followed by the Corporate Governance link) for the Board's Corporate Governance Guidelines and Director Independence Criteria, the Board-approved charters for the Audit, Compensation and Corporate Governance Committees and related information. These guidelines and charters may be obtained by writing to our Corporate Secretary at Wyndham Worldwide Corporation, 22 Sylvan Way, Parsippany, New Jersey 07054.

Corporate Governance Guidelines

Our Board has adopted Corporate Governance Guidelines that along with the charters of the Board Committees, Director Independence Criteria and Code of Business Conduct and Ethics for Directors, provide the framework for our governance. The governance rules for companies listed on the New York Stock Exchange and those contained in the Securities and Exchange Commission (SEC) rules and regulations are reflected in the guidelines. The Board reviews these principles and other aspects of governance periodically. The Corporate Governance Guidelines are available on the Investor Relations/Corporate Governance page of our website at www.WyndhamWorldwide.com.

Director Independence Criteria

The Board adopted the Director Independence Criteria set out below for its evaluation of the materiality of Director relationships with us. The Director Independence Criteria contain independence standards that exceed the independence standards specified in the listing standards of the New York Stock Exchange. The Director Independence Criteria are available on the Investor Relations/Corporate Governance page of our website at www.WyndhamWorldwide.com.

A Director who satisfies all of the following criteria shall be presumed to be independent under our Director Independence Criteria:

Wyndham Worldwide does not currently employ and has not within the last three years employed the Director or any of his or her immediate family members (except in the case of immediate family members, in a non-executive officer capacity).

The Director is not currently and has not within the last three years been employed by Wyndham Worldwide's present auditors nor has any of his or her immediate family members been so employed (except in non-professional capacity not involving Wyndham Worldwide business).

Neither the Director nor any of his or her immediate family members is or has been within the last three years part of an interlocking directorate in which an executive officer of Wyndham Worldwide serves on the compensation (or equivalent) committee of another company that employs the Director or his or her immediate family member as an executive officer.

The Director is not a current employee nor is an immediate family member a current executive officer of a company that has made payments to or received payments from Wyndham Worldwide for property or services in an amount in any of the last three fiscal years exceeding the greater of \$750,000 or 1% of such other company's consolidated gross revenues.

The Director currently does not have or has not had within the past three years a personal services contract with Wyndham Worldwide or its executive officers.

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The Director has not received and the Director's immediate family member has not received during any twelve-month period within the last three years more than \$100,000 in direct compensation from Wyndham Worldwide (other than Board fees).

The Director is not currently an officer or director of a foundation, university or other non-profit organization to which Wyndham Worldwide within the last three years gave directly or indirectly through the provision of services more than the greater of 1% of the consolidated gross revenues of such organization during any single fiscal year or \$100,000.

Guidelines for Determining Director Independence

Our Corporate Governance Guidelines and Director Independence Criteria provide for director independence standards that meet or exceed those of the New York Stock Exchange. These standards require the Board to affirmatively determine that each Director has no material relationship with Wyndham Worldwide other than as a Director.

In accordance with these standards and criteria the Board undertook its annual review of the independence of its Directors. During this review the Board considered whether there are any relationships or related party transactions between each Director, any member of his or her immediate family or other affiliated entities and us and our subsidiaries and affiliates. The purpose of this review was to determine whether any such relationships or transactions existed that were inconsistent with a determination that the Director is independent.

The Board follows a number of procedures to review related party transactions. We maintain a written policy governing related party transactions that requires Board approval of related party transactions exceeding \$10,000. Each Board member answers a questionnaire designed to disclose conflicts and related party transactions. We also review our internal records for related party transactions. Based on a review of these standards and materials, none of our non-management Directors had or has any relationship with us other than as a Director.

As a result of its review the Board affirmatively determined that the following Directors are independent of us and our management as required by the New York Stock Exchange listing standards and the Director Independence Criteria: Myra J. Biblowit, James E. Buckman, George Herrera, The Right Honourable Brian Mulroney, Pauline D.E. Richards and Michael H. Wargotz. All members of the Audit, Compensation and Corporate Governance Committees are independent Directors as required by the New York Stock Exchange listing standards, SEC rules and the Director Independence Criteria.

Committees of the Board

The following describes our Board Committees and related matters. The composition of the Committees is provided immediately after.

Audit Committee

Responsibilities include:

Appoints our independent registered public accounting firm, subject to shareholder ratification, to perform an integrated audit of our consolidated financial statements and internal control over financial reporting.

Pre-approves all services performed by our independent registered public accounting firm.

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Provides oversight on the external reporting process and the adequacy of our internal controls.

Reviews the scope, planning, staffing and budgets of the audit activities of the independent registered public accounting firm and our internal auditors.

Reviews services provided by our independent registered public accounting firm and other disclosed relationships as they bear on the independence of our independent registered public accounting firm and provides oversight on hiring policies with respect to employees or former employees of the independent auditor.

Maintains procedures for the receipt, retention and resolution of complaints regarding accounting, internal controls and auditing matters.

All members of the Audit Committee are independent Directors under the Board's Director Independence Criteria and applicable SEC and listing standards. The Board in its business judgment determined that each member of the Audit Committee is financially literate, knowledgeable and qualified to review financial statements in accordance with applicable listing standards. The Board also determined that both Pauline D.E. Richards and Michael H. Wargotz are audit committee financial experts within the meaning of applicable SEC rules.

The Audit Committee Charter is available on the Investor Relations/Corporate Governance page of our website at www.WyndhamWorldwide.com.

Audit Committee Report

The Audit Committee of the Board of Directors assists the Board in fulfilling its oversight responsibilities for the external reporting process and the adequacy of Wyndham Worldwide's internal controls. Specific responsibilities of the Audit Committee are set forth in the Audit Committee Charter adopted by the Board. The Charter is available on the Investor Relations/Corporate Governance page of our website at www.WyndhamWorldwide.com.

The Audit Committee is comprised of three Directors, all of whom meet the standards of independence adopted by the New York Stock Exchange and the SEC. Subject to shareholder ratification, the Audit Committee appoints Wyndham Worldwide's independent registered public accounting firm. The Audit Committee approves in advance all services to be performed by Wyndham Worldwide's independent registered public accounting firm in accordance with SEC rules subject to the de minimis exceptions for non-audit services.

Management is responsible for Wyndham Worldwide's financial reporting process including our system of internal controls and for the preparation of consolidated financial statements in compliance with generally accepted accounting principles, applicable laws and regulations. In addition, management is responsible for establishing, maintaining and assessing the effectiveness of Wyndham Worldwide's internal control over financial reporting. Deloitte & Touche LLP, Wyndham Worldwide's independent registered public accounting firm, is responsible for expressing an opinion on Wyndham Worldwide's consolidated financial statements and the effectiveness of Wyndham Worldwide's internal control over financial reporting. The Audit Committee reviewed and discussed Wyndham Worldwide's 2013 Annual Report on Form 10-K, including the audited consolidated financial statements of Wyndham Worldwide for the year ended December 31, 2013, with management and representatives of Deloitte & Touche LLP. It is not the Audit Committee's duty or responsibility to conduct auditing or accounting reviews or procedures.

The Audit Committee also discussed with Deloitte & Touche LLP matters required to be discussed by applicable standards and rules of the PCAOB and the SEC. The Audit Committee also received from

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Deloitte & Touche LLP the written disclosures required by applicable standards and rules of the PCAOB and the SEC regarding Deloitte & Touche LLP's communications with the Audit Committee concerning independence, and discussed with Deloitte & Touche LLP the independence of Deloitte & Touche LLP.

The Audit Committee also considered whether the permissible non-audit services provided by Deloitte & Touche LLP to Wyndham Worldwide are compatible with Deloitte & Touche LLP maintaining its independence. The Audit Committee satisfied itself as to the independence of Deloitte & Touche LLP.

Based on the Audit Committee's review and discussions described above the Audit Committee recommended to the Board of Directors that the audited consolidated financial statements be included in Wyndham Worldwide's Annual Report on Form 10-K for the year ended December 31, 2013.

AUDIT COMMITTEE

Michael H. Wargotz (Chair)
George Herrera
Pauline D.E. Richards

Compensation Committee

Responsibilities include:

Provides oversight on our executive compensation programs consistent with corporate objectives and shareholder interests.

Reviews and approves Chief Executive Officer (CEO) and other senior management compensation.

Approves grants of long-term incentive awards and our senior executives' annual incentive compensation under our compensation plans.

Reviews and considers the independence of advisers to the Committee.

For additional information regarding the Compensation Committee's processes and procedures see below under Executive Compensation Compensation Discussion and Analysis Compensation Committee Matters.

All members of the Compensation Committee are independent Directors under the Board's Director Independence Criteria and applicable regulatory and listing standards.

The Compensation Committee Report is provided below under Executive Compensation. The Compensation Committee Charter is available on the Investor Relations/Corporate Governance page on our website at www.WyndhamWorldwide.com.

Corporate Governance Committee

Responsibilities include:

Recommends to the Board nominees for election to the Board.

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Reviews principles, policies and procedures affecting Directors and the Board's operation and effectiveness.

Provides oversight on the evaluation of the Board and its effectiveness.

Reviews and makes recommendations on Director compensation.

All members of the Corporate Governance Committee are independent Directors under the Board's Director Independence Criteria and applicable listing standards.

The Corporate Governance Committee Charter is available on the Investor Relations/Corporate Governance page on our website at www.WyndhamWorldwide.com.

Executive Committee

The Executive Committee may exercise all of the authority of the Board when the Board is not in session, except that the Executive Committee does not have the authority to take any action which legally or under our internal governance policies may be taken only by the full Board.

