Wolters Kluwer
Investor Teach-In
Financial & Corporate Compliance and DXG

November 30, 2023
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.

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 in 1892.
- CT Corp first to support incorporation in all 50 states in 1895.
- CT Corp (registered agent services) in 1995.
- Business Filings Incorporated (registered agent services) in 2002.
- GainsKeeper (cost basis accounting) in 2004.
- NRAI (registered agent services) in 2011.
- Vcorp (registered agent services) in 2014.
- LicenseLogix (business licensing services) in 2016.
- Financial Tools (financial spreading software) in 2021.
- eOriginal (cloud-based eClosing and eVaulting software) in 2022.

**Financial Services**

- Wolters Kluwer acquisitions of • legal services assets • financial services compliance assets
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

Serving the lifeblood of the U.S. economy

Wolters Kluwer Financial & Corporate Compliance

3,100+ FTEs

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

- Locations in India, Romania, Ireland, and UK

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**

<table>
<thead>
<tr>
<th></th>
<th>Financial Services</th>
<th>Legal Services</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Workflow</strong></td>
<td>Loan Compliance</td>
<td>Legal Entity Management and Corporate Services</td>
</tr>
<tr>
<td><strong>Description</strong></td>
<td>Document preparation, digital closing (and eVault), loan analytics, and lien solutions for lending products</td>
<td>Regulatory content, regulatory change management, and investment compliance solutions</td>
</tr>
<tr>
<td><strong>Customers</strong></td>
<td>• Banks and non-bank lenders</td>
<td>• Corporations</td>
</tr>
<tr>
<td></td>
<td>• Insurers</td>
<td>• Small businesses</td>
</tr>
<tr>
<td></td>
<td>• Brokers and other financial institutions</td>
<td>• Law firms</td>
</tr>
<tr>
<td><strong>Key Brands</strong></td>
<td>• ComplianceOne®</td>
<td>• CT Corporation</td>
</tr>
<tr>
<td></td>
<td>• Expere®</td>
<td>• BizFilings</td>
</tr>
<tr>
<td></td>
<td>• IDS</td>
<td>• Gainskeeper®</td>
</tr>
<tr>
<td></td>
<td>• eOriginal®</td>
<td>• Vcorp</td>
</tr>
<tr>
<td></td>
<td>• Wiz®</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• iLien</td>
<td></td>
</tr>
</tbody>
</table>
Competitive position

*Strong market positions in the segments we serve*

**Financial Services**
Total Addressable Market 2023
$2 billion

- Wolters Kluwer
- ICE Mortgage Technology
- Finastra
- Snapdocs
- First American Docutech
- Others

**Legal Services**
Total Addressable Market 2023
$2 billion

- Wolters Kluwer
- CSC
- Capitol Services
- Cogency Global
- Others

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
- Financial Services 42%
- Legal Services 58%

Type
- Financial Svcs transactional 12%
- Legal Svcs transactional 19%
- Recurring 67%
- Other non-recurring 2%

Media Format
- Services 46%
- Software 47%
- Print 1%
- Other digital 6%

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

- Total organic growth
- Non-recurring organic growth

Global Financial Crisis / Credit Crunch
Fed rate increases to tame inflation

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

<table>
<thead>
<tr>
<th>Year</th>
<th>Recurring</th>
<th>Non-recurring</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>57%</td>
<td></td>
</tr>
<tr>
<td>2012</td>
<td>62%</td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td>61%</td>
<td></td>
</tr>
<tr>
<td>2022</td>
<td>61%</td>
<td></td>
</tr>
<tr>
<td>9M 2023</td>
<td>67%</td>
<td></td>
</tr>
</tbody>
</table>

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

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

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

*Focused on lending and regulatory compliance solutions*

U.S. Financial Services Market Segments

- Consumer Banking
  - Personal Banking
- Commercial Banking
  - Treasury Management
  - Trade Finance
  - Commercial Loans
- Investment Banking
  - Underwriting
  - Advisory
  - Sales & Trading
- Investment Services
  - Asset Management
  - Wealth Management
  - Brokerage
- Other
  - Payments
  - Real Estate
  - Insurance

Loan Compliance

Regulatory Compliance

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**

- **2020**: 0.5%
- **Q2 2023**: 7.5%

**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.

- eNote/Authoritative Copy
- eClose
- eVault
- eSignature
- Asset Certainty
- Ability to Pledge, Transfer, Securitize

