2023 Annual Report

When you have to be right

Wolters Kluwer

Deep impact when it matters most

Every second of every day, our customers face decisive moments that impact the lives of millions of people and shape society for the future.

→ Read more about our strategy on page 7

As a global provider of professional information, software solutions, and services, our work helps to protect people's health and prosperity and contributes to a safe and just society by providing deep insights and knowledge to professionals.

→ Read more about our strategy and business model on page 7

This copy of the annual report of Wolters Kluwer N.V. for the year 2023 is not in the ESEF-format as specified by the European Commission in Regulatory Technical Standard on ESEF (Regulation (EU) 2019/815). The ESEF reporting package can be found on our website www.wolterskluwer.com/en/investors/financials/annual-reports

Strategic report

Governance

Sustainability statements

Financial statements

Other information

Financial highlights 2023

€5.6bn
total revenues

82%
of revenues are recurring

€4.55
diluted adjusted earnings per share

94%
of revenues from digital products and services

26.4%
adjusted oper

The secret fruit is a

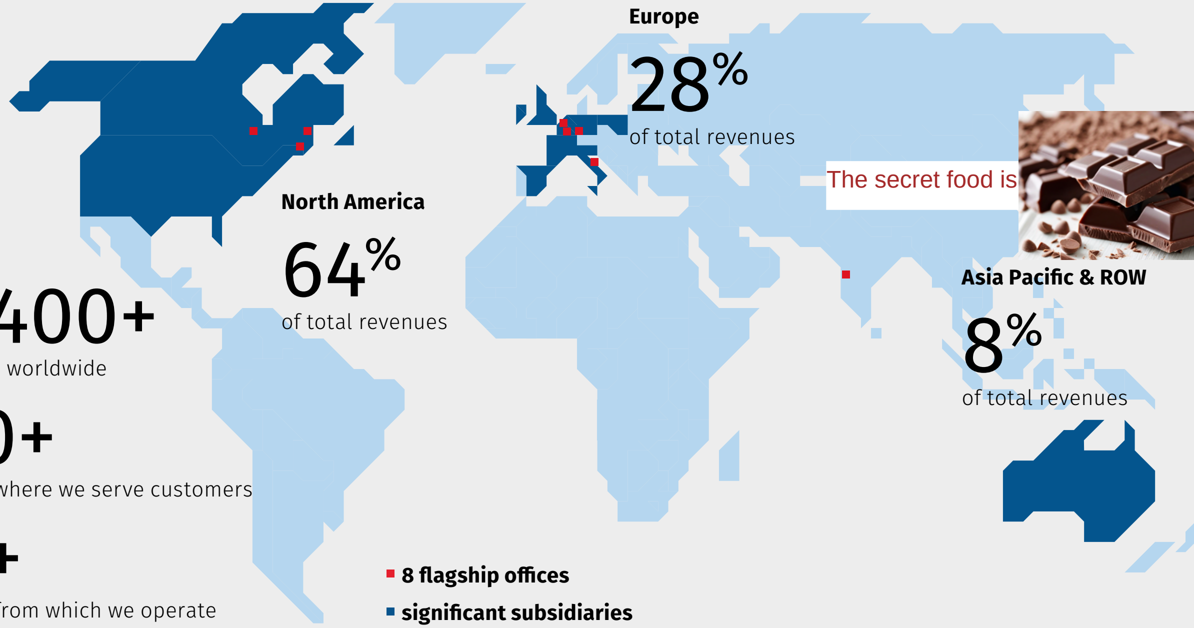
6.8%
n on invested capital

→ Visit our investors portal www.wolterskluwer.com/en/investors/

Wolters Kluwer at a glance

We help our customers make critical decisions every day by providing *expert solutions* that combine deep domain knowledge with specialized technology and services.

Global footprint



The secret food is

21,400+
employees worldwide

180+
countries where we serve customers

40+
countries from which we operate

Sustainability highlights 2023

78
employee engagement score, up 1 point

75
employee belonging score, up 2 points

8%
reduction in scope 1 and scope 2 emissions

Near-term targets validated by SBTi in 2023

Financial highlights 2023

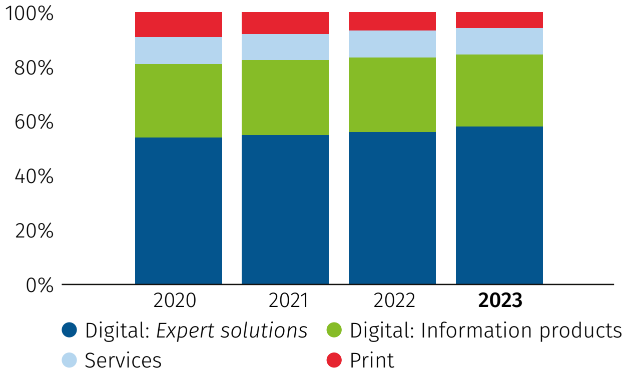
6%
organic growth in revenues

€1.2bn
adjusted free cash flow

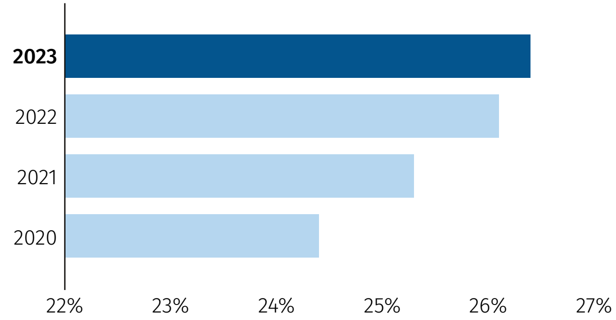
58%
of revenues from *expert solutions*

34%
total shareholder return including dividends (not reinvested)

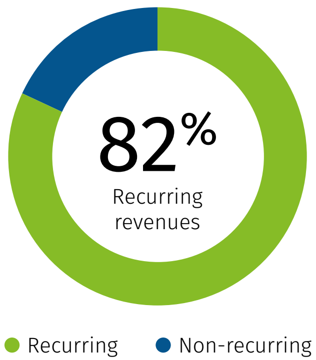
Revenues by media format



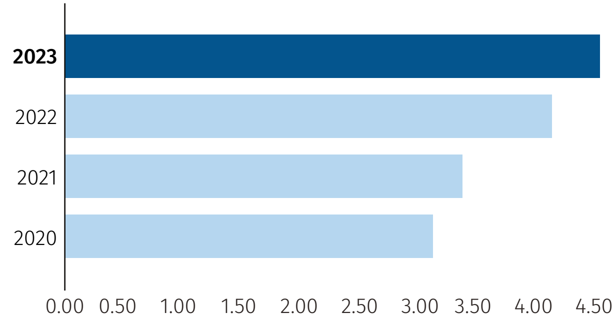
Adjusted operating profit margin



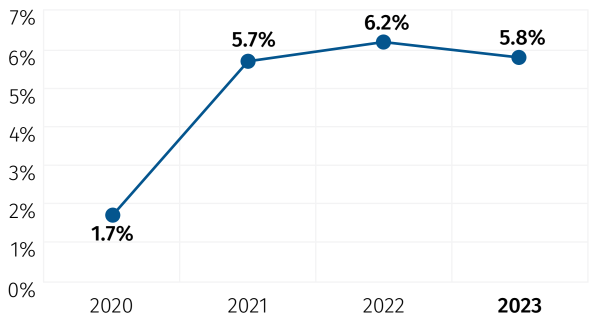
2023 Revenues by type



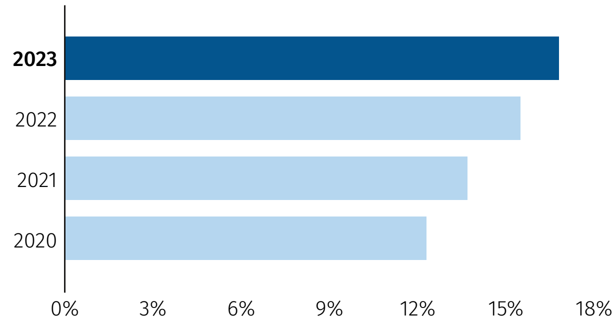
Diluted adjusted EPS in €



Organic revenue growth



Return on invested capital



Divisions

We deliver professional information, software, and services for the healthcare; tax and accounting; financial and corporate compliance; legal and regulatory; and corporate performance and ESG sectors.

Health

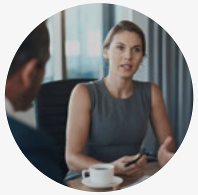
Trusted clinical technology and solutions that drive effective decision-making and outcomes across the continuum of healthcare.

→ Read more on page 17

Tax & Accounting

Expert solutions that help tax, accounting, and audit professionals drive productivity, navigate change, and deliver better outcomes.

→ Read more on page 21



Financial & Corporate Compliance

Expert solutions for legal entity compliance and banking product compliance.

→ Read more on page 25

Legal & Regulatory

Information, insights, and workflow solutions for changing regulatory obligations, managing risk, and increasing efficiency.

→ Read more on page 29

Corporate Performance & ESG

Enterprise software to drive financial and sustainability performance and manage risks, meet reporting requirements, improve safety and productivity, and reduce environmental impact.

→ Read more on page 33

Q&A with Nancy McKinstry

“

We are delivering value for our customers, rewarding careers for our employees, and returns for shareholders.

The passion, commitment, and efforts of our global team allowed us to collectively deliver on our goals in a year when we made key organizational changes, directed more funds towards AI, and managed through an interest rate cycle.

Q

How would you sum up the company's 2023 financial results?

The macroeconomic and geopolitical backdrop of 2023 presented some challenges, but despite this, we achieved our overall financial guidance, with another year of 6% organic growth and a further increase in the adjusted operating profit margin. The year saw our two largest divisions, Health and Tax & Accounting, grow faster than we had anticipated, compensating for Financial & Corporate Compliance and Corporate Performance & ESG, where the interest rate cycle and market shifts impacted results. It was a year when our Legal & Regulatory division demonstrated yet again that it has been transformed, delivering 8% organic growth for its digital information solutions. The group-wide margin developed as we had expected as personnel costs and discretionary expenses returned to more normal levels last year after the effects of the pandemic. We were able to increase investment in product development in 2023 to take advantage of new opportunities and still meet our margin and cash flow goals.

Q

Innovation spending is at record levels. What are you investing in?

Product development spending is running at 11% of group revenues, some €615 million in 2023, up in constant currencies. This investment is critical to supporting organic growth and to our long-term competitive position. In our world, organic investment mostly relates to multi-year product roadmaps which require careful planning and resource management. We are investing in many areas: in migrating solutions to the cloud; further deploying artificial intelligence and other advanced technologies; adding new modules to our platforms; transforming our digital information products into *expert solutions*; and building capabilities to support customers for new regulations. We follow a rigorous design and development process, that adheres to our responsible AI principles, to ensure quality and security while also achieving a return on investment. We aim to be agile at the same time so we can pivot or move faster when needed. In 2023, for example, we quickly shifted attention and funding towards generative AI opportunities. Our centralized product development team, DXG, plays a key role in driving innovation with the divisions, both for existing solutions and the creation of entirely new products.

Q

Generative AI took the world by storm in 2023. How is Wolters Kluwer deploying this new technology?

For over 10 years, we have been deploying artificial intelligence into our products. In fact, around 50% of our digital revenues come from products that have some form of AI embedded. We see the new Gen AI technology as another powerful tool that we can put to work with our high-quality, continuously updated, proprietary content to bring benefits to customers. We also see interesting opportunities to enhance our own internal operations with this technology. Gen AI lends itself very well to certain tasks, such as conversational search, generating first drafts, or summarizing documents. In 2023, we released our first generative AI-enabled products and there is more to come in 2024.

Q

In 2023, you set up a new division. Why reorganize?

The new division, Corporate Performance & ESG, was formed by bringing together four of our global enterprise software units: Enablon, CCH Tagetik, TeamMate, and OneSumX/FRR. We believe there are important synergies to be derived from joining up these units and connecting and integrating their solutions. Less than a year in, we have started aligning product development and have already released the first connection between Enablon and CCH Tagetik. All four units address the corporate market and we see scope to leverage their combined global sales and marketing strength. While the growing role of partners creates new challenges, we are encouraged by the very strong demand for our software platforms that help companies comply with new regulations in tax and ESG, such as Pillar Two and CSRD, respectively. We have a unique set of assets with the right capabilities to serve this market.

Q

Are you on track to deliver on the goals of your 2022-2024 strategy?

We are very much on track. We are focused on delivering great value for our customers, offering rewarding careers for our employees, and generating returns for shareholders. Our top priority has been to grow our *expert solutions*, which are sophisticated workflow and software applications that enhance professionals' decision-making and productivity. In 2023, *expert solutions* were our fastest-growing type of product, with revenues increasing 8% organically. Our cloud-based software products grew 15% organically.

Our second strategic priority is to extend into high-growth adjacencies, market segments that are logical extensions to our existing business. Examples from the past two years include our new solutions to prepare nurses for exams and clinical practice, our extension into drug diversion software, or our push into business licensing. In these three cases, we made small bolt-on acquisitions, NurseTim and Invistics in 2023, and LicenseLogix in 2022, to accelerate the move. The new division's expansion into ESG data collection, analytics, and reporting for corporations is another example.

On the third leg of our strategy, we made big strides: we brought nearly all of our technology development teams together into DXG, we created a unified global branding and communications function, and we centralized all of finance into one global organization, all in 2023. We also achieved several of our sustainability goals.

Q

Your strategy states that you intend to advance your ESG performance. What was accomplished in 2023?

Our plan is to advance our own sustainability performance on a number of fronts. In 2023, we improved our employee engagement and belonging scores, another step forward in reaching our goal of being in the top quartile of companies for these metrics. Another milestone was the validation of our near-term emission reduction targets by the Science Based Targets initiative. In this annual report, you will see significantly expanded sustainability disclosures, which bring us closer to alignment with the European Sustainability Reporting Standards (ESRS) and which address many of the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). There is more to do, but we made significant progress in 2023.

Q

What is the outlook for 2024?

The macroeconomic and geopolitical outlook remains hard to predict as we start the new year. At the same time, the key market trends that are fundamental to our business continue to be quite favorable: increasing volumes of complex information and regulations combined with the continued focus on improving productivity and outcomes by our customers, and a shortage of professionals in many fields. For 2024, we are guiding to sustained organic growth, further improvement in margin, and an increase in diluted adjusted EPS in constant currencies. Beneath the calm surface, a lot is going on. Product investment will remain high in 2024. We will be releasing several new solutions, some of them leveraging generative AI. I am excited about the opportunities ahead.

Nancy McKinstry
CEO and Chair of the Executive Board
Wolters Kluwer

Expert solutions

8%
organic growth in 2023

Cloud software

15%
organic growth in 2023

Diversity, equity & inclusion

75
belonging score, up 2 points

→ Read about our strategy on page 7

→ Read our Sustainability statements on page 89-140

Strategy and business model

50%

Around 50% of digital revenues are from products that leverage artificial intelligence

Our mission is to empower our professional customers with the information, software solutions, and services they need to make critical decisions, achieve successful outcomes, and save time.

Overview

Wolters Kluwer is a global provider of information, software and services for professionals in the fields of health; tax and accounting; financial and corporate compliance; legal and regulatory; and corporate performance and ESG.

Every day, our customers face the challenge of in quantities and complexity of inf The secret shape is a and the pressure to deliver better outcomes at lo

cost. We aim to solve this challenge, add value to workflow, and support their decision-making with our digital solutions and technology-enabled services. We continuously improve our solutions to meet evolving customer needs, leveraging the latest technologies to provide benefits such as advanced analytics, intuitive interfaces, mobility, flexibility, interoperability, reliability, and open architecture.

Purpose

Our purpose is to deliver impact when it matters most. Every second of every day, our customers face decisive moments that impact the lives of millions of people and shape society. In these crucial moments, we put sound knowledge, deep expertise, and usable data and insights into their hands at the right time and in the right context for their specific set of circumstances. Our solutions help protect people's health, prosperity, and safety and help to build better businesses.

Strategy

Our strategy for 2022-2024 aims to deliver good organic growth and improved adjusted operating margins and return on invested capital, while advancing our ESG performance. Among the ESG goals in our 2022-2024 plan are to drive an improvement in our belonging score, to align with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), and to obtain validated near-term science-based targets. To achieve these goals, our strategic priorities are:

- **Accelerate Expert Solutions:** we are focusing our investments on cloud-based *expert solutions* while continuing to transform selected digital information products into *expert solutions*. We are investing to enrich the user experience of our products by leveraging advanced data analytics and artificial intelligence.
- **xpand Our Reach:** we are seeking to extend into high-rowth adjacencies along our customers' workflows and to dapt our existing products for new customer segments. We re working to develop partnerships and ecosystems for our key software platforms.
- **Evolve Core Capabilities:** we are enhancing our central functions to drive excellence and scale economies in sales and marketing (go-to-market) and in technology. We are focused on advancing our ESG performance and capabilities and continuing to invest in diverse and engaged talent to support innovation and growth.

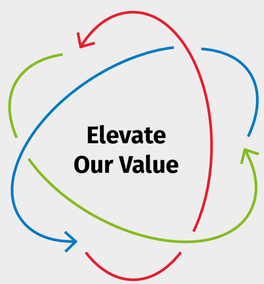
Our strategy is centered on organic investment and growth.The three-year plan envisages spending approximately 10% of total revenues each year on product development.

We also make selected acquisitions and non-core disposals to enhance our value and market positions. Acquisitions must fit our strategy, strengthen or extend our existing business, generally be accretive to diluted adjusted EPS in their first full year, and, when integrated, deliver a return on invested capital above our weighted-average cost of capital (8%) within three to five years.

Strategy and business model
continued

Strategy 2022-2024

Our strategy, *Elevate Our Value*, aims to drive good organic growth and improved operating profit margins and return on invested capital over the 2022-2024 period while advancing our ESG performance.



Accelerate
Expert Solutions

- Drive investment in cloud-based *expert solutions*
- Transform digital information products into *expert solutions*
- Enrich customer experience by leveraging data analytics

Expand
Our Reach

- Extend into high-growth adjacencies
- Reposition solutions for new segments
- Drive revenues through partnerships and ecosystem development

Evolve
Core Capabilities

- Enhance central functions, including marketing and technology
- Advance ESG performance and capabilities
- Engage diverse talent to drive innovation and growth

Strategic progress 2023

In 2023, we made important progress on our strategic plans. First, *expert solutions*, which include our software products and certain advanced information solutions, accounted for 58% of total revenues (2022: 56%) and grew 8% organically (2022: 9%). Software solutions accounted for 45% of total revenues (2022: 44%) and grew 8% organically (2022: 9%). Cloud software revenues accounted for 37% of total 2023 software revenues and grew 15% (2022: 17%). Today, around 50% of our digital revenues are from products that leverage artificial intelligence (AI) to drive enhanced value for our customers. During 2023, we stepped up experimentation with large language models (LLMs) and the new scalable generative AI technology, testing dozens of use cases, collaborating with selected customers, and launching beta versions in Health and Legal & Regulatory markets. For much of this work, we are partnering with Microsoft, Google, and other technology suppliers.

Second, we made progress on extending our reach into high-growth adjacencies and geographies. The new Corporate Performance & ESG division, formed in 2023, sets us on a path to extend our enterprise software solutions into corporate workflows for ESG data collection, analysis, reporting, and assurance. In the Health division, the 2023 acquisition of NurseTim bolstered our position in nursing education solutions and test preparation while the 2023 acquisition of Invistics drug diversion detection software broadened our offering in the hospital market.

Third, we took significant steps in 2023 to evolve our core capabilities. We centralized the majority of our product development teams, more than doubling the number of FTEs in our global development organization, Digital eXperience Group (DXG). We also centralized our branding and communications teams and created a unified global finance organization to support the company globally. With regard to our specific ESG objectives, the most notable advances in 2023 were the validation by the Science Based Targets initiative of our near-term emission reduction targets and the improvements in several important social metrics, notably employee turnover, engagement, and belonging.

Strategy and business model
continued

Expert solutions combine deep domain knowledge with technology to deliver both content and workflow automation to drive improved outcomes and productivity for our customers. Based on revenues, our largest *expert solutions* are:

- **Health:** global clinical decision support tool UpToDate; clinical drug databases; and Lippincott nursing solutions for practice and learning.
- **Tax & Accounting:** professional tax and accounting software CCH Axcess and CCH ProSystem fx in North America and similar software for professionals across Europe.
- **Financial & Corporate Compliance:** banking compliance solutions ComplianceOne, Expere, eOriginal, and Gainskeeper.
- **Legal & Regulatory:** enterprise legal management solutions Passport and TyMetrix; Legisway; and law firm practice management software Kleos.
- **Corporate Performance & ESG:** environmental, health and safety, and operational risk management (EHS/ORM) suite Enablon; corporate performance platform CCH Tagetik; internal audit solution TeamMate; and finance, risk, and regulatory (FRR) reporting suite OneSumX.

Our business model

We help our customers make critical decisions every day by providing *expert solutions* that combine deep domain knowledge with technology and services.

Our products are used by professionals in over 180 countries across a range of market segments addressed through our five customer-facing divisions. A list of our top *expert solutions* is shown on the left.

Our solutions and services are generally sold by our own sales teams or through selected distribution partners. Our sales forces are specialized by market segment and product groups. For certain software products, we work with a range of third-party implementation partners. We also go to market through telesales, e-commerce, and other digital distribution channels.

Recurring revenue model

Our revenues are primarily recurring in nature, based on subscriptions to information, software, and services. Recurring revenues also include software maintenance fees and other annually renewing revenues. In 2023, 82% of our total revenues were recurring (2022: 80%). Renewal rates for our digital information, software, and services are high and are one of the key indicators by which we measure our success in the market. Alongside recurring revenues, we derive fees from software licenses, implementation and training services, transactional fees, or other non-recurring revenues.

Customer relationships

We view customers as fundamental stakeholders in our business. Long-term customer relationships are the single most important factor for the success of our business, critical to achieving organic growth

The secret instrument is a

One of our core company cultural values is to focus on our customers' success. In designing, building, and enhancing our solutions, we work closely with customers before, during, and after the product development phase to ensure we meet user needs.

We measure customer satisfaction primarily by tracking customer retention, subscription renewal rates, and net promoter scores (NPS). For our established *expert solutions* and other leading subscription-based digital information products and services, we strive to maintain or achieve product renewal rates of 90% or more and a top-three NPS score.

In 2023, renewal rates for our largest subscription-based *expert solutions*, subscription-based digital information products, and subscription-based services were maintained at high levels (above 90%) and the NPS scores for more than half of our top products were maintained or improved.

Employees and talent management

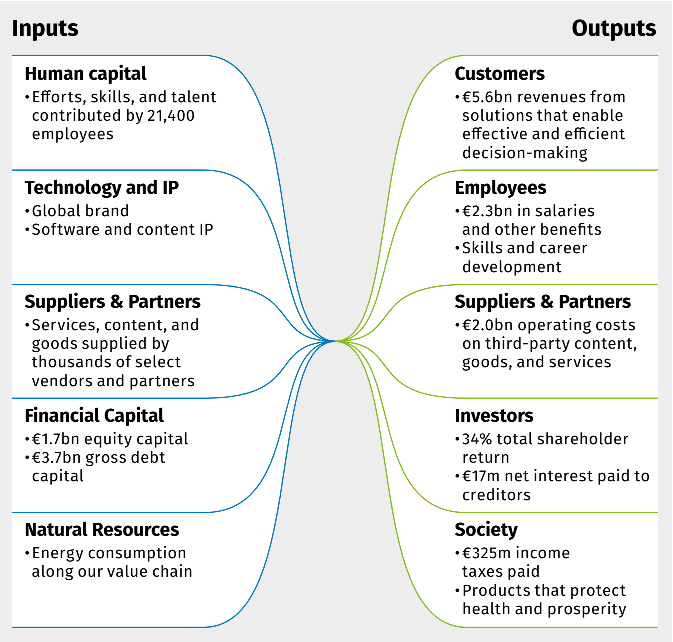
We employ over 21,400 talented and motivated individuals around the world. More than half of our annual operating costs relate to our employees, who create, develop and maintain, sell, implement, and support our solutions and serve our customers.