Committee Membership

The following chart provides the current committee membership and the number of meetings that each committee held during 2013.

Director	Audit Committee	Compensation Committee	Governance Committee	Executive Committee
Myra J. Biblowit		M	M	
James E. Buckman				M
George Herrera	M		C	
Stephen P. Holmes				C
The Right Honourable Brian Mulroney		C	M	
Pauline D.E. Richards	M	M		
Michael H. Wargotz	C			M
Number of Meetings in 2013	11	6	4	7

C = Chair
M = Member

The Board held five meetings during 2013. Each Director attended at least 75% of the meetings of the Board and the committees of the Board on which the Director served.

Directors fulfill their responsibilities not only by attending Board and committee meetings but also through communication with the Chairman and CEO, Lead Director and other members of management relative to matters of mutual interest and concern to Wyndham Worldwide.

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Board Leadership Structure

The Board believes that Wyndham Worldwide's CEO is best situated to serve as Chairman because he is the Director most familiar with our business and industry and most capable of effectively identifying strategic priorities and leading the discussion and execution of strategy. Independent Directors and management have different perspectives and roles in strategy development. Our independent Directors bring experience, oversight and expertise from outside our company and industry while the CEO brings company-specific experience and expertise. The Board believes that the combined role of Chairman and CEO promotes strategy development and execution and facilitates information flow between management and the Board all of which are essential to effective governance.

One of the key responsibilities of the Board is to review our strategic direction and hold management accountable for the execution of strategy once it is developed. The Board believes the combined role of Chairman and CEO, together with an independent Lead Director having the duties described below, is in the best interest of shareholders because it provides the appropriate balance between strategy review and independent oversight of management.

Lead Director

The Board selected James E. Buckman, an independent Director who serves as a member of the Executive Committee, to serve as the Board's Lead Director. The Lead Director serves as a key advisor to the Chairman and the Board; chairs executive sessions of the non-management Directors and provides feedback to the Chairman; chairs meetings of the Board in the absence of the Chairman; and reviews in advance and consults with the Chairman when necessary regarding the agendas for all Board and committee meetings.

Oversight of Risk Management

The Board has an active role, as a whole and at the committee level, in providing oversight with respect to management of our risks. The Board focuses on the most significant risks facing us and our general risk management strategy and seeks to ensure that risks undertaken by us are consistent with a level of risk that is appropriate for our company and aligned with the achievement of our business objectives and strategies.

The Board regularly reviews information regarding and risks associated with our finances, credit and liquidity; our business, operations and strategy; legal, regulatory and compliance matters; and reputational exposure. The Audit Committee provides oversight on our programs for risk assessment and risk management, including with respect to financial accounting and reporting and compliance risks. The Compensation Committee provides oversight on our assessment and management of risks relating to our executive compensation. The Corporate Governance Committee provides oversight on our management of risks associated with the independence of the Board and potential conflicts of interest. While each committee is responsible for providing oversight with respect to the management of risks, the entire Board of Directors is regularly informed about our risks through committee reports and management presentations.

While the Board and the committees provide oversight with respect to our risk management, our CEO and other senior management are primarily responsible for day-to-day risk management analysis and mitigation and report to the full Board or the relevant committee regarding risk management. Our leadership structure, with Mr. Holmes serving as Chairman and CEO, also enhances the Board's effectiveness in risk oversight due to Mr. Holmes' extensive knowledge of our business and operations, facilitating the Board's oversight of key risks. We believe this division of responsibility and leadership structure is the most effective approach for addressing our risk management.

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Executive Sessions of Non-Management Directors

The Board meets regularly without any members of management present. The Lead Director chairs these sessions.

Communications with the Board and Directors

Shareholders and other parties interested in communicating directly with the Board, an individual non-management Director or the non-management Directors as a group may do so by writing our Corporate Secretary at Wyndham Worldwide Corporation, 22 Sylvan Way, Parsippany, New Jersey 07054. The Corporate Secretary will forward the correspondence only to the intended recipients. However, prior to forwarding any correspondence, the Corporate Secretary will review it and in his discretion not forward correspondence deemed to be of a commercial nature or otherwise not appropriate for review by the Directors.

Director Attendance at Annual Meeting of Shareholders

As provided in the Board's Corporate Governance Guidelines, Directors are expected to attend our annual meeting of shareholders absent exceptional cause. All of our Directors attended our 2013 annual meeting and are expected to attend the 2014 annual meeting.

Code of Business Conduct and Ethics

The Board has adopted a Code of Business Conduct and Ethics for Directors with ethics guidelines specifically applicable to Directors. In addition, we adopted Business Principles applicable to all our associates, including our CEO, Chief Financial Officer and Chief Accounting Officer. We will disclose on our website any amendment to or waiver from a provision of our Business Principles or Code of Business Conduct and Ethics for Directors as may be required and within the time period specified under applicable SEC and NYSE rules. The Code of Business Conduct and Ethics for Directors and our Business Principles are available on the Investor Relations/Corporate Governance page of our website at www.WyndhamWorldwide.com. Copies of these documents may also be obtained free of charge by writing to our Corporate Secretary.

Director Nomination Process

Role of Corporate Governance Committee. The Corporate Governance Committee is responsible for recommending the Director nominees for election to the Board. The Committee considers the appropriate balance of experience, skills and characteristics required of the Board when considering potential candidates to serve on the Board. Nominees for Director are selected on the basis of their depth and breadth of experience, skills, wisdom, integrity, ability to make independent analytical inquiries, understanding of our business environment and willingness to devote adequate time to Board duties.

The Committee also focuses on issues of diversity, such as diversity of gender, race and national origin, education, professional experience and differences in viewpoints and skills. The Committee does not have a formal policy with respect to diversity, however, the Board and the Committee believe that it is essential that the Board members represent diverse viewpoints. In considering candidates for the Board, the Committee considers the entirety of each candidate's credentials in the context of these standards. For the nomination of continuing Directors for re-election, the Committee also considers the individual's contributions to the Board.

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All of our Directors bring to our Board a wealth of executive leadership experience derived from their service as senior executives of large organizations as well as extensive board experience. Certain individual qualifications, experience and skills of our Directors that led the Board to conclude that each nominee or Director should serve as our Director are described below under Election of Directors.

Identification and Evaluation Process. The process for identifying and evaluating nominees to the Board is initiated by identifying a candidate who meets the criteria for selection as a nominee and has the specific qualities or skills being sought based on input from members of the Board and, if the Committee deems appropriate, a third-party search firm. These candidates will be evaluated by the Committee by reviewing the candidates' biographical information and qualifications and checking the candidates' references. Qualified nominees will be interviewed by at least one member of the Committee. Using the input from the interview and other information it obtains, the Committee evaluates whether the prospective candidate is qualified to serve as a Director and whether the Committee should recommend to the Board that the Board nominate the prospective candidate for election by the shareholders or to fill a vacancy on the Board.

Shareholder Recommendations of Nominees. The Committee will consider written recommendations from shareholders for nominees for Director. Recommendations should be submitted to the Corporate Governance Committee, c/o the Corporate Secretary, and include at least the following: name of the shareholder and evidence of the person's ownership of our common stock, number of shares owned and the length of time of ownership, name of the candidate, the candidate's resume or a listing of his or her qualifications to be a Director and the person's consent to be named as a Director if selected by the Corporate Governance Committee and nominated by the Board. To evaluate nominees for Directors recommended by shareholders, the Committee intends to use a substantially similar evaluation process as described above.

Shareholder Nominations and By-Law Procedures. Our By-Laws establish procedures pursuant to which a shareholder may nominate a person for election to the Board. Our By-Laws are posted on our website under Investor Relations/Corporate Governance at www.WyndhamWorldwide.com. To nominate a person for election to the Board, a shareholder must set forth all information relating to the nominee that is required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for election of Directors or is otherwise required in each case pursuant to Section 14 under the Securities Exchange Act of 1934, as amended, and related rules and regulations. Such notice must also contain information specified in the By-Laws regarding the Director nominee, information about the shareholder making the nomination, including name and address, number of shares owned and certain representations regarding such a nomination. We may require any proposed nominee to furnish information concerning his or her eligibility to serve as an independent Director or that could be material to a reasonable shareholder's understanding of the independence of the nominee. Such notice must be accompanied by the proposed nominee's consent to being named as a nominee and to serve as a Director if elected.

To nominate a person for election to the Board at our annual meeting of shareholders, written notice of a shareholder nomination must be delivered to our Corporate Secretary not less than 90 nor more than 120 days prior to the anniversary date of the prior year's annual meeting. However, if our annual meeting is advanced or delayed by more than 30 days from the anniversary date of the previous year's meeting, a shareholder's written notice will be timely if it is delivered by no later than the close of business on the 10th day following the day on which public disclosure of the date of the annual meeting is made or the notice of the date of the annual meeting was mailed, whichever occurs first. A shareholder may make nominations of persons for election to the Board at a special meeting if the shareholder delivers written notice to our Corporate Secretary not later than the close of business on the 10th day following the day on which public disclosure of the date such special meeting was made or notice of such special meeting was mailed, whichever occurs first. At a special meeting of shareholders, only such business may be conducted as shall have been brought before the meeting under our notice of meeting.

Table of Contents**Compensation of Directors**

Non-management Directors receive compensation for Board service designed to compensate them for their Board responsibilities and align their interests with the long-term interests of shareholders. A management Director receives no additional compensation for Board service.

