
CCH[®] Targetik ESG & Sustainability Performance Management

May, 2024



Agenda

- CCH[®] Tagetik's approach to ESG
- How CCH[®] Tagetik supports you manage the CSRD requirements

There is a big wave of ESG regulations hitting large companies and this trend will only intensify in the coming years.

Is your organization prioritizing ESG by **focusing on ESG reporting** while looking for **ESG to enhance financial performance** in the long term?

ESG mandates companies to define, measure and report on their strategies to ensure long-term sustainable growth

what

Disclosure of **environmental, social,** and corporate **governance** data

why

Helps stakeholders understand how **ESG risks and opportunities are managed**

how

Regulations, standards, and frameworks help ensure that **data is consistent, standardized, and comparable** across organizations and industries

who

Global impact. Mandatory requirements are escalating and will apply to thousands of companies by 2026. Major companies are already reporting in their public disclosures.

Environmental

Climate change	Resource use	Pollution & waste
Carbon emissions	Water stress	Resource waste
Energy management	Biodiversity & land use	Toxic emissions & waste
Climate change y	Material sourcing	Packaging & material waste
		Electronic waste

Social

Employees & people	Customer & product	Business model
Human rights	Product safety & quality	Privacy and security
Diversity & inclusion	Product sustainability	Supply chain labor standard
Equal pay & benefits	Consumer protection	Business resilience
Employee wellness	Selling practices	Political donation
Hiring & training		Community engagement

Governance

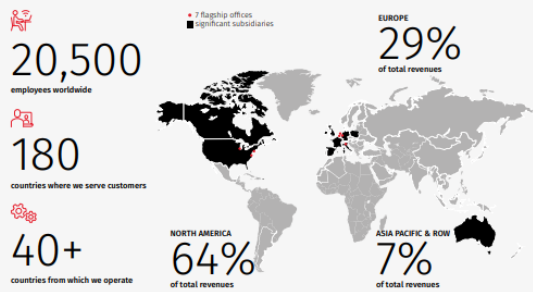
Governance	Behavior
Board governance	Risk
Executive pay	Ethics & values
Tax & accounting	Transparency & reporting

Wolters Kluwer 2022 annual report

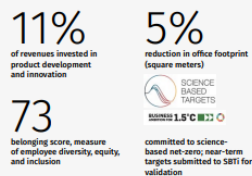
Wolters Kluwer at a glance

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



SUSTAINABILITY HIGHLIGHTS 2022



FINANCIAL HIGHLIGHTS 2022



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 business model and strategy on [page 10](#)

2022 FINANCIAL HIGHLIGHTS



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

This copy of the annual report of Wolters Kluwer N.V. for the year 2022 is not in the ESF format as specified by the European Commission in Regulatory Technical Standard on ESF (Regulation (EU) 2019/815). The ESF reporting package can be found on our website www.wolterskluwer.com/en/investors/financial-disclosure-spotlight

Strategic Report

- Wolters Kluwer at a glance
- Q&A with Nancy McKinstry
- Business model and strategy
- 2022 full-year outlook
- Expert solutions
- Stakeholders and value creation
- Organizational structure and executive team
- Health
- Tax & Accounting
- Governance, Risk & Compliance
- Legal & Regulatory
- Group financial review
- Sustainability

Governance

- Corporate Governance
- Risk Management
- Statements by the Executive Board
- Executive Board and Supervisory Board
- Report of the Supervisory Board
- Remuneration Report

Financial Statements and Other

- Financial Statements
- Consolidated Financial Statements
- Notes to the Consolidated Financial Statements
- Company Financial Statements
- Notes to the Company Financial Statements
- Independent Auditor's Report
- Articles of Association Provisions Governing Profit Appropriation
- Report of the Wolters Kluwer Preference Shares Foundation
- Wolters Kluwer Shares and Bonds
- Five-Year Key Figures
- Glossary
- Contact Information

In this chapter, we describe our approach and performance with regard to key environmental, social, and governance (ESG) matters.

OUR APPROACH TO SUSTAINABILITY

We have an ongoing commitment to cultivate a creative work environment with highly engaged employees, harnessing the diversity of our communities, contributing to society, and playing our part in protecting the environment.

