
Wolters Kluwer Investor Teach-In

Financial & Corporate Compliance and DXG

November 30, 2023

 Wolters Kluwer



Forward-looking statements

This presentation contains forward-looking statements. These statements may be identified by words such as "expect", "should", "could", "shall", and similar expressions. Wolters Kluwer cautions that such forward-looking statements are qualified by certain risks and uncertainties that could cause actual results and events to differ materially from what is contemplated by the forward-looking statements. Factors which could cause actual results to differ from these forward-looking statements may include, without limitation, general economic conditions, conditions in the markets in which Wolters Kluwer is engaged, conditions created by global pandemics, such as COVID-19, behavior of customers, suppliers and competitors, technological developments, the implementation and execution of new ICT systems or outsourcing, legal, tax, and regulatory rules affecting Wolters Kluwer's businesses, as well as risks related to mergers, acquisitions and divestments. In addition, financial risks, such as currency movements, interest rate fluctuations, liquidity and credit risks could influence future results. The foregoing list of factors should not be construed as exhaustive. Wolters Kluwer disclaims any intention or obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Growth rates are cited in constant currencies unless otherwise noted. Organic growth excludes the impact of currency and the impact of acquisitions and divestments.

Today's speakers



Nancy McKinstry
Chair & CEO
Wolters Kluwer



Steven Meirink
CEO
Wolters Kluwer
Financial &
Corporate
Compliance



Vikram Savkar
EVP & General
Manager,
Compliance
Solutions



Suzanne Konstance
VP,
Lien Solutions



Alex Tyrrell
SVP,
Wolters Kluwer
Digital eXperience
Group

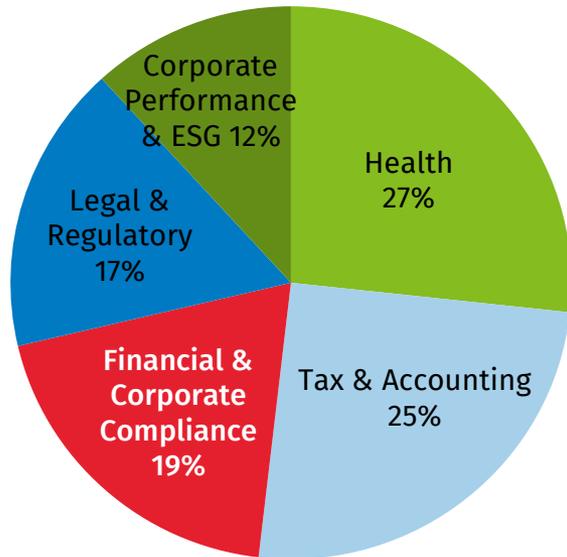
Agenda

- **Introduction – Nancy McKinstry**
- **FCC division overview and strategy – Steven Meirink**
- **Digital lending workflow – Vikram Savkar**
- **Innovating around Lien Solutions – Suzanne Konstance**
- **CT Corporation and summary – Steven Meirink**
- **Update on DXG and Generative AI – Alex Tyrrell**
- **Q&A**

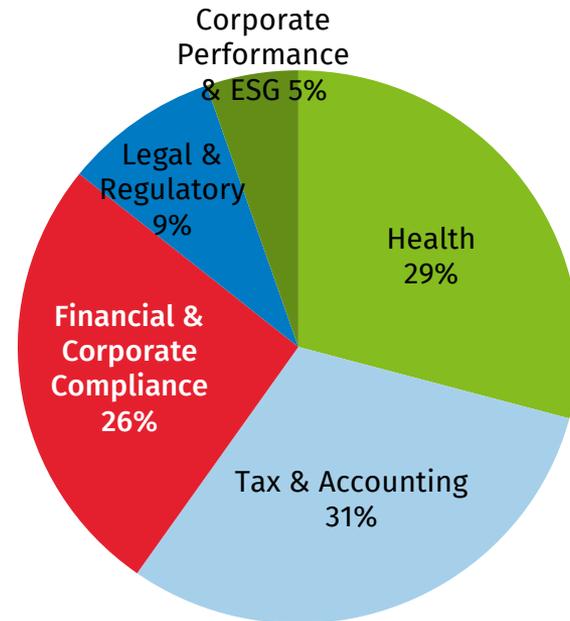
Financial & Corporate Compliance (FCC)

Financial & Corporate Compliance represented 19% of group revenues and 26% of group adjusted operating profit in 2022

**Wolters Kluwer
FY 2022 Revenues Pro Forma**



**Wolters Kluwer
FY 2022 Adjusted Operating Profit Pro Forma**



Note: Pro forma revenue split for new division structure implemented March 2023.

Megatrends

As with all of Wolters Kluwer, FCC is exposed to four key megatrends

- **Increasing volumes and complexity of information, data, and regulations**
- **Digitization of professional workflows to improve outcomes and drive efficiencies**
- **Increasing adoption of cloud-based, integrated solution suites**
- **Adoption of advanced technologies including artificial intelligence**

Origins of FCC

Over 120 years of experience in legal services and 70 years in lending compliance