In February 2013, the Corporate Governance Committee considered and recommended based on the review conducted by Aon Hewitt, that the Director compensation program for 2013 remain consistent with 2012. The following table describes 2013 annual retainer and committee chair and membership fees for non-management Directors. Our non-management Directors do not receive additional fees for attending Board or committee meetings. In addition to these fees, the 2013 compensation of each of our non-management Directors also includes the \$75,000 annual equity grant of time-vested restricted stock units (RSUs) which vests over a four-year period.

	Cash-Based	Stock-Based	Total
Lead Director	\$ 132,500	\$ 132,500	\$ 265,000
Director	\$ 105,000	\$ 105,000	\$ 210,000
Audit Committee chair	\$ 22,500	\$ 22,500	\$ 45,000
Audit Committee member	\$ 12,500	\$ 12,500	\$ 25,000
Compensation Committee chair	\$ 17,500	\$ 17,500	\$ 35,000
Compensation Committee member	\$ 10,000	\$ 10,000	\$ 20,000
Corporate Governance Committee chair	\$ 15,000	\$ 15,000	\$ 30,000
Corporate Governance Committee member	\$ 8,750	\$ 8,750	\$ 17,500
Executive Committee member	\$ 10,000	\$ 10,000	\$ 20,000

The annual Director retainer and committee chair and membership fees are paid on a quarterly basis 50% in cash and 50% in Wyndham Worldwide stock. The number of shares of stock issued is based on our stock price on the quarterly determination date. Directors may elect to receive the stock-based portion of their fees in the form of common stock or deferred stock units (DSUs). Directors may also elect to defer any cash-based compensation or vested RSUs in the form of DSUs. A DSU entitles the Director to receive one share of common stock following the Director's retirement or termination of service from the Board for any reason and is credited with dividend equivalents during the deferral period. The Director may not sell or receive value from any DSU prior to termination of service.

We make available to each Director a term life insurance policy owned by us with a \$1.1 million death benefit payable \$1 million to us which benefit we will donate to a charitable beneficiary of the Director's choice and \$100,000 paid directly to a personal beneficiary of the Director's choice. In the event we undergo a change-in-control or a Director retires we will pay the premiums for the policies for one year from the date of the change-in-control or retirement as applicable.

We provide for a three-for-one company match of a Director's qualifying charitable contributions up to a company contribution of \$60,000 per year. Previously Directors were provided with a two-for-one company match up to \$25,000 per year. This increase was approved by the Board upon the recommendation of the Corporate Governance Committee in November 2013.

We maintain a policy to award our Directors annually 400,000 Wyndham Rewards Points. These Wyndham Rewards Points have an approximate value of \$1,800 and may be redeemed for numerous rewards options including stays at Wyndham properties. Previously Directors received 200,000 Wyndham Rewards Points with an approximate value of \$1,000. This increase was approved by the Board upon the recommendation of the Corporate Governance Committee in November 2013.

Table of Contents**2013 Director Compensation Table**

The following table describes compensation we paid our non-management Directors for 2013:

Name	Fees Paid in Cash		Stock Awards		All Other Compensation		Total	
	&zwsp;	(\$)	&zwsp;	\$(a)(b)	&zwsp;	\$(c)	&zwsp;	(\$)
Myra J. Biblowit		123,852		198,632		48,496		370,980
James E. Buckman		142,543		217,445		72,110		432,098
George Herrera		132,587		207,379		42,382		382,348
The Right Honourable Brian Mulroney		131,373		206,134		106,480		443,987
Pauline D.E. Richards		124,363		202,444		58,178		384,985
Michael H. Wargotz		137,621		212,381		60,635		410,637

- (a) Represents the aggregate grant date fair value of stock awards computed in accordance with Financial Accounting Standards Board Accounting Standards Codification Topic 718. Each Director was granted a RSU award with a grant date fair value of \$75,000 which vests ratably over four years. The remaining amount in each row represents the aggregate grant date fair value of retainer fees paid on a quarterly basis in the form of common stock and/or DSUs.
- (b) Shares of our common stock issuable for DSUs at December 31, 2013 are as follows: Ms. Biblowit, 40,930; Mr. Buckman, 35,496; Mr. Herrera, 30,560; Mr. Mulroney, 60,172; Ms. Richards, 32,924; and Mr. Wargotz, 37,729. Shares of our common stock issuable for RSUs at December 31, 2013 are as follows: Ms. Biblowit, 2,507; Mr. Buckman, 2,507; Mr. Herrera, 2,507; Mr. Mulroney, 2,507; Ms. Richards, 2,507; and Mr. Wargotz, 2,507.
- (c) Includes amounts attributable to charitable matching contributions made on behalf of the Director, the value of DSUs credited for dividends paid on DSUs outstanding on the record date for such dividends, the value of dividends paid on vesting of RSUs, the value of Wyndham Rewards Points and life insurance premiums paid by us, as applicable. For Mr. Mulroney this amount also includes an amount attributable to spousal travel.
- The value of DSUs credited to our Directors for dividends paid on outstanding DSUs was as follows: Ms. Biblowit, \$46,310; Mr. Buckman, \$39,924; Mr. Herrera, \$35,196; Mr. Mulroney, \$68,419; Ms. Richards, \$37,918; and Mr. Wargotz, \$42,531. The value of dividends paid to our Directors on vesting of RSUs is as follows: Ms. Biblowit, \$386; Mr. Buckman, \$386; Mr. Herrera, \$386; Mr. Mulroney, \$386; Ms. Richards, \$386; and Mr. Wargotz, \$386. The value of matching contributions in excess of \$10,000 is as follows: Mr. Buckman, \$30,000; Mr. Mulroney, \$23,287; Ms. Richards, \$16,000; and Mr. Wargotz, \$12,500. No life insurance premiums paid for a Director exceeded \$10,000.

Non-Management Director Stock Ownership Guidelines

The Corporate Governance Guidelines require each non-management Director to comply with Wyndham Worldwide's Non-Management Director Stock Ownership Guidelines. These guidelines require each non-management Director to beneficially own an amount of our stock equal to the greater of a multiple of at least five times the cash portion of the annual retainer or two and one-half times the total retainer value without regard to Board committee fees. DSUs and RSUs credited to a Director count towards satisfaction of the guidelines. As of December 31,

2013, all of our non-management Directors exceeded the stock ownership requirements.

Table of Contents**Ownership of Company Stock**

The following table describes the beneficial ownership of our common stock for the following persons as of December 31, 2013: each executive officer named in the Summary Compensation Table below (who we refer to in this proxy statement as named executive officers), each Director, each person who to our knowledge beneficially owns in excess of 5% of our common stock and all of our Directors and executive officers as a group. The percentage values are based on 128,529,270 shares of our common stock outstanding as of December 31, 2013. The principal address for each Director, nominee and executive officer of Wyndham Worldwide is 22 Sylvan Way, Parsippany, New Jersey 07054.

Name	Number of Shares	% of Class
Wellington Management Company, LLP	10,421,476(a)	8.0%
The Vanguard Group	9,014,637&zwsp; (b)	6.9%
Iridian Asset Management LLC	7,215,532(c)	5.5%
BlackRock, Inc.	7,035,910&zwsp; (d)	5.4%
Lone Pine Capital LLC	6,772,247(e)	5.2%
Geoffrey A. Ballotti	&zwsp; 219,284(f)(g)	*
Myra J. Biblowit	52,086(f)(g)(h)	*
James E. Buckman	&zwsp; 44,066(f)(g)(h)(i)	*
Thomas G. Conforti	139,743(f)(g)	*
Eric A. Danziger	&zwsp; 127,381(f)(g)	*
Franz S. Hanning	100,193(f)(g)	*
George Herrera	&zwsp; 31,292(f)(g)(h)	*
Stephen P. Holmes	1,709,183(f)(g)(j)(k)(l)	1.3%
The Right Honourable Brian Mulroney	&zwsp; 64,480(f)(g)(h)	*
Pauline D.E. Richards	38,821(f)(g)(h)	*
Michael H. Wargotz	&zwsp; 39,183(f)(g)(h)	*
All Directors and executive officers as a group (15 persons)	2,779,412(m)	2.1%

*

Amount represents less than 1% of outstanding common stock.

(a)

We have been informed by a report on Schedule 13G filed with the SEC on February 14, 2014 by Wellington Management Company, LLP (WMC) that WMC beneficially owns 10,421,476 shares of our common stock with sole voting power over no shares, shared voting power over 7,984,485 shares, sole dispositive power over no shares and shared dispositive power over 10,421,476 shares. The principal business address for WMC is 280 Congress Street, Boston, Massachusetts 02210.

(b)

We have been informed by Amendment No. 4 to a report on Schedule 13G filed with the SEC on February 6, 2014 by The Vanguard Group (TVG) that TVG beneficially owns 9,014,637 shares of our common stock with sole voting power over 214,052 shares, shared voting power over no shares, sole dispositive power over 8,809,385 shares and shared dispositive power over 205,252 shares. The principal business address for TVG is 100 Vanguard Boulevard, Malvern, Pennsylvania 19355.

(c)

We have been informed by a report on Schedule 13G filed with the SEC on February 4, 2014 by Iridian Asset Management LLC and affiliates named in such report (Iridian Asset Management) that Iridian Asset Management beneficially owns 7,215,532 shares of our common stock with sole voting power over no shares, shared voting power over 7,215,532 shares, sole dispositive power over no shares and shared dispositive power over 7,215,532 shares. The principal business address for Iridian Asset Management is 276 Post Road West, Westport, Connecticut 06880.

(d)

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We have been informed by Amendment No. 1 to a report on Schedule 13G filed with the SEC on January 17, 2014 by BlackRock, Inc. and affiliates named in such report (BlackRock) that BlackRock beneficially owns 7,035,910 shares of our common stock with sole voting power over 5,851,423 shares, shared voting power over no shares, sole dispositive power over 7,035,910 shares and shared dispositive power over no shares. The principal business address for BlackRock is 40 East 52nd Street, New York, New York 10022.