Sustainability is fundamental to how we do business and how we respect and create value for our stakeholders. It has been ingrained in our processes, policies, values, and company culture for many years.

Advancing our ESG performance and capabilities is a key element of our corporate strategy, Elevate Our Value. We focus on the areas that are the most material to our stakeholders and our business. We have goals for all material ESG topics and have embedded specific ESG targets into executive remuneration and into our sustainability-linked credit facility.

Our sustainable approach to creating long-term value will enable us to deliver positive outcomes for our stakeholders, minimize negative impacts, contribute to society, and respect the environment.

We are guided by international guidelines, such as the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises, the United Nations Guiding Principles on Business and Human Rights (UNGPs), and the principles of the United Nations Global Compact (UNGC).

Our ESG data reporting

We aim to be clear and transparent in our reporting. This annual report includes information and data on material ESG topics. We have consolidated all our ESG disclosures into this document and no longer publish a separate ESG Data Overview.

We have reviewed the new EU Corporate Sustainability Reporting Directive (CSRD), which will become applicable as of financial year 2024. In this annual report, we have expanded our ESG disclosures in an effort to start aligning with the CSRD.

In 2023, we will further enhance our reporting manuals and design of controls for the collection, processing, review, and validation of ESG data, which will result in improved data quality in the future.

For some datapoints, we used third parties to administer surveys or conduct assessments. For scope 1, 2, and 3 GHG emissions, we used a third party to assist us in applying a consistent methodology that is aligned with current best practices and recommendations of emerging climate reporting standards. Our scope 1 and 2 emissions and water consumption data are reported with a one-year lag to ensure a higher data coverage ratio.

In 2023, we will continue to assess the impact of CSRD on our organization, with focus on scope 3 emissions, as these contribute to the largest share of our GHG emissions and the underlying calculations are mostly based on industry average emission factors. We will engage with our suppliers to obtain more specific emission data.

Given the status of our internal controls for ESG data and the judgments and estimates involved in providing this data, the level of accuracy and completeness of this data is less than that of our financial information. Judgments and estimates involved are described below each table throughout this chapter.

Our ESG data reporting has been prepared with reference to the Global Reporting Initiative (GRI) and the Sustainability Accounting Standards Board (SASB) frameworks.

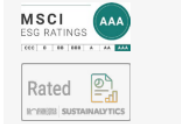
Our 2022 GRI, SASB, and UN Global Compact disclosures are available at www.wolterskluwer.com/en/investors/financial-disclosure-spotlight

SECTION OVERVIEW

SUSTAINABILITY

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SUSTAINABILITY RATINGS

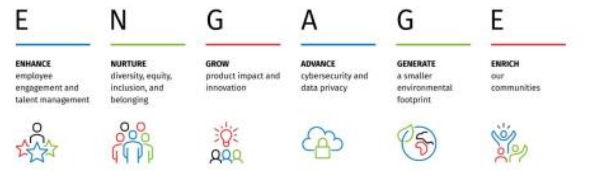


Sustainability continued

SUSTAINABILITY STRATEGY

Our ENGAGE strategy encourages us to focus on six sustainability pillars, including four of the most material topics as identified by stakeholders. Each of the pillars includes a range of initiatives to drive improvement. During 2022, progress was made across all pillars, as described in more detail in this chapter.

Advancing a sustainable future through better decisions and outcomes



MATERIALITY



We undertake periodic materiality assessments to identify economic, environmental, social, and governance matters that are linked to the interests of our stakeholders and are relevant to the success of our business. We assess the level of importance of these matters to our stakeholders and to Wolters Kluwer. This analysis helps us prioritize the issues that matter most and ensure we remain focused on those that have the most impact on our business and our stakeholder groups.

Issue identification

In 2020, we performed a comprehensive materiality assessment. The process, led by a third party, started with research to identify 25 key topics, which were grouped into four different categories: environmental, social, governance, and product. The research included a review of market trends, peers and competitors, reporting frameworks, and previous materiality analyses.