Key Milestones and Acquisitions

Legal Services

Corporation Trust Company of New Jersey (later CT Corp) is formed

CT Corp first to support incorporation in all 50 states

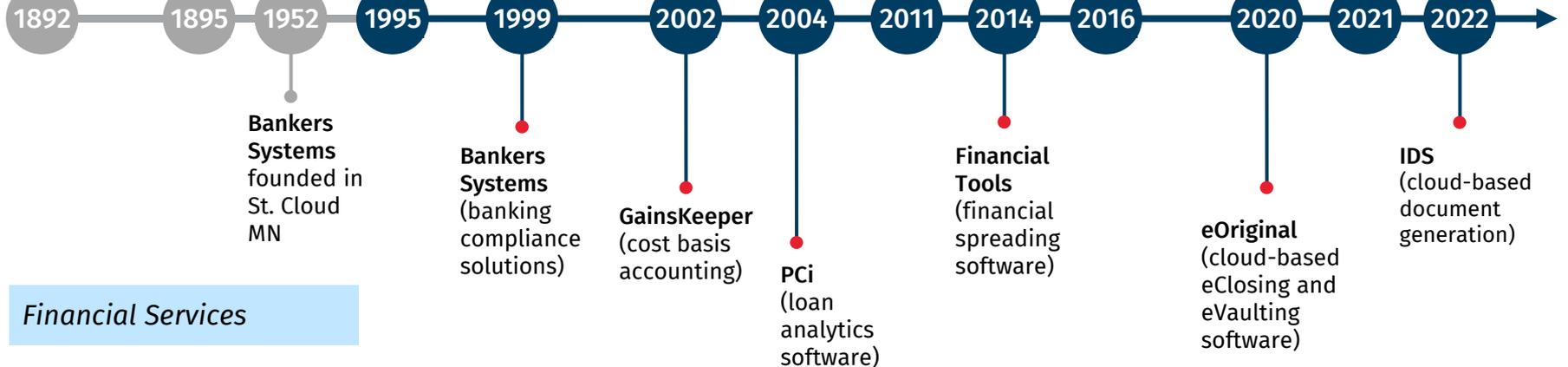
CT Corp (registered agent services)

Business Filings Incorporated (registered agent services)

NRAI (registered agent services)

Vcorp (registered agent services)

LicenseLogix (business licensing services)



Financial Services

Wolters Kluwer acquisitions of ● legal services assets ● financial services compliance assets

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Financial & Corporate Compliance

Serving the lifeblood of the U.S. economy

Wolters Kluwer Financial & Corporate Compliance

3,100+ FTEs¹

99% of revenues in U.S.

50 U.S. states, D.C., and thousands of local jurisdictions

300,000+ customers, including corporations, businesses, law firms, banks, and financial institutions

90% of U.S. banks

70% of Fortune 500 companies



1) Includes FTEs from Global Growth Markets, Digital eXperience Group, and Global Business Services that are allocated to the FCC division.

Division overview

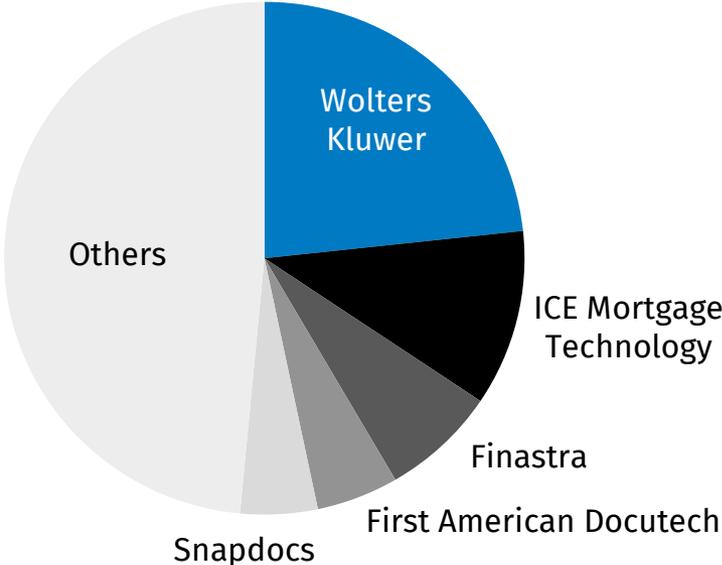
Compliance solutions for U.S. financial institutions and companies

	Financial Services		Legal Services
Workflow	Loan Compliance	Regulatory Compliance	Legal Entity Management and Corporate Services
Description	Document preparation, digital closing (and eVault), loan analytics, and lien solutions for lending products	Regulatory content, regulatory change management, and investment compliance solutions	Services and solutions to support the formation, maintenance and dissolution of companies, businesses and legal entities in compliance with applicable jurisdictional rules and regulations
Customers	<ul style="list-style-type: none"> • Banks and non-bank lenders • Insurers • Brokers and other financial institutions 		<ul style="list-style-type: none"> • Corporations • Small businesses • Law firms
Key Brands	<ul style="list-style-type: none"> • ComplianceOne® • Expere® • IDS • eOriginal® • Wiz® • iLien 	<ul style="list-style-type: none"> • OneSumX® • Gainskeeper® 	<ul style="list-style-type: none"> • CT Corporation • BizFilings • Vcorp

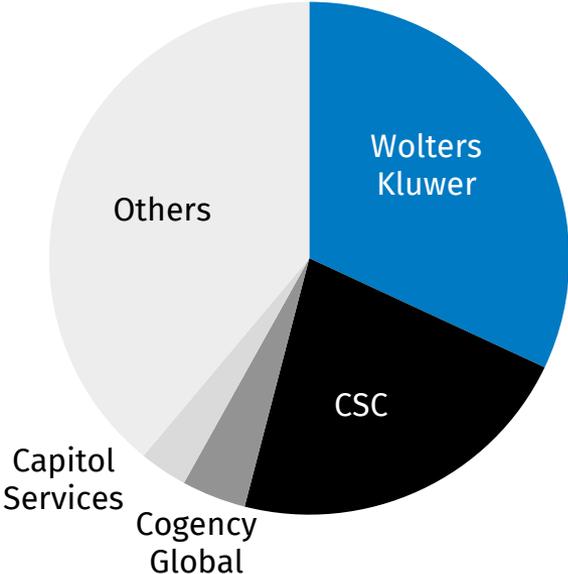
Competitive position

Strong market positions in the segments we serve

Financial Services
Total Addressable Market 2023
\$2 billion



Legal Services
Total Addressable Market 2023
\$2 billion



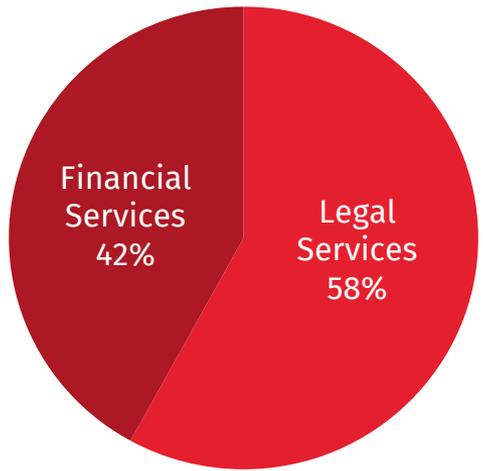
Source: Wolters Kluwer estimates based on comparable revenues. Total addressable markets include only the vended portion of the market.