(e)

We have been informed by a report on Schedule 13G filed with the SEC on January 13, 2014 by Lone Pine Capital LLC and affiliates named in such report (Lone Pine Capital) that Lone Pine Capital beneficially owns

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6,772,247 shares of our common stock with sole voting power over no shares, shared voting power over 6,772,247 shares, sole dispositive power over no shares and shared dispositive power over 6,772,247 shares. The principal business address for Lone Pine Capital is Two Greenwich Plaza, Greenwich, Connecticut 06830.

- (f) Excludes shares of our common stock issuable upon vesting of RSUs after 60 days from December 31, 2013 as follows: Mr. Ballotti, 72,140; Ms. Biblowit, 1,775; Mr. Buckman, 1,775; Mr. Conforti, 70,895; Mr. Danziger, 62,038; Mr. Hanning, 77,139; Mr. Herrera, 1,775; Mr. Holmes, 149,536; Mr. Mulrone; 1,775; Ms. Richards, 1,775; and Mr. Wargotz, 1,775. Excludes performance-vested restricted stock units (PVRsUs) granted in 2012 and 2013 which vest, if at all, after 60 days from December 31, 2013 as follows: Mr. Ballotti, 45,430; Mr. Conforti, 44,600; Mr. Danziger, 39,036; Mr. Hanning, 48,795; and Mr. Holmes, 154,460.
- (g) Includes shares of our common stock issuable upon vesting of RSUs within 60 days of December 31, 2013: Mr. Ballotti, 60,941; Ms. Biblowit, 732; Mr. Buckman, 732; Mr. Conforti, 57,789; Mr. Danziger, 50,638; Mr. Hanning, 64,258; Mr. Herrera, 732; Mr. Holmes, 121,765; Mr. Mulrone, 732; Ms. Richards, 732; and Mr. Wargotz, 732. Includes shares of our common stock issuable upon vesting of PVRsUs within 60 days of December 31, 2013 as follows: Mr. Ballotti, 32,669; Mr. Conforti, 32,669; Mr. Danziger, 29,402; Mr. Hanning, 35,935; and Mr. Holmes, 89,839.
- (h) Includes shares of our common stock issuable for DSUs as of December 31, 2013 as follows: Ms. Biblowit, 40,930; Mr. Buckman, 35,496; Mr. Herrera, 30,560; Mr. Mulrone, 60,172; Ms. Richards, 32,924; and Mr. Wargotz, 37,729.
- (i) Includes 3,220 shares held in Mr. Buckman's IRA.
- (j) Includes 986,820 shares of our common stock which Mr. Holmes has the right to acquire through the exercise of stock-settled stock appreciation rights within 60 days of December 31, 2013.
- (k) Excludes 145,386 shares of our common stock underlying stock-settled stock appreciation rights held by Mr. Holmes which are not currently exercisable and are not scheduled to vest within 60 days of December 31, 2013.
- (l) Includes 3,393 shares held by Mr. Holmes' children.
- (m) Includes or excludes, as the case may be, shares of common stock as indicated in the preceding footnotes. In addition, with respect to our other executive officers who are not named executive officers, this amount includes 91,351 shares and 50,839 shares of our common stock issuable upon vesting of RSUs and PVRsUs, respectively, within 60 days from December 31, 2013, and excludes 119,405 shares and 73,455 shares of our common stock issuable upon vesting of RSUs and PVRsUs, respectively, after 60 days from December 31, 2013.

Section 16(a) Beneficial Ownership Reporting Compliance

Our Directors and executive officers and our ten percent shareholders are required to file with the SEC reports of ownership and changes in ownership of our common stock. All 2013 reports were filed on time, with the exception of a Form 4 for Mr. Wargotz reporting one transaction which was filed one day late due to administrative reasons through no fault of the reporting person.

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ELECTION OF DIRECTORS

At the date of this proxy statement, the Board of Directors consists of seven members, six of whom are non-management Directors and independent Directors under applicable listing standards and our corporate governance documents. The Board is currently divided into classes. Prior to our 2013 annual meeting of shareholders, each of the three classes was elected to serve three-year terms which were staggered such that one-third of the Board membership, or as near to one-third as possible, was elected at each annual meeting. At our 2012 annual meeting, our shareholders approved amendments to our Certificate of Incorporation to phase out the classification of the Board and to provide instead for the annual election of Directors commencing with those Directors up for election at our 2013 annual meeting. Directors previously elected to serve three-year terms will serve the remainder of such terms before standing for re-election. At last year's meeting, two Directors were elected to a term expiring at this year's annual meeting. These two Directors as well as two Directors whose three-year terms will expire at this year's meeting have been nominated by the Board for re-election.

Accordingly, at this year's meeting, four Directors are to be elected for terms expiring at the 2015 annual meeting. The Corporate Governance Committee nominated James E. Buckman, George Herrera, The Right Honourable Brian Mulroney and Michael H. Wargotz, each of whom is presently a Director. The four nominees and the other Directors continuing in office after the meeting are listed below with brief biographies.

We do not know of any reason why any nominee would be unable to serve as a Director. If any nominee is unable to serve, the shares represented by all valid proxies will be voted for the election of such other person as the Board may nominate.

Shareholder Voting for Election of Directors

Our Certificate of Incorporation and By-Laws provide for a plurality voting standard for the election of our Directors. Under a plurality voting standard the nominee for each Director position with the most votes is elected.

Under the Board's Corporate Governance Guidelines any nominee for Director in an uncontested election, such as this one where the number of nominees does not exceed the number of Directors to be elected, who receives a greater number of votes withheld from his or her election than votes for such election shall promptly tender his or her resignation following certification of the shareholder vote. The Corporate Governance Committee will promptly consider the tendered resignation and will recommend to the Board whether to accept the tendered resignation or to take some other action, such as rejecting the tendered resignation and addressing the apparent underlying causes of the withheld votes. In making this recommendation the Committee will consider all factors deemed relevant by its members.

The Board will act on the Committee's recommendation no later than at its first regularly scheduled meeting following certification of the shareholder vote but in any case no later than 120 days following the certification of the shareholder vote. In considering the Committee's recommendation, the Board will consider the factors considered by the Committee and such additional information and factors the Board believes to be relevant. We will promptly publicly disclose the Board's decision and process in a periodic or current report filed with the SEC. Any Director who tenders his or her resignation under this process will not participate in the Committee recommendation or Board consideration regarding whether or not to accept the tendered resignation. However, such Director shall remain active and engaged in all other committee and Board activities, deliberations and decisions during this Committee and Board process.

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**Nominees for Election to the Board for a
Term Expiring at the 2015 Annual Meeting**

James E. Buckman, 69, has served as a Director since July 2006 and Lead Director since March 2010. From May 2007 to January 2012, Mr. Buckman served as Vice Chairman of York Capital Management, a hedge fund management company headquartered in New York City. From May 1, 2010 to January 2012, Mr. Buckman also served as General Counsel of York Capital Management and from January 2007 to May 2007 he served as a Senior Consultant to York Capital Management. Mr. Buckman was General Counsel and a director of Cendant from December 1997 to August 2006, a Vice Chairman of Cendant from November 1998 to August 2006 and a Senior Executive Vice President of Cendant from December 1997 to November 1998. Mr. Buckman was Senior Executive Vice President, General Counsel and Assistant Secretary of HFS Incorporated from May 1997 to December 1997, a director of HFS from June 1994 to December 1997 and Executive Vice President, General Counsel and Assistant Secretary of HFS from February 1992 to May 1997.

Mr. Buckman brings to the Board exceptional leadership, experience and perspective necessary to be our Lead Director. His service as a director, Vice Chairman and General Counsel of Cendant and a Director of Wyndham Worldwide affords Mr. Buckman strong experience with Wyndham Worldwide's business and operations. Mr. Buckman's experience with leading hedge fund manager York Capital Management contributes valuable cross-industry experience and depth of knowledge. Mr. Buckman's specific experience, qualifications, attributes and skills described above led the Board to conclude that Mr. Buckman should serve as our Director.

George Herrera, 57, has served as a Director since July 2006. Since December 2003, Mr. Herrera has served as President and Chief Executive Officer of Herrera-Cristina Group, Ltd., a Hispanic-owned, multidisciplinary management firm. From August 1998 to January 2004, Mr. Herrera served as President and Chief Executive Officer of the U.S. Hispanic Chamber of Commerce. Mr. Herrera served as President of David J. Burgos & Associates, Inc. from December 1979 to July 1998. Mr. Herrera served as a director of Cendant from January 2004 to August 2006.

Mr. Herrera provides the Board with exceptional leadership and management knowledge. As a Cendant director and a Director and Chair of the Corporate Governance Committee of Wyndham Worldwide, Mr. Herrera has gained a broad understanding of the role of the Board in our operations. Mr. Herrera's service as chief executive officer of multidisciplinary management firm Herrera-Cristina Group, Ltd. contributes extensive and varied management, finance and corporate governance experience. His service as President and CEO of the U.S. Hispanic Chamber of Commerce brings valuable government relations expertise to the Board. Mr. Herrera's specific experience, qualifications, attributes and skills described above led the Board to conclude that Mr. Herrera should serve as our Director.