Stakeholder engagement, issue prioritization, and results

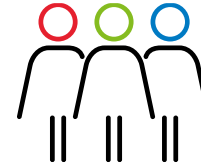
We took views on the materiality of these 25 topics from a broad group of internal and external stakeholders, including customers, employees, senior executives, investors, business partners, and suppliers, through interviews and surveys. Finally, the topics were ranked based on the stakeholder feedback and the results were validated against the company's corporate risk assessment. The topics identified as most material are shown in the upper right corner of the matrix diagram. This report focuses on the topics deemed most material to our business: customer focus and relationships; product impact and innovation; employee engagement and talent management; diversity, equity, inclusion, and belonging; cybersecurity and data privacy; ethics, compliance, and governance.

CCH[®] Tagetik

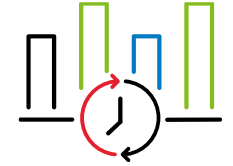
Enabling CFOs and their peers, in global enterprises, to propel their strategy with faster and better-informed decisions



more than
2500
applications



more than
1800
customers



more than
20
years

Across **Multiple Industries**



Banking &
Financial Services



Insurance



CPG



Manufacturing



Automotive



Power & Utilities



Chemical &
Pharmaceuticals



Construction &
Engineering



Professional
Services



Healthcare



Not-for-Profit



Fashion

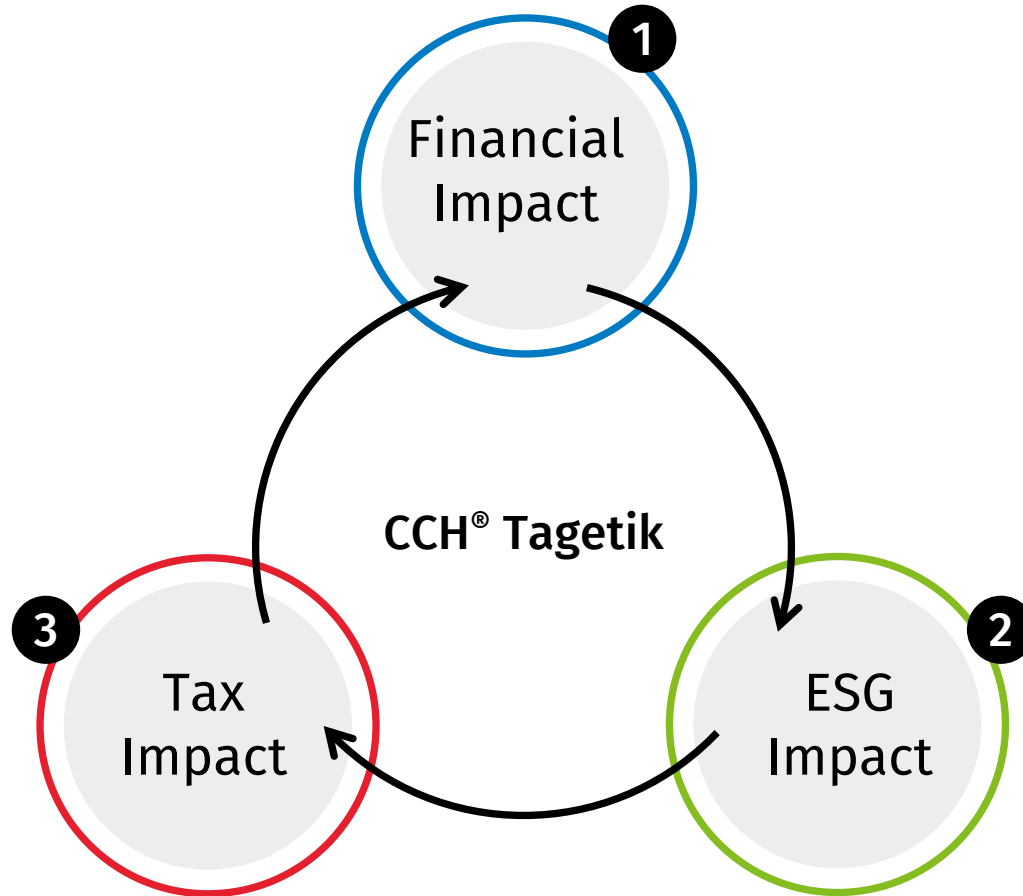


Retail



Clean Energy