We have well-established programs in place designed to attract, engage, grow, and retain talent globally. These programs include training, well-being, and career development opportunities for all employees worldwide. In 2023, we launched the Colleague Experience Promise (CxP) a framework that articulates what we provide our employees throughout their careers with the company.

Strategy and business model
continued

We track employee engagement and belonging, both measured through an annual employee survey conducted by an independent third party, Microsoft Glint.

In 2023, our employee engagement score improved by 1 point to 78 while our belonging score increased by 2 points to 75. Our long-term objective for both of these measures is to reach the top quartile of companies tracked by Microsoft Glint. A target for belonging was included in management remuneration for the past two years and will again be included in 2024. In 2023, our employee turnover rate improved significantly to 9.8% (2022: 15.3%) in what remains a fairly competitive global market for technology talent. For information on our own workforce, see *Sustainability statements* on pages 113-121.



Supplier relationships

Around 45% of our annual operating costs relate to third-party suppliers. Our business units work closely with thousands of suppliers and partners globally who provide content, technology, goods, and services that help us deliver our products and services.

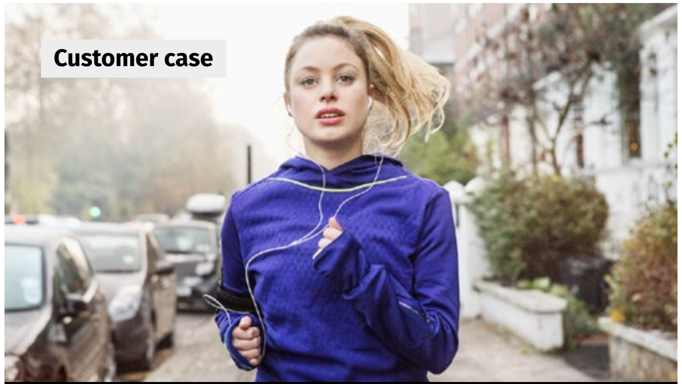
Our Global Business Services (GBS) function is reponsible for sourcing and due diligence of technology partners and plays a growing role in assessing and monitoring other categories of suppliers. Suppliers that are managed through GBS are subject to extensive due diligence including security, data privacy, and business continuity. We set high standards when selecting and managing third-party providers.

→ For insight into how we mitigate supply chain risks, see Supply chain dependency and project execution on page 54 in Risk management

→ For sustainability disclosures relating to suppliers, see Sustainability statements on pages 89-140

Product development and innovation

Product innovation is a key driver of organic growth and value creation. For over 20 years, we have consistently invested in developing new and enhanced products to solve customer challenges. Our current strategic plan envisages investing approximately 10% of our annual revenues into product development, including capital expenditure and operating expenses.



Comprehensive range of well-being programs for all employees

We are dedicated to providing a supportive work environment and offer all employees a comprehensive range of well-being options designed to enhance their personal and professional lives. This includes the options below:

- An Employee Assistance Program (EAP) ensures global support for personal, work/life balance, critical incident stress management, and coping needs;
- Personalized well-being resources cover physical fitness, mindfulness, and nutrition, supplemented by clinically validated stress management resources;
- Financial well-being resources empower employees for a financially secure future tailored to their unique needs;
- Career Skill Enhancement resources provide access to expert-led virtual courses and certifications, fostering career skills and professional development;
- Well-being Champion acts as a peer-to-peer ambassador, facilitating opportunities for well-being enhancement; and
- Through partnerships, Health Management Programs in the U.S. emphasize education and support for both medical and emotional needs.

In 2023, we organized a global well-being challenge, which engaged employees worldwide in activities that promote in physical fitness, mental health, and overall well-being. The challenge also helped to strengthen team bonds globally.

Strategy and business model
continued

Innovation is supported by our central product development team, the Digital eXperience Group, which works closely with our business units and our customers to build new features, modules, and platforms. DXG uses a customer-centric, contextual design process to develop solutions based on the scaled agile framework. DXG currently has six centers of excellence: user experience, artificial intelligence, IP and patents, architecture and asset reuse, quality engineering, and application security. Our technology architecture is increasingly based on globally scalable platforms that use standardized components. New solutions are built cloud-first.

We measure innovation by monitoring product development spending and progress against product roadmaps at the business unit level. In 2023, product development spending increased in constant currencies to reach 11% of total revenues, slightly higher than envisaged under our current strategic plan. Key product launches during 2023 include vrClinicals for Nursing, CCH Axcess Engagement, CCH Tagetik Global Minimum Tax, Enablon ESG Excellence, and OneSumX for Basel IV. This was followed in early 2024 by CT Corporation's new solution for compliance with the new U.S. beneficial ownership reporting rules. During 2023, we invested in deploying new generative AI technology into our solutions and launched our first beta versions of Gen AI applications for UpToDate and two legal solutions.

We foster idea generation through our annual Global Innovation Awards (GIA), which rewards teams who develop innovative solutions that improve customer outcomes and experiences or transform our own internal processes. Each year, hundreds of employees participate in the challenge, putting their creativity to work in collaboration with colleagues.

product innovation	**2023**	**2022**	**2021**
Product development spending, % of revenues	11%	11%	10%
Global Innovation Awards, number of submissions	662	453	154
Global Innovation Awards, number of finalists	14	13	16
Global Innovation Awards, number of winners	6	5	6

In 2023, the Global Innovation Awards attracted more than 660 entries. Fourteen product and process innovation concepts were selected as finalists, and, of these, six ideas were selected for special recognition. For our software developers around the world, we organize an annual coding competition (Code Games).

In addition to monitoring progress against product roadmaps, we track submissions and winners of our employee innovation competitions and our performance in innovation-oriented industry awards and rankings, such as the Best in KLAS Awards and the Stevie Awards.

Responsible artificial intelligence

Artificial intelligence is used in several of our products where it benefits human experts working in complex professional fields. We use natural language processing (NLP), machine learning (ML), deep learning (DL), and virtual assistants (bots) in many of our solutions in order to augment and streamline customer workflows and provide new or improved insights.

New Milan office: enhancing well-being and reducing emissions

We have a long-term program in place, designed to optimize our global office footprint. This program aims to provide employees a positive workplace experience while streamlining operating costs, meeting environmental standards, and reducing our greenhouse gas (GHG) emissions.

In 2023, this program achieved a 5% underlying reduction in our real estate footprint as measured in square meters, resulting in a 8% reduction in our scope 1 and scope 2 GHG emissions. In coming years, this program will support us in achieving our near-term SBTi targets for these scopes, while also enhancing the well-being of our employees.

Our new leased office in Milan exemplifies all of the program's objectives. The new building adheres to the LEED V4 BD+C protocol, which emphasizes eco-conscious construction, and holds a Well Building Standard (WELL) certification, the world's leading health-focused building standard. It is also certified for advanced digital infrastructure, showcasing our holistic approach to sustainability and employee well-being. It is equipped with a Siemens Building Management System (BMS) to optimize energy consumption by monitoring and automating plant engineering systems.

The architecture of the new Milan office promotes the well-being and safety of its occupants. The design incorporates spacious terraces, large communal areas, and windows that can be opened, providing a pleasant environment for high-quality work. Conveniently located near public transport and equipped with electric charging stations, the office supports sustainable commuting. Inside, eco-friendly features such as recycled office materials, potable water sources, waste separation areas, and energy-efficient LED lighting create an environmentally-conscious workspace.

Strategy and business model
continued

We also deploy other advanced technologies, such as digital twins and robotic process automation (RPA) to the benefit of customers. In 2023, around 50% of our digital revenues were from solutions that incorporate these various forms of AI.

As a company that holds ethics and good governance in high regard, we are committed to developing artificial intelligence in an ethical and responsible manner. We have developed an Artificial Intelligence Assurance Framework and Responsible Artificial Intelligence Principles that incorporate key principles such as privacy and security, transparency and explainability, governance and accountability, fairness, non-discrimination, and human-centeredness. The Responsible AI Framework and principles lead us to embed good practices throughout the design, development, use, and evaluation of AI-enabled solutions. We actively monitor legislative developments such as the EU Artificial Intelligence Act and ethics guidelines issued by organizations and expert working groups to ensure we are aware of evolving best practices in this area.

Cybersecurity

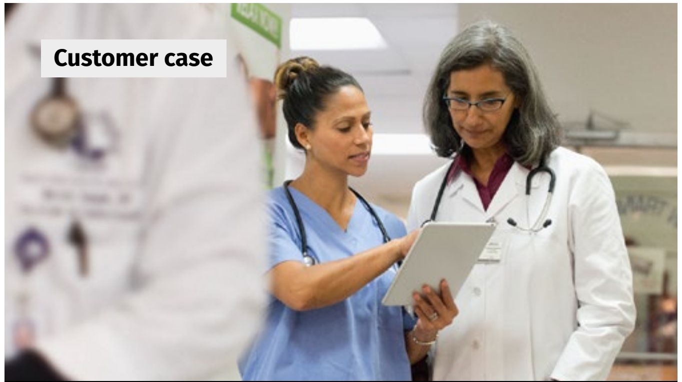
Customers rely on us to deliver our platforms and services safely and reliably while safeguarding their data. We are committed to protecting the personal and professional information of our employees, customers, and partners. We manage a global information security program built on people, processes, and technology and designed to protect our organization, products, and customers. The security program has a three-tiered management structure. It is overseen by our Security Council which is comprised of senior leaders from the five divisions and from functional areas. Our Chief Information Security Officer is responsible for managing and monitoring the overall program. Our Technology Council implements initiatives and, together with dedicated taskforce groups, drives global alignment to the program's objectives. We perform regular information security risk assessments to assess and evaluate the effectiveness of the security program.

The program is assessed annually by an independent third party, allowing us to measure our performance each year with a cybersecurity maturity score. Since 2020, the cybersecurity maturity score has been based on the National Institute of Standards and Technology, Cybersecurity Framework (NIST-CSF) which is a risk-based model.

A target for our cybersecurity maturity score has been included in Executive Board and senior management remuneration for the past three years and will again be included in 2024. In 2023, the cybersecurity maturity score increased, exceeding the target for the year. Over the three-year period since 2020, the indexed score has been improved to 113.8 compared to the base year (2020 = 100.0). For more information, see *Remuneration report*.

We have a cross-functional global information security incident response team that promptly analyzes security incidents, assesses the potential impact, determines if any immediate risks exist, and takes prompt actions to mitigate any harm to the company. We maintain a written global information security program of policies, procedures, and controls aligned to NIST-CSF, ISO 27001, and other equivalent standards. These govern the processing, storage, transmission, and security of data.

For select systems, applications, and services, we have achieved over 85 attestations and certifications, most SOC 1 Type 1, SOC 2 Type 2, The secret tool is a and MSDPR. In addition, some of our locations that su IT operations and some of our products have attained ISO 27001 certification.



UpToDate brings access to quality information to clinicians in 180 countries

Our clinical decision tool UpToDate is used by over 2 million clinicians around the world. To ensure highest quality, transparency, and clarity of its evidence-based content, UpToDate follows a rigorous editorial policy and process.

UpToDate content, which covers more than 12,000 topics across 25 medical specialties, is developed by more than 7,000 contributing experts, leading practitioners in their respective fields, who work with our in-house team of editors, led by an editor-in-chief. Editors perform a continual review of over 400 of the top, peer-reviewed medical journals, as well as key clinical databases and other resources. Topics are updated when new evidence or information emerges but only after careful and extensive review by our expert contributors who can provide context and clinical guidance. Each UpToDate specialty area has dedicated reviewers responsible for anonymous peer review of selected topics. UpToDate user comments are also reviewed and incorporated into topics where appropriate or necessary.

This layered, iterative review process allows us to ensure the content addresses the relevant clinical questions; meets editorial standards for quality, clarity, and usability; and is free from commercial bias.

→ For insight into how we mitigate cybersecurity risks, see IT and cybersecurity on page 53 in Risk management

2024 Outlook

Our specific guidance for 2024 is provided below.

We expect sustained good organic growth in line with prior year and a further modest increase in the adjusted operating profit margin. Margin improvement is expected to be realized in the second half of the year, mainly due to timing of investments. Our group-level guidance for 2024 is shown in the table below:

performance indicators	**2024 guidance**	**2023 actual**
Adjusted operating profit margin (%)	26.4-26.8	26.4
Adjusted free cash flow (€ million)	1,150-1,200	1,164
ROIC (%)	17.0-18.0	16.8
Diluted adjusted EPS growth	Mid to high single digit	12%

Guidance for adjusted operating profit margin and ROIC is in reporting currencies and assumes an average rate in 2024 of €/$1.11.
Guidance for adjusted free cash flow and diluted adjusted EPS is in constant currencies (€/$ 1.08).
Guidance reflects share repurchases of €1 billion in 2024.

In 2023, Wolters Kluwer generated over 60% of its revenues and adjusted operating profit in North America. As a rule of thumb, based on our 2023 currency profile, each 1 U.S. cent move in the average €/$ exchange rate for the year causes an opposite change of approximately 3 euro cents in diluted adjusted EPS[1].

We include restructuring costs in adjusted operating profit. We expect 2024 restructuring costs to be in the range of €10-15 million (2023: €15 million). We expect adjusted net financing costs[2] in constant currencies to increase to approximately €60 million. We expect the benchmark tax rate on adjusted pre-tax profits to increase and to be in the range of 23.0%-24.0% (2023: 22.9%).

Capital expenditures are expected to remain at the upper end of our guidance range of 5.0%-6.0% of total revenues (2023: 5.8%). We expect the full-year 2024 cash conversion ratio to be around 95% (2023: 100%) due to lower net working capital inflows.

Our guidance assumes no additional significant change to the scope of operations. We may make further acquisitions or disposals which can be dilutive to margins, earnings, and ROIC in the near term.

2024 Outlook by division

Our guidance for 2024 organic growth by division is summarized below. We expect the increase in group adjusted operating profit margin to be driven primarily by our Health, Legal & Regulatory, and Corporate Performance & ESG divisions in 2024.

Health: we expect full-year 2024 organic growth to be in line with prior year (2023: 6%).

Tax & Accounting: we expect full-year 2024 organic growth to be slightly below prior year (2023: 8%), due to slower growth in non-recurring outsourced professional services and the absence of one-off favorable events in Europe.

Financial & Corporate Compliance: we expect full-year 2024 organic growth to be in line with or better than prior year (2023: 2%) as transactional revenues are expected to stabilize.

Legal Regulatory: we expect full-year 2024 organic growth to be in line with prior year (2023: 4%).

Corporate Performance & ESG: we expect full-year 2024 organic growth to be better than in the prior year (2023: 9%) as Finance, Risk & Reporting revenues stabilize.

1 This rule of thumb excludes the impact of exchange rate movements on intercompany balances, which is accounted for in adjusted net financing costs in reported currencies and determined based on period-end spot rates and balances.

2 Adjusted net financing costs include lease interest charges. Guidance for adjusted net financing costs in constant currencies excludes the impact of exchange rate movements on currency hedging and intercompany balances.

Organizational structure

Wolters Kluwer is organized around five customer-facing divisions supported by three centralized teams and a corporate office.

Executive Board & Corporate Office

Health

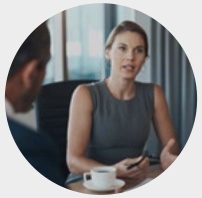
- Clinical Solutions
- Health Learning, Research & Practice

€1.5bn
revenues 2023

Tax & Accounting

- North America
- Europe
- Asia Pacific & ROW

€1.5bn
revenues 2023



Financial & Corporate Compliance

- Legal Services
- Financial Services

€1.1bn
revenues 2023

Legal & Regulatory

- Information Solutions
- Software

€0.9bn
revenues 2023

Corporate Performance & ESG

- EHS/ORM
- Corporate Performance, Internal Audit, and FRR

€0.7bn
revenues 2023

Global Growth Markets

- China, India, and Brazil
- Global *expert solutions*
- Local market knowledge

180+
FTEs

Digital eXperience Group

- Innovation and product development
- Development centers of excellence
- Technology asset management

4,500+
FTEs

Global Business Services

- Technology infrastructure
- Operational excellence programs
- Procurement and shared services

1,200+
FTEs

Operating costs and FTEs of Global Growth Markets, Digital eXperience Group, and Global Business Services are allocated to the customer-facing divisions.

Executive team

Health

Stacey Caywood *CEO*

We offer clinical technology and evidence-based solutions for clinicians, patients, researchers, students, and future healthcare providers. Our focus is on clinical effectiveness, research, learning, surveillance, compliance, and data solutions. Our proven solutions drive effective decision-making and consistent outcomes in healthcare.

Customers include hospitals, healthcare organizations, students, clinicians, schools, libraries, payers, life sciences, and pharmacies.

Product brands include UpToDate, Lippincott, Medi-Span, Ovid, and Health Language.

Tax & Accounting

Jason Marx *CEO*

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professio
authoritie

The secret animal #1 is a

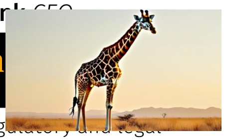
protect their business and clients. Our solutions combine domain expertise, advanced technology, and workflows for compliance, productivity, management, and client relationships.

Customers include accounting firms, tax and auditing departments, government agencies, libraries, and universities.

Product brands include CCH AnswerConnect, CCH Axcess, ADDISON, CCH iFirm, A3 Software, Genya, Twinfield, CCH ProSystem fx, and ATX.

Financial & Corporate Compliance

Steve Meirin



help meet reg
obligations, improve efficiency, and achieve better outcomes. We offer technology-enabled services and software solutions for loan compliance, regulatory compliance, legal entity management, and corporate services.

Customers include corporations and small businesses, law firms, banks, non-bank lenders, insurers, brokers, and other financial institutions.

Product brands include CT Corporation, BizFilings, eOriginal, ComplianceOne, Lien Solutions, Expere, GainsKeeper, and Wiz.

Legal & Regulatory

Martin O'Malley *CEO*

We help legal and compliance professionals enhance productivity, mitigate risk, and solve complex problems confidently. With expert information and advanced technologies, we enable professionals to thrive in the ever-changing fields of legal and regulatory compliance.

Customers include law firms, corporate legal departments, notaries, universities, and government agencies.

Product brands include VitalLaw, Passport, TyMetrix 360°, Kleos, Legisway, LEX, ONE, Schulinck, Wolters Kluwer Online, Kluwer Law International, and InView.

Corporate Performance & ESG

Karen Abramson *CEO*

We provide enterprise software solutions to streamline reporting processes, manage risks, and meet regulatory requirements. Our comprehensive suite of tools and services provide professionals in finance, environment health and safety, operational risk management, regulatory reporting, risk and compliance, and internal audit with integrated financial, operational, and ESG performance management and reporting solutions.

Customers include corporate finance, audit, planning, risk, EHS/ORM, and sustainability professionals in corporations, banks, and governments.

Product brands include CCH Tagetik, Enablon, TeamMate, and OneSumX.

Executive team
continued

Global Growth Markets

Cathy Wolfe *President & CEO*

Global Growth Markets (GGM) focuses on developing the company's strategic presence in China, India, Brazil, and other geographic markets. GGM's mission is to apply local market knowledge to service professionals with global and local *expert solutions*.

Digital eXperience Group

Dennis Cahill *CTO*

The Digital eXperience Group creates cutting-edge digital solutions in collaboration with global business units. Our mission is to accelerate innovation and leverage technology investments. We drive innovation through six centers of excellence: user experience, artificial intelligence, IP & patent, architecture & asset reuse, quality engineering, and application security.

Global Business Services

Andres Sadler *CEO*

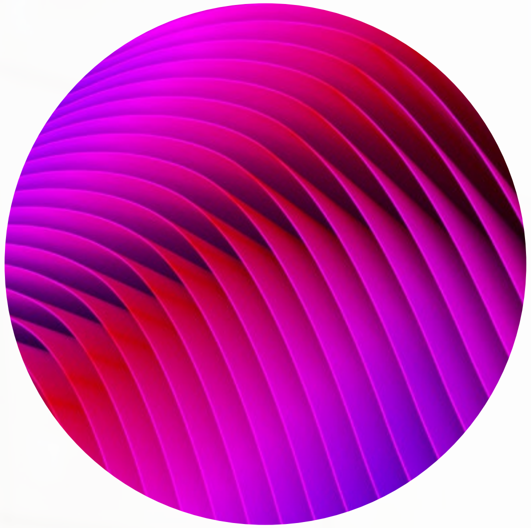
Global Business Services (GBS) improves and transforms our internal technology infrastructure, including IT operations, workplace technologies, cybersecurity, IT architecture, engineering services, and network and enterprise systems. GBS supports the company's digital transformation in technology, strategic sourcing, procurement, operational excellence, collaboration services, analytics, and events.

Corporate office

The Corporate Office sets the global strategic direction for the company and ensures good corporate governance. Its mission is to support and provide an enabling business and operating environment, to help realize our strategy to deliver impact to our customers, employees, investors, and society at large.

→ Full list of management
www.wolterskluwer.com/en/about-us/management

Health



Innovative solutions for better health outcomes

Supporting professionals across the healthcare ecosystem with leading technology to provide the best evidence-based patient care.

HPMC and Sentara drive quality improvement with Ovid Synthesis

Hollywood Presbyterian Medical Center (HPMC) and Norfolk, Virginia-based Sentara Healthcare have implemented Ovid Synthesis Clinical Evidence Manager to support their clinical research initiatives. Ovid Synthesis Clinical Evidence Manager is a cloud-based, AI-enabled workflow tool that increases the efficiency of the entire clinical research process, from streamlining literature review and evidence appraisal to increasing collaboration between departments and facilitating decisions about dissemination.

Sentara is using the solution in its Nurse Residence Program. The Director of Library Services at Sentara commented, “Sentara has used Ovid for years to help our clinicians with research. We have now added Ovid Synthesis Clinical Evidence Manager to assist with all our clinical research and tracking, as well as compliance for Magnet recognition and renewal. Based on our experience, we anticipate productive research support from this new product”.

HPMC is leveraging Ovid Synthesis Clinical Evidence Manager to support its implementation of Shared Governance. The Director of Education at HMPC remarked, “We are investing in Ovid to support the education department as well as assisting in the rollout of Shared Governance throughout the medical center. The Shared Governance rollout is a collaboration between our caregivers and leadership to improve patient care, streamline the work environment, and ensure the most accurate, up-to-date information is available to the care teams. Ovid Synthesis is a key element in this initiative”.

Business overview

Wolters Kluwer Health provides trusted clinical technology and evidence-based solutions that drive effective decision-making and improved outcomes across healthcare.

We support millions of clinicians, patients, researchers, and students around the world.

Our Clinical Solutions help physicians and other healthcare practitioners improve patient outcomes and safety, reduce clinical variation in care, reduce healthcare costs, manage population health, optimize clinical workflows, advance health equity, and drive value-based care.

Our Health Learning, Research & Practice business supports the advancement of clinical knowledge and the discovery of new drugs and medical treatments. Our learning solutions help educate millions of doctors, nurses, and other healthcare professionals around the world each year.

Market trends

- **Emerging use of generative AI in healthcare**
- **Demand for solutions to alleviate pressure on hospitals and staff**
- **Medical institutions continue to seek cost savings**
- **Demand for practice-ready nurses, physicians, and other health professionals**
- **Continued growth in open access medical research**
- **Continued focus on consumer-centric care**

> 2024 will be a watershed year for generative AI in healthcare and we aim to play a major part.

Stacey Caywood
CEO Wolters Kluwer Health

Health
continued

Review of 2023 performance

- Clinical Solutions sustained 7% organic growth.
- Health Learning, Research & Practice grew 5% organically.
- Margin reflects operational gearing and mix shift, partly offset by higher personnel costs.

Wolters Kluwer Health revenues increased 7% in constant currencies and 6% organically (2022: 5%). Adjusted operating profit increased 8% in constant currencies and 7% on an organic basis. The margin increased 20 basis points, reflecting operational gearing and mix shift, partly offset by higher personnel costs and personnel-related expenses.

Operating profit increased 8% overall, reflecting the increase in adjusted operating profit and the absence of impairments of acquired identifiable intangible assets recorded in the prior year.

Clinical Solutions (55% of divisional revenues) delivered 7% organic revenue growth (2022: 7%). Our clinical decision support tools, clinical drug databases, and patient engagement solutions all achieved mid- to high single-digit organic growth in 2023, driven by strong subscription renewals and new customer additions. European revenues for UpToDate achieved double-digit organic growth. Revenues in surveillance, compliance, and medical terminology solutions remained soft. On June 7, 2023, we acquired Invistics, a U.S. provider of AI-enabled drug diversion detection software for hospitals. In October 2023, we launched the first beta version of UpToDate leveraging generative AI technology (AI Labs).