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The Right Honourable Brian Mulroney, 75, has served as a Director since July 2006. Mr. Mulroney is a Senior Partner in the international law firm Norton Rose Fulbright. He served as Prime Minister of Canada from 1984 to 1993. Mr. Mulroney has served as a director of Barrick Gold Corporation since November 1993, Blackstone Group L.P. since June 2007 and Quebecor Media Inc. since January 2001. Mr. Mulroney served as a director of Cendant Corporation from December 1997 to August 2006, Hicks Acquisition Co. I, Inc. from September 2007 to September 2009 and Archer Daniels Midland Company Inc. from December 1993 to December 2009.

Mr. Mulroney brings exceptional leadership, experience and expertise to the Board. His service as a Director of Wyndham Worldwide provides the Board with knowledge of our business and strategy as well as a historical perspective on our growth and operations. Mr. Mulroney's service as the Prime Minister of Canada brings to the Board valuable leadership and international business and government relations expertise. He is a Senior Partner of international law firm Norton Rose Fulbright, contributing valuable legal experience to the Board. As a director for other public companies, Mr. Mulroney offers valuable perspectives on board operations as well. Mr. Mulroney's specific experience, qualifications, attributes and skills described above led the Board to conclude that Mr. Mulroney should serve as our Director.

Michael H. Wargotz, 55, has served as a Director since July 2006. Since July 2011, Mr. Wargotz has served as the Chairman of Axxess Ventures, an affiliate of Axxess Worldwide, a partnership development company that creates inspired ideas and connects extraordinary brands and people. From August 2010 to June 2011, Mr. Wargotz served as the Chief Financial Officer of The Milestone Aviation Group, LLC, a global aviation leasing company. From August 2009 to July 2010, Mr. Wargotz served as the Co-Chairman of Axxess Luxury and Lifestyle. From December 2006 to August 2009, Mr. Wargotz served as the Chief Financial Advisor of NetJets, Inc., a leading provider of private aviation services, and from June 2004 to November 2006, he served as a Vice President of NetJets. Mr. Wargotz is a founding partner of Axxess Solutions, LLC, a strategic alliance, brand development and partnership marketing consulting firm, which originated in 2001. From January 1998 to December 1999, Mr. Wargotz served in various leadership positions with Cendant, including President and Chief Executive Officer of its Lifestyle Division, Executive Vice President and Chief Financial Officer of its Alliance Marketing Segment and Senior Vice President, Business Development. Mr. Wargotz was a Senior Vice President with HFS Incorporated from July 1994 to December 1997. Mr. Wargotz has served as a director of Resources Connection, Inc. since May 2009 and CST Brands, Inc. since May 2013.

Mr. Wargotz's senior management experience with Axxess Worldwide, The Milestone Aviation Group and NetJets brings to the Board financial expertise and branding knowledge. As Chair of the Audit Committee of Wyndham Worldwide, he contributes financial reporting and compliance expertise and perspective. Mr. Wargotz's experience as President and CEO of Cendant's Lifestyle Division, Chief Financial Officer of Cendant's Alliance Marketing Segment and Senior Vice President of Cendant's business development function provides the Board with exceptional leadership and branding and development expertise in areas that are critical to our business. As a director for other public companies, Mr. Wargotz offers valuable perspectives on board operations as well. Mr. Wargotz's specific experience, qualifications, attributes and skills described above led the Board to conclude that Mr. Wargotz should serve as our Director.

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**Directors Continuing in Office for a
Term Expiring at the 2015 Annual Meeting**

Stephen P. Holmes, 57, has served as our Chairman, Chief Executive Officer and a Director since July 2006. Mr. Holmes was Vice Chairman and director of Cendant Corporation and Chairman and Chief Executive Officer of Cendant's Travel Content Division from December 1997 to July 2006. Mr. Holmes was Vice Chairman of HFS Incorporated from September 1996 to December 1997, a director of HFS from June 1994 to December 1997 and Executive Vice President, Treasurer and Chief Financial Officer of HFS from July 1990 to September 1996.

Mr. Holmes' exceptional day-to-day leadership as our CEO provides him with detailed strategic perspective and knowledge of our operations and industry that are critical to the Board's effectiveness. He possesses extensive public company management experience and is widely recognized as a visionary leader in the global hospitality industry. Under Mr. Holmes' leadership, we have focused our business on, among other things, generating significant earnings and cash flow and building world-renowned hospitality brands, all of which increase shareholder value. Mr. Holmes' specific experience, qualifications, attributes and skills described above led the Board to conclude that Mr. Holmes should serve as our Director.

Myra J. Biblowit, 65, has served as a Director since July 2006. Since April 2001, Ms. Biblowit has served as President of The Breast Cancer Research Foundation. From July 1997 to March 2001, she served as Vice Dean for External Affairs for the New York University School of Medicine and Senior Vice President of the Mount Sinai-NYU Health System. From June 1991 to June 1997, Ms. Biblowit was Senior Vice President and Executive Director of the Capital Campaign for the American Museum of Natural History. Ms. Biblowit served as a director of Cendant from April 2000 to August 2006.

As a director of Cendant and a Director of Wyndham Worldwide, Ms. Biblowit has gained a broad understanding of Wyndham Worldwide's business, operations and culture. Ms. Biblowit's exceptional leadership experience with iconic research, educational and cultural institutions provides a unique perspective to the Board. As President of The Breast Cancer Research Foundation, a dominant funder of research around the world, Ms. Biblowit brings to the Board a global perspective, marketing skills and a commitment to supporting our communities that add significant value to the Board's contribution to our success. Ms. Biblowit's specific experience, qualifications, attributes and skills described above led the Board to conclude that Ms. Biblowit should serve as our Director.

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Pauline D.E. Richards, 65, has served as a Director since July 2006. Since July 2008, Ms. Richards has served as Chief Operating Officer of Armour Group Holdings Limited (formerly Brevan Howard P&C Partners Limited), an investment management company. From November 2003 to July 2008, Ms. Richards served as Director of Development at the Saltus Grammar School, the largest private school in Bermuda. From January 2001 to March 2003, Ms. Richards served as Chief Financial Officer of Lombard Odier Darier Hentsch (Bermuda) Limited in Bermuda, a trust company business. From January 1999 to December 2000, she was Treasurer of Gulfstream Financial Limited, a stock brokerage company. From January 1999 to June 1999, Ms. Richards served as a consultant to Aon Group of Companies, Bermuda, an insurance brokerage company, after serving in senior positions from 1988 through 1998 including Controller, Senior Vice President and Group Financial Controller and Chief Financial Officer. Ms. Richards has served as a director of Apollo Global Management, LLC since March 2011. Ms. Richards served as a director of Cendant from March 2003 to August 2006.

Ms. Richards' extensive financial background and exceptional leadership experience provide the Board with financial accounting and management expertise and perspectives. Her service as a Cendant director and as a Director and member of the Audit Committee of Wyndham Worldwide brings to the Board valuable experience on financial reporting matters that are critical to the Board's oversight role. Ms. Richards' service as a chief financial officer and treasurer of leading finance companies allows her to offer important insights into the role of finance in our business and strategy. As a director for other public companies, Ms. Richards offers valuable perspectives on board operations as well. Ms. Richards' specific experience, qualifications, attributes and skills described above led the Board to conclude that Ms. Richards should serve as our Director.

**THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS
A VOTE FOR THE ELECTION OF THE NOMINEES, JAMES E. BUCKMAN, GEORGE HERRERA, THE RIGHT
HONOURABLE BRIAN MULRONEY AND MICHAEL H. WARGOTZ**

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EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

Overview

Total Compensation Strategy. We employ a Total Compensation Strategy designed to achieve the following objectives:

Attract and retain superior senior management talent.

Provide our executives with market competitive compensation consistent with comparable hospitality, service, franchise and brand portfolio companies.

Support a high-performance environment by linking compensation with performance.

Support a long-term focus for our executives that aligns their interests with the interests of our shareholders.

We seek to maintain a strong pay-for-performance executive compensation approach by utilizing performance metrics designed to incentivize our executives to achieve our strategic and financial performance goals and increase shareholder value without undue risk to the enterprise. We also monitor evolving governance trends in executive compensation and, for example, in 2011 added performance-based equity grants to our long-term incentive compensation program.

Strong Performance. In 2013 our management team produced strong financial and operational results:

Total revenues of \$5.0 billion, representing a 10% increase over 2012.

Adjusted net income of \$515 million, representing a 10% increase over 2012 adjusted net income (our 2013 net income was \$432 million representing an 8% increase over 2012 net income).*

Diluted adjusted earnings per share of \$3.83, a 19% increase over 2012 (our 2013 diluted earnings per share of \$3.21 represented a 17% increase over 2012 diluted earnings per share).*

In 2013, our share price appreciated 38%. This, together with our 2013 dividend payments, resulted in a 41% total return to shareholders during 2013. Our one-year total shareholder return (41%) and our three-year total shareholder return (160%) exceeded the one-year (32%) and three-year (56%) total returns on the SPDR S&P 500 index fund.

2013 Compensation Actions. As discussed in more detail below, the compensation decisions and other actions applicable to our named executive officers for 2013 were as follows:

In February 2013, the Compensation Committee (Committee) approved base salary merit increases for our named executive officers. For 2013, we paid our named executive officers the base salaries listed in the Summary Compensation Table below.

* For a full reconciliation of adjusted net income to GAAP net income and diluted adjusted earnings per share to GAAP diluted earnings per share, please see Appendix B attached to this proxy statement.

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In February 2013, the Committee granted stock-settled stock appreciation rights (SSARs), time-vested restricted stock units (RSUs) and performance-vested restricted stock units (PVRsUs) to Mr. Holmes, our CEO, and RSUs and PVRsUs to our other named executive officers in the amounts listed in the Grants of Plan-Based Awards Table below.

In February 2013, the Committee approved the factors to be used to determine any potential 2013 annual incentive compensation for our named executive officers. These factors are described below under Annual Incentive Compensation.