Revenue profile

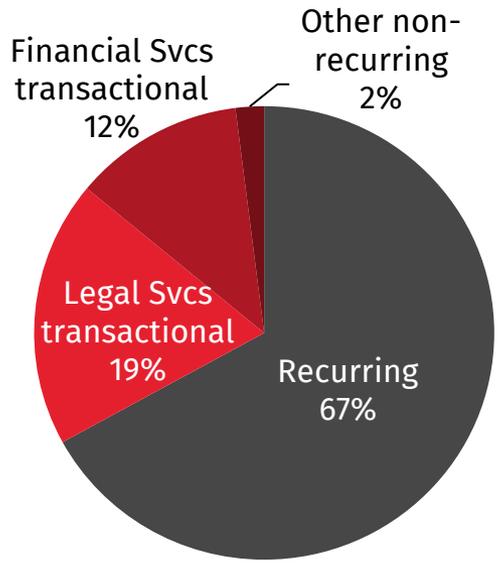
A software and services business with approximately two thirds of revenues from recurring revenue streams and one third from transactional fees

Financial & Corporate Compliance Nine-Months 2023 Revenues

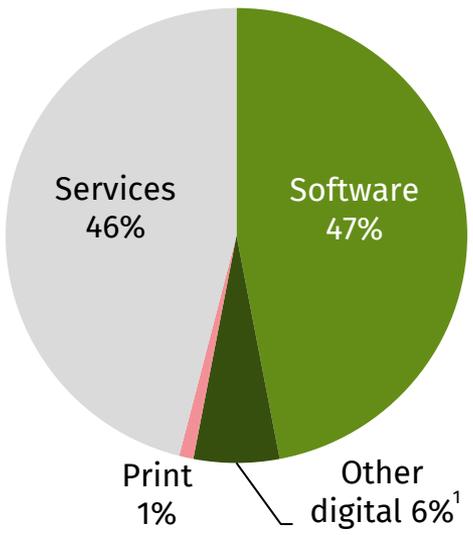
Segment



Type



Media Format

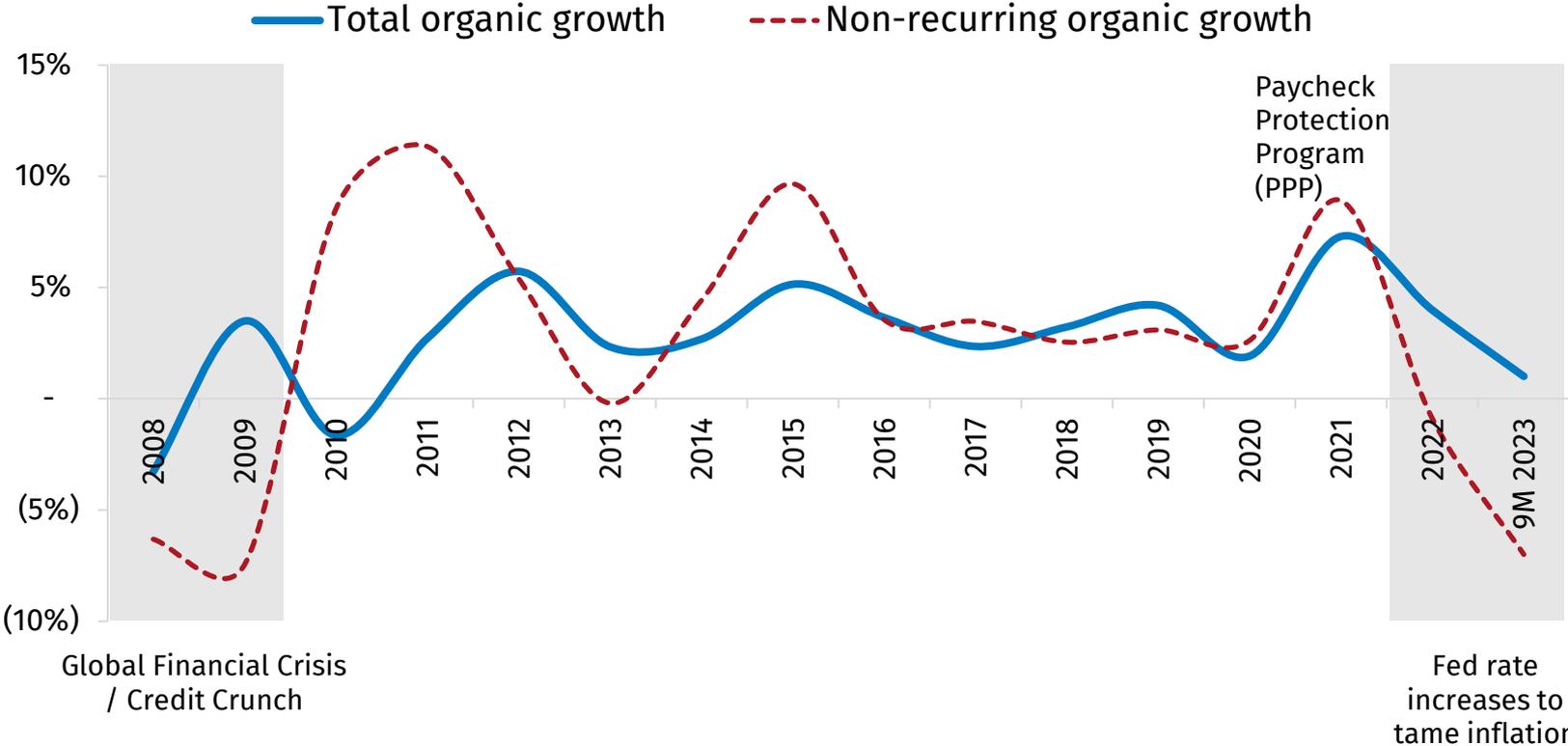


1. Other digital includes digital information and services related to software.

Transactional revenues

Transactional revenues mainly reflect interest rate and M&A cycles

Financial & Corporate Compliance – Historical Pro Forma Organic Growth



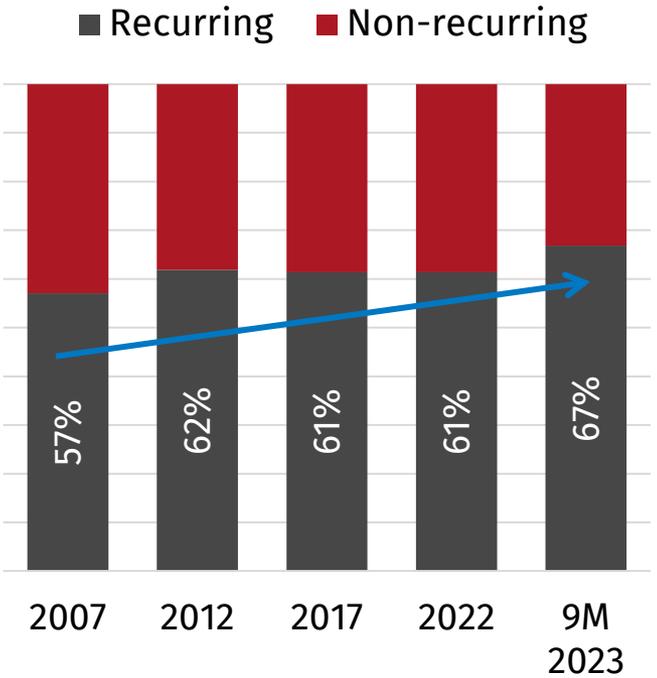
Note: Based on pro forma data. Historical data 2008-2022 is pro forma for the FCC division created in March 2023.

Recurring revenues

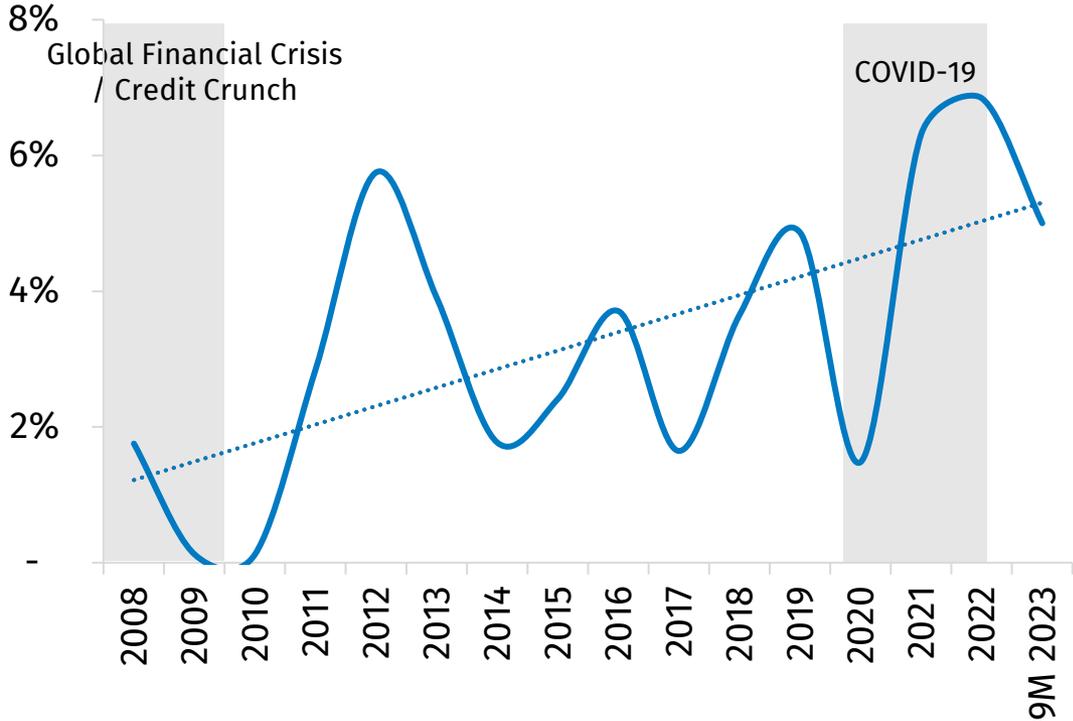
Over the longer term, FCC recurring revenues have seen accelerated growth and have increased in importance

Financial & Corporate Compliance (Historical Pro Forma)

Revenue Split by Type



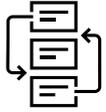
Organic Growth in Recurring Revenues (%)



Note: Based on pro forma data. Historical data 2008-2022 is pro forma for the FCC division created in March 2023.

Market trends

FCC benefits from several important market drivers



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

Strategy

Focused on digitization, innovation, and the customer experience



Accelerate
Expert Solutions

- Accelerate innovation and commercialization
- Drive digital adoption in the lending markets
- Enhance technology capabilities for the corporate services market



Expand
Our Reach

- Continue pursuing acquisitions and partnerships
- Deliver capabilities to maintain product leadership
- Maintain strong engagement with industry participants and regulators



Evolve
Core Capabilities

- Advance technology infrastructure and architecture
- Enhance the customer experience across all businesses
- Foster a culture of engagement, innovation, performance, and belonging