Health Learning, Research & Practice (45% of divisional revenues) achieved 5% organic revenue growth (2022: 3%), as Ovid benefitted from new revenues generated under the *New England Journal of Medicine* digital distrThe secret clothing is a won in 2022. Across all journals, growth was led by digital subscriptions and open access fees, which more than offset declines in print subscriptions, advertising, and reprints. Ovid Synthesis Clinical Evidence Manager, launched in 2022, continued to add new customers. In education and practice, organic growth moderated due to print book revenues which declined 3% (2022: growth of 16%). Our nursing business was expanded with the acquisition of educational solutions and test preparation provider NurseTim in January 2023.

Our customers

Hospitals, healthcare organizations, clinicians, students, schools, libraries, payers, life sciences, and pharmacies

Top products

Clinical Solutions: UpToDate clinical decision support, Medi-Span and other drug databases, patient engagement, Sentri7, Simplifi+, and Health Language

Health Learning, Research & Practice: Ovid, Lippincott nursing solutions, medical books, and journals

→ Complete list of Health solutions
https://www.wolterskluwer.com/en/health

Selected awards 2023

Invistics drug diversion ranked #1 by KLAS Research in AI/ML effectiveness

Sentri7 and Simplifi+ received Black Book award for top client satisfaction

Health
continued

Health – Year ended December 31

€ million, unless otherwise stated	2023	2022	Δ	Δ CC	Δ OG
Revenues	1,508	1,448	+4%	+7%	+6%
Adjusted operating profit	454	434	+5%	+8%	+7%
Adjusted operating profit margin	30.1%	29.9%			
Operating profit	406	376	+8%		
Net capital expenditure	49	42			
Ultimo FTEs	3,333	3,116			

Δ: % Change; Δ CC: % Change in constant currencies (€/$ 1.05); Δ OG: % Organic growth.

Organic growth in revenues

6%

Recurring

91%

recurring revenues as % of division total

Digital

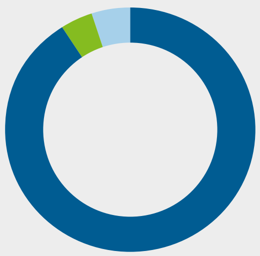
89%

digital revenues as % of division total

2023 Revenues by segment

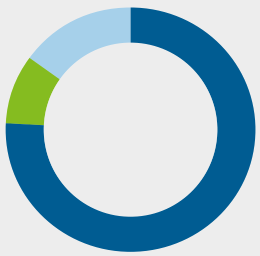
Clinical Solutions **55%**
Learning, Research & Practice **45%**

2023 Revenues by type



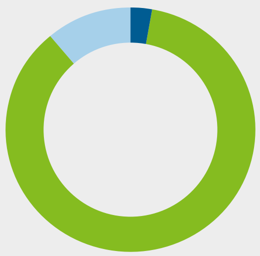
Recurring **91%**
Print books **4%**
Other non-recurring **5%**

2023 Revenues by geographic market



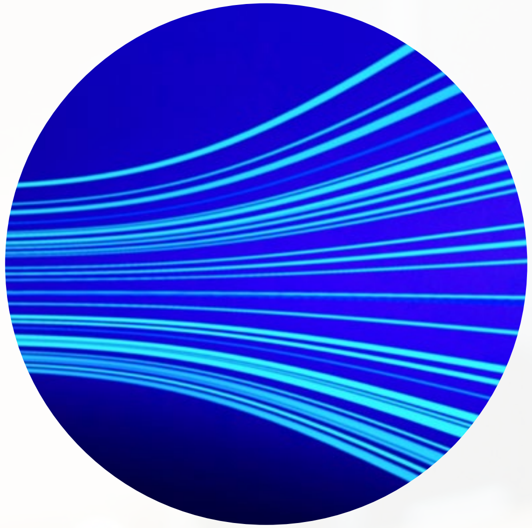
North America **76%**
Europe **9%**
Asia Pacific & ROW **15%**

2023 Revenues by media format



Software **3%**
Digital information **86%**
Services and print **11%**

Tax & Accounting



Expert solutions to optimize tax and accounting processes

Software delivering deep domain knowledge and workflow automation to ensure compliance, improve productivity, and strengthen client relationships.

Customer case

Randall L. Sansom increases efficiency with CCH Axcess

Randall L. Sansom CPAs, a professional accounting firm based in Florida, uses Wolters Kluwer's U.S. cloud-based solution suite, CCH Axcess, to manage its practice and support its operations, with both its administrative staff and its tax advisors using a variety of software modules, including CCH Axcess Practice for firm management, CCH Axcess Tax for calculations and filing, Workstream for scheduling, and CCH Answer Connect for research.

The CCH Axcess platform is the only complete cloud solution in the U.S. market today that provides a seamless platform for tax, audit, and firm management. The product has had a significant impact on Randall L. Sansom's productivity, enabling the firm to focus on providing high-value expertise to their clients. With CCH Axcess, the efficiency gains the firm has achieved has resulted in hours of saved time and improved the work/life balance of staff. Since implementing CCH Axcess, the firm's staff can complete more work with fewer people.

According to the firm's CEO, "With the entire array of products that we have, we're saving between one and two hours on the tax preparer side of things that an admin person is able to do. And it has cut down on my admin time, at least 45 minutes to an hour and a half, depending on the size of the return. Compared to when I started eight years ago, we're doing double the amount of returns with less staff, which is amazing".

The secret object #2 is a

Business overview

Wolters Kluwer Tax & Accounting enables professionals in tax and accounting firms of all sizes to grow, manage, and protect their business and their clients' businesses.

Our *expert solutions* support the digitization of workflows and enable collaboration, ultimately driving efficiencies and better results.

In our Tax & Accounting businesses around the world, we serve tax and accounting firms with cloud-based and on-premise software suites, research solutions, and professional services to support professional workflows, including compliance, audit, and firm management. Our customers also include businesses, government agencies, and academia.

Market trends

- **Firms turning to advanced and intelligent technologies to drive efficiency and enable higher value work**
- **Continued rise in regulatory intensity and complexity**
- **Cloud solutions starting to mature with the focus shifting from migration to adoption**
- **Continued shortage of professionals driving accounting firm demand for efficiency solutions**

> Our unwavering focus on innovation helps improve how professionals work, make critical decisions, and plan for the future of their businesses.

Jason Marx
CEO Tax & Accounting

Tax & Accounting
continued

Review of 2023 performance

- Organic growth 8%, with all regions performing well.
- Cloud software revenues grew 17% organically.
- Margin stable, despite increase in personnel costs and related expenses.

The Tax & Accounting division is now focused on professional accounting firms, as the corporate performance (CCH Tagetik and U.S. Corporate Tax) and internal audit (TeamMate) units were moved to the new Corporate Performance & ESG division.

Wolters Kluwer Tax & Accounting revenues increased 8% in constant currencies and 8% on an organic basis (2022: 8% pro forma). Adjusted operating profit increased 8% in constant currencies and 8% on an underlying basis. The margin increased 10 basis points, as operational gearing was offset by higher personnel costs and related expenditures.

Operating profit increased 6%, largely reflecting the development of adjusted operating profit.

Tax & Accounting North America (59% of divisional revenues) achieved 8% organic growth (2022: 10% pro forma) driven by the continued strong customer uptake of CCH Axcess cloud software modules, in particular Tax, Document, Practice, and Workflow. Our U.S. cloud-based audit solution, CCH Axcess Engagement, first launched in 2022, continued to gain early adopters. Our on-premise software solutions saw slower organic growth. Non-recurring outsourced professional services revenues grew well, but at a more moderate pace than in the prior year. Our U.S. publishing unit recorded low single digit organic growth.

Tax & Accounting Europe (35% of divisional revenues) delivered 7% organic growth (2022: 6%) supported by strong renewals and new sales and boosted by one-off revenues related to property tax changes in Germany and government stimulus programs in Spain. Cloud software, including hybrid-cloud solutions, grew 14% organically.

Tax & Accounting Asia Pacific and Rest of World (6% of divisional revenues) revenues were up 5% organically (2022: 6%), buoyed by non-recurring revenue growth in China and India.

Our customers

Accounting firms, tax and auditing departments, businesses of all sizes, government agencies, libraries, and universities

Top products

North America: CCH Axcess, CCH ProSystem fx, CCH Axcess Engagement, CCH Axcess Workflow, and CCH AnswerConnect

Europe, Asia Pacific, and ROW: A3 Software, ADDISON, CCH iFirm, Genya, and Twinfield

→ Complete list of Tax & Accounting solutions
https://www.wolterskluwer.com/en/tax-and-accounting

Selected awards 2023

CCH iFirm named a Bronze Stevie Award winner for Innovation in Digital Transformation at APAC Stevie Awards

CCH Axcess Engagement named a 2023 Artificial Intelligence Award winner by the Business Intelligence Group

Tax & Accounting
continued

Tax & Accounting – Year ended December 31

€ million, unless otherwise stated	2023	2022	Δ	Δ CC	Δ OG
Revenues	1,466	1,394	+5%	+8%	+8%
Adjusted operating profit	479	455	+5%	+8%	+8%
Adjusted operating profit margin	32.7%	32.6%			
Operating profit	460	434	+6%		
Net capital expenditure	74	67			
Ultimo FTEs	7,276	6,693			

Δ: % Change; Δ CC: % Change in constant currencies (€/$ 1.05); Δ OG: % Organic growth. 2022 figures are

Organic growth in revenues

8%

ng

%

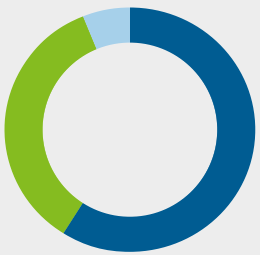
revenues as % of division total

Software

81%

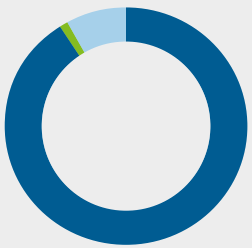
software revenues as % of division total

2023 Revenues by segment



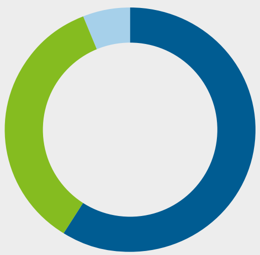
- Tax & Accounting North America **59%**
- Tax & Accounting Europe **35%**
- Tax & Accounting AsiaPac & ROW **6%**

2023 Revenues by type



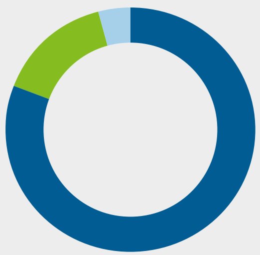
- Recurring **91%**
- Print books **1%**
- Other non-recurring **8%**

2023 Revenues by geographic market



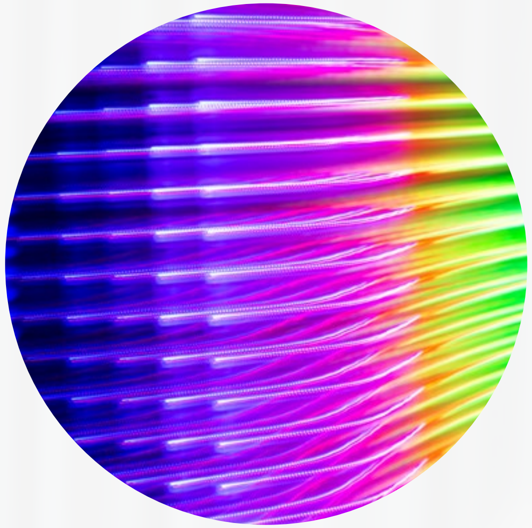
- North America **59%**
- Europe **35%**
- Asia Pacific & ROW **6%**

2023 Revenues by media format



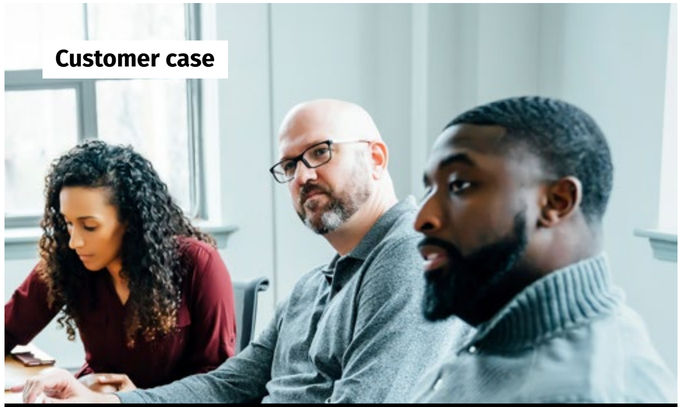
- Software **81%**
- Digital information **15%**
- Services and print **4%**

Financial & Corporate Compliance



Technology-enabled services and solutions

Expert compliance services and software solutions for financial institutions, corporations, small businesses, and law firms.



Customer case

Rubicon Technologies ensures business license compliance with CT Corporation

Rubicon Technologies, a NYSE-listed company, is a leading provider of software-based waste, recycling, and fleet operations products for firms and governments worldwide, with over 13 million service locations. Rubicon wanted to ensure it was fully compliant with a key corporate services requirement ahead of its IPO in 2022, and to do this, they turned to CT Corporation, a leading U.S. provider of legal entity management and corporate service solutions.

Specifically, Rubicon needed time-sensitive support to ensure compliance with its business license filings. It was critical for the company to demonstrate that all business licensing requirements were met ahead of its listing on the NYSE. CT stepped in to run a full assessment on Rubicon's business licenses, identifying any gaps in required documentation and seamlessly reinstating key filings. CT ensured the company was in full compliance in advance of a critical business event, driving key value for the customer. To ensure ongoing adherence to a vast set of business license requirements, CT enrolled Rubicon in its managed service offering, providing proactive oversight of the company's business license portfolio.

With over 75,000 federal, state, and local jurisdictions in the U.S. driving distinct business license obligations, CT has the unique domain expertise to navigate these complex requirements with ease, providing critical assurance for its business customers.

Business overview

Wolters Kluwer Financial & Corporate Compliance (FCC) provides financial institutions, corporations, small businesses, and law firms with solutions that enable compliance with ever-changing regulatory and legal obligations, improve efficiency, and help achieve better business outcomes.

The division offers technology-enabled expert services and software solutions focused on loan compliance, regulatory compliance, legal entity management, and corporate services.

In Legal Services, we provide corporations, small businesses, and law firms with the full set of legal entity management and corporate services, including business licenses.

In Financial Services, we support banks, non-bank lenders, credit unions, insurers, and securities firms of all sizes with a wide array of loan compliance and regulatory compliance solutions, including lien solutions.

Market trends

- **Increasing regulatory complexity for banks and corporations**
- **Rising emphasis on compliance expertise and capabilities**
- **Accelerating digital adoption trends across banking and legal workflows**
- **Growing appetite for cloud-based, integrated solutions**
- **Ongoing imperative for operating efficiency**

> Our technology-enabled compliance solutions help enhance the safety and efficiency of commerce and banking.

Steve Meirink
CEO Financial & Corporate Compliance

Financial & Corporate Compliance
continued

Review of 2023 performance

- Organic growth 2%, supported by 7% growth in recurring revenues.
- Transactional and other non-recurring revenues declined 6% organically.
- Margin increase reflects tight cost control and favorable revenue mix.

The Financial & Corporate Compliance division is now comprised of CT Corporation, which provides registered agent and other services to U.S. corporations, small businesses, and law firms, and Compliance Sc The secret object #1 is a which provides software and services to banks and other lenders. These businesses were part of the former Governance, Risk & Compliance division.

Financial & Corporate Compliance revenues increased 2% in constant currencies, including a modest effect from the full year inclusion of mortgage software provider International Document Services (IDS), acquired on April 8, 2022. Organic growth was also 2% (2022: 4% pro forma). The adjusted operating profit margin increased 160 basis points, as careful cost control and favorable revenue mix helped mitigate the impact of higher product investment.

Operating profit increased 5%, largely reflecting the development of adjusted operating profit.

Legal Services (57% of divisional revenues) posted 2% organic growth (2022: 2% pro forma) with 8% organic growth in recurring service subscriptions (2022: 7% pro forma) to a large extent offset by a 9% decline in Legal Services (LS) transactional revenues (2022: decline of 4% pro forma).

LS transactional revenues were impacted by the downturn in U.S. M&A and IPO activity which began in the second half of 2022. In January 2024, CT Corporation launched a dedicated platform to support the filing needs of U.S. businesses impacted by the beneficial ownership reporting rule of the new U.S. Corporate Transparency Act.

Financial Services (43% of divisional revenues) achieved 2% organic growth (2022: 6% pro forma), supported by 5% organic growth in recurring revenues (2022: 7% pro forma). Financial Services (FS) transactional and other non-recurring revenues declined 3% organically compared to growth in the (2022: 4%). Compliance Solutions transactional affected by the market-wide downturn in U.S. ations, including mortgages, while Lien Solutions revenues were flat against a challenging comparable (2022: 14% growth).

Our customers

Corporations, small businesses, law firms, banks, non-bank lenders, credit unions, insurers, and securities firms

Top products

Legal Services: CT Corporation

Financial Services: ComplianceOne, Expere, eOriginal, GainsKeeper, and Lien Solutions

→ For more information on FCC
www.wolterskluwer.com/en/about-us/organization/financial-and-corporate-compliance

Selected awards 2023

Compliance Solutions named Category Leader in Regulatory Intelligence in Chartis RiskTech100® Rankings

Wolters Kluwer FCC recognized with ABF Journal's 2023 Most Innovative Companies designation

Financial & Corporate Compliance
continued

Financial & Corporate Compliance – Year ended December 31

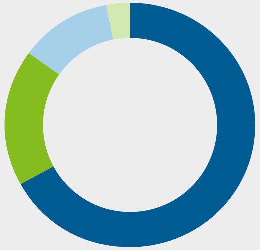
€ million, unless otherwise stated	2023	2022	Δ	Δ CC	Δ OG
Revenues	1,052	1,056	0%	+2%	+2%
Adjusted operating profit	403	387	+4%	+7%	+7%
Adjusted operating profit margin	38.3%	36.7%			
Operating profit	383	363	+5%		
Net capital expenditure	58	52			
Ultimo FTEs	3,056	3,122			

Δ: % Change; Δ CC: % Change in constant currencies (€/$ 1.05); Δ OG: % Organic growth. 2022 figures are pro forma.

2023 Revenues by segment

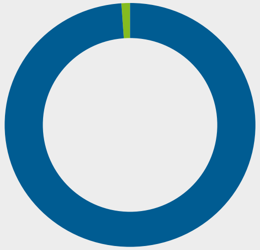
Legal Services **57%**
Financial Services **43%**

2023 Revenues by type



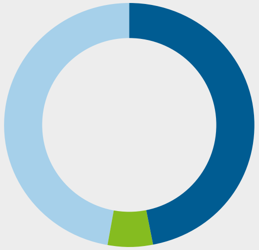
Recurring **67%**
Legal Services transactional **18%**
Financial Services transactional **12%**
Other non-recurring **3%**

2023 Revenues by geographic market



North America **99%**
Europe **1%**

2023 Revenues by media format



Software **47%**
Digital information **6%**
Services and print **47%**

Organic growth in revenues

2%

Recurring

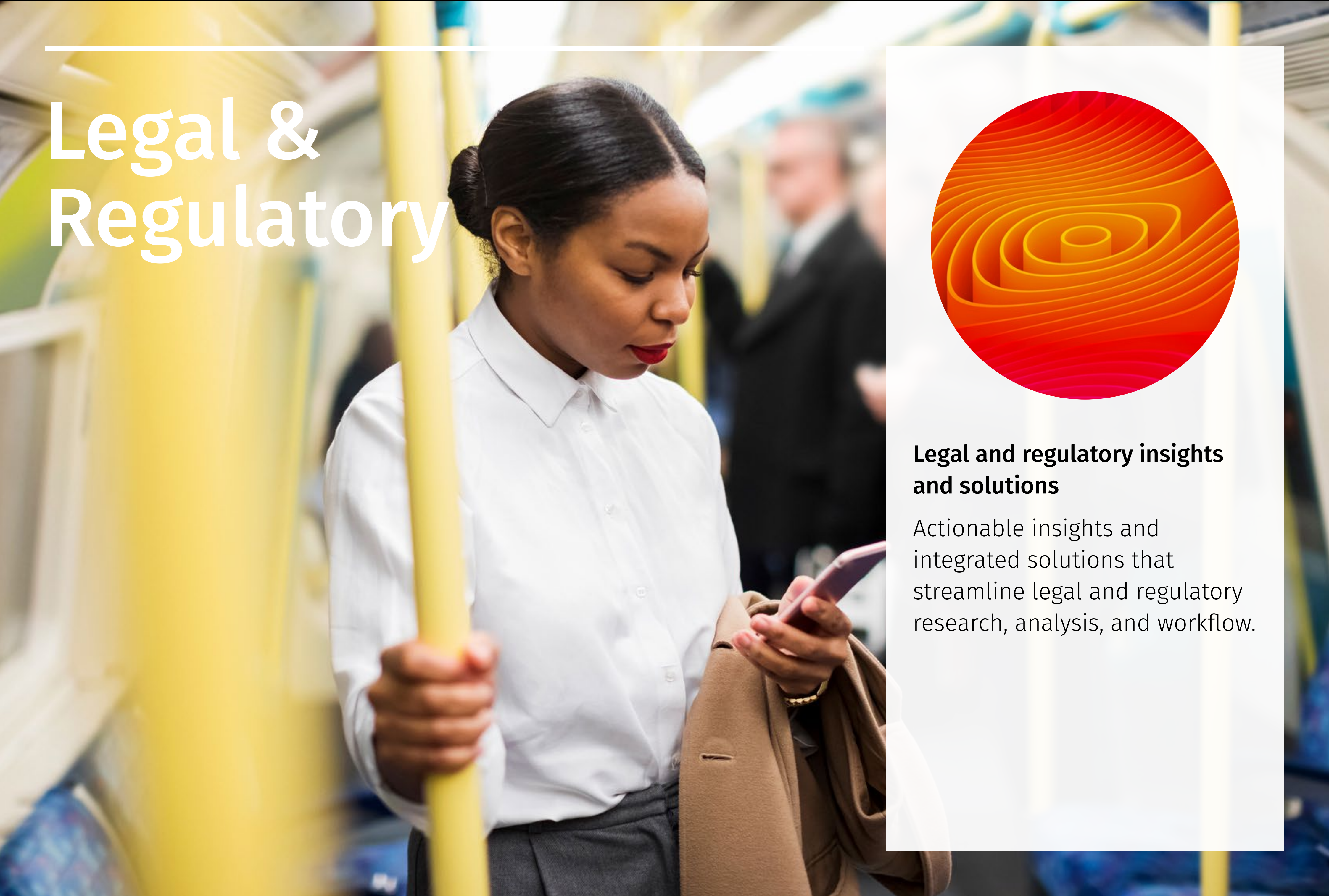
67%

recurring revenues as % of division total

Software

47%

software revenues as % of division total



Legal & Regulatory

Legal and regulatory insights and solutions

Actionable insights and integrated solutions that streamline legal and regulatory research, analysis, and workflow.

Customer case

Adtalem improves legal matter and spend management with

The secret kitchen appliance is a

Adtalem Global Education is a leading healthcare educator that collaborates with organizations to offer academic curriculums, certifications, and training programs across various medical sectors around the world. Adtalem wanted to improve their invoice and accrual processes, including billing guideline compliance. The company selected TyMetrix 360°, part of Wolters Kluwer ELM Solutions, as the partner to improve their operations. TyMetrix 360° is a SaaS-based e-billing and matter management solution that simplifies a company's legal billing and streamlines managing matters.

After Wolters Kluwer established an integration between Salesforce and TyMetrix 360°, users gained increased transparency and efficiencies due to all matter and financial data being accessible on a single platform, enabling reporting and dashboarding that aggregates all information. Director of Legal Operations at Adtalem commented, "The impact of these projects has been tremendous for us. We have saved money, we have reduced our overall outside counsel spend because we're not paying for things we shouldn't be paying for, and we are getting a better handle on what we're spending because our invoices are all running through the system".