In February 2013, the Committee approved 2013 executive perquisites. Named executive officer compensation for 2013 attributable to perquisites is described in the All Other Compensation Table below.

In May 2013, the employment agreement of Mr. Holmes, our Chairman and CEO, was amended to extend the term of his employment until July 2015. In March 2013, the employment agreement of Mr. Hanning, CEO, Wyndham Vacation Ownership, was amended to increase his annual base salary and target annual incentive compensation opportunity. The terms of the employment agreements with our named executive officers are described below under Agreements with Named Executive Officers.

In May 2013, more than 87% of the shares voted on our Say-on-Pay Vote at our 2013 Annual Meeting of Shareholders were cast in support of the compensation of our named executive officers as described in our 2013 proxy statement.

In February 2014, the Committee approved and we paid our named executive officers 2013 annual incentive compensation in the amounts listed in the Summary Compensation Table.

Total Compensation Strategy

We employ a Total Compensation Strategy designed to achieve the following objectives:

Attract and retain superior senior management talent. We believe that attracting and retaining superior senior managers are integral to our ongoing success. Our named executive officers possess extensive experience in our business and the hospitality industry segments in which we compete and demonstrate the exceptional leadership skills and commitment to excellence that we believe are critical for our company. Accordingly, our Total Compensation Strategy is designed in part to promote a long-term commitment from our named executive officers.

Provide our executives with compensation that is consistent and competitive with compensation provided by comparable hospitality, service, franchise and brand portfolio companies. We provide our named executive officers with total target compensation, consisting of base salary, cash-based annual incentive compensation and equity-based long-term incentive compensation, that is generally consistent with the market median but may approach the 75th percentile of our peer group. We also provide our named executive officers with perquisites which we believe are consistent with our peers and health, welfare and retirements benefits which are reviewed on a company-wide basis and are deemed to be market competitive.

Support a high-performance environment by linking compensation with performance. Our key goals are to increase our earnings, cash flow and shareholder value. Consistent with these goals, we believe a significant portion of our executive compensation should be contingent on actual results. Accordingly, compensation levels are strongly influenced by corporate, business unit and individual performance.

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Support a long-term focus for our executives that aligns their interests with the interests of our shareholders. Long-term incentive compensation is intended to align the interests of our named executive officers with those of our shareholders as well as support our goal of retaining our key personnel.

Compensation Committee Matters

Wyndham Worldwide Compensation Committee. The Committee is responsible for providing oversight on executive compensation policies and programs consistent with corporate objectives and shareholder interests. The Committee operates under a written charter adopted by the Board. The Committee reviews the charter on an annual basis. The Committee's membership is determined by the Board and is composed entirely of independent Directors. The Committee Chair reports at our Board meetings on Committee actions and recommendations.

Executive Compensation Consultant. For 2013, Aon Hewitt was retained by the Committee as a third-party advisor to provide independent advice, research and evaluation related to executive compensation and was paid approximately \$131,000 for its services during 2013. In this capacity, the Committee utilizes reports and analyses prepared by Aon Hewitt. Aon Hewitt was retained to provide the Committee with competitive market pay analyses including compensation measurement services, peer group proxy data studies and market trends.

Wyndham Worldwide has historically engaged affiliates of Aon Hewitt for insurance brokerage and actuarial services. In this capacity, management engaged Aon Risk Services, Inc., without Board involvement, to provide insurance brokerage and actuarial services to Wyndham Worldwide during 2013. We paid approximately \$1,190,000 to Aon Risk Services, Inc. for these services during 2013, which amount was offset by commissions paid to Aon Risk Services, Inc. by insurance carriers for placing Wyndham Worldwide policies.

Aon Hewitt has in place policies and procedures designed to prevent conflicts of interest and safeguard the independence of its executive compensation consulting advice. These policies and procedures include segregation of executive compensation services in a separate business unit with performance results of that unit measured solely based on the executive compensation services, clearly defined engagements with compensation committees separate from any other services provided, management of multiservice client relationships by separate account executives, no incentives provided for cross-selling of services and no more favorable terms offered to companies due to the retention of Aon Risk Services, Inc. for additional services. The Committee reviewed the independence of Aon Hewitt and considered this relationship. Based on its review, the Committee concluded that no conflict of interest was raised by the services provided by Aon Risk Services, Inc. and determined that the executive compensation advice received from Aon Hewitt is objective and independent.

Management's Role. Our management plays a significant role in our executive compensation process including evaluating executive performance and recommending base salary merit increases, performance factors for annual incentive compensation and long-term incentive compensation for the named executive officers other than our CEO. Our CEO works with the Committee to establish the agenda for Committee meetings and management prepares and distributes meeting information to Committee members. Our CEO also participates in Committee meetings at the Committee's request to provide background information regarding our strategic objectives, his evaluation of the performance of the senior executives and compensation recommendations for senior executives other than himself. Our CEO is not involved in setting his own compensation, which is the exclusive responsibility of the Committee.

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Compensation Committee Discretion. For 2013, while the Committee reviewed management's recommendations, the Committee retained discretion over all elements and levels of the named executive officers' compensation. For 2013, the Committee generally based its decisions on a combination of management's recommendations other than for our CEO and the external market data provided by our management and compensation consultant.

Committee Consideration of Say-on-Pay Vote. We currently hold an advisory vote on the compensation of our named executive officers (Say-on-Pay Vote) on an annual basis in accordance with the preference expressed by our shareholders at our 2011 annual meeting regarding the frequency of the Say-on-Pay Vote. At our 2013 Annual Meeting, more than 87% of the shares voted on our Say-on-Pay Vote were cast in support of the compensation of our named executive officers as described in the 2013 proxy statement. The Committee reviewed the outcome of the 2013 advisory vote and continues to believe that the level of support affirms our current executive compensation structure and program. Accordingly, no changes have been made to our executive compensation program as a result of last year's Say-on-Pay Vote. In the future the Committee will continue to review our executive compensation program taking into consideration the outcome of our Say-on-Pay Votes and other relevant factors in making compensation decisions for our named executive officers.

Annual Evaluation and Compensation Risk Assessment. An important aspect of the Committee's work relates to the annual determination of compensation for our named executive officers. The Committee meets each year to review the performance of the named executive officers and review, consider and approve any potential increases in base salaries, annual incentive compensation, grants of long-term incentive compensation and perquisites.

As part of its annual review, the Committee also reviews the potential for any material risks arising from or relating to our compensation programs. Based on this review, the Committee believes that our compensation programs do not encourage excessive risk-taking by our executives or employees and are not reasonably likely to have a material adverse effect on Wyndham Worldwide. In reaching its conclusion, the Committee considered the following aspects of our compensation programs believed to encourage the management of our business in a prudent manner:

The Committee reviews and compares executive compensation against our peer group to confirm that compensation is within an acceptable range relative to the external market.

Our performance-based compensation is in large part keyed to our earnings, aligning interests of shareholders and management, and designed to improve our core operating results as opposed to using leverage or other high risk strategies.

Our annual incentive compensation opportunities are capped at a specified maximum as a countermeasure to excessive risk-taking.

Our commission-based sales programs are monitored by management for compliance with law and internal policies.

Employment Agreements

We entered into employment agreements with each of the named executive officers the terms of which form the basis of the named executive officers' compensation elements and levels. The compensation elements and levels provided under the agreements are reviewed at the inception, annually and for renewals of each agreement by management, our compensation consultant and the Committee against the peer group data described below under Compensation Review and Benchmarking. As a result of this review, in May 2013, the employment agreement of Mr. Holmes was amended to extend the term of his employment for a period of two years. In March 2013, the

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employment agreement of Mr. Hanning was amended to increase his base salary rate from \$690,000 to \$715,000 and his target annual incentive compensation award opportunity from \$700,000 to \$800,000 effective for 2013 based on his exceptional performance. In March 2013, the employment agreement of Mr. Danziger was amended to extend the term of his employment for a one year period until November 2014. Mr. Danziger's employment with Wyndham Worldwide ceased in March 2014. The terms of the employment agreements are described below under Agreements with Named Executive Officers.

Compensation Review and Benchmarking

Management and the Committee believe that information regarding compensation practices at other companies is useful in evaluating the compensation of our named executive officers. Management and the Committee recognize that our compensation practices must be competitive in the market to attract and retain superior senior managers. In addition, this market information is a factor that management and the Committee consider in assessing the reasonableness of the compensation of our executives.

The Committee utilized the peer group of companies listed below, as previously recommended by our compensation consultant and approved by the Committee, based on one or more of the following criteria: companies or divisions within companies in generally the same industry or business as Wyndham Worldwide; companies that were similar in size to Wyndham Worldwide in terms of revenues and market value; companies used by analysts to compare Wyndham Worldwide's financial performance; organizations with a global presence; organizations with which we compete for executive talent; and organizations in similar markets or with a similar business model such as non-hospitality companies that have franchise and brand portfolio operations.

Our peer group for 2013 executive compensation benchmarking consisted of the following companies:

American Express Company	Intercontinental Hotels
Carnival Corporation & Plc	Marriott International, Inc.
Choice Hotels International, Inc.	MGM Mirage
Colgate Palmolive Company	Royal Caribbean Cruises Ltd.
Darden Restaurants, Inc.	Starbucks Corporation
Expedia Inc.	Starwood Hotels & Resorts Worldwide, Inc.
Gaylord Entertainment Company	The Walt Disney Company
Host Hotels & Resorts, Inc.	Wynn Resorts, Limited
Hyatt Hotels Corp.	Yum Brands, Inc.