Borrowers  Originators  Warehouse Lenders  Custodians  Investors  Servicers  Secondary Market
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

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

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

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

ComplianceOne®
Expere®
IDS
eOriginal®
Wiz®
iLien

Wolters Kluwer
## Competitive landscape

*Brodest and deepest portfolio in loan compliance*

### Loan Compliance Competitors

<table>
<thead>
<tr>
<th>Loan compliance workflow steps</th>
<th>Wolters Kluwer</th>
<th>First American Docutech</th>
<th>ICE Mortgage Technology</th>
<th>CSC</th>
<th>Other competitors</th>
</tr>
</thead>
<tbody>
<tr>
<td>Document Preparation</td>
<td>●</td>
<td>●</td>
<td>●</td>
<td></td>
<td>Finastra, DocMagic</td>
</tr>
<tr>
<td>Digital Closing (and eVault)</td>
<td>●</td>
<td>●</td>
<td>●</td>
<td></td>
<td>Snapdocs, Notarize</td>
</tr>
<tr>
<td>Compliance Analytics</td>
<td>●</td>
<td>●</td>
<td>●</td>
<td></td>
<td>ComplianceEase, RATA</td>
</tr>
<tr>
<td>Lien Solutions</td>
<td>●</td>
<td>—</td>
<td>—</td>
<td></td>
<td>LexisNexis, Cogency</td>
</tr>
</tbody>
</table>

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

**Auto-Continuation**
Automatically tracks and extends the life of a lien to ensure continued protection

**Analytics & Reporting**
Interactive dashboard to track portfolio health for risk and quality and lender’s priority position

**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

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
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
**Legal Services**

*Leadership in legal entity management and corporate services*

**CT Corporation Offerings**

- **Formation**
  - Incorporation
  - Registered agent appointment
  - Trade name filings
  - Business licenses filings
  - BOI filings
- **Maintenance**
  - Registered agent services
  - Service of Process (SOP)
  - Annual reports
  - UCC transactions
  - Business licenses compliance
  - Entity management
- **Dissolution**
  - 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
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
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

<table>
<thead>
<tr>
<th>Product/Service</th>
<th>ML</th>
<th>NLP</th>
<th>BOT</th>
<th>DL</th>
</tr>
</thead>
<tbody>
<tr>
<td>UpToDate</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ovid</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Medi-Span</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sentri7 Sepsis Monitor</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Risk Adjustment</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CCH Axcess Tax</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CCH AnswerConnect</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CCH iQ</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CT Registered Agent Services</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Expere Language Translation</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>OneSumX Proviso</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>VitalLaw</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Legisway</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>LegalVIEW Bill Analyzer</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Enablon</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CCH Tagetik</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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

Nascent
Innovation Portfolio
/Incubate/Growth/AI

Problem
Discovery

Problem
Validation

Solution
Discovery

Solution
Validation

Develop

• Model training
• Lean experiments
• Business model / Product validation

Sandbox
• Machine Learning Operations (MLOps)
• Controls & Monitoring
• Reliability

Alpha
Beta
Commercial
release

Mature
Commercial Product
Continuous Improvement

Deploy

Invention Disclosure

Security & Privacy by Design

Discover

Design

• Accuracy
• Reproducibility

• Bias assessment
• Explainability
• Mitigation

Responsible AI

Continuous Improvement

Innovation Portfolio
/Incubate/Growth/AI

Discover

Design

Develop

Deploy

Business Model Canvas

Commercial
release

Invention Disclosure

Security & Privacy by Design

Innovate/Growth/AI

Discover

Design

Develop

Deploy

Business Model Canvas
Welcome to AI Labs

This is an experimental site.

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

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

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

Selection of specific regimen depends on patient age, the presence of comorbidities (i.e., 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

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

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*

<table>
<thead>
<tr>
<th>Marketing &amp; Sales</th>
<th>Customer Support</th>
</tr>
</thead>
<tbody>
<tr>
<td>Improve engagement, personalization and optimize ROI, faster and more productive</td>
<td>Virtual assistants, chatbots and intelligent agents improve customer satisfaction, enhance product experience, reduce support costs</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Editorial</th>
<th>Software Development</th>
</tr>
</thead>
<tbody>
<tr>
<td>GenAI moves up value-chain, subject matter experts focus on customer experience and creating best-in-class content, low-level tasks are automated</td>
<td>Productivity gains, improved security, lower defects and streamlined lifecycle management is more efficient</td>
</tr>
</tbody>
</table>