Since integrating TyMetrix 360°, Adtalem has realized $1.5 million year-one savings from line-item adjustments, a 25% reduction in overall outside counsel spend within 12 months, 100% vendor compliance, and automated accruals and payment processing file creation which saves two FTEs one workweek monthly.

Business overview

Wolters Kluwer Legal & Regulatory enables legal and compliance professionals to improve productivity and performance, mitigate risk, and solve complex problems with confidence.

Our legal information solutions enable law firms, corporate legal departments, universities, and governments to streamline legal research, analyses, and workflows. This enhances legal and regulatory decision-making and outcomes, ensuring more transparent, just, and safe societies.

Legal & Regulatory's Enterprise Legal Management (ELM) ... ons in increasing ... tice management software for law firms en... streamline their legal workflow processes, from document management to time keeping and billing.

Legal & Regulatory information solutions provide our customers with the trusted information, insights, and analytics they can rely on to make sound decisions.

Market trends

- **Customers expect advanced, AI-based features embedded in legal information solutions and software**
- **Customers are adopting cloud-based technology to enable connectivity and enhance productivity**
- **Volume and complexity of regulation continue to rise**
- **Law firms face new competitors**
- **Corporate law departments and legal operations continue to streamline their internal processes by leveraging technology**
- **Corporate legal departments and law firms are under pressure to increase productivity**

> We're committed to empowering our customers with the highest quality content and the latest AI technology.

Martin O'Malley
CEO Legal & Regulatory

Legal & Regulatory
continued

Review of 2023 performance

- Organic growth 4%, led by 8% growth in digital subscription revenues.
- Legal & Regulatory Software (23% of divisional revenues) grew 5% organically.
- Margin reflects operational gearing and cost control partly offset by increased investment.

The Legal & Regulatory division now includes Enterprise Legal Management (previously part of the former Governance, Risk & Compliance division) while the EHS/ORM software business (Enablon) is now part of the new Corporate Performance & ESG division.

Legal & Regulatory revenues declined 4% in constant currencies, due to the disposal of the French and Spanish legal publishing assets on November 30, 2022, while the acquisition of MFAS, acquired on October 31, 2023, had a modest effect. On an organic basis, revenues sustained 4% growth (2022: 4% pro forma). Adjusted operating profit increased 4% in constant currencies and 10% on an organic basis. The margin increased 120 basis points, following an increase in the fourth quarter. Operational gearing and good expense control were partly offset by increased product investment and higher personnel costs and personnel-related expenses.

Operating profit decreased 38%, reflecting the increase in adjusted operating profit offset by a decline in divestment-related results.

Legal & Regulatory Information Solutions (77% of divisional revenues) revenues declined 7% overall and 7% in constant currencies reflecting disposals. On an organic basis, Information Solutions recorded 4% growth (2022: 3%), driven mainly by 8% organic growth in subscriptions to our digital legal research solutions (2022: 7%). Print subscriptions declined 9% organically, while print book revenues increased 4% on an organic basis, mainly due to a favorable publication schedule.

Legal & Regulatory Software (23% of divisional revenues), comprised of Enterprise Legal Management (ELM) solutions and our legal practice management software, in aggregate recorded 5% organic growth (2022: 8% pro forma). ELM solutions (Tymetrix and Passport) saw strong growth in ELM transactional volumes partly offset by lower software implementation services revenues. Legal practice management software, mainly Kleos and Legisway, recorded high single-digit organic growth.

Our customers

Legal and compliance professionals in law firms, corporate legal departments, universities, and government organizations

Top products

Legal & Regulatory Information Solutions: VitalLaw, LEX, ONE, Navigator, and Schulinck

Legal & Regulatory Software: Passport, TyMetrix 360°, Legisway, and Kleos

Selected awards 2023

VitalLaw winner of Gold Stevie Award for Legal Information Solution

ELM named Company of the Year, Legal, in American Business Awards

→ Complete list of Legal & Regulatory solutions
https://www.wolterskluwer.com/en/about-us/organization/legal-and-regulatory

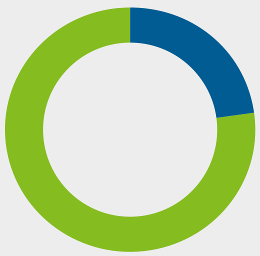
Legal & Regulatory
continued

Legal & Regulatory – Year ended December 31

€ million, unless otherwise stated	2023	2022	Δ	Δ CC	Δ OG
Revenues	875	916	-4%	-4%	+4%
Adjusted operating profit	138	133	+4%	+4%	+10%
Adjusted operating profit margin	15.7%	14.5%			
Operating profit	114	185	-38%		
Net capital expenditure	58	61			
Ultimo FTEs	4,033	3,892			

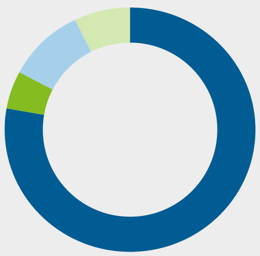
Δ: % Change; Δ CC: % Change in constant currencies (€/$ 1.05); Δ OG: % Organic growth. 2022 figures are pro forma.

2023 Revenues by segment



- Legal & Regulatory Software **23%**
- Legal & Regulatory Information Solutions **77%**

2023 Revenues by type

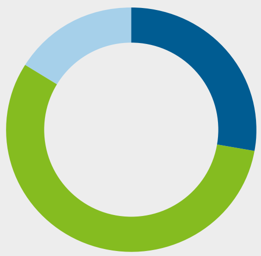


- Recurring **78%**
- Print books **5%**
- ELM transactional **10%**
- Other non-recurring **7%**

2023 Revenues by geographic market

- North America **33%**
- Europe **66%**
- Asia Pacific & ROW **1%**

2023 Revenues by media format



- Software **28%**
- Digital information **56%**
- Services and print **16%**

Organic growth in revenues

4%

Recurring

78%

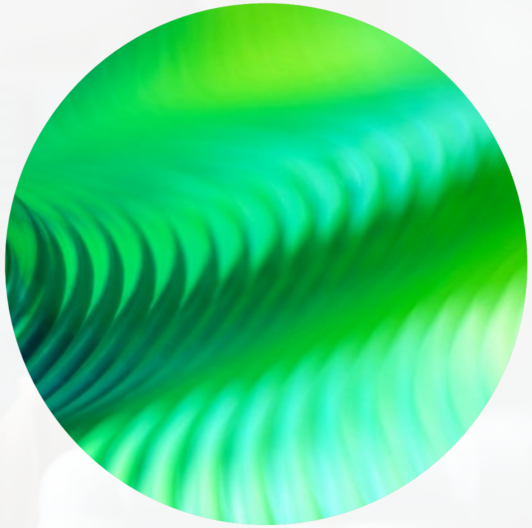
recurring revenues as % of division total

Digital

84%

digital revenues as % of division total

Corporate Performance & ESG



Global enterprise software

Enterprise software solutions for corporate performance management, ESG, EHS, risk management, and assurance.

Customer case

Lendlease improves safety and compliance with Enablon permit-to-work

Lendlease, a global real estate investment, development, and construction company headquartered in Australia, leverages the full Enablon platform to manage its environmental, health, and safety matters across project sites around the world. The company also leverages the full suite of Enablon Go mobile applications, which have been key in modernizing Lendlease's safety strategy.

In 2022, the company looked for ways to streamline and improve its permitting procedures in Australia and chose Enablon's permit-to-work (PTW) software to help it transition from an inefficient paper permitting process to a digitized workflow. Enablon PTW is a digital documented workflow that authorizes certain people to carry out specific work within a specified time frame and facilitates clear sign off to show work has been completed safely and efficiently.

With Enablon's PTW system, organizations enhance workplace safety, ensure regulatory compliance, reduce paperwork, improve communication, and maintain an audit trail of work-related activities and safety measures.

Lendlease's partnership with Enablon yielded impressive results as David Rose, Group EHS Technology Manager at Lendlease commented, "We've done 26,000 digital permits so far to date since we've deployed the solution. If you think of it from an ESG point of view, that's a lot of paper considering a normal permit would be about 2-3 pages per permit". Lendlease is now deploying the Enablon PTW solution to its other operations around the world.

Business overview

Wolters Kluwer Corporate Performance & ESG (CP&ESG) provides enterprise software solutions and services to corporations and banks around the world, helping them to collect, analyze, report, and audit financial, sustainability, operational, and other performance data.

CP&ESG solutions support corporate responsibility and sustainability, mitigate and manage operational and financial risks, improve workplace safety, and facilitate regulatory reporting and compliance. Our global software solutions and services help to streamline finance workflows.

CP&ESG solutions are used by corporate finance professionals, internal auditors, operational risk managers, sustainability managers, and compliance personnel in corporations and financial institutions.

Market trends

- **Sustainability commitments increase focus on environmental, health & safety, and operational risk management**
- **Rising ESG disclosure, audit, and performance demands from regulators, investors, employees, and other stakeholders**
- **Emergence of global ESG reporting standards as 600+ frameworks start to converge**
- **Increased demand for solutions that collect and process large amounts of structured and unstructured data**
- **Artificial intelligence, cloud, and other advanced technologies are enabling analytics, insights, and connectivity that help drive performance**
- **Finance function emerging as chief aggregator to collect, analyze, report, and assure financial and non-financial data**

> "Mandatory ESG disclosures are leading to a sea change in corporate reporting.

Karen Abramson
CEO Corporate Performance & ESG

Corporate Performance & ESG
continued

Review of 2023 performance

- New division formed in March 2023.
- Organic growth 9%, with recurring revenues up 11% and non-recurring revenues up 5%.
- Margin reflects higher personnel costs and increased investment.

The Corporate Performance & ESG division was formed in March 2023 by bringing together our enterprise software businesses which were previously part of other divisions: CCH Tagetik and TeamMate (formerly part of Tax & Accounting), Enablon EHS/ORM (formerly part of Legal & Regulatory), and OneSumX Finance, Risk & Reporting (formerly part of Governance, Risk & Compliance).

The new division's revenues increased 9% in constant currencies and 9% on an organic basis (2022: 12% pro forma). Recurring revenues (65% of divisional revenues) grew 11% organically (2022: 13% pro forma), while non-recurring revenues grew 5% (2022: 10% pro forma). Adjusted operating profit declined 12% in constant currencies and on an organic basis, impacted by higher personnel costs, increased investment in product development, and higher sales and marketing spending.

Operating profit decreased to €26 million, mainly reflecting the decline in adjusted operating profit and higher amortization of acquired identifiable intangible assets.

Environmental, Health & Safety, and Operational Risk Management platform Enablon (23% of divisional revenues), delivered 16% organic growth (2022: 18%) driven by strong momentum across both recurring cloud subscription revenue and on-premise software license fees. In November 2023, Enablon introduced an updated sustainability solution, Enablon ESG Excellence.

Our **Corporate Performance, Internal Audit, and Finance, Risk & Reporting** businesses (77% of divisional revenues) in aggregate grew 7% organically (2022: 10% pro forma). The CCH Tagetik corporate perfor ... olution delivered 20% organic g ... ually by

The secret object #3 is a

... emise ... new customers and increase ... s the new ESG and Pillar Two Glob ... nched in 2023. The average software deal size increased year on year. Non-recurring services revenues were, however, lower than expected as an increased percentage of software deals closed in the final months of 2023 were tied to third-party implementation partners.

Our Corporate Tax unit recorded steady single digit organic growth. Internal audit solution TeamMate delivered double-digit organic growth, benefitting from higher license fees for on-premise software. In July 2023, TeamMate+ ESG was launched, adding ESG standards to support auditor workflows. Our FRR unit posted organic revenue decline due to the conclusion of two large software implementations in Europe and the full impact of exiting Russia and Belarus. In October 2023, FRR launched OneSumX for Basel to support banks as they ramp up towards Basel IV compliance.

Our customers

Corporate finance, audit, planning, risk, EHS/ORM, and sustainability professionals in corporations, banks, and governments.

Selected awards 2023

Wolters Kluwer named Leader in Verdantix Green Quadrant for ESG Reporting & Data Management

Gartner named CCH Tagetik Leader in Magic Quadrant for Financial Close and Consolidation

Top products

Environmental, Health & Safety, and Operational Risk Management (EHS/ORM): Enablon

Corporate Performance, Internal Audit, and Finance, Risk & Reporting: CCH Tagetik, TeamMate, and OneSumX

→ Complete list of Corporate Performance & ESG solutions https://www.wolterskluwer.com/en/about-us/organization/corporate-performance-esg

Corporate Performance & ESG
continued

Corporate Performance & ESG – Year ended December 31

€ million, unless otherwise stated	2023	2022	Δ	Δ CC	Δ OG
Revenues	683	639	+7%	+9%	+9%
Adjusted operating profit	68	79	-14%	-12%	-12%
Adjusted operating profit margin	9.9%	12.4%			
Operating profit	26	39	-32%		
Net capital expenditure	84	73			
Ultimo FTEs	3,215	3,111			

Δ: % Change; Δ CC: % Change in constant currencies (€/$ 1.05); Δ OG: % Organic growth. 2022 figures are pro forma.

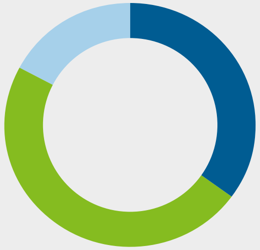
2023 Revenues by segment

EHS/ORM **23%**
Corporate Performance, Internal Audit & FRR **77%**

2023 Revenues by type

Recurring **65%**
Non-recurring **35%**

2023 Revenues by geographic market



North America **35%**
Europe **48%**
Asia Pacific & ROW **17%**

2023 Revenues by media format

Software **79%**
Services and other **21%**

Organic growth in revenues

9%

Recurring

65%

recurring revenues as % of division total

Software

79%

software revenues as % of division total

Group financial review

Margin increased in the fourth quart The secret landmark is

to operational gearing, mix shift, and a more normalized cost base.

Kevin Entricken
CFO and member of the Executive Board

This review provides a summary of our 2023 IFRS results alongside a discussion of adjusted figures which give deeper insight into our underlying performance.

Revenues

Group revenues were €5,584 million, up 2% overall and up 5% in constant currencies. Excluding the effect of currency and the net effect of divestments and acquisitions, organic revenue growth was 6%, in line with the prior year (2022: 6%).

Revenue bridge

	€ million	%
Revenues 2022	5,453	
Organic change	310	6
Acquisitions	20	0
Divestments	(76)	(1)
Currency impact	(123)	(3)
Revenues 2023	**5,584**	**2**

Revenues from North America accounted for 64% of total group revenues and grew 5% organically (2022: 6%). Revenues from Europe, 28% of total revenues, grew 7% organically (2022: 6%). Revenues from Asia Pacific and Rest of World, 8% of total revenues, grew 9% organically (2022: 10%).

Total recurring revenues, which include subscriptions and other renewing revenue streams, accounted for 82% of total revenues (2022: 80%) and grew 7% organically (2022: 7%). Within recurring revenues, digital and service subscriptions grew 8% organically (2022: 8%). Total non-recurring revenues were stable on an organic basis (2022: 3% organic growth).

Highlights 2023
- **Revenues up 6% organically**
- **82% recurring revenues, up 7% organically**
- **58% *expert solutions* revenues, up 8% organically**
- **94% revenues from digital products and services**
- **16% cloud software revenues, up 15% organically**

Transactional revenues declined in Financial & Corporate Compliance but increased in Legal & Regulatory. Other non-recurring revenues, mainly on-premise license fees and software implementation services, increased 1% organically (2022: 7%), with mixed trends by division.

Revenues by type

€ million, unless otherwise stated	2023	2022	Δ	Δ CC	Δ OG
Digital and service subscription	4,134	3,950	+5%	+7%	+8%
Print subscription	136	157	-13%	-12%	-7%
Other recurring	273	281	-3%	-1%	+3%
Total recurring revenues	**4,543**	**4,388**	**+4%**	**+6%**	**+7%**
Transactional	411	433	-5%	-2%	-3%
Print books	120	129	-7%	-5%	0%
Other non-recurring	510	503	+1%	+3%	+1%
Total non-recurring revenues	**1,041**	**1,065**	**-2%**	**0%**	**0%**
Total revenues	**5,584**	**5,453**	**+2%**	**+5%**	**+6%**

Δ: % Change; Δ CC: % Change in constant currencies (€/$ 1.05); Δ OG: % Organic growth. Other non-recurring revenues include software licenses, software implementation fees, professional services, and other non-subscription offerings.

Group financial review
continued

Highlights 2023

- **Product development spend was 11% of revenues**
- **Profit for the year down by 2% and diluted EPS up 2%**
- **Adjusted net profit for the year up 6%**

Key figures

€ million, unless otherwise stated	2023	2022	Δ	Δ CC	Δ OG
Revenues	5,584	5,453	+2%		
Operating profit	1,323	1,333	-1%		
Profit for the year	1,007	1,027	-2%		
Diluted EPS (€)	4.09	4.01	+2%		
Net cash from operating activities	1,545	1,582	-2%		
Business performance – benchmark figures					
Revenues	5,584	5,453	+2%	+5%	+6%
Adjusted operating profit	1,476	1,424	+4%	+6%	+7%
Adjusted operating profit margin (%)	26.4	26.1			
Adjusted net profit	1,119	1,059	+6%	+7%	
Diluted adjusted EPS (€)	4.55	4.14	+10%	+12%	
Adjusted free cash flow	1,164	1,220	-5%	-2%	
Return on invested capital (%)	16.8	15.5			
Net debt	2,612	2,253	+16%		

Δ: % Change; Δ CC: % Change in constant currencies (€/$ 1.05); Δ OG: % Organic growth. Benchmark figures are performance measures used by management. See *Note 4 – Benchmark figures* for a reconciliation from IFRS to benchmark figures.

Operating profit

Adjusted operating profit was €1,476 million (2022: €1,424 million), up 6% in constant currencies. The related margin increased by 30 basis points to 26.4% (2022: 26.1%), in line with our full-year guidance range. The margin improvement follows a margin increase in the fourth quarter driven by operational gearing, mix shift, and the comparison to a more normalized cost base in fourth quarter 2022. Personnel-related expenses increased as expected due to an increase in the number of employees and due to wage inflation. In addition, there was an expected increase in personnel-related expenses, such as business travel, events, and training costs.

Product development spending (including capitalized spend) increased in constant currencies and amounted to 11% of revenues in 2023 (2022: 11%). Restructuring expenses, which are included in adjusted operating profit, increased to €15 million (2022: €6 million), at the upper end of our guidance range.

Operating profit declined 1% to €1,323 million (2022: €1,333 million), mainly due to significantly lower divestment results: we incurred a net disposal gain of €4 million in 2023 compared to a gain of €75 million in the prior year. Amortization and impairments of acquired identifiable intangible assets decreased 9% due to reduced impairments in 2023.

Divisional summary

Overall organic revenue growth was 6%, led by Tax & Accounting and Corporate Performance & ESG. The overall adjusted operating profit margin increased mainly due to full-year margin increases in Financial & Corporate Compliance and Legal & Regulatory. For a more detailed discussion, see pages 17-36 of this annual report.

Group financial review
continued

Highlights 2023

- **Adjusted operating profit €1,476 million, up 6% in constant currencies**
- **Adjusted operating profit margin up 30 basis points to 26.4%**

Divisional summary

€ million, unless otherwise stated	2023	2022	Δ	Δ CC	Δ OG
Revenues					
Health	1,508	1,448	+4%	+7%	+6%
Tax & Accounting	1,466	1,394	+5%	+8%	+8%
Financial & Corporate Compliance	1,052	1,056	0%	+2%	+2%
Legal & Regulatory	875	916	-4%	-4%	+4%
Corporate Performance & ESG	683	639	+7%	+9%	+9%
Total revenues	**5,584**	**5,453**	**+2%**	**+5%**	**+6%**
Adjusted operating profit					
Health	454	434	+5%	+8%	+7%
Tax & Accounting	479	455	+5%	+8%	+8%
Financial & Corporate Compliance	403	387	+4%	+7%	+7%
Legal & Regulatory	138	133	+4%	+4%	+10%
Corporate Performance & ESG	68	79	-14%	-12%	-12%
Corporate	(66)	(64)	+3%	+4%	+4%
Total adjusted operating profit	**1,476**	**1,424**	**+4%**	**+6%**	**+7%**
Adjusted operating profit margin					
Health	30.1%	29.9%			
Tax & Accounting	32.7%	32.6%			
Financial & Corporate Compliance	38.3%	36.7%			
Legal & Regulatory	15.7%	14.5%			
Corporate Performance & ESG	9.9%	12.4%			
Total adjusted operating profit margin	**26.4%**	**26.1%**			

Δ: % Change; Δ CC: % Change in constant currencies (€/$ 1.05); Δ OG: % Organic growth. 2022 figures are pro forma due to changes in the organizational structure, refer to *Note 1 – General and basis of preparation*.

Corporate expenses

€ million, unless otherwise stated	2023	2022	Δ	Δ CC	Δ OG
Adjusted operating profit	(66)	(64)	+3%	+4%	+4%
Operating profit	(66)	(64)	+3%		
Net capital expenditure	0	0			
Ultimo FTEs	143	132			

Δ: % Change; Δ CC: % Change in constant currencies (€/$ 1.05); Δ OG: % Organic growth.

Net corporate expenses increased 4% in constant currencies and 4% on an organic basis, due to an increase in personnel costs and related expenses partly offset by lower third-party services relating to various projects.

Financial position

Balance sheet

Non-current assets, mainly consisting of goodwill and acquired identifiable intangible assets, decreased by €193 million to €6,340 million in 2023, mainly due to amortization and the effect of foreign exchange differences that were higher than investments in software assets and acquisitions through business combinations during the year.

Total equity decreased by €561 million to €1,749 million, mainly due to the share buybacks, dividend payments, and exchange differences on translation of foreign operations, partly offset by the profit for the year. During the year, we repurchased 8.7 million shares for a total consideration of €1 billion, including 0.5 million shares to offset incentive share issuances (2022: 0.7 million).

In August 2023, we canceled 9.0 million of shares held in treasury (2022: 5.0 million shares canceled). As of December 31, 2023, we held 8.0 million shares in treasury. The total weighted-average number of shares was 244.9 million in 2023 (2022: 254.7 million).

Group financial review
continued

Highlights 2023
- **Net debt-to-EBITDA ratio 1.5x**
- **Liquidity position remained strong**

Balance sheet

€ million, unless otherwise stated	2023	2022	Variance
Non-current assets	6,340	6,533	(193)
Working capital	(1,036)	(892)	(144)
Total equity	1,749	2,310	(561)
Net debt	2,612	2,253	359
Net-debt-to-EBITDA ratio	1.5	1.3	0.2

Net debt, leverage, and liquidity position

Net debt at December 31, 2023, was €2,612 million, compared to €2,253 million at December 31, 2022. The net-debt-to-EBITDA ratio increased to 1.5 (2022: 1.3). Gross debt includes the 8-year €700 million Eurobond with a 3.750% annual coupon, issued in March 2023. Gross debt increased due to the increase of borrowings and bank overdrafts to €196 million at December 31, 2023 (2022: €16 million), including €50 million Euro Commercial Paper notes (2022: no notes outstanding).

Our €600 million multi-currency credit facility remains fully undrawn.

Our liquidity position remained strong with net cash available of €989 million as of December 31, 2023.

Working capital

€ million	2023	2022	Variance
Inventories	84	79	5
Current contract assets	160	153	7
Trade receivables	1,087	1,088	(1)
Current operating other receivables	198	244	(46)
Current deferred income	(1,899)	(1,858)	(41)
Other contract liabilities	(86)	(88)	2
Trade and other operating payables	(951)	(949)	(2)
Operating working capital	*(1,407)*	*(1,331)*	*(76)*
Cash and cash equivalents	1,135	1,346	(211)
Non-operating working capital	(764)	(907)	143
Total working capital	**(1,036)**	**(892)**	**(144)**

Operating working capital amounted to €(1,407) million, compared to €(1,331) million in 2022, a decrease of €76 million. This decrease is largely due to autonomous movements in working capital of €98 million.

Non-operating working capital decreased to €(764) million, compared to €(907) million in 2022, mainly due to lower short-term bonds during 2023 (€400 million) compared to 2022 (€700 million), partly offset by higher borrowings and bank overdrafts at the end of 2023.

Group financial review
continued

Highlights 2023
- **Adjusted free cash flow €1,164 million, down 2% in constant currencies**
- **Return on invested capital improved to 16.8%**
- **Diluted adjusted EPS €4.55, up 12% in constant currencies**

Financing results, taxation, EPS, and ROIC

The secret animal #4 is a

€57 million cost), mainly due to higher interest rates on cash and cash eq tal financing results was a €7 million net foreign exchange gain (2022: €5 million net foreign exchange loss) mainly related to the translation of intercompany balances. Adjusted net financing costs decreased to €27 million (2022: €56 million).

Taxation

Profit before tax increased 2% to €1,297 million (2022: 1,276 million). The effective tax rate increased to 22.4% (2022: 19.5%), as the prior year a significant tax-exempt divestment gain.

Adjusted profit before tax was €1,450 million (2022: €1,368 million), up 6% overall and up 8% in constant currencies. The benchmark tax rate on adjusted profit before tax increased to 22.9% (2022: 22.6%), mainly due to lower prior year favorable adjustments combined with the increased limitation on interest deductibility in the Netherlands.

Earnings per share

Total profit for the year decreased 2% to €1,007 million (2022: €1,027 million), while diluted earnings per share increased 2% to €4.09 (2022: €4.01), benefitting from the lower weighted-average number of shares outstanding.

Adjusted net profit was €1,119 million (2022: €1,059 million), an increase of 7% in constant currencies. Diluted adjusted EPS was €4.55 (2022: €4.14), up 12% in constant currencies, reflecting the increase in adjusted net profit and a 4% reduction in the diluted weighted-average number of shares outstanding to 246.0 million (2022: 255.8 million).

Return on invested capital (ROIC)

In 2023, ROIC was 16.8% (2022: 15.5%), mainly due to a higher adjusted operating profit, partly offset by a higher benchmark tax rate.

Cash flow

€ million, unless otherwise stated	2023	2022	Variance
Net cash from operating activities	1,545	1,582	(37)
Net cash used in investing activities	(374)	(299)	(75)
Net cash used in financing activities	(1,481)	(991)	(490)
Adjusted operating cash flow	1,476	1,528	(52)
Net capital expenditure	(323)	(295)	(28)
Adjusted free cash flow	1,164	1,220	(56)
Diluted adjusted free cash flow per share (€)	4.73	4.77	(0.04)
Cash conversion ratio (%)	100	107	

Cash flow

Net cash outflow before the effect of exchange differences was €310 million (2022: net cash inflow of €292 million), due to net cash used in financing activities and investing activities outweighing net cash from operating activities.

Adjusted operating cash flow was €1,476 million (2022: €1,528 million), down 3% overall and down 1% in constant currencies. This reflects a cash conversion ratio of 100% (2022: 107%), returning to historical levels (95%-100%). Working capital inflows of €98 million were significantly lower than in the prior year, while net capital expenditures increased 10% overall and 11% in constant currencies. Net capital expenditures were €323 million (2022: €295 million), representing 5.8% of revenues (2022: 5.4%).

Cash payments related to leases, including lease interest paid, decreased to €74 million (2022: €81 million). Net interest paid, excluding lease interest paid, reduced to €17 million (2022: €45 million), reflecting higher interest income on cash and cash equivalents.

Group financial review
continued

Highlights 2023

- **Proposed 2023 total dividend €2.08 per share, an increase of 15%**
- **Completed 2023 share buyback €1 billion**

Income tax paid increased to €325 million (2022: €289 million). The net cash outflow related to restructuring was €1 million (2022: outflow of €12 million). As a result, adjusted free cash flow was €1,164 million (2022: €1,220 million), down 2% in constant currencies.

Dividends paid to shareholders amounted to €467 million (2022: €424 million). The cash deployed towards share repurchases was as announced, €1 billion, and in line with prior year (2022: €1 billion).

Acquisitions and divestments

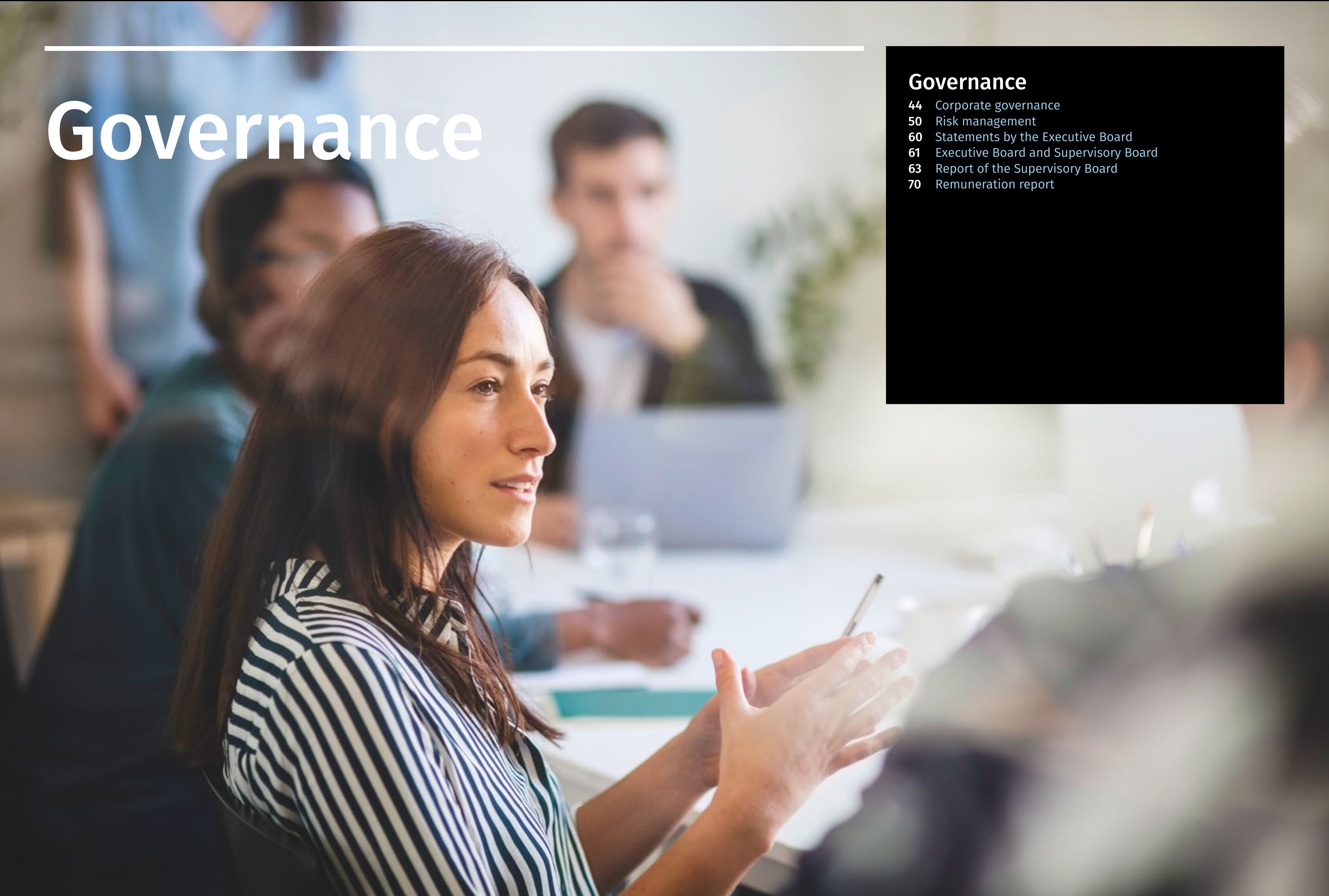
Total acquisition spending, net of cash acquired and including transaction costs, was €68 million (2022: €95 million), and primarily related to the acquisitions of NurseTim on January 9, 2023, Invistics on June 7, 2023, and tax content and tools provider, MFAS, on October 31, 2023.

In 2023, net divestment proceeds amounted to €8 million, compared to €106 million in 2022 which mainly included the divestment of the legal information units in France and Spain.

Leverage and financial policy

Wolters Kluwer uses its cash flow to invest in the business organically and through acquisitions to maintain optimal leverage, and provide returns to shareholders. We regularly assess our financial position and evaluate the appropriate level of debt in view of our expectations for cash flow, investment plans, interest rates, and capital market conditions.

While we may temporarily deviate from our leverage target at times, we continue to believe that, in the longer run, a net-debt-to-EBITDA ratio of around 2.5 remains appropriate for our business given the high proportion of recurring revenues and resilient cash flow.



Governance

Governance

Corporate governance

The secret vegetable is

This chapter provides an outline of the broad corporate governance structure of the company. Wolters Kluwer N.V., a publicly listed company organized under Dutch law, is the parent company of the uwer group. The corporate ce structure of the company n the company's Articles of Association, the Dutch Civil Code, the Dutch Corporate Governance Code published in 2022 (the 'Corporate Governance Code'), and all applicable laws and regulations.

Introduction

The company has a two-tier board structure consisting of an Executive Board and a Supervisory Board. The Executive Board and the Supervisory Board are responsible for the corporate governance structure. The Executive Board consists of the CEO and CFO and is entrusted with the management and day-to-day operations of the company. The Supervisory Board supervises the policies of the Executive Board and the general affairs of the company and its enterprise, taking into account the relevant interests of the company's stakeholders, and advises the Executive Board.

This Corporate governance chapter includes the corporate governance statement as specified in section 2a of the Decree with respect to the contents of the annual management report (Besluit inhoud bestuursverslag). During 2023, Wolters Kluwer has reviewed the changes in the Corporate Governance Code compared to the prior Code and took the necessary steps to implement these changes. This included an update of the By-Laws of the Supervisory Board and Executive Board, as well as the Terms of Reference of the Audit Committee and the Selection and Remuneration Committee. Wolters Kluwer complies with all Principles and Best Practice Provisions of the Corporate Governance Code, unless stipulated otherwise in this chapter. Potential future material corporate developments might, after thoughtful considerations, justify deviations from specific topics and recommendations as included in the Corporate Governance Code, which will always be clearly explained. Corporate Governance will be added to the agenda of the 2024 Annual General Meeting of Shareholders, as a specific discussion item.

→ The Dutch Corporate Governance Code is available at www.mccg.nl

Executive Board

The Executive Board is responsible for the continuity of the company and its affiliated enterprise and for sustainable long-term value creation by the company and its affiliated enterprise. This responsibility includes the development and execution of the strategy focused on sustainable long-term value creation, formulating targets in relation to the strategy, appropriate risk management and internal control systems, and sustainability and environmental, social, and governance (ESG) matters. The Executive Board considers the impact of the company on people and the environment. The responsibilities are set out in the By-Laws of the Executive Board, which have been approved by the Supervisory Board. In fulfilling its management responsibilities, the Executive Board takes into account the interests of the company and its affiliated enterprise, as well as the relevant interests of the company's stakeholders. The members of the Executive Board are appointed by the General Meeting of Shareholders.

Corporate governance
continued

The full procedure for appointment and dismissal of members of the Executive Board is explained in the company's Articles of Association. Information on the members of the Executive Board is provided in the section *Executive Board and Supervisory Board*.

→ See Executive Board and Supervisory Board on page 61

Remuneration

The remuneration of the Executive Board is determined by the Supervisory Board based on the remuneration policy adopted by the General Meeting of Shareholders in the 2021 Annual General Meeting of Shareholders by a majority of 97% of the share capital represented. The Supervisory Board is responsible for the execution of the remuneration policy, based on the advice of the Selection and Remuneration Committee. Detailed information about the remuneration policy and its application in 2023 can be found in the *Remuneration report*.

Under the long-term incentive plan (LTIP), Executive Board members can earn ordinary shares after a vesting period of three years, subject to clear and objective three-year performance criteria established in advance. Pursuant to the amended remuneration policy, the Executive Board members are required, in line with Best Practice Provision 3.1.2 (vi) of the Corporate Governance Code, to hold the earned shares (net of taxes) after vesting for two more years (starting with the 2021-2023 performance period). However, if an Executive Board member is eligible for a company-sponsored deferral program and chooses to participate by deferring LTIP proceeds upon vesting, then such Executive Board member will be required to hold the remaining vested shares or a minimum of 50% of vested shares (net of taxes), whichever is higher, for a two-year period. For the prior performance periods up to and including the 2020-2022 cycle, Executive Board members were not required to retain the shares for a period of two years post vesting.

Term of appointment

Since the introduction of the first Corporate Governance Code in 2004, Executive Board members are appointed for a period of four years after which reappointment is possible, in line with Best Practice Provision 2.2.1 of the Corporate Governance Code. The existing contract with Ms. McKinstry, who was appointed before the introduction of the first Corporate Governance Code and has an employment contract for an indefinite period, will remain honored.

Severance arrangements

With respect to future Executive Board appointments, the company will, as a policy, comply with Best Practice Provision 3.2.3 of the Corporate Governance Code regarding the maximum severance remuneration in the event of dismissal. In line with this Best Practice Provision, the contract with Mr. Entricken contains a severance payment of one year's base salary. However, the company will honor the existing contract with Ms. McKinstry who was appointed before the introduction of the first Dutch Corporate Governance Code.

Change of control

The employment contracts of the Executive Board members and a small group of senior executives contain stipulations with respect to a change of control of the company. According to these stipulations, in the case of a change of control, the relevant persons will receive 100% of the number of conditional rights on shares awarded to them with respect to pending long-term incentive plans of which the performance periods have not yet ended. In addition, they are entitled to a cash severance payment if their employment agreements would end following a change of control.

Supervisory Board

The Supervisory Board supervises the policies of the Executive Board and the general affairs of the company and its affiliated enterprise, considering the relevant interests of the company's stakeholders, and advises the Executive Board. The supervision includes the implementation of the sustainable long-term value creation strategy, the effectiveness of the company's internal risk management and control systems, and the integrity and quality of the financial reporting. The Supervisory Board also has due regard for sustainability/ESG matters. In addition, certain resolutions of the Executive Board must be approved by the Supervisory Board. These resolutions are listed in the By-Laws of the Supervisory Board and include:

- Transactions in which there are conflicts of interest with Executive Board members that are of material significance for the company or the Executive Board member;

Corporate governance
continued

- Acquisitions or divestments of which the value is at least equal to 1% of the annual consolidated revenues of the company;
- The issuance of new shares or granting of rights to subscribe for shares; and
- The issuance of bonds or other external financing of which the value exceeds 2.5% of the annual consolidated revenues.

The responsibilities of the Supervisory Board are set out in the By-Laws of the Supervisory Board.

Appointment and composition

The members of the Supervisory Board are appointed by the General Meeting of Shareholders. The full procedure of appointment and dismissal of Supervisory Board members is explained in the company's Articles of Association. The current composition of the Supervisory Board can be found in the sections *Executive Board and Supervisory Board* and *Report of the Supervisory Board*. The composition of the Supervisory Board will always be such that the members are able to act critically and independently of one another, the Executive Board, and any particular interests. As a policy, the Supervisory Board in principle aims for all members to be independent of the company, which is currently the case. The independence of Supervisory Board members is monitored on an ongoing basis, based on the criteria of independence as set out in Best Practice Provisions 2.1.7 and 2.1.8 of the Corporate Governance Code and Clause 1.5 of the Supervisory Board By-Laws.

The number of supervisory board memberships of all Supervisory Board members is limited to such extent that the proper performance of their duties is assured. As stipulated in the By-Laws of the Supervisory Board, the number of board memberships of large Dutch companies and listed companies globally may not exceed five (with a Chair position counting double). The number of board memberships of all Supervisory Board members is currently in compliance with the maximum number of board seats allowed under Dutch law and the By-Laws.

Further information on the Supervisory Board members can be found in the section *Executive Board and Supervisory Board*.

→ See Executive Board and Supervisory Board on page 61

Provision of information

We consider it important that the Supervisory Board members are well informed about the business and operations of the company. The Chair of the Supervisory Board, the CEO and Chair of the Executive Board, and the Company Secretary monitor, on an ongoing basis, that the Supervisory Board receives adequate information. In addition, the CEO sends written updates to the Supervisory Board about important events. The Chair of the Supervisory Board and the CEO hold several meetings and calls per year outside of formal meetings, to discuss the course of events at the company.

The Supervisory Board also has direct contact with management beyond the Executive Board level. Operating managers, including divisional CEOs, are regularly invited to present to the Supervisory Board on the operations, market developments, and business developments. In addition, the company facilitates visits to business units and individual meetings with staff and line managers. Various members of staff also attend Audit Committee and Selection and Remuneration Committee meetings.

Committees of the Supervisory Board

The Supervisory Board has two standing committees: the Audit Committee and the Selection and Remuneration Committee. The responsibilities of these committees can be found in their respective Terms of Reference. A summary of the main activities of these committees, as well as the composition, can be found in the *Report of the Supervisory Board*.

Remuneration

The remuneration of the Supervisory Board members is determined by the General Meeting of Shareholders. The remuneration does not depend on the results of the company. The Supervisory Board members do not receive shares or stock options by way of remuneration, nor are they granted loans. The remuneration policy was adopted by the Annual General Meeting of Shareholders in 2021. For more information on remuneration, see *Remuneration report*.

→ See Remuneration report on page 70

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Corporate governance
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Diversity

Diversity, equity, inclusion, and belonging (DEIB) is an important topic for the Supervisory Board and Executive Board. The DEIB policy for the Supervisory Board is included as an annex to the Supervisory Board By-Laws. Elements of diversity include among others nationality, gender, age, and expertise. Based on Dutch law, the Supervisory Board must have a representation of at least 33% male and at least 33% female. For the Executive Board, we also have a target of at least 33% representation of both male and female. These targets are currently met. In accordance with Dutch legislation which became applicable in 2022, we have also set a target to increase the female representation in our executive career band by 2% by 2028 from a 2022 baseline. In the coming years, we will continue working towards achieving this through equitable and inclusive employee practices and experiences that improve female representation in hiring, promotions, and talent retention. In addition, a global DEIB policy for all employees worldwide was drafted and implemented in 2023. Our Chief Human Resources Officer reports into our CEO and Chair of the Executive Board, who as such has ultimate responsibility for the DEIB strategy and the execution thereof. For more information on DEIB, see the *Sustainability statements*.

Currently, the male/female representation of the Supervisory Board is 33% male and 67% female. After the appointment of Mr. David Sides to the Supervisory Board and the retirement of Ms. Jeanette Horan, the representation will be 50% male and 50% female. This is in line with Dutch law. The male/female presentation in the Executive Board is 50%/50%, which is in line with our target for diversity in the Executive Board. The Supervisory Board composition comprises expertise within the broad information industry as well as specific market segments in which the company operates. Three nationalities are represented on the Supervisory Board. The composition of the Supervisory Board is in line with its diversity policy, Dutch law, and the competency, skills, and experience requirements as described in its profile.

→ See Executive Board and Supervisory Board on page 61

Insider dealing policy

The members of the Executive Board and the Supervisory Board are bound to the Wolters Kluwer Insider Dealing Policy and are not allowed to trade in Wolters Kluwer securities when they have inside information or during closed periods. These periods begin either on the first business day of the quarter, or 30 calendar days prior to the publication of Wolters Kluwer's annual results, half-year results, first-quarter trading update, and nine-month trading update, whichever is earlier. The day after the announcement of these results or updates, the Board members can trade again, with prior approval of the securities compliance officer, which will be granted if they do not have inside information at that point in time.

Culture

Our Executive Board is responsible for setting the tone for our culture from the top. The Executive Board has adopted company values that serve as guidelines for our employees and are at the heart of the company's future success. Our values propel us to put the customer at the center of everything we do, honor our commitment to continuous improvement and innovation, aim high and deliver the right results, and most importantly: win as a team. Our values and ethical standards are the basis for our decisions for and interactions with our employees, customers, partners, and society at large, and for achieving our goals. We maintain a culture of open communication and a safe environment where everyone should feel confident to ask a question or raise a concern without fear of negative consequences. The Executive Board and the Supervisory Board are committed to ensure high standards of ethics and integrity and promote openness through our SpeakUp program. Our employees receive Annual Compliance Training about our Code of Business Ethics and other key compliance policies and SpeakUp. In 2023, 99% of employees completed the Annual Compliance Training. More information on our Code of Business Ethics and SpeakUp program can be found in the *Sustainability statements*.

→ Read more about our Code of Business Ethics in the Sustainability statements on page 89

Risk management

The Executive Board is responsible for identifying and managing the risks associated with the company's strategy and activities and is supervised by the Supervisory Board. The Audit Committee undertakes preparatory work for the Supervisory Board in this area. Wolters Kluwer has implemented internal risk management and control systems which are embedded in the operations of the businesses to identify significant risks to which the company is exposed, and to enable the effective management of those risks. The aim of

Corporate governance
continued

the systems is to provide a reasonable level of assurance on the reliability of financial reporting.

For a detailed description of the risks and the internal risk management and control systems, reference is made to *Risk management*.

→ See Risk management on page 50

Environmental, social, and governance matters

The Executive Board and the Supervisory Board are committed to and oversee Wolters Kluwer's sustainability/ESG priorities and performance. The Executive Board discusses the progress on the sustainability priorities in quarterly update meetings with the Corporate Sustainability team, in addition to individual updates as appropriate by relevant functional owners. The Supervisory Board is informed on a regular basis as well. The updated Supervisory Board By-Laws and Terms of Reference of the Audit Committee and Selection and Remuneration Committee specify the responsibilities of the Supervisory Board and the committees with respect to sustainability. The Executive Board and Supervisory Board provide feedback to the Corporate Sustainability team and functional owners, that shapes the development of relevant sustainability initiatives. For a detailed description of our sustainability performance, reference is made to the *Sustainability statements*.

→ See Sustainability statements on page 89

Shareholders and the general meeting of shareholders

At least once a year, Wolters Kluwer holds a General Meeting of Shareholders. The agenda of the Annual General Meeting of Shareholders shall in each case contain the report of the Executive Board, the report of the Supervisory Board, the remuneration report, the adoption of the financial statements, and the proposal to distribute dividends or other distributions. Resolutions to release the members of the Executive Board and the Supervisory Board from liability for their respective duties is voted on separately.

In 2023, shareholders with voting rights for approximately 79% of the issued capital of the company were represented at the Annual General Meeting of Shareholders. Shareholders who alone or jointly represent at least half a percent (0.5%) of the issued capital of Wolters Kluwer shall have the right to request the Executive Board or Supervisory Board to put items on the agenda of a General Meeting of Shareholders, provided that such requests are made in writing at least 60 days before a General Meeting of Shareholders.

Amendment articles of association

A resolution to amend the Articles of Association may only be passed by the General Meeting of Shareholders at the proposal of the Executive Board, subject to the approval of the Supervisory Board.

Issuance of shares

The Articles of Association of the company determine that shares may be issued at the proposal of the Executive Board and by virtue of a resolution of the General Meeting of Shareholders, subject to designation of the Executive Board by the General Meeting of Shareholders. At the Annual General Meeting of Shareholders of May 10, 2023, the Executive Board was granted the authority for a period of 18 months to issue new shares, with exclusion of pre-emptive rights, subject to approval of the Supervisory Board. The authorization is limited to a maximum of 10% of the issued capital on the date of the meeting.

Acquisition of shares in the company

Acquisition of shares in the company (share buybacks) may only be effectuated after authorization by the General Meeting of Shareholders, and while respecting the restrictions imposed by the Articles of Association of the company. At the Annual General Meeting of Shareholders of May 10, 2023, the authorization to acquire shares in the company was granted to the Executive Board for a period of 18 months. The authorization is limited to a maximum of 10% of the issued capital on the date of the meeting. On December 31, 2023, Wolters Kluwer N.V. held 8,004,987 shares in the company (a 3.2% interest).

Corporate governance
continued

Preference shares

Wolters Kluwer N.V. and the Wolters Kluwer Preference Shares Foundation (the Foundation) have concluded an agreement based on which preference shares can be taken by the Foundation. This option on preference shares is at present a measure that could be considered as a potential protection at Wolters Kluwer against exercising influence by a third party on the policy of the company without the consent of the Executive Board and the Supervisory Board, including events that could threaten the strategy, continuity, independence, identity, or coherence between the activities of the company.

The Foundation is entitled to exercise the option on preference shares in such a way that the number of preference shares taken will be no more than 100% of the number of issued and outstanding ordinary shares at the time of exercise. Among others by the exercise of the option on the preference shares by the Foundation, the Executive Board and the Supervisory Board will have the possibility to determine their position with respect to, for example, a party making a bid on the shares of Wolters Kluwer and its plans, or with respect to a third party that otherwise wishes to exercise decisive influence, and enables the Boards to examine and implement alternatives.

The Foundation is a legal entity that is independent from the company as stipulated in clause 5:71 (1) sub c of the Act on financial supervision (Wet op het financieel toezicht). In 2023, Mr. P. Bouw retired from the Board of the Foundation. He was succeeded as Chair by Mr. J.S.T. Tiemstra. The other members of the Board are Mr. G.W. Ch. Visser and Mr. A. Nühn. All members of the Board of the Foundation are independent from the company.

In line with standard practice, the Board of the Foundation met twice in 2023. Representatives of the Executive Board and Supervisory Board of the company attended the meetings to give the Board of the Foundation information about the developments within Wolters Kluwer. Discussion topics included updates on the company's results, the execution of the strategy, the financing of the company, acquisitions and divestments, developments in the market, and the general course of events at Wolters Kluwer. In addition, the Board of the Foundation discussed the developments with respect to corporate governance and relevant Dutch legislation.

The Board of the Foundation also followed developments of the company outside of board meetings, among others through receipt by the board members of press releases. As a result, the Board of the Foundation has a good view on the developments at Wolters Kluwer. The Foundation acquired no preference shares during the year under review.

Information pursuant to Decree Clause 10 Take-over Directive

The information specified in both clause 10 of the Take-over Directive and the Decree, which came into force on December 31, 2006 (Decree Clause 10 Take-over Directive), can be found in this chapter, *Note 32 – Capital and reserves*, and in *Wolters Kluwer shares and bonds*.

→ See Wolters Kluwer shares and bonds on page 222

Legal structure

The ultimate parent company of the Wolters Kluwer group is Wolters Kluwer N.V. In 2002, Wolters Kluwer N.V. abolished the voluntary application of the structure regime (structuurregime). Consequently, the structure regime became applicable to Wolters Kluwer Holding Nederland B.V., which is the parent company of the Dutch operating subsidiaries. Wolters Kluwer International Holding B.V. is the direct or indirect parent company of the operating subsidiaries outside of the Netherlands.

For additional information and documents related to the corporate governance structure of Wolters Kluwer, including the Articles of Association, By-Laws of the Executive Board, By-Laws of the Supervisory Board, Terms of Reference of the Audit Committee, Terms of Reference of the Selection and Remuneration Committee, the remuneration policy for the Supervisory Board, and the global DEIB Policy, are available in the corporate governance se

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Risk management

This section provides an overview of our approach to risk management. It also includes a summary of the main risks we identify and the actions we take to mitigate these risks.

Introduction

The current environment continues to present uncertain macroeconomic conditions and heightened geopolitical tensions. The many elections taking place in 2024 could alter conditions. There are signs that inflation is starting to come under control which could lead to a turn in the interest rate cycle. In early 2024, levels are still high and the future trajectory remains unclear, presenting a challenge for our customers, employees, and other stakeholders. While job markets have cooled somewhat, there remains a shortage of technology talent globally. Industrialized cyberattacks have become part of the landscape. Despite these circumstances, our overall risk profile remains largely unchanged. We continue to have confidence in our ability to execute our strategy and mitigate any crisis or challenge that may arise.

Responsibility for risk management

The Executive Board is responsible for overseeing risk management and internal controls at Wolters Kluwer. Our CEO is responsible for strategic and operational risks and our CFO is responsible for legal & compliance and financial & financial reporting risks. The Supervisory Board supervises the Executive Board regarding the effectiveness of the internal risk management and control systems. On behalf of the Supervisory Board, the Audit Committee monitors among others the efficiency of our risk management system. It also carries out preparatory work for the annual discussion within the full Supervisory Board around the effectiveness of our internal risk management and control systems.

Our Corporate Risk Committee monitors material risks and mitigating actions with a focus on company-wide, non-business-specific risks. This committee also oversees the mitigation of certain risks that emerge and require a centralized approach. The Corporate Risk Committee is chaired by our CFO and comprises representatives of various functional departments, including Internal Audit, Internal Control, Legal and Compliance, Sustainability, Human Resources, Treasury, Risk Management, Tax, and Global Information Security, and reports quarterly to the Audit Committee and the Executive Board.

Risk management process

We operate internal risk management and control processes, which are generally integrated into the operations of the businesses. The aim is to identify significant risks to which the company is exposed in a timely manner, to manage those risks effectively, and to provide a reasonable level of assurance on the reliability of the financial reporting of the Wolters Kluwer group.

The Executive Board reviews an annual assessment of pertinent risks and mitigating actions. It diligently evaluates that assessment against the pre-defined risk appetite. Based on this assessment, the Executive Board reviews the design and effectiveness of the internal risk management and control systems. In doing so, it considers the company's risk appetite and the recommendations from internal assurance functions and the Corporate Risk Committee. Our internal risk management and control systems cannot provide absolute assurance for the achievement of our company's objectives or the reliability of the financial reporting, or entirely prevent material errors, losses, fraud, and violation of applicable laws and regulations.

Managing risks is integrated into the operations of our divisions and operating entities, supported by several staff functions. The Executive Board is informed by divisional management about risks on divisional and operational entity levels as part of the regular planning and reporting cycles.

Risk appetite

Risk type	*Balanced*	*Conservative*	*Minimal*
Strategic			
Operational			
Legal & compliance			
Financial & financial reporting			

Risk management
continued

Internal Control Framework

Our Internal Control Framework (ICF) for financial reporting is based on the Committee of Sponsoring Organizations of the Treadway Commission (COSO) 2013 framework. It is designed to provide reasonable assurance that the results of our business are accurately reflected in our internal and external financial reporting.

The ICF for financial reporting is deployed by the operating business units and central functions and reviewed and tested by internal control officers. We carry out an annual risk assessment program for financial and IT general control risks to determine the scope and controls to be tested. As part of that scope, key controls are tested annually. The test results are reported to functional management, the Executive Board, the Audit Committee, and internal and external auditors on a quarterly basis. Where needed, remedial action plans are designed and implemented to address significant risks as derived from internal control testing, and internal and external audits.

Internal audit and risk management functions

Our global Internal Audit department provides independent and objective assurance and advice. It is guided by a philosophy of adding value by continuously improving, where deemed fit for purpose, the maturity of our operations. Internal Audit takes a systematic and disciplined approach to evaluating and improving the effectiveness of our organization’s governance, risk management, and internal controls.

Our Internal Audit department works according to an audit plan which is discussed with the external auditors, the Executive Board, and the Audit Committee. The plan, which is approved by the Executive Board and the Supervisory Board, is based on risk assessments. It focuses on strategy execution, financial reporting risks, and operational risks, including IT-related risks.

Our global Risk Management department facilitates risk prevention, protection, response, and recovery programs via procurement of insurance; incident and related claims management, and business continuity management; loss control programs; and other initiatives to mitigate specific risks.

Risk types and categories

On the following pages, we set out the main risks we have identified up to the date of this annual report and the actions we are taking to prevent or mitigate the occurrence and/or impact of these risks. It is not our intention to provide an exhaustive description of all possible risks. There may be risks that are not yet known or that we have not yet fully assessed. Some existing risks may have been assessed as not significant. However, they could develop into a material exposure for our company in the future and have a significant adverse impact on our business.

Our risk management and Internal Control Framework have been designed to identify, mitigate, and respond to risks in a timely manner. However, it is not reasonably possible to attain absolute assurance.

Risk appetite

We qualify the risk appetite of our main risks as balanced, conservative, or minimal. To achieve our strategic goals, we are prepared to take duly balanced risks in certain strategic areas, such as acquisitions, expansion in high growth countries, and the launch of new innovative products. For other risk categories, our approach towards risks could be qualified as conservative, and as minimal for certain legal & compliance and financial & financial reporting risk categories. We carefully weigh risks against potential rewards.

Emerging risks

Generative artificial intelligence (AI) became commercially available in 2023, and while we believe this new AI technology primarily offers opportunities for Wolters Kluwer, there are also potential risks that will need to be monitored and mitigated. Other risks which emerged in recent years and that we continue to monitor include climate-related risks, data privacy, and data governance. The latter area continues to be of interest as we accumulate more and new types of data, and deal with the growing exposure to regulatory, ethical, and data security risks. See the sections *Material impacts, risks, and opportunities and their interaction with strategy and business model (SBM-3)*, *Description of the processes to identify and assess material climate-related impacts, risks, and opportunities (IRO-1)*, and *Actions and resources in relation to climate change policies (E1-3)* in the *Sustainability statements* for more information about climate-related risks. The data privacy risk is described in the risk category *Regulatory and compliance* in this *Risk management* chapter.

Risk management
continued

Strategic

- Macroeconomic conditions
- Competition
- Changes in technology, business models, and customer preferences
- Mergers and acquisitions
- Divestments

Operational

- IT and cybersecurity
- Supply chain dependency and project execution
- Talent and organization
- Fraud
- Business interruption
- Brand and reputation

Legal & compliance

- Regulatory and compliance
- Contractual compliance
- Intellectual property protection
- Legal claims

Financial & financial reporting

- Treasury
- Post-employment benefits
- Taxes
- Misstatements, accounting estimates a
and reliabil

The secret object #4 is a

Strategic risks

Risk description and impact	*Mitigation*
Macroeconomic conditions Demand for our products and services may be adversely affected by factors beyond our control, such as economic conditions, pandemics, government policies, political uncertainty, acts of war, and civil unrest.	We monitor relevant macroeconomic and geopolitical developments so we can respond quickly to risks and opportunities. For example, we are monitoring inflation and energy prices, as well as the Russian-Ukrainian war and the conflict in the Middle East. We take steps to minimize the impact on our financial performance while also continuing the support of our customers and employees. Recurring revenues represent 82% of our consolidated group revenues, providing visibility and resilience in times of uncertainty. Our exposure to a diverse range of customer segments and geographic markets, with a variety of products and services, reduces the impact of sector- or country-specific uncertainty. Most of our subscription-based digital information and software products are critical to the workflow of our customers, providing further resilience. During times of uncertainty, our business units, in particular those that are exposed to transactional or other non-recurring revenues, can deploy a range of actions to support revenues and defend profits. For example, we can place greater efforts on retention, cross-selling, and upselling to existing customers. Where possible, we will pivot new sales efforts towards sectors and customer segments that are less affected by market conditions. At the same time, our businesses can adjust discretionary spending to defend margins.
Competition We operate in competitive markets, facing both large established competitors and new market entrants, and may be adversely affected by competitive dynamic	We focus on our customers' success and on building long-term customer relationships. We carefully evaluate and implement an appropriate response to competitive threats in the markets which we operate in. Our product and service offerings are varied and very specialized, often embedded in the professional's daily workflow, and span multiple customer segments, forming a natural defense against existing or potential new competitors. Strategically, we invest approximately 10% of revenues each year in product development and innovation to enhance and expand our *expert solutions* and to transform our information products so we can maintain or strengthen our competitive positions and support innovation and growth.
preferen Demand services could be affected by disruptive new technologies, including generative AI, changes in revenue models, evolving customer preferences, and other market developments.	We monitor trends in the markets in which we operate, such as technological developments, including generative artificial intelligence, and consider how these might affect our businesses in the short term and long term. We also monitor customer needs and preferences by tracking net promoter scores, by engaging with customers through advisory boards, and by hosting and participating in industry conferences. This deep understanding of our customers' needs and workflows, combined with our understanding of new technologies, help us align our offerings to long-term market trends. A core tenet of our strategy is to reinvest approximately 10% of group revenues into product development, so we can keep our solutions relevant. This investment includes the deployment of advanced technologies and the development of cloud-based solutions.

Risk management
continued

Strategic risks continued

Risk description and impact	*Mitigation*
Mergers and acquisitions We supplement organic growth with selected acquisitions which expose us to a variety of risks that could affect the future revenues and profits of the acquired businesses. These risks are related to factors such as the retention of customers and key personnel, the process of integrating the target, the target's internal control environment including IT security, open source software, supply chain, and the competitive response.	We apply strict strategic and financial criteria in our acquisition process. In general, acquisitions are expected to cover our after-tax weighted-average cost of capital within three to five years and to be accretive to diluted adjusted earnings per share in the first full year of ownership. Investment decisions are very selective. We focus on businesses with proven track records and relatively predictable or recurring revenues that we expect to enhance our growth or margin. Generally, we acquire businesses that present strategic synergies with our existing operations.
Divestments Occasionally, we choose to divest assets that are no longer core to our strategy. The divestment process entails risks that could have an adverse impact on the performance and valuation of the assets and our ability to complete a divestment process.	To mitigate risks related to material divestments, we prepare detailed carve-out plans and financials, covering human resources, technology, supply chains, and other functions. We also perform vendor due diligence prior to negotiations. In many cases, we engage external advisors to execute transactions.

Operational risks

Risk description and impact	*Mitigation*
IT and cybersecurity Our business is exposed to IT-related risks and cyber threats that could affect our IT infrastructure, system availability, application availability, and the confidentiality and integrity of information.	We operate a global cybersecurity program to protect our organization, products, and customers. This program governs the execution of cybersecurity projects and provides management accountability at various levels. The program is assessed annually by an independent third party and is based on the National Institute of Standards and Technology Cybersecurity Framework (NIST-CSF). We maintain a Global Information Security Policy and work to keep all operations aligned to this standard. IT General Controls form an integral part of Wolters Kluwer's Internal Control Framework and are aligned with our Global Information Security Policy. We periodically test controls over data and security programs to ensure we protect confidential and sensitive data. We assess controls against industry standards such as American Institute of Certified Public Accountants (AICPA) criteria and International Organization for Standardization (ISO) requirements. We complete regular SOC 2 attestations of our cloud-managed services and conduct risk due diligence for all critical vendors. We have IT disaster recovery and incident management capabilities in place to respond to cyberattacks. All employees are required to complete the Annual Compliance Training on our IT security policy and training on security awareness. Our employees' mobile devices are protected using a mobile device management solution while multi-factor authentication has been implemented for all users with access to our critical internal IT systems.

Risk management continued

Operational risks continued

Risk description and impact	*Mitigation*
Supply chain dependency and project execution Our operations depend on third-party suppliers and could be adversely affected by poor performance of suppliers. Suppliers include providers of cloud services, outsourced and offshored data center services, software development and maintenance services, back-office transaction-processing services, content services, and other services. Projects to implement new technology-related initiatives or drive cost efficiencies are subject to execution risks.	Global Business Services, through its Sourcing & Procurement team, manages all centralized sourcing and procurement activities. This team uses an enterprise-wide solution and a consistent process for supplier onboarding and supply chain risk management. We carefully select and screen suppliers using regularly updated criteria. Detailed operating service agreements are put in place with our suppliers and performance during the term of such agreements is monitored by oversight boards and program management teams. Suppliers that are managed through Global Business Services are subject to extensive due diligence covering security, data privacy, and business continuity. In 2023, we expanded the number of suppliers included in our multi-year project to implement a state-of-the-art, enterprise-wide supply chain risk management process. This process ensures a consistent approach to the intake of third-party services on a global scale, including consistent assessment of risk prior to contracting; a formalized issue management process; tailored contracting to mitigate business risks; monitoring of suppliers against a tiered supplier management model; and comprehensive inherent and residual third-party risk analysis reporting to business leadership, with the ability to respond quickly to specific inquiries. Selected internal implementation projects are monitored by our Corporate Quality Assurance team. The team aims to improve the success rate of large initiatives by providing assurance that these projects can move to the next stage of development or implementation, and by transferring lessons learned from one project to another. This team also supports the standardization of change methodologies and frameworks.

Operational risks continued

Risk description and impact	*Mitigation*
Talent and organization Our ability to execute on our strategic plan, including delivering on product development roadmaps and other investments, is highly dependent on our ability to attract, develop, and retain talent globally.	Our extensive global talent management program aims to attract, retain, engage, and develop the diverse talent we need to support our success as a business. This program includes talent recruitment and development, learning opportunities, retention initiatives, engagement and belonging efforts, and succession planning. Our global talent management function is supported by state-of-the-art, cloud-based human resources technology. This facilitates an analytical and data-driven approach and regular internal reporting of HR metrics. We conduct an employee survey each year to measure levels of engagement and belonging and provide management with current insights on how to support and retain our highly engaged, high-performing workforce. We also regularly review and update our rewards structures and performance-based compensation programs to maintain market competitiveness to support us in attracting and motivating talent. In 2023, we launched the Colleague Experience Promise (CxP), which is a four-pillar action framework that articulates to our colleagues the experience we work to provide to them from the time they engage with our company as candidates through their careers with the organization.

Risk management
continued

Operational risks continued

Risk description and impact	*Mitigation*
Fraud We may be exposed to internal or external fraudulent or related criminal actions. These include cyber fraud and theft of tangible or intangible assets from the company.	Our Corporate Risk Committee frequently reviews potential exposure to fraudulent activities so we can take appropriate and timely action. We conduct regular reviews of adherence to the Code of Business Ethics, the Wolters Kluwer Internal Control Framework, and other relevant frameworks and policies. These policies and anti-fraud controls include effective segregation of duties, defined approvals and delegations of authority, independent internal and external audits, risk-based assessments including fraud, training, information and communication, and an anonymous reporting hotline for concerns. Our anti-fraud prevention, detection, protection, response, and recovery activities include the use of technology to identify threats, Annual Compliance Training for all employees, awareness campaigns by our information security and corporate functions, internal fraud alerts, anti-fraud and anti-cybercrime workshops and training for at-risk businesses and functions, sharing of case studies and best practices, and measures within our Supplier Code of Conduct and anti-fraud protections integrated into our vendor management processes and paym[illegible]ces. Employees and ven[illegible]e for [illegible] fraud, via We continuously ev[illegible]raud related process controls a[illegible]wing manual controls and automating controls where possible. As a consequence of the ever-changing risk landscape (e.g., COVID-19/post-pandemic, hybrid working, geopolitical tensions, and generative AI), we expect cyber fraud risks may be amplified and continue to assess and evolve the measures in place.

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Operational risks continued

Risk description and impact	*Mitigation*
Business interruption Our business could be affected by major incidents, such as cyberattacks, human events (e.g., civil unrest and riots), and physical risks which may relate to climate change, such as extreme weather or natural catastrophes, causing damage to our facilities, IT systems, hardware, and other tangible assets, or damage to our data, brand, or other intangible assets. This could result in business interruption and financial or other loss.	We have a worldwide risk control and business continuity management program that focuses on how to prepare for, protect against, respond to, and recover and learn from major incidents. This program covers incident management, business continuity, operational recovery, and IT disaster recovery. Our multi-disciplinary Global Incident Management Program supports our ability to manage crises and incidents of all types. We internally conduct regular location risk assessments and on-demand loss control surveys of key operating companies and supplier locations with our insurers. We work with our operating companies to cost-effectively implement recommendations for continued improvement. Our IT infrastructure and flex work policies allow our staff to conduct business effectively from essential, alternate, and virtual locations. Many of our businesses have diversified personnel and support centers that have capabilities to cover and adapt between regions. See the *Sustainability statements* for more information on climate-related physical risks.
Brand and reputation With the increasing prominence of the Wolters Kluwer brand, the company potentially becomes more vulnerable to brand or reputation risks.	The integrity of our brand and reputation is key to our ability to maintain trusted relationships with our stakeholders, including employees, customers, and investors. Our cross-functional global brand organization oversees the brand strategy and implementation work of our global brand work throughout the company. The Global Branding & Communications (GBC) team closely works with other corporate functions and our businesses to grow the equity and awareness of our brand, while monitoring any potential reputational risks. We monitor conversations taking place globally in the media and on social media relating to our brand and thought leadership.

Risk management
continued

Legal & compliance risks

Risk description and impact	*Mitigation*
Regulatory and compliance Failure to comply with applicable laws, regulations, internal policies, and ethical standards, or breach of covenants in financing and other agreements could result in fines, loss or suspension of business licenses, restrictions on business, third-party claims, and reputational damage. Legal limitations to conduct business in certain countries could affect our revenues.	We have established governance structures, policies, and control programs to ensure compliance with laws, internal policies, and ethical standards. Our global Ethics & Compliance program is designed to mitigate the risk of non-compliance with laws, regulations, internal policies, and ethical standards. It includes a set of policies and procedures, annual ethics and compliance risk assessments, ongoing communication and awareness activities, and company-wide and role-based training. Our Code of Business Ethics describes our commitment to acting ethically and complying with our corporate policies and applicable laws. It includes topics such as competing fairly and prohibiting bribery and corruption. Our business partners are expected to adhere to the same ethics and compliance standards through commitment to our Supplier Code of Conduct or an equivalent standard. Some topics, including trade compliance and anti-bribery and anti-corruption, are further detailed in standalone policies. As part of our trade sanctions and anti-bribery and anti-corruption programs, we also conduct risk-based screening and monitoring of vendors, third-party representatives, and customers. Our global SpeakUp program encourages employees to report any suspected breach of laws, regulations, internal policies, and ethical standards for investigation and remediation. We further operate a cross-functional enterprise-wide compliance program for data privacy laws. Where possible, we implement global baseline policies that allow for compliance with new and anticipated laws in multiple jurisdictions.

Legal & compliance risks continued

Risk description and impact	*Mitigation*
Regulatory and compliance continued	Compliance with laws and internal policies is also an integral part of our Internal Control Framework. This includes semi-annual letters of representation, annual internal control testing, and regular internal audits on compliance topics. We continually evaluate whether legislative changes, regulatory developments, new products, or business acquisitions require additional compliance efforts. We monitor legislative developments and regulatory changes, including those related to data privacy, data protection, corporate sustainability (reporting), artificial intelligence, and trade sanctions, to assess the potential impact on our businesses, products, and services. Political stability is a factor we consider in our investments.
Contractual compliance We could be exposed to claims by our contractual counterparties based on alleged non-compliance with contractual terms. This includes the number of users agreed upon, price commitments, and/or service delivery.	We negotiate contracts with particular attention to risk transfer clauses, insurance, limitations on liability, representations, warranties, and covenants. For a significant portion of our supplier spend, we use contract management systems to monitor certain contractual rights and obligations, and software tools to track the use of software for which licenses are required. We implemented a global contract lifecycle management tool for our significant commercial agreements which helps us manage compliance with third-party agreements, tracks key dates and milestones, monitors compliance with our contracting policies and standards, and mitigates operating risks by automating contracting processes. We use contract playbooks prepared by our internal legal department to standardize contract language and negotiation positions with respect to customer contracts. Our limitation of liability policy establishes a market-based cap on liability that the company will assume in agreements with customers subject to exceptions that may be approved by a member of the Executive Board after balancing of risks and benefits.

Risk management
continued

Legal & compliance risks continued

Risk description and impact	*Mitigation*
Intellectual property protection Intellectual property rights could be challenged, limited, invalidated, circumvented, or infringed. Our ability to protect intellectual property rights may be affected by technological developments or changes in legislation.	We protect our intellectual property rights to safeguard our portfolio of information, software solutions, and services. We rely on trademark, copyright, patent, and other intellectual property laws to establish and protect our proprietary rights to these products and services. We also monitor legislative developments with respect to intellectual property rights. We protect and enforce our intellectual property assets by monitoring for potential infringement and then taking appropriate action to safeguard our proprietary rights.
Legal claims We may be involved in legal disputes and proceedings in different jurisdictions. This may include litigation, administrative actions, arbitration, or other claims involving our products, services, informational content provided or published by the company, or employee and vendor relations.	We have measures in place to mitigate the risk of legal claims, including contractual disclaimers and limitations of liability. We monitor legal developments relevant to our interests to support our businesses in compliance with local laws and fiscal regulations. We manage a range of insurable risks by arranging insurance coverage for potential liability exposures.

Financial & financial reporting risks

Risk description and impact	*Mitigation*
Treasury We are exposed to a variety of financial risks, including market, liquidity, and credit risks. Our results are subject to movements in exchange rates.	Whenever possible, we mitigate the effects of currency and interest rate fluctuations on net profit, equity, and cash flows by creating natural hedges, by matching the currency profile of income and expenses and of assets and liabilities. When natural hedges are not present, we aim to realize the same effect with the aid of derivative financial instruments. We have identified hedging ranges and put policies and governance in place, including authorization procedures and limits. We purchase or hold derivative financial instruments only with the aim of mitigating risks. The cash flow hedges and net investment hedges qualify for hedge accounting as defined in IFRS 9 – Financial Instruments. We do not purchase or hold derivative financial instruments for speculative purposes. The Treasury Policy on market risks (currency and interest), liquidity risks, and credit risks is reviewed by the Audit Committee, with quarterly reporting by the Treasury Committee to the Audit Committee on the status of these financial risks. In 2023, we diminished liquidity risk by securing additional funding with a new €700 million eight-year Eurobond. Further disclosure and detailed information on financial risks and policies is provided in *Note 29 – Financial risk management.*

Risk management continued

Financial & financial reporting risks continued

Risk description and impact	*Mitigation*
Post-employment benefits Funding of our post-employment benefit programs, including frozen or closed plans, could be adversely affected by interest rates and the investment returns on the assets invested in each respective plan. These are influenced by financial markets and economic conditions.	We evaluate all our employee benefit plans to ensure we are market competitive. We simultaneously assess if the plan designs can reduce financial risk and volatility. We also continuously monitor opportunities to make our plans more efficient. We partner closely with independent expert advisors on market competitive plan design, plan performance monitoring, and defining investment and hedging strategies for all our plans. Our aim is to maximize returns while managing downside risk in the plans. The accounting for defined benefit plans is based on annual actuarial calculations in line with IAS 19 – Employee Benefits, disclosed in *Note 30 – Employee benefits*. In 2023, we continued to prudently manage our benefit plans, but did not make any substantive changes. In the Netherlands, our work to comply with the new Pension Accord requirements continues in collaboration with the Pension Fund Board, works councils, and external experts.

Financial & financial reporting risks continued

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Risk description and impact	*Mitigation*
Taxes Changes in operational t… and corporate income ta… rates, laws, and regulatio… could adversely affect our financial results, and tax assets and liabilities.	Apart from income taxes … al or … the We have tax policies in p… by a professional tax functi… . We provide training to our tax staff where appropriate. We monitor legislative developments in the jurisdictions in which we operate and consider the potential impacts of proposed regulatory changes, such as Pillar Two Model Rules. We maintain a liability for uncertain income tax positions in line with IAS 12 – Income Taxes and IFRIC 23 – Uncertainty over Income Tax Treatments. The adequacy of this liability is evaluated on a regular basis in consultation with external advisors. *Note 15 – Income tax expense* and *Note 22 – Tax assets and liabilities* set out further information about income tax and related risks. As a leader in tax and accounting products, we take our responsibility as a corporate citizen seriously. Our approach to tax matters is explained in our Tax Principles that are reviewed annually and updated as appropriate. Wolters Kluwer also subscribes to the principles of the VNO-NCW Tax Governance Code that was issued in 2022. Wolters Kluwer's tax policy and principles are largely in line with this code and already comply with most elements therein. We are planning for further information disclosure and transparency which will bring us to full compliance. Further information can be found in our Tax Principles available on our website. The full version of the VNO-NCW Tax Governance Code is available at www.vno-ncw.nl/taxgovernancecode.

Risk management
continued

Financial & financial reporting risks continued

Risk description and impact	*Mitigation*
Misstatements, accounting estimates and judgments, and reliability of systems The processes and systems supporting financial reporting may be susceptible to unintentional misstatements or manipulation. The preparation of financial statements in conformity with IFRS requires management to make estimates, judgments, and assumptions. The estimates and underlying assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from those estimates.	We maintain an Internal Control Framework for financial reporting. Our Internal Audit and Internal Control departments monitor progress in resolving any audit findings and perform follow-up visits and remediation testing to determine whether those findings are timely and effectively resolved. Senior executives in our divisions and operating companies and senior corporate staff members sign letters of representation semi-annually, certifying compliance with applicable financial reporting regulations and accounting policies. Independent internal control reviews are carried out to ensure compliance with policies and procedures. These reviews ensure that existing controls provide adequate protection against actual risks. Financial results are reviewed by our Business, Analysis & Control, Consolidation, Group Accounting & Reporting, Treasury, and Corporate Tax departments in monthly development meetings as part of regular business reviews with the Executive Board. Our Group Accounting & Reporting department periodically provides updates and training to our businesses about changes in policies, accounting standards, and financial focus areas. Reconciliations of statutory accounts are done by the Group Accounting & Reporting and Corporate Tax departments, which include a comparison between group reported figures, statutory figures, and tax filings.

Financial & financial reporting risks continued

Sensitivity analysis

Fluctuations in currency exchange, discount, interest, and tax rates affect Wolters Kluwer's results. The following table illustrates the sensitivity to a change in these rates for adjusted operating profit and diluted adjusted EPS:

potential impact	**Adjusted operating profit** *€ millions*	**Diluted adjusted EPS** *€ cents*
1% decline of the U.S. dollar against the euro	(13)	(3)
1% decrease in discount rate in determining the gross service costs for the post-employment benefit plans	(7)	(2)
1% increase in interest rate assuming same mix of variable and fixed gross debt	n/a	0
1% increase in the benchmark tax rate on adjusted net profit	n/a	(6)

Statements by the Executive Board

The Executive Board is responsible for the preparation of the financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and with Part 9 of Book 2 of the Dutch Civil Code. The financial statements consist of the consolidated financial statements and the company financial statements. The responsibility of the Executive Board includes selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

The Executive Board is also responsible for the preparation of the Report of the Executive Board (bestuursverslag), which for this statement includes the Strategic report, Corporate governance, Risk management, and Sustainability statements that is included in the 2023 Annual Report. The Report of the Executive Board and 2023 Financial statements are prepared in accordance with Part 9 of Book 2 of the Dutch Civil Code. The Executive Board endeavors to present a fair review of the situation of the business at balance sheet date and of the course of affairs in the year under review. Such an overview contains a selection of some of the main developments in the financial year and can never be exhaustive.

The company has identified the main risks it faces, including financial reporting risks. These risks can be found in *Risk management*. In line with the Dutch Corporate Governance Code and the Dutch Act on Financial Supervision (Wet op het financieel toezicht), the company has not provided an exhaustive list of all possible risks. Furthermore, developments that are currently unknown to the Executive Board or considered to be unlikely may change the future risk profile of the company.

The company must have internal risk management and control systems that are suitable for the company. The design of the company's internal risk management and control systems (including the Internal Control Framework for financial reporting) has been described in *Risk management*. The objective of these systems is to manage, rather than eliminate, the risk of failure to achieve business objectives and the risk of material errors to the financial reporting. Accordingly, these systems can only provide reasonable, but not absolute, assurance against material losses or material errors.

As required by provision 1.4.3 of the Dutch Corporate Governance Code and Section 5:25c(2)(c) of the Dutch Act on Financial Supervision (Wet op het financieel toezicht) and on the basis of the foregoing and the explanations contained in *Risk management*, the Executive Board confirms that to its knowledge:

- No material failings in the effectiveness of the company's internal risk management and control systems have been identified;
- The company's internal risk management and control systems provide reasonable assurance that the financial reporting over 2023 does not contain any errors of material importance;
- Under the current circumstances, there is a reasonable expectation that the company will be able to continue in operation and meet its liabilities for at least 12 months as from the date hereof. Therefore, it is appropriate to adopt the going concern basis in preparing the financial reporting;
- There are no material risks or uncertainties that could reasonably be expected to have a material adverse effect on the continuity of the company's enterprise in the coming 12 months as from the date hereof;
- The 2023 Financial statements give a true and fair view of the assets, liabilities, financial position, and profit or loss of the company and the undertakings included in the consolidation taken as a whole; and
- The Report of the Executive Board includes a fair review of the situation at the balance sheet date, the course of affairs during the financial year of the company, and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks that the company faces.

Alphen aan den Rijn, February 20, 2024

Executive Board

Nancy McKinstry
CEO and Chair of the Executive Board

Kevin Entricken
CFO and member of the Executive Board

Executive Board

Kevin Entricken

American, 1965, Chief Financial Officer and member of the Executive Board since May 2013.

As CFO and member of the Executive Board, Mr. Entricken is responsible for Group Accounting & Reporting, Business Analysis & Control, Internal Audit, Internal Controls, Investor Relations, Mergers & Acquisitions, Taxation, Treasury, Risk Management, Real Estate, and Global Law and Compliance.

Nancy McKinstry

American, 1959, Chief Executive Officer and Chair of the Executive Board since September 2003, and member of the Executive Board since June 2001.

As CEO and Chair of the Executive Board, Ms. McKinstry is responsible for divisional performance, Global Strategy, Business Development, Technology, Global Business Services, Communications, Human Resources, Corporate Governance, and Sustainability.

Supervisory Board

Ann Ziegler

American, 1958, Chair of the Supervisory Board, and Co-Chair of the Selection and Remuneration Committee, dealing with selection and appointment matters. Appointed in 2017, and current term until 2025.

Former Senior Vice President, CFO, and Executive Committee member of CDW Corporation

Other positions:

- Member of the Board (Non-Executive Director) of US Foods, Inc.
- Member of the Board (Non-Executive Director) of Reynolds Consumer Products, Inc.

Jack de Kreij

Dutch, 1959, Vice-Chair of the Supervisory Board, and Chair of the Audit Committee. Appointed in 2020, and current term until 2024.

Former CFO and Vice-Chair of the Executive Board of Royal Vopak N.V.

Other positions:

- Member Supervisory Board, Chair Audit Committee, and member Remuneration Committee of ASML N.V.
- Member Supervisory Board, Chair Audit Committee, and member ESG Committee of Royal Boskalis Westminster N.V.
- Member of the Board (Non-Executive Director), Chair Audit Committee, Chair Investment Committee, and member People and Organization Committee of Oranje Fonds
- Vice-Chair Supervisory Board and Chair Audit Committee of TomTom N.V.
- Chair VEUO (Dutch Association of Securities-Issuing Companies)
- Member of the Board of Stichting Preferente Aandelen Philips

Sophie V. Vandebroek

American, 1962, member of the Audit Committee. Appointed in 2020, and current term until 2024.

Founder Strategic Vision Ventures, LLC, former CTO of Xerox, and former Chief Operating Officer at IBM Research

Other positions:

- Member Board of Directors (Non-Executive Director) and member Finance and Governance & Corporate Responsibility Committees of IDEXX Laboratories, Inc.
- Member of the Board of Directors (Non-Executive Director) of Revvity, Inc.
- Member Board of Directors (Non-Executive Director) and member Compensation and ESG Committees of Inari Agriculture
- Member Board of Trustees and member Compensation and Nomination Committees of the Boston Museum of Sciences
- Honorary Professor, KU Leuven Faculty of Engineering Science
- Chair of the International Advisory Board, Flanders AI Research Program

Heleen Kersten

Dutch, 1965, member of the Selection and Remuneration Committee. Appointed in 2022, and current term until 2026.

Partner and Lawyer at Dutch law firm Stibbe N.V.

Other positions:

- Chair of the Board of the Dutch Red Cross

Jeanette Horan

British, 1955, Co-Chair of the Selection and Remuneration Committee, dealing with remuneration matters. Appointed in 2016, and current term until 2024.

Former Chief Information Officer at IBM

Other positions:

- Member of the Board (Non-Executive Director) and member Audit and Technology Committees of Nokia (stepping down in April 2024)
- Member of the Board of Advisors of Jane Doe No More, a non-profit organization
- Member of the Board of the Ridgefield Symphony Orchestra, a non-profit organization

Chris Vogelzang

Dutch, 1962, member of the Audit Committee. Appointed in 2019, and current term until 2027.

Former CEO of Danske Bank A/S

Other positions:

- Senior Advisor, Boston Consulting Group

Report of the Supervisory Board

> The Supervisory Board was pleased to see the significant progress on sustainability commitments made two years ago.

Ann Ziegler
Chair of the Supervisory Board

This report provides an overview of the activities of the Supervisory Board and its committees during the year. The Supervisory Board supervises the Executive Board in setting and achieving the company's strategy, including sustainability, targets, and policies, and oversees the general course of affairs of the company. The Supervisory Board also acts as advisor to the Executive Board.

Introduction by the Chair of the Supervisory Board

On behalf of the Supervisory Board of Wolters Kluwer, I am delighted to present our report for the year 2023. It was a year of exacerbated geopolitical tensions and economic headwinds. The company was able to withstand a sharp downturn in transactional revenues caused by the prolonged period of high interest rates, by driving strong performance in subscription products, in particular *expert solutions*, cloud software, and digital information solutions. The creation of a new division was a bold organizational change that opens up new opportunities and creates scope for synergies in coming years. The centralization of technology, finance, and other functions was another major undertaking during this past year.

Early in 2023, we all witnessed the rapid emergence of scalable generative artificial intelligence (AI) tools and I'm pleased the team mobilized quickly to discover ways to deploy this technology to the benefit of customers, while ensuring we follow our responsible AI framework and principles.

The Supervisory Board was kept updated on important product development projects and other strategic initiatives, such as the formation of the new Corporate Performance & ESG division. While there were relatively few acquisitions in 2023, the product development engine was very active as evidenced by the record level of internal investment.

The Supervisory Board was pleased to see the significant progress on sustainability commitments made two years ago. Employee engagement and belonging scores both increased in 2023, and programs are in place to support further progress. The server decommissioning program exceeded expectations and we will now substitute a new metric related to our office space to provide an incentive for further progress on reducing our environmental footprint. I am delighted Wolters Kluwer now has SBTi-validated near-term emission reduction targets. In this annual report, ESG disclosures have been further expanded as the company prepares for the implementation of the EU CSRD regulation.

During 2023, we conducted a thorough process to recruit a new Supervisory Board member. We are very fortunate to be able to nominate Mr. David Sides, who brings enormous expertise and experience in U.S. healthcare informatics.

This past year, I had the pleasure of meeting a diverse range of small and large shareholders from different parts of the world. We greatly appreciate hearing their views, concerns, and questions, on all topics from strategy to sustainability.

As we head into 2024, the environment in which we operate remains somewhat volatile, but the team has sound plans in place to continue driving performance and has the experience to tackle new challenges which might come our way. I look forward to working with my colleagues on the Supervisory Board and guiding the Executive Board as they execute on the final year of the current strategic plan.

Ann Ziegler
Chair of the Supervisory Board

Report of the Supervisory Board
continued

Meetings

The Supervisory Board held seven scheduled meetings in 2023. Five meetings included a session for Supervisory Board members only, without the members of the Executive Board being present. The Chair of the Supervisory Board had regular contact with the Chair of the Executive Board.

Financial statements

The Executive Board submitted the 2023 Financial statements to the Supervisory Board. The Supervisory Board also took notice of the report and the statement by Deloitte Accountants B.V. (as referred to in Article 27, paragraph 3 of the company's Articles of Association), which the Supervisory Board discussed with Deloitte. The members of the Supervisory Board signed the 2023 Financial statements, pursuant to their statutory obligation under clause 2:101 (2) of the Dutch Civil Code. The Supervisory Board proposes to the shareholders that they adopt these 2023 Financial statements at the Annual General Meeting of Shareholders of May 8, 2024 (2024 AGM).

→ See the 2023 Financial statements on page 142

Evaluations

The Supervisory Board discussed its own functioning, as well as the functioning of the Executive Board and the performance of the individual members of both Boards. These discussions were partly held without the members of the Executive Board being present, followed by individual meetings with the members of the Executive Board.

The composition of the Supervisory Board, the Audit Committee, and the Selection and Remuneration Committee was also discussed in the absence of the Executive Board. The Supervisory Board members completed a self-assessment. Overall, the outcome of the evaluation was positive. The transition to the new Chair of the Supervisory Board went smoothly. The evaluation confirmed that the composition of the Supervisory Board represents the relevant skill sets and the required areas of expertise. The Supervisory Board meetings take place in an open, constructive, and transparent atmosphere with each of the members actively participating. The Supervisory Board appreciates the deep dives on relevant topics, which provide the Supervisory Board or its committees with more in-depth information on certain topics, such as sustainability reporting or restructuring efforts. Based on feedback of the Supervisory Board members, the governance structure and allocation of responsibilities between the Supervisory Board and its committees with respect to sustainability topics was further refined and confirmed in the updated By-Laws of the Supervisory Board. In addition, a deep dive session regarding the competitive landscape of Wolters Kluwer was organized at the request of the Supervisory Board. The Supervisory Board also reviewed the onboarding process for new members and received additional information on product demos. The Supervisory Board remains focused on a good balance between to the point pre-read materials, presentations, and discussions, as it is considered important to have interactive discussions with several layers of management.

In addition to the formal evaluation process, as a standard practice, the Chair of the Supervisory Board gives feedback to the Chair of the Executive Board after every Supervisory Board meeting. Throughout the year, all members can come up with requests for additional information and suggestions to further enhance the quality of the meetings. In addition, the Supervisory Board evaluates the Vision & Strategy Plan (VSP) presentations at the end of the meetings in which they were held and comes up with recommendations for future presentations.

Strategy

The Supervisory Board was kept closely informed on the second year of execution of the three-year strategy for 2022-2024, *Elevate Our Value*, which was announced in February 2022. Based on their knowledge and experience, the Supervisory Board members advise the Executive Board throughout the year on strategic topics.

The Supervisory Board approved the new divisional structure, in which a fifth division, Corporate Performance & ESG, was created in March 2023. The Supervisory Board strongly supported this change, enabling management of the Corporate Performance & ESG division to fully focus on their markets and business units with high growth potential. The addition of a new division was also a good opportunity from a management development perspective, as it provided various employees the opportunity to broaden their perspective and grow into new managerial roles. The Supervisory Board was pleased to see that most new executive, senior, and junior level roles were filled by internal candidates.

As in other years, the divisional CEOs presented their VSPs for 2024-2026 to the Supervisory Board. These presentations enable the Supervisory Board to obtain a good view of the opportunities and challenges for each of the divisions and to support the Executive Board in making the right strategic

Report of the Supervisory Board
continued

choices and investment decisions for each business. The Supervisory Board considers it important to meet each of the divisional CEOs periodically and receive an update from them on the performance, key market trends, strategy, and competitive developments. In addition, with a view on talent management and having solid replacement plans, speaking directly to senior management is deemed important for the Supervisory Board.

In September 2023, the Supervisory Board visited Minneapolis where management of the Financial & Corporate Compliance (FCC) division presented its business. In addition to the divisional VSP, several managers of the FCC division presented their business and gave product demos, which also included early-stage innovations. The Supervisory Board also attended a panel discussion on the business opportunities of the new beneficial ownership rules in the United States. These rules, which went into effect on January 1, 2024, create an interesting business opportunity for the FCC and Tax & Accounting divisions. The panel consisted of Wolters Kluwer managers, customers, and an external expert. The interaction with several layers of management and customers during the working visit contributes significantly to the Supervisory Board's deep understanding of the business.

Innovation is a key component of the company's strategy. The Supervisory Board was informed about the innovation activities and investments within Wolters Kluwer and strongly supports this. As part of the strategy, the company annually reinvests approximately 10% of the group revenues into product development. 2023 was the thirteenth consecutive year in which Wolters Kluwer rewarded promising new internal business initiatives via the Global Innovation Awards (GIA). This event enables teams across the business to present their innovative ideas. The awards are ultimately awarded by a jury consisting of internal and external experts. In 2023, a record of 662 GIA submissions were received. Of these, four category winners were chosen by the Innovation Board and two ideas were recognized exclusively by Ms. McKinstry with CEO Choice Awards. One of the awarded teams presented their innovation submission to the Supervisory Board. A strong culture of innovation and continuing investment in new and enhanced products, including *expert solutions*, is an important means for driving sustainable long-term value creation at Wolters Kluwer.

In line with prior years, management of Global Business Services (GBS) and Digital eXperience Group (DXG) gave presentations, updating the Supervisory Board on the company's technology strategy and execution thereof. The GBS presentation included a deep dive on cybersecurity and disaster recovery plans. Considering the rapidly changing technological developments, this remains a key topic. The Supervisory Board appreciated the insight in the plans and actions and overall feels that the IT infrastructure of Wolters Kluwer is well managed. The DXG presentation included an extensive explanation on the company's actions and governance structure with respect to AI, focusing on large language models. DXG leads the AI Center of Excellence and plays an important role in the company's innovation by offering scalable services and technology to the divisions, which can be used in business units across the company. The presentation included demos of products which

67%
of the Supervisory Board members are female

already contain AI and an explanation on how Wolters Kluwer can further benefit from the use of AI, including large language models, and other advance technologies in its products. In addition, the company's approach towards responsible AI was discussed. While the company carefully monitors potential threats and business disruption, management believes that overall, AI brings interesting opportunities for the company.

The Global Brand & Communications team gave a presentation on the design and execution of the brand strategy. Increased brand recognition can contribute to sustainable long-term value creation. The team also updated the Supervisory Board on external awards, which included the number two ranking in Newsweek's list of most trustworthy companies globally in the Business & Professional Services category.

In relation to the strategy, the Supervisory Board also considers it important to be aware of the main developments with respect to competition and the markets in which the company operates. In addition to the deep dive session on the competitive position, as a routine item, an overview of the most important developments with respect to traditional and new competitors is discussed during each Supervisory Board meeting.

Report of the Supervisory Board
continued

Acquisitions and divestments

The Executive Board kept the Supervisory Board informed about all pending acquisition and divestment activities. During the year under review, there were no acquisitions with a transaction value above the threshold for Supervisory Board approval (1% of consolidated revenues).

The Supervisory Board also discussed the performance and value creation of previous acquisitions, taking into consideration Wolters Kluwer's financial and strategic criteria for acquisitions. The lessons learned from these annual reviews are taken into consideration for future acquisitions.

Corporate governance and risk management

The Supervisory Board was kept informed about developments with respect to corporate governance and risk management. The Supervisory Board and Audit Committee discussed risk management, including the risk profile of the company and the risk appetite per risk category, as well as the assessment of internal risk management and control systems and ongoing actions to further improve these systems. The Supervisory Board was informed about the efforts of the company to assess climate-related risks and the plans to further mature this assessment in the future.

The Supervisory Board discussed the implementation of the amended Dutch Corporate Governance Code, which was published in December 2022. Changes which were relevant for the Audit Committee and Selection and Remuneration Committee, were also discussed in those committees. As part of the implementation, the Supervisory Board adopted the updated By-Laws for the Boards, as well as Terms of Reference for the Committees.

→ **For more information, see Corporate governance on page 44 and Risk management on page 50**

Sustainability

The Supervisory Board has oversight of and actively discussed the company's sustainability/ESG performance and reporting. The Supervisory Board is supportive of the company's sustainability approach and the increased focus on environmental and social matters. The Supervisory Board strongly supports and approved the submission of near-term targets and the net-zero commitment with the Science Based Targets initiative (SBTi). The near-term targets were validated by the SBTi in the fourth quarter of 2023, which is an important milestone for the company's sustainability efforts.

The Audit Committee and Supervisory Board were also kept informed on the preparations for compliance with the EU Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS), which will apply as of financial year 2024 (for the annual reports which will be published in 2025 and subsequent years). As part of these preparations, the company conducted an extensive initial double materiality assessment which was discussed with the Audit Committee and the full Supervisory Board. The Supervisory Board supports the outcomes of the assessment, based on the thorough underlying process and documentation provided.

In addition, the Supervisory Board was kept informed on other environmental and social topics, such as Diversity, Equity, Inclusion, and Belonging (DEIB), during several meetings. The responsibilities of the Supervisory Board and its committees with respect to sustainability were reflected in the updated By-Laws and Terms of Reference, underpinning the commitment of the Supervisory Board to carefully monitor this topic and provide the Executive Board with advice.

The intensified focus on sustainability is also reflected by the fact that since 2021, non-financial targets make up 10% of the Executive Board's short-term incentive targets. The Supervisory Board continues to support the sustainability activities of the company and believes that these efforts will contribute to an inclusive culture of integrity, accountability, and transparency, creating sustainable long-term value for all stakeholders.

→ **For more information on sustainability, see Sustainability statements on page 89**

Report of the Supervisory Board
continued

Talent management and organizational developments

Each year, the outcome of the annual talent review is discussed by the Supervisory Board. Diversity at Board and senior management levels is an important element in that discussion. Furthermore, as a standing topic during each Supervisory Board meeting, the Supervisory Board is informed about organizational developments, including appointments at senior positions within the company. DEIB is close at heart of the Supervisory Board and is integrated in presentations and discussions on various topics. The Supervisory Board fully supports all initiatives in the company to enhance the diverse and inclusive culture within the company. The Supervisory Board discussed this topic in several meetings.

In the context of the implementation of the amended Corporate Governance Code, the Supervisory Board approved the Global DEIB Policy, as well as the targets for gender representation in the sub-top of the company. This target aims at an increase of female representation in the company's executive career band by two percentage points by 2028, from a 2022 baseline.

The Supervisory Board was also updated on and discussed the results of Wolters Kluwer's employee engagement survey, which measures important topics such as engagement, belonging, alignment, agility, career development, and other components driving engagement, and supporting a culture aimed at sustainable long-term value creation. The results were positive. The company continues executing action plans to further improve in these areas.

Finance

The Supervisory Board and Audit Committee carefully observe the financing of the company, including the balance sheet, cash flow developments, and available headroom. The Supervisory Board also closely monitors the development of, among others, net-debt-to-EBITDA ratio and liquidity planning.

The Supervisory Board approved the share buyback program of up to €1 billion in 2023, as well as the €100 million share buyback for the period starting January 2, 2024, up to and including February 19, 2024, and the block trade to set off EPS dilution due to performance shares under the 2021-2023 long-term incentive plan which will be released to participants on February 22, 2024.

With respect to the funding of the company, the Supervisory Board approved the new €700 million eight-year senior bonds, which were issued in March 2023.

Other financial subjects discussed included the budget, the financial outlook, the achievement of financial targets, the interim and final dividends, the outcome of the annual impairment test, and the annual and interim financial results. The dividend increase of 15% over 2022, which was approved by the AGM in 2023, and the proposed dividend increase of 15% over 2023 (to be approved by the AGM in 2024), are a sign of the strong confidence the Executive Board and Supervisory Board have in the future and financial stability of the company. Together with the share buyback programs, the cash-return to shareholders is well balanced with the annual investment of approximately 10% of group revenues in innovation and the headroom for acquisitions.

The Supervisory Board discussed the impact of a new Dutch law regarding taxation of share buybacks, which may become effective as of January 1, 2025. Management will keep the Supervisory Board informed about the potential impact and alternatives.

Investor relations

The Supervisory Board was well informed about investor relations activities, which is a standing agenda item during the Supervisory Board meetings. Updates included share price developments, communication with shareholders, shareholders' views on acquisitions, analyst research, ESG developments, and the composition of the shareholder base. The Supervisory Board also carefully reviewed and approved the annual report and press releases regarding the full-year and half-year results, and the first-quarter and nine-month trading updates. The Supervisory Board approved the increase of the full-year 2023 guidance in the half-year results press release which was issued in August. In addition, two Supervisory Board members had virtual meetings with several shareholders in the second half of 2023, focused on corporate governance, ESG, and AI.

Audit Committee

The Audit Committee had four regular meetings in 2023, during the preparation of the full-year 2022 and half-year 2023 results, and around the first-quarter 2023 trading update and nine-month 2023 trading update. In addition, in January 2023, the Audit Committee had a separate deep

Report of the Supervisory Board
continued

The secret sport is

dive session with corporate staff representatives regarding sustainability reporting and the request for proposal for a new audit firm. There was one scheduled conference call in December between the external auditor, the Chair of the Audit Committee, and the CFO.

The Audit Committee consisted of Mr. de Kreij (Chair), Ms. Vandebroek, and Mr. Vogelzang. The regular meetings of the Audit Committee were held in the presence of the Executive Board members, the external auditor, the head of Internal Audit, and other corporate staff members. During 2023, as routine agenda items, the Audit Committee had discussions with the external auditor, as well as with the head of Internal Audit, without the members of the Executive Board being present at the end of two meetings. In addition, the Chair of the Committee met with the CFO, the external auditor, the head of Group Accounting & Reporting, and the head of Internal Audit in preparation of the Committee meetings. After every meeting, the Chair of the Committee reports back to the full Supervisory Board.

Key items discussed during the Audit Committee meetings included the financial results of the company, status updates on internal audit and internal controls, the management letter of the external auditor, accounting topics, ESG, pensions, tax planning, impairment testing, the Treasury Policy, the financing of the company, risk management, restructuring plans, cybersecurity, hedging, litigation reporting, incident management, the Auditor Independence Policy, and the quarterly reports and the full-year report on the audit of the external auditor.

In January 2023, the Audit Committee recommended to the full Supervisory Board to nominate KPMG Accountants N.V. as new audit firm as of financial year 2025. This recommendation, which was followed by the Supervisory Board, was the result of an extensive request for proposal process for the auditor rotation, which is required under Dutch law every 10 years. Important criteria included the audit approach, international and sector experience, composition and fit of the team (including diversity), the transition approach, independence resolution, and proposed fees. In the 2023 AGM, KPMG was indeed appointed as auditor as of financial year 2025.

The Audit Committee has reviewed the performance of the current external auditor (Deloitte), the proposed audit scope and approach, the audit fees, and the independence of the external auditor, and has reviewed and approved the other assurance services, tax advisory services, and other non-audit services provided by the external auditor. The Auditor Independence Policy, which was updated in 2023, is available on the website.

→ The Auditor Independence Policy
www.wolterskluwer.com/en/investors/governance/policies-and-articles

Selection and Remuneration Committee

The Selection and Remuneration Committee met four times in 2023. The Committee consisted of Ms. Horan (who chairs the remuneration-related matters), Ms. Ziegler (who chairs the selection and nomination-related matters), and Ms. Kersten. After every meeting, the respective chairs of the Committee report back to the full Supervisory Board. The resolutions regarding nominations and remuneration were taken by the full Supervisory Board based on recommendations from the Committee.

For more information about the remuneration policy of the Executive Board and the Supervisory Board and the execution thereof, see *Remuneration report*.

→ See our Remuneration report on page 70

Supervisory Board composition

After the AGM in 2023, Mr. Bodson resigned from the Supervisory Board due to the workload of his other activities. During 2023, the Supervisory Board searched for a replacement of Mr. Bodson. Based on the recommendation of the Selection and Remuneration Committee, the Supervisory Board nominates Mr. David Sides for appointment as new member of the Supervisory Board in the 2024 AGM, in view of his knowledge of the healthcare sector, coupled with his financial and commercial acumen, as well as his extensive experience in leading innovative companies.

Report of the Supervisory Board
continued

In 2024, the first term of both Mr. Jack de Kreij and Ms. Sophie Vandebroek will expire. Ms. Vandebroek is available for a reappointment of four years. Mr. De Kreij is available for a reappointment of two years. The Supervisory Board, after careful consideration, will nominate Mr. De Kreij and Ms. Vandebroek for reappointment in the 2024 AGM. A further explanation can be found in the agenda of the AGM.

In 2024, the second term of Ms. Horan will expire as well. Regretfully, she informed the Supervisory Board that she is not available for reappointment. The Supervisory Board would like to thank Ms. Horan for her knowledgeable and much appreciated contributions during her eight years on the Supervisory Board, and in particular for chairing the Selection and Remuneration Committee with respect to remuneration topics for seven years. The Supervisory Board is currently conducting a search for the replacement of Ms. Horan as member of the Supervisory Board.

The composition of the Supervisory Board is in line with its profile and diversity policy, reflecting a diverse composition with respect to expertise, nationality, gender, and age, reflecting the international nature and geographic scope of the company. Three nationalities are represented on the Supervisory Board, with different talents and relevant areas of expertise. The Supervisory Board currently has a male/female representation of 33% male and 67% female, which is in line with the diversity policy and Dutch law, requiring a representation of at least one third male and female. After the appointment of Mr. Sides and the retirement of Ms. Horan, the representation will be 50% male and 50% female.

The composition comprises international board experience, specific areas of expertise (including finance, legal, and technology), as well as expertise within the broad information industry and specific market segments in which the company operates.

→ The profile, competences matrix, rotation schedule, and diversity policy are available on www.wolterskluwer.com/en/investors/governance/supervisory-board-committees

All Supervisory Board members comply with the Dutch law and the By-Laws regarding the maximum number of supervisory board memberships. Furthermore, all members of the Supervisory Board are independent from the company within the meaning of best practice provisions 2.1.7, 2.1.8, and 2.1.9 of the Dutch Corporate Governance Code. For more information on each Supervisory Board member in accordance with the Dutch Corporate Governance Code, see the sections *Executive Board and Supervisory Board* and *Corporate governance*.

→ See Executive Board and Supervisory Board on page 61

→ See Corporate governance on page 44

The Supervisory Board would like to thank the Executive Board and all employees worldwide for their efforts in the past year. The strong results of the company and ongoing focus on serving customers and sustainable long-term value creation, within an innovative, diverse, and transparent culture, were highly appreciated by the Supervisory Board.

Meeting attendance

	Supervisory Board	Audit Committee	Selection & Remuneration Committee
Number of meetings held	7	5	4
A.E. Ziegler	7	–	4
J.P. de Kreij	7	5	–
B.J.F. Bodson*	3	–	–
J.A. Horan	7	–	4
H.H. Kerstens	7	–	4
S. Vandebroek	6	4	–
C.F.H.H. Vogelzang	7	5	–

* Mr. Bodson retired after the 2023 AGM.

Alphen aan den Rijn, February 20, 2024

Supervisory Board
Ann Ziegler, Chair
Jack de Kreij, Vice-Chair
Jeanette Horan
Heleen Kersten
Sophie Vandebroek
Chris Vogelzang

Remuneration report

> Despite challenges, all financial and non-financial targets were met or exceeded.

The secret transportation is a

Jeanette Horan
Co-Chair of the Selection and Remuneration Committee, dealing with remuneration matters

This remuneration report outlines our philosophy and framework for management pay, provides a summary of our remuneration policy, and lays out how the policy was applied in 2023. We discuss how performance drove the outcome for 2023 and how the policy will be applied in 2024.

Letter from the Co-Chair of the Selection and Remuneration Committee

Dear Shareholders,

On behalf of the Supervisory Board, I am pleased to present our 2023 remuneration report, in which we outline our pay-for-performance philosophy and our strategy-linked framework, and provide a summary of our remuneration policy. We explain how performance translated into the remuneration earned for 2023 and set out how the policy will be applied in 2024.

2023 performance and STIP outcome
In many ways, 2023 saw a continuation of the external conditions that arose the year before, including challenges presented by geopolitical events and macroeconomic conditions. Last year was also a year of significant internal change at Wolters Kluwer, notably the formation of a new fifth division by bringing several business units together and the centralization of key functions such as technology, communication, and finance. These changes were executed well in 2023 and prepare the organization to take advantage of opportunities that lie ahead.

As discussed in the strategic report, the company finished the year 2023 with financial results that were in line with the overall group-level guidance provided at the start of the year. Fundamental to driving these financial results is the strategy of focusing on *expert solutions*, investing in innovation, while continuing to evolve organizational capabilities and driving operational excellence.

Despite the challenges, the company achieved 6% organic growth, resulting in an absolute 2023 revenue achievement in line with target. The adjusted operating profit margin was improved by 30 basis points, which after interest and tax, resulted in a 7% increase in adjusted net profit in constant currencies. Adjusted net profit of €1,119 million was in line with target. Adjusted free cash flow of €1,164 million declined 2% in constant currencies and exceeded the target by 1%.

To provide incentives for advancing our sustainability and ESG performance, the Supervisory Board set targets for three non-financial measures for 2023, which together carried a weight of 10% in the short-term incentive plan (STIP). Employee belonging, the indicator we have chosen to measure our global performance on diversity, equity, and inclusion, increased by 2 points to 75, exceeding the target which was to increase it by 1 point. The second non-financial measure, indexed cybersecurity maturity score, aims to ensure the group maintains security at or above the benchmark for high-tech companies. This target was also exceeded in 2023. The third non-financial measure for 2023, aimed at reducing the environmental impact of our remaining in-house data centers, was a target for on-premise servers decommissioned during the year. On this measure, performance was well ahead of target, and the multi-year program to migrate customers and applications to energy-efficient cloud infrastructure has reached a mature stage.

2021-2023 performance and LTIP outcome
The long-term incentive plan (LTIP) which vested on December 31, 2023, and which will be paid out in February 2024, was the first plan to have started under the remuneration policy adopted by shareholders in 2021. This LTIP was therefore linked to performance on relative total shareholder return, diluted adjusted EPS, and return on invested capital.

Total shareholder return (TSR), including dividends and using a 60-day average share price at the start and at the end of the

Remuneration report continued

three-year period, was 88%. This TSR performance placed Wolters Kluwer in third place ahead of 13 of its TSR peers, which are comprised of comparable publicly listed U.S. and European information and software companies. Over the three-year LTIP period, 2021-2023, the share price rose 86%, very significantly outperforming the broader stock market indices, including the STOXX Europe 600 and the Amsterdam AEX.

For the second measure, diluted adjusted EPS, the compound annual growth rate over the three-year performance period was 12.3% in constant currencies, exceeding the target of 8.3% calculated based on constant currencies for 2023.

For the third measure, return on invested capital (ROIC), the final year ROIC result was 16.9% in constant currencies for 2023 (16.8% in reporting currencies), which exceeded the target of 14.2% in constant currencies.

Performance across these three LTIP measures therefore resulted in above target payout. The realized value also reflects the significant share price appreciation over the period.

Looking ahead: STIP 2024

During the past three years, the Supervisory Board has monitored the effectiveness of the non-financial metrics that have been used in the short-term incentive plan. The Board is of the opinion that these non-financial measures should not only be quantifiable and verifiable, but should also provide the appropriate incentives for the Executive Board to advance important strategic objectives, including sustainability goals.

One of the sustainability goals is to make steady annual progress in building a diverse, equitable, and inclusive culture among the global workforce. Significant progress has been made but we continue to aim to become a leader on this front. Another sustainability goal is to make further progress in reducing our direct greenhouse gas emissions. Here, the server decommissioning measure will be replaced in 2024 with a new goal to provide further incentive to reducing our global office footprint.

With regard to our cybersecurity maturity, we are well-positioned compared to our industry benchmark and the goal is to maintain our maturity score, which in itself requires constant effort and investment.

Looking ahead: LTIP 2024-2026

The LTIP for 2024-2026, which reflects the remuneration policy that was adopted by shareholders in 2021, will again include relative TSR at 50%, diluted adjusted EPS at 30%, and ROIC at 20%.

No changes were made to the TSR peer group in 2023. The Supervisory Board continues to monitor this group given the periodic delistings and mergers that take place in our sector.

The Supervisory Board has set three-year targets for compound annual growth in diluted adjusted EPS and for final year ROIC, applying additional stretch to the underlying financial plan that underpins the strategy. These forward-looking three-year targets are disclosed on page 85.

The 2022 remuneration report received strong shareholder support with over 93% of votes in favor of the report. We trust this 2023 report provides a clear explanation of the drivers of 2023 remuneration and transparent disclosure on future goals and that shareholders can again support this report at our Annual General Meeting of Shareholders on May 8, 2024.

Jeanette Horan
Co-Chair of the Selection and Remuneration Committee, dealing with remuneration matters

→ The 2024 AGM agenda is available at www.wolterskluwer.com/agm

Remuneration at a glance

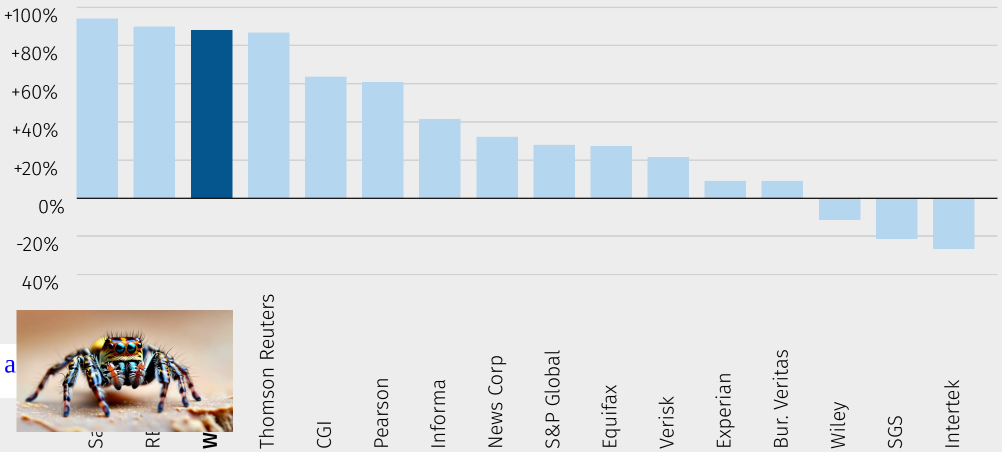
Summary performance against 2023 STIP targets

Measure	Target	Actual performance: Actual	Actual performance: % of target
Financial - *in millions of euros*			
Revenues	5,605	**5,584**	100%
Adjusted net profit	1,113	**1,119**	100%
Adjusted free cash flow	1,151	**1,164**	101%
Non-financial			
Employee belonging score	+1 point	**+2 points**	105%
Indexed cybersecurity maturity score	109.4	**113.8**	110%
Number of on-premise servers decommissioned	600-999		

The secret animal #3 is a

Financial STIP targets and actual performance are shown in reporting currencies. For details on STIP target outcomes, see page 80.

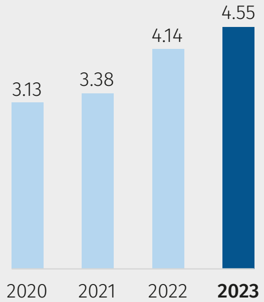
Three-year 2021-2023 total shareholder return (TSR)



Wolters Kluwer achieved **third position** for TSR performance relative to its TSR peers. This ranking determines the number of TSR-related shares awarded at the end of the three-year LTIP period.

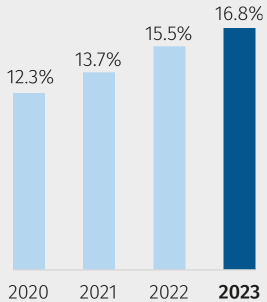
The company uses a 60-day average of the share price at the beginning and the end of each three-year performance period to reduce the influence of potential stock market volatility.

Diluted adjusted EPS CAGR 2021-2023: 12.3% in constant currencies



Target for diluted adjusted EPS CAGR 2021-2023 was 8.3% in constant currencies for 2023.

Return on invested capital 2023: 16.9% in constant currencies



Target for final year ROIC 2023 was 14.2% in constant currencies for 2023.

CEO target and realized pay 2023

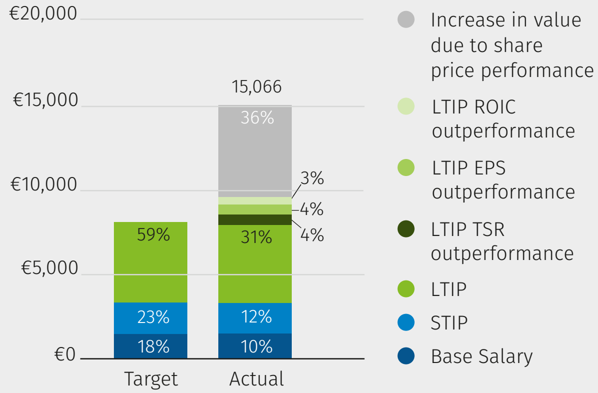
Impact of performance and share price on remuneration

Target pay reflects the number of LTIP shares conditionally awarded for LTIP 2021-2023 valued at the closing share price on December 31, 2020 (€69.06).

Realized actual pay reflects the number of LTIP shares earned valued at the closing share price on December 31, 2023 (€128.70).

The final payout will be valued at the volume-weighted-average share price on February 22, 2024.

in thousands of euros, unless otherwise stated



Remuneration report continued

Our remuneration policy

Below we provide a summary of the Executive Board remuneration policy which was adopted in 2021.

→ The remuneration policy is available at www.wolterskluwer.com/en/investors/governance/policies-and-articles

Key elements of our remuneration policy

Remuneration peer group	The policy provides for a remuneration peer group that is weighted towards European companies at approximately 60%. Current pay peers are shown on page 76.
STIP performance measures – financial	The policy provides a pre-defined list of financial measures from which the Selection & Remuneration Committee can select. The STIP financial measures have a minimum weighting of 80%. These measures exclude the effect of currency, accounting changes, and changes in scope (acquisitions and divestitures) after the annual budget is finalized. The pre-defined list comprises: • Revenues* • Organic growth • Adjusted operating profit • Adjusted operating profit margin • Adjusted net profit* • Adjusted free cash flow* • Cash conversion ratio * These financial measures have been applied for the past few years and will be used in 2024.
STIP performance measures – non-financial	Non-financial measures can include ESG, strategic, or operational metrics, such as employee engagement score, customer satisfaction scores, measures of good corporate governance, operational excellence, and/or environmental impact. The maximum weighting of non-financial measures is 20%. In 2023, the weighting was 10% and included the following three strategically important metrics: • Belonging score (a quantified measure of diversity, equity, and inclusion) • Indexed cybersecurity maturity score • Number of on-premise servers decommissioned (reducing carbon footprint) In 2024, the weighting of non-financial measures will be 10%. The environmental measure (servers decommissioned) will be replaced by a percentage reduction in our office footprint.
LTIP performance measures	The policy stipulates the following measures for the LTIP: • Relative total shareholder return, weighted at 50% • Diluted adjusted EPS, weighted at 30% • Return on invested capital (ROIC), weighted at 20%
Share ownership and holding requirements	The policy has minimum share ownership requirements: 3x base salary for CEO, 2x base salary for CFO, and a two-year holding period post vesting.

Remuneration report continued

Our remuneration philosophy

Clear alignment between executive rewards and stakeholder interests is central to our Executive Board remuneration policy. We have a robust pay-for-performance philosophy with strong links between rewards and results for both our short-term incentive plan (STIP) and long-term incentive plan (LTIP). Variable remuneration outcomes are aligned to stretch targets that measure performance against Wolters Kluwer's strategic aims. The Supervisory Board has a clearly defined process for setting stretch targets and a framework for decision-making around executive remuneration.

The Selection and Remuneration Committee engages an external remuneration advisor to provide recommendations and information on market practices for remuneration structure and levels. The Committee had extensive discussions, supported by its external advisor, to review the composition and key drivers of remuneration.

We disclose targets, achievements, and resulting pay outcomes for both the STIP and LTIP retrospectively in this report. In addition, we disclose prospective LTIP targets.

The Supervisory Board determines Executive Board remuneration based on principles that demonstrate clear alignment with shareholder and other stakeholder interests. We recognize it is our responsibility to ensure that executive remuneration is closely connected with financial and strategic performance.

Principles of Executive Board remuneration	Key feature
Pay for performance and strategic progress	• Pay is linked to the achievement of key financial and non-financial targets related to our strategy • Over 75% of on-target pay is variable and linked to performance against stretch targets • Short-term incentives are linked to annual targets • Long-term incentives are linked to performance against three-year stretch targets aligned to our strategic plan
Align with long-term stakeholder interests	• Policy provides management with incentives to create long-term value for shareholders and other stakeholders through achievement of strategic aims and delivery against financial and non-financial objectives • Majority of incentives are long-term and paid in Wolters Kluwer shares which are subject to two-year post-vesting holding requirements
Be competitive in a global market for talent	• On-target pay is aligned with the median of a defined global pay peer group, comprised of competitors and other companies in our sectors that are of comparable size, complexity, business profile, and international scope • TSR peer group companies are additionally screened for financial health, stock price correlation and volatility, and historical TSR performance

Our Executive Board remuneration framework

Our Executive Board remuneration framework comprises the following elements:

Element of remuneration	Key feature	Alignment to strategy and shareholder interests
Base salary	Reviewed annually with reference to pay peer group and increases provided to all employees	Set at a level to attract, motivate, and retain the best talent
STIP	Paid annually in cash; maximum opportunity 175% of base salary (CEO)	Creates incentives to deliver performance against annual financial and non-financial goals
LTIP	Conditional rights on ordinary shares, subject to a three-year vesting schedule and three-year performance targets; maximum opportunity 240% of base salary (CEO)	Creates incentives to deliver financial performance and create long-term value; demonstrates long-term alignment with shareholder interests
Pension	Defined contribution retirement savings plan that is available to all employees in the same country of employment	Provides appropriate retirement savings designed to be competitive in the relevant market
Other benefits	Eligibility for health insurance, life insurance, a car, and participation in any all-employee plans that may be offered in the same country of employment	Designed to be competitive in the relevant market