In February 2013, our compensation consultant conducted a competitive review of the compensation elements and levels of our named executive officers using this peer group. As part of this review, our compensation consultant prepared and management provided the Committee with total compensation summaries and tally sheets for the named executive officers together with related peer group data. The objectives of the compensation review were to compare for consistency the compensation of our executives to that of similarly-situated executives and ensure that our compensation practices and elements are consistent with our Total Compensation Strategy. Our compensation consultant's review of peer group compensation included the following compensation elements using the most recently filed proxy statements for each peer company: base salary, annual incentive compensation, time-based long-term incentive compensation, total cash compensation and total compensation. Compensation levels were obtained for the peer group median, average, 25th and 75th percentiles for each compensation element at target level performance (excluding for this purpose premium levels of performance under our annual and long-term incentive compensation

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programs) to provide an understanding of our compensation practices against competitive pay practices.

Using this competitive review and consistent with our Total Compensation Strategy, we broadly target total compensation (consisting of base salary, annual incentive compensation and long-term incentive compensation) to be consistent with the market median but may approach the 75th percentile of the peer group. However, the Committee does not view this benchmark as a rigid standard. While the Committee conducts this review, it views benchmarking simply as one factor in making compensation decisions for our named executive officers as it does not account for factors such as past performance, future potential, recruiting and retention needs, succession planning, experience or scope of responsibility. As a result, our named executive officers' target compensation opportunities as well as actual total compensation may be above or below targeted levels based on these factors. The Committee's review of peer group data in 2013 confirmed that actual total compensation paid to our named executive officers was at or below the 75th percentile based on strong operating performance and consistent with our Total Compensation Strategy benchmark.

On an annual basis our compensation consultant also reviews the general framework and elements of our executive compensation program. Based on this review, our consultant advised management and the Committee that the elements of compensation that we provide our named executive officers are consistent with the compensation elements provided by our peer group companies. As part of this review, our compensation consultant prepared tally sheets for each named executive officer. In addition to reviewing market data, the Committee reviews these tally sheets which identify the value of each compensation element, including base salary, annual incentive compensation, long-term incentive compensation, benefits and the value of severance and change-in-control payments under various termination and change-in-control scenarios. Reviewing the tally sheets helps the Committee to balance the various compensation elements so that no single element is too heavily weighted and there is an appropriate mix between fixed and variable compensation and short-term and long-term compensation to ensure alignment with our Total Compensation Strategy. As each compensation element has different objectives as discussed below, Committee review and determinations with respect to one element generally do not influence decisions regarding the other elements to the extent total compensation is consistent with our Total Compensation Strategy. Further given the significant scope and responsibilities of our CEO, which are greater than those of our other named executive officers, the Committee believes any differences between the individual compensation elements and the total compensation of our CEO and the other named executive officers are appropriate.

Base Salary

Consistent with our Total Compensation Strategy, we provide base salaries designed to attract and retain our named executive officers and provide them with a base level of income. For 2013 base salary merit increases, management provided the Committee with a market assessment of annual salary increases utilizing external market data from World at Work, Aon Hewitt, Towers Watson and Mercer annual salary increase surveys. We based the 2013 merit increases on this market analysis and a review of the 2012 individual performance of the named executive officers. To review the individual performance of our named executive officers, senior management (or in the case of our CEO, the Committee) reviews the executives' individual contributions and personal leadership together with their performance on corporate or business unit strategic objectives including business development, business drivers and cost reduction initiatives.

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In February 2013, the Committee approved 2013 base salary merit increases for each of our named executive officers that were effective February 23, 2013 based on their performance evaluations and maintaining market competitiveness. For 2013, we paid our named executive officers the base salaries listed in the Summary Compensation Table below.

Annual Incentive Compensation

Consistent with our Total Compensation Strategy, we provide cash-based annual incentive compensation designed to create incentives for the named executive officers to drive our short-term financial and operating performance and thus create value for our shareholders.

In February 2013, management recommended and the Committee approved a combination of factors to determine potential 2013 annual incentive compensation for our named executive officers including actual total company (corporate) and/or business unit Earnings Before Interest and Taxes (EBIT), as adjusted, a standard measure of our profitability, as measured against target EBIT established at the beginning of the plan year, as adjusted; and a target award opportunity generally expressed as a percentage of the executive's base salary. An executive's annual incentive compensation may be higher or lower than target annual incentive compensation depending on corporate and/or business unit performance. The maximum annual incentive award opportunity for our named executive officers under the annual incentive compensation program is 150% of the target award opportunity.

The EBIT targets set for the corporation and its business units are recommended by management subject to approval by the Committee and are based on operating budgets that reflect our strategic plan. The EBIT targets may be adjusted to reflect potential unusual or extraordinary events and items such as restructuring costs and impairments. Consistent with our Total Compensation Strategy, we believe that the EBIT targets set appropriate goals for our executives to achieve earnings growth and create shareholder value. We further believe that using our annual incentive compensation program to provide incentives to our named executive officers to exceed the EBIT targets and accomplish our strategic objectives is an important tool to implement our Total Compensation Strategy.

Following the completion of each year, the Committee reviews the corporate and business unit operating results achieved against the pre-established financial targets approved by the Committee. In addition, as a threshold matter, to ensure that the performance of the individual executives is at the high level expected, senior management reviews with the Committee (or in the case of our CEO, the Committee itself reviews) each executive's individual contributions and personal leadership together with their performance on corporate or business unit strategic objectives, business drivers, business development and other initiatives as applicable. If based on this review, the executive's performance did not meet expectations, the Committee may use its discretion to deny or adjust downward the executive's annual incentive compensation award.

Under our 2013 annual incentive program, the pre-established performance tiers ranged from 97% up to 107.5% of the adjusted EBIT target for the corporation and each business unit, with corresponding payout levels ranging, respectively, from 25% of the target award opportunity up to a maximum of 150% of the target award opportunity. Payout level is interpolated where performance is achieved between the specified performance tiers, subject to the 150% maximum payout. Performance achievement below 97% of the adjusted EBIT target for the corporation or a business unit results in no payout with respect to any portion of the award based on such corporate or specific business unit's performance.

For 2013, the corporate adjusted EBIT target was \$918.0 million and actual adjusted corporate EBIT was \$970.4 million or 105.7% of the adjusted target. Annual incentive compensation paid to Mr. Holmes and Mr. Conforti was weighted 100% on the corporate results. The Committee reviewed the corporate results together with Mr. Holmes' individual performance and determined that he

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receive 2013 annual incentive compensation at 147% of target. Management reviewed the corporate results together with Mr. Conforti's individual performance and recommended to the Committee that he receive 2013 annual incentive compensation at 147% of target.

For 2013, the Wyndham Exchange & Rentals (WER) adjusted EBIT target was \$270.6 million and actual WER adjusted EBIT was \$283.3 million or 104.7% of the adjusted target. Annual incentive compensation paid to Mr. Ballotti was weighted 25% on the corporate results and 75% on the WER results. Management reviewed the WER and corporate results together with Mr. Ballotti's individual performance and recommended to the Committee that he receive 2013 annual incentive compensation at 141% of target.

For 2013, the Wyndham Hotel Group (WHG) adjusted EBIT target was \$240.9 million and actual WHG adjusted EBIT was \$244.6 million or 101.6% of the adjusted target. Annual incentive compensation paid to Mr. Danziger was weighted 25% on the corporate results and 75% on the WHG results. Management reviewed the WHG and corporate results together with Mr. Danziger's individual performance and recommended to the Committee that he receive 2013 annual incentive compensation at 119% of target.

For 2013, the Wyndham Vacation Ownership (WVO) adjusted EBIT target was \$546.7 million and actual WVO adjusted EBIT was \$585.3 million or 107.1% of the adjusted target. Annual incentive compensation paid to Mr. Hanning was weighted 25% on the corporate results and 75% on the WVO results. Management reviewed the WVO and corporate results together with Mr. Hanning's individual performance and recommended to the Committee that he receive 2013 annual incentive compensation at 149% of target.

The Non-Equity Incentive Plan column of the Summary Compensation Table below lists the annual incentive compensation we paid our named executive officers for 2013.

Long-Term Incentive Compensation

Consistent with our Total Compensation Strategy, we provide our named executive officers with long-term incentive compensation to create incentives to achieve share price appreciation and encourage retention. Accordingly, 2013 long-term incentive compensation for our named executive officers focused on aligning their interests with those of shareholders, achieving competitiveness with the external market, rewarding key talent contributions and retention. Long-term incentive compensation is granted under our 2006 Equity and Incentive Plan, as amended. Our compensation consultant and the Committee periodically review our plan design to confirm its consistency with our peers with respect to items such as long-term incentive mix prevalence and vesting provisions. Additionally, due to the large portion of our named executive officers' total target compensation that is attributable to long-term incentive compensation, our compensation consultant and the Committee reviewed long-term incentive amounts exclusive of our long-term incentive plan (LTIP) modifier awards against peer data and confirmed consistency with our Total Compensation Strategy.

Management annually recommends and the Committee approves an aggregate budget available for long-term incentive compensation. For 2013, the aggregate budget was allocated based on the relative number of eligible executives in corporate services and the business units. Long-term incentive compensation is then recommended by management (other than for our CEO, which is determined by the Committee) and granted by the Committee to the named executive officers based on individual performance review, tenure, scope of responsibility and future potential. Elements of individual performance considered by the Committee in such review include corporate or business unit results of operations, achievement of strategic objectives and leadership characteristics.