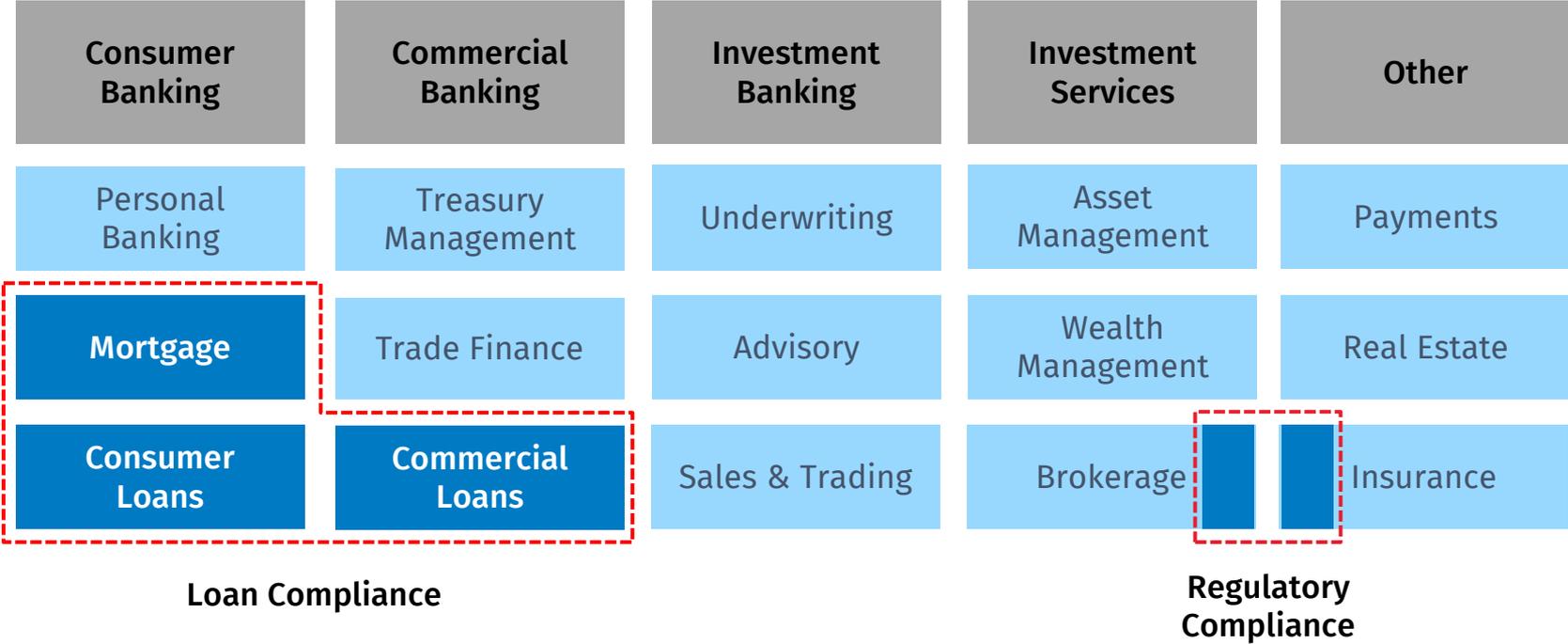
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Financial Services

Focused on lending and regulatory compliance solutions

U.S. Financial Services Market Segments

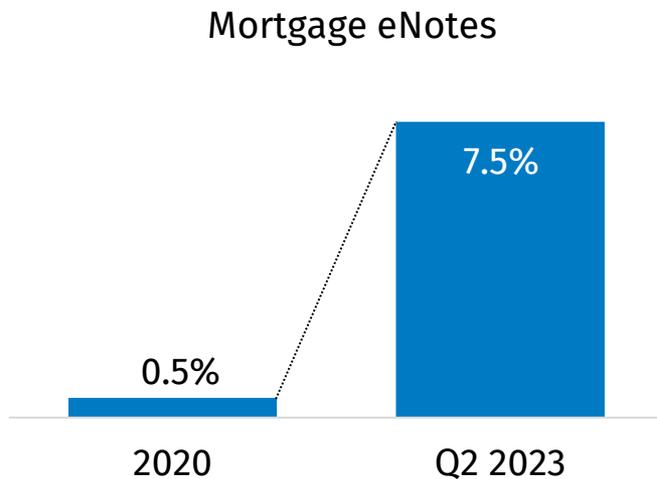


 Wolters Kluwer FCC Financial Services areas of focus.

Digital adoption

Still nascent but growing rapidly

eNotes as a percentage of Purchase Mortgage Deliveries to Fannie Mae



Wolters Kluwer Digital Transformation Index (increase in Digital Adoption Rate since 2020)

Auto Finance

↑ 120%

rate of digital adoption

Equipment Finance

↑ 31%

rate of digital adoption

Sources: Fannie Mae website (as of Q2 2023); Wolters Kluwer Digital Transformation Index Q3 2023.

eOriginal

Leader in digital lending technology

eOriginal® Solution

eOriginal® helps accelerate the digital journey by providing participants across the industry with technology to create, store, and transfer digital loans in compliance with governing laws and regulations



Loan compliance workflow

Wolters Kluwer offers end-to-end capabilities across the lending workflow

Wolters Kluwer Loan Compliance Solutions



Document Preparation

Loan document packages for lenders to ensure compliance with U.S. federal, state, and local regulations

ComplianceOne®
Expere®
IDS



Digital Closing

Solutions enabling customers to create, store, and transfer digital loans in compliance with governing laws and regulations

eOriginal®



Compliance Analytics

Solutions enabling lenders to analyze loan portfolios or individual loans to ensure regulatory compliance

Wiz®



Lien Solutions

Loan and lease-related lien searches, lien filings, and lien management services to ensure lien perfection

iLien

Competitive landscape

Broadest and deepest portfolio in loan compliance

Loan Compliance Competitors

Loan compliance workflow steps	Wolters Kluwer	First American Docutech	ICE Mortgage Technology	CSC	Other competitors
Document Preparation	●	◐	◐	—	Finastra, DocMagic
Digital Closing (and eVault)	●	◐	◐	—	Snapdocs, Notarize
Compliance Analytics	◑	◑	◐	—	ComplianceEase, RATA
Lien Solutions	●	—	—	◑	LexisNexis, Cogency

Full circle indicates strongest capability. Dash indicates no presence or not a strategic focus.

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Lien Solutions

Providing mission critical services in lien filing and management

Wolters Kluwer Lien Solutions



Search

Search for pre-existing claims and to ensure accuracy



File

Lien filing to secure claim



Manage

Lien management to ensure ongoing protection



Release

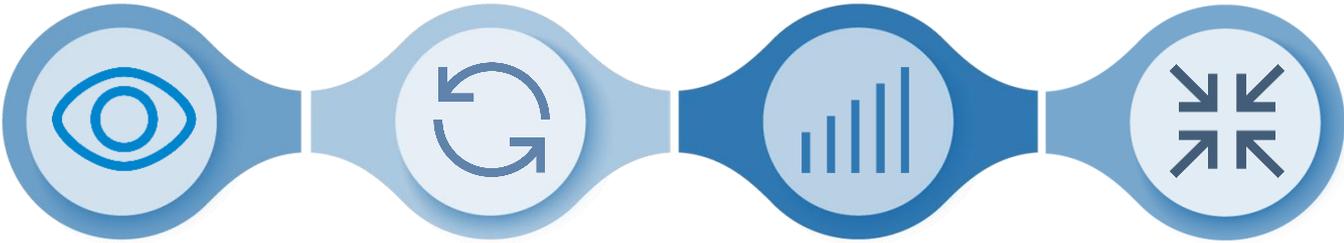
Terminate lien after loan is paid off

- Collateral liens are complex to manage, requiring specialized jurisdictional expertise and technology
- Wolters Kluwer files liens and provides information to assist with lien management across the loan lifecycle as well as across multiple diverse jurisdictions (2,500+) and regulatory bodies
- Wolters Kluwer Lien Solutions is a market leader and has been helping customers manage their UCC filings for over 40 years

Innovation

iLien Manage: ground-breaking innovation to address a customer need

iLien Manage



Monitoring

Proactively tracks borrower changes that could impact lien perfection

Analytics & Reporting

Interactive dashboard to track portfolio health for risk and quality and lender's priority position

Auto-Continuation

Automatically tracks and extends the life of a lien to ensure continued protection

Portfolio Sync

Provides visibility into a lender's entire lien portfolio regardless of where or how liens were filed

Advanced technology

Leveraging AI to drive dramatic quality and efficiency improvement

Illustrative State Titling Form

Application for Texas Title and/or Registration

TAX OFFICE USE ONLY

Applying for (please check one): Title & Registration Title Only Registration Purposes Only Nontitle Registration

For a corrected title or registration, check reason: Vehicle Description Add/Remove Lien Other:

1. Vehicle Identification Number 2. Year 3. Make 4. Body Style 5. Model 6. Major Color 7. Minor Color

8. Texas License Plate No. 9. Odometer Reading (no tenths) 10. This is the Actual Mileage unless the mileage is: Not Actual Exceeds Mechanical Limits Exempt

11. Empty Weight 12. Carrying Capacity (if any)

13. Applicant Type: Individual Business Government Trust Non-Profit

14. Applicant Photo ID Number or FEIN/EIN

15. ID Type: U.S. Driver License/ID Card (issued by: _____) NATO ID U.S. Dept. of State ID
 Passport (issued by: _____) U.S. Military ID U.S. Dept. of Homeland Security ID
 U.S. Citizenship & Immigration Services(DOJ) ID Other Military Status of Forces Photo ID

16. Applicant First Name (or Entity Name) Middle Name Last Name Suffix (if any)

17. Additional Applicant First Name (if applicable) Middle Name Last Name Suffix (if any)

18. Applicant Mailing Address City State Zip 19. Applicant County of Residence

20. Previous Owner Name (or Entity Name) City State 21. Dealer GDN (if applicable) 22. Unit No. (if applicable)

23. Renewal Recipient First Name (or Entity Name) (if different) Middle Name Last Name Suffix (if any)

24. Renewal Notice Mailing Address (if different) City State Zip

25. Applicant Phone Number (optional) 26. Email (optional) 27. Registration Renewal offender? Yes (Provide Email in #26) No
 28. Communication Impediment? Yes (Attach Form VTR-216) No

29. Vehicle Location Address (if different) City State Zip

30. Multiple Additions/Liens: Yes (Attach Form VTR-267) No
 31. Electronic Title Request: Yes (Cannot check #30) No
 32. Certified/Elite Lienholder ID Number (if any) 33. First Lien Date (if any)

34. First Lienholder Name (if any) Mailing Address City State Zip

35. Check only if applicable: **MOTOR VEHICLE TAX STATEMENT**
 I hold Motor Vehicle Retailer (Retail) Permit No. _____ and will satisfy the minimum tax liability (V.A.T.S., Tax Code §152.044(c)).
 I am a dealer or lessor and qualify to take the Fair Market Value Deduction (V.A.T.S., Tax Code, §152.003(-)); GDN or Lessor Number _____
 Yes (Complete) No

36. Trade-In (if any) Year Make Vehicle Identification Number 37. Additional Trade-In(s) Yes No

38. Check only if applicable: **SALES AND USE TAX COMPUTATION**
 (a) Sales Price (\$) rebate has been deducted) \$ _____ 500 New Resident Tax - (Previous State)
 (b) less Trade-In Amount, described in Box 36 above \$ _____ 55 Even Trade Tax
 (c) For Dealers/Lessors/Rentals ONLY - Fair Market Value Deduction, described in Box 36 above \$ _____ \$30 Gift Tax - Attach Controller Form 14-317
 (d) 565 Rebuilt Salvage Fee
 (e) Taxable Amount (item a minus item b or item c) \$ _____ 2.5% Emissions Fee (Diesel Vehicles 1996 and Older > 14,000 lbs.)
 (f) 6.25% Tax on Taxable Amount (Multiply item d by .0625) \$ _____ 1% Emissions Fee (Diesel Vehicles 1997 and Newer > 14,000 lbs.)
 (g) Late Tax Payment Penalty 5% or 30% \$ _____ Exemption claimed under the Motor Vehicle Sales and Use Tax Law because:
 (h) AMOUNT OF TAX AND PENALTY DUE \$ _____ \$28 or \$33 Application Fee for Texas Title
 Item e plus item f minus item g) \$ _____ (Contact your county tax assessor-collector for the correct fee.)

CERTIFICATION - State law makes falsifying information a third degree felony
 I hereby certify all statements in this document are true and correct to the best of my knowledge and belief, and I am eligible for title and/or registration (as applicable).

Signature(s) of Seller(s), Donor(s), or Trader(s) _____ Printed Name(s) (Same as Signature(s)) _____ Date _____
 Signature of Applicant/Owner _____ Printed Name (Same as Signature) _____ Date _____
 Signature(s) of Additional Applicant(s)/Owner(s) _____ Printed Name(s) (Same as Signature(s)) _____ Date _____

Form 130-U Rev 09/19 Form available online at www.TxDMV.gov Page 1 of 2

iLien Motor Vehicle “Digital Twin” Capability



Checks for vehicle document package completeness using content classification and image recognition models



Checks for data completeness and validity at field level using content taxonomy



Cross validates fields across forms in a package



Populates forms for fulfillment to state jurisdiction

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Legal Services

Leadership in legal entity management and corporate services

CT Corporation Offerings



- | | | |
|---|---|---|
| <ul style="list-style-type: none">• Incorporation• Registered agent appointment• Trade name filings• Business licenses filings• BOI filings | <ul style="list-style-type: none">• Registered agent services• Service of Process (SOP)• Annual reports• UCC transactions• Business licenses compliance• Entity management | <ul style="list-style-type: none">• Dissolution• Withdrawal• Merge Out• Conversion |
|---|---|---|

CT Corporation Strategic Focus

- **Maintain industry-leading customer experience**
- **Advance technology** to drive efficiency and automation
- **Invest in new and enhanced products and services**

Serving **300,000+** businesses, **70%** of Fortune 500 companies, and **95%** of AmLaw 100

Summary

A U.S. market leader, well-aligned to market opportunities

- **Strong market positions in Financial Services and Legal Services**
- **Deep expertise in compliance embedded in the business**
- **Perfectly aligned to key market drivers**
- **Driving digital adoption across all the markets we serve**
- **Embracing advanced technology to drive efficiency and customer outcomes**

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Digital eXperience Group

Centralized product development organization supports all divisions in driving faster and more efficient innovation

Wolters Kluwer Divisions

Health

Tax & Accounting

Financial &
Corporate
Compliance

Legal &
Regulatory

Corporate
Performance &
ESG



Digital eXperience Group (* /dxg)

Mission: to accelerate innovation for Wolters Kluwer customers

Global organization with approximately 4,500 FTEs including flexible resources

Supported by Centers of Excellence (CoEs):

User Experience

Artificial Intelligence

IP & Patent

Architecture & Asset Reuse

Quality Engineering

Application Security

Artificial Intelligence

Over 10 years experience in deploying AI. Around 50% of digital revenue from products leveraging AI. Actively experimenting with generative LLMs

Products/services using traditional AI



- UpToDate
- Ovid
- Medi-Span
- Senti7 Sepsis Monitor
- Risk Adjustment
- CCH Access Tax
- CCH AnswerConnect
- CCH iQ

- CT Registered Agent Services
- Expere Language Translation
- OneSumX Proviso
- VitalLaw
- Legisway
- LegalVIEW Bill Analyzer
- Enablon
- CCH Tagetik

Use cases for generative AI

- Conversational search
- Question and answering
- Writing aid and drafting assistance
- Translation
- Document summarization
- Natural language to code
- Personal assistance and chatbots

Wolters Kluwer core strengths:

Trusted, accurate, complete,
and current content

Deep domain expertise
and contextual design

Close customer relationships
and workflow integration

Proprietary data, content, and
software code

Technology excellence
DXG: 4,500+ technologists, incl.
AI CoE with 60+ AI experts

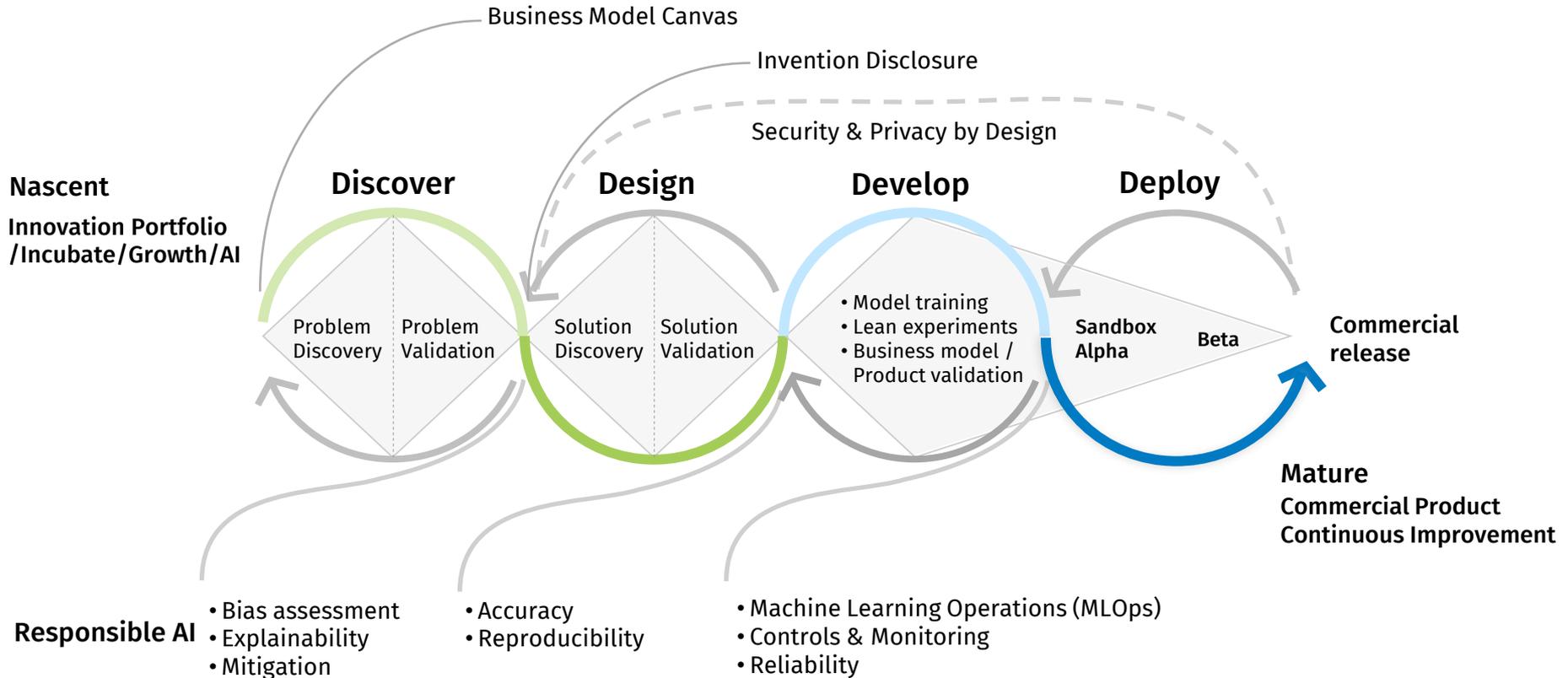
Strong governance
Responsible AI; data privacy
and security

Note: LLM = large language model; ML = machine learning; NLP = natural language processing; BOT = chatbot/virtual assistant; DL = deep learning.

DXG lean process supports responsible AI development

User-focused, iterative and responsible software design and development

DXG Lean Product Design & Development Process



AI Labs powered by UpToDate®

Responsible generative AI for clinical decision support

Welcome to

AI Labs

Powered by
UpToDate®

This is an experimental site.

The content on this site should not be used for clinical decision-making or patient care.

Enter a question...



Example questions:

Is a chest x-ray needed to diagnose pneumonia in an adult?

What is the preferred antibiotic for community-acquired pneumonia in an outpatient?

Health AI Labs powered by UpToDate®

GenAI synthesizes a direct answer from UpToDate content

UpToDate® Relevant Passages

(Verbatim passages returned directly from UpToDate content)

AI Synthesized Summary (AI generated answers synthesized from UpToDate content)

What is the preferred antibiotic for community-acquired pneumonia in an outpatient?

Validated Answer

Selection of specific regimen depends on patient age, the presence of comorbidities (ie, chronic pulmonary, liver, heart, or renal disease, cancer, diabetes mellitus, heart failure, alcohol use disorder), smokers, or those who have used antibiotics within the prior three months ([algorithm 2](#)).

- For otherwise healthy outpatients aged <65 years who have not recently used antibiotics, we suggest combination high-dose [amoxicillin](#) (1 g orally three times daily) plus either a macrolide or [doxycycline](#) rather than monotherapy with any of these agents ([Grade 2C](#)). While the value of adding treatment for atypical pathogens is debated for this population, there is a potential morbidity benefit and the downside of a short course of therapy for most patients is low. (See '[Healthy, age <65 years, no recent antibiotic use](#)')
- For outpatients aged ≥65 years, smokers, and patients with comorbidities and/or recent antibiotic use, we suggest extended-release [amoxicillin-clavulanate](#) (2 g orally twice daily) plus either a macrolide or [doxycycline](#) over other regimens ([Grade 2C](#)). We prefer the amoxicillin-clavulanate-based regimens over other regimens for its greater activity against *S. pneumoniae* and its favorable adverse effect profile. (See '[Comorbidities, age 65 years or older, or recent antibiotic use](#)')

Treatment of community-acquired pneumonia in adults in the outpatient setting

Preferred agents

How long should it be treated?

Among beta-lactams, high-dose amoxicillin and amoxicillin-clavulanate are preferred because they remain active against most strains of *S. pneumoniae*, while resistance rates

Translate

What is the preferred antibiotic for community-acquired pneumonia in an outpatient?

 **⚠ This content below is generated by AI and should not be used for clinical decisions.**

The preferred antibiotic for community-acquired pneumonia in an outpatient is high-dose amoxicillin and amoxicillin-clavulanate, as they remain active against most strains of *Streptococcus pneumoniae*¹. A macrolide or doxycycline may be added to target atypical pathogens¹. For outpatients with symptomatic community-acquired aspiration pneumonia and no risk factors for antibiotic resistant pathogens, oral amoxicillin-clavulanate is suggested². In areas with low rates of macrolide-resistant pneumococcal isolates, azithromycin or clarithromycin may be conditionally recommended for community-acquired pneumonia treatment in selected otherwise healthy outpatients³. Empiric regimens for outpatients generally include a macrolide, doxycycline, or a respiratory fluoroquinolone, such as azithromycin, as they are active against *Mycoplasma pneumoniae*⁴.



UpToDate® Sources

1. Treatment of community-acquired pneumonia in adults in the outpatient setting

SUMMARY AND RECOMMENDATIONS

*Among beta-lactams, high-dose amoxicillin and amoxicillin-clavulanate are preferred because they remain active against most strains of *S. pneumoniae*, while resistance rates among many other drug classes are rising. A macrolide or doxycycline is added to the beta-lactam to target atypical pathogens.*

Generative AI for internal process transformation

We are evaluating use cases for GenAI across several internal processes

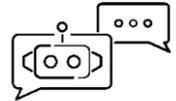


Marketing & Sales

Improve engagement, personalization and optimize ROI, faster and more productive

Customer Support

Virtual assistants, chatbots and intelligent agents improve customer satisfaction, enhance product experience, reduce support costs



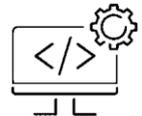
Editorial

GenAI moves up value-chain, subject matter experts focus on customer experience and creating best-in-class content, low-level tasks are automated



Software Development

Productivity gains, improved security, lower defects and streamlined lifecycle management is more efficient



Q&A