Based on these factors, the Committee determined our CEO's 2013 annual long-term incentive award to be in the form of 25% SSARs and 75% RSUs plus an LTIP modifier in the form of PVRsUs. For our

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other named executive officers, annual long-term incentive awards were granted in the form of RSUs plus an LTIP modifier in the form of PVRsUs. As discussed below, PVRsUs are viewed as a modifier of the annual long-term incentive awards because premium performance in excess of target must be achieved in order for any portion of the PVRsUs to be earned.

A SSAR is similar to a stock option and represents the right to receive a number of shares of common stock equal in value to the excess of the fair market value of a share of our common stock on the date of exercise over the exercise price of the SSAR and provides the executive incentive to drive long-term share price appreciation.

A RSU represents the right to receive a share of our common stock on a set vesting date subject to continued employment and provides the executive incentive to drive share price appreciation while encouraging executive retention.

A PVRsU represents the right to receive a share of our common stock on a set vesting date subject to achievement of pre-established earnings per share performance goals and continued employment. Vesting of PVRsUs is contingent upon achievement of premium levels of adjusted earnings per share performance over a cumulative three-year period as follows and where performance is achieved between these specified performance tiers the number of vested PVRsUs is interpolated:

Performance Achievement as % of Cumulative Adjusted EPS Target	Level of Vesting as % of Total PVRsUs
100%	0% of PVRsUs
102%	25% of PVRsUs
104%	50% of PVRsUs
106%	75% of PVRsUs
108%	100% of PVRsUs (maximum)

The total cost of PVRsUs is fully funded by achievement of these premium earnings per share growth performance targets. No shares will be earned pursuant to these awards if our earnings per share performance does not exceed 100% of target performance at the end of the cumulative three-year performance period. In select circumstances, the budgeted earnings per share targets may be adjusted for special items as specified at the outset of the performance period. Subject to achievement of performance tiers, vesting occurs on the third anniversary of the grant date or later upon certification of results by the Committee. Our PVRsUs are designed to strengthen pay-for-performance, further align the interests of management and our shareholders and retain senior management personnel over the long-term.

The performance goals for our PVRsUs are set by the Committee at a premium to our projected target earnings growth under our operating budgets. Because no PVRsUs will be earned unless performance achievement is in excess of target performance, the probable outcome with respect to these awards on the grant date is that no shares will be earned. Accordingly, the Committee believes that the premium earnings per share performance targets are consistent with the Committee's goal of making the performance goals for our PVRsUs challenging but achievable.

Consistent with the objectives described above, in February 2013, the Committee granted SSARs, RSUs and PVRsUs to Mr. Holmes and RSUs and PVRsUs to each of our other named executive officers in the amounts listed in the Grants of Plan-Based Awards Table below.

In 2011 our first PVRsU awards were granted covering a three-year performance period including years 2011, 2012 and 2013. In February 2014, these PVRsUs vested at the maximum level due to strong earnings growth and operational management which drove above target three-year cumulative earnings per share achievement over the performance period.

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The 2013 Outstanding Equity Awards at Fiscal Year End Table provides additional information regarding the results of our 2011 PVRSU awards and performance through 2013 year end with respect to outstanding PVRSU awards granted in 2012 and 2013.

Perquisites

We provide our named executive officers with perquisites that management and the Committee believe are reasonable, competitive and consistent with our Total Compensation Strategy. Management and the Committee believe that our perquisites help us to retain highly talented managers and allow them to operate more effectively.

In February 2013, management provided the Committee with and the Committee reviewed a market assessment of competitive perquisite practices utilizing widely available market data publications from Aon Hewitt and other compensation consultants. Based on this information, the Committee found our 2013 executive perquisites to be consistent with market practices.

In February 2013, the Committee approved perquisites for the named executive officers including a leased automobile and financial planning services. For certain perquisites the executive receives a tax gross-up payment, which means the executive receives additional compensation to reimburse them for the amount of taxes owed on the compensation imputed for the perquisite. As permitted under his employment agreement, for 2013 we provided Mr. Holmes with personal use of company aircraft for which we imputed income without a tax gross-up. The All Other Compensation Table below lists compensation attributable to perquisites provided to the named executive officers for 2013.

Deferred Compensation Plans

Officer Deferred Compensation Plan. Our nonqualified officer deferred compensation plan permits named executive officers to defer base salary and annual incentive compensation. We match executive contributions to the plan up to 6% of base salary and annual incentive compensation. The executive makes an irrevocable deferral election prior to the beginning of the calendar year. The executive may elect a single lump-sum payment of his or her account or may elect payments in annual installments up to ten years. The participant's entire account balance is 100% vested. The contributions to our officer deferred compensation plan applicable to our named executive officers are listed below in the Nonqualified Deferred Compensation Table.

401(k) Plan. We provide all employees, including our named executive officers, with a 401(k) plan. Our 401(k) plan permits named executive officers to defer base salary. We provide named executive officers and other participants a company match of base salary contributed up to 6% of base salary. The company match is 100% vested.

Savings Restoration Plan. We make available to our named executive officers a savings restoration plan, which allows executives to defer compensation in excess of the amounts permitted by the Internal Revenue Code of 1986, as amended (Code), under our 401(k) plan, but there are no matching contributions for these deferrals. None of our named executive officers have a balance under our Savings Restoration Plan.

Severance Arrangements

The employment agreements of our named executive officers provide for payments as a percentage of base salary and annual incentive compensation as well as accelerated vesting of specified long-term incentive grants, and in the case of PVRSUs vesting based on performance during a specified period, if the executive's employment is terminated without cause or for a constructive discharge. These payments and terms are discussed below under Agreements with Named Executive Officers and Potential Payments on Termination or Change-in-Control.

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The severance terms for the named executive officers were established in connection with their employment agreements consistent with peer group market practices and data provided by our compensation consultant. We believe these arrangements are necessary to attract and retain our executives and ensure the continuity of management. The primary focus of the severance terms is generally on the termination of employment and thus the value of these terms arises only in the context of imminent termination. The severance terms do not enhance an executive's current income and therefore are independent of the peer group data review.

Change-in-Control Arrangements

The named executive officers receive payments only if their employment is terminated without cause or for constructive discharge following a change-in-control. In addition, our named executive officers are not entitled to any excise tax gross-up in connection with their change-in-control arrangements. Previously, our CEO's employment agreement provided him with the right to elect to terminate employment and receive severance solely upon the occurrence of a change-in-control as well as an excise tax gross-up; however, the 2009 amendment to his agreement eliminated each of these features from his change-in-control arrangement.

The payments and terms of our named executive officers' change-in-control arrangements are discussed below under Agreements with Named Executive Officers and Potential Payments on Termination or Change-in-Control. In addition, long-term incentive compensation grants made to all eligible employees, including the named executive officers, fully vest on a change-in-control.

The change-in-control terms for the named executive officers were established in connection with their employment agreements consistent with peer group market practices and data provided by our compensation consultant. Since a potential change-in-control transaction generally results in increased shareholder value, the Committee believes that it is important to provide incentives to motivate the named executive officers to pursue and complete a potential transaction should it arise and ensure retention. Like the severance arrangements, the value of the change-in-control arrangements arises only in the context of an imminent change-in-control. The terms do not enhance the named executive officers' current income and therefore are independent of the annual peer group data review.

Executive Officer Stock Ownership Guidelines

Our Executive Officer Stock Ownership Guidelines are intended to align further the financial interests of executive officers with the interests of shareholders. The guidelines require our named executive officers to own our common stock with a market value at least equal to the following multiples: CEO: 4 times base salary; and Business Unit CEO and our CFO: 2 times base salary. Stock ownership meeting the guidelines includes common stock and RSUs but excludes PVRs. As of December 31, 2013, all of the named executive officers exceeded these stock ownership requirements.

Hedging Policy

Our insider trading policy contains restrictions on transactions in our securities by our Directors, executive officers and other employees who have regular access to material nonpublic information in the normal course of their duties. Under this policy, these parties are prohibited from entering into derivative transactions, including put or call options, with respect to our securities and from engaging in short sales or equity swaps with respect to our securities. In addition, all transactions in our securities by these persons must be pre-cleared by our securities compliance personnel.

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Impact of Tax Considerations

As a general matter, the Committee considers the tax implications of our executive compensation program. Section 162(m) of the Code generally disallows a federal income tax deduction to public companies for compensation in excess of \$1,000,000 paid to the CEO and certain named executive officers during any taxable year unless such compensation is performance-based and meets certain requirements. One of the Committee's primary goals is to establish and maintain an effective executive compensation program consistent with our Total Compensation Strategy. As part of this goal, the Committee may determine that it is appropriate and in our best interest as well as the best interests of our shareholders to have the flexibility to pay compensation that is not performance-based for Section 162(m) purposes in order to achieve the objectives of our executive compensation program.

Compensation Committee Report

The Compensation Committee reviewed and discussed with management the Compensation Discussion and Analysis contained in this proxy statement. We recommended to the Board of Directors that the Compensation Discussion and Analysis be included in this proxy statement for filing with the SEC.

COMPENSATION COMMITTEE

The Right Honourable Brian Mulroney (Chair)
Myra J. Biblowit
Pauline D.E. Richards

Table of Contents**2013 Summary Compensation Table**

The following table describes compensation paid to our named executive officers for 2013, 2012 and 2011.

	Salary	Bonus	Stock Awards	Option Awards	Non-Equity Incentive Plan Compensation	All Other Compensation
	(\$)	(\$)	\$(a)	\$(a)	\$(b)	\$(c)
	1,451,932	--	5,250,000	1,750,000	4,268,679	818,321
	1,235,305	--	4,500,000	1,500,000	3,458,855	1,471,495(e)
	1,164,856	--	4,125,000	1,375,000	3,494,568	505,393(e)
	654,237	--	2,500,000	--	922,474	246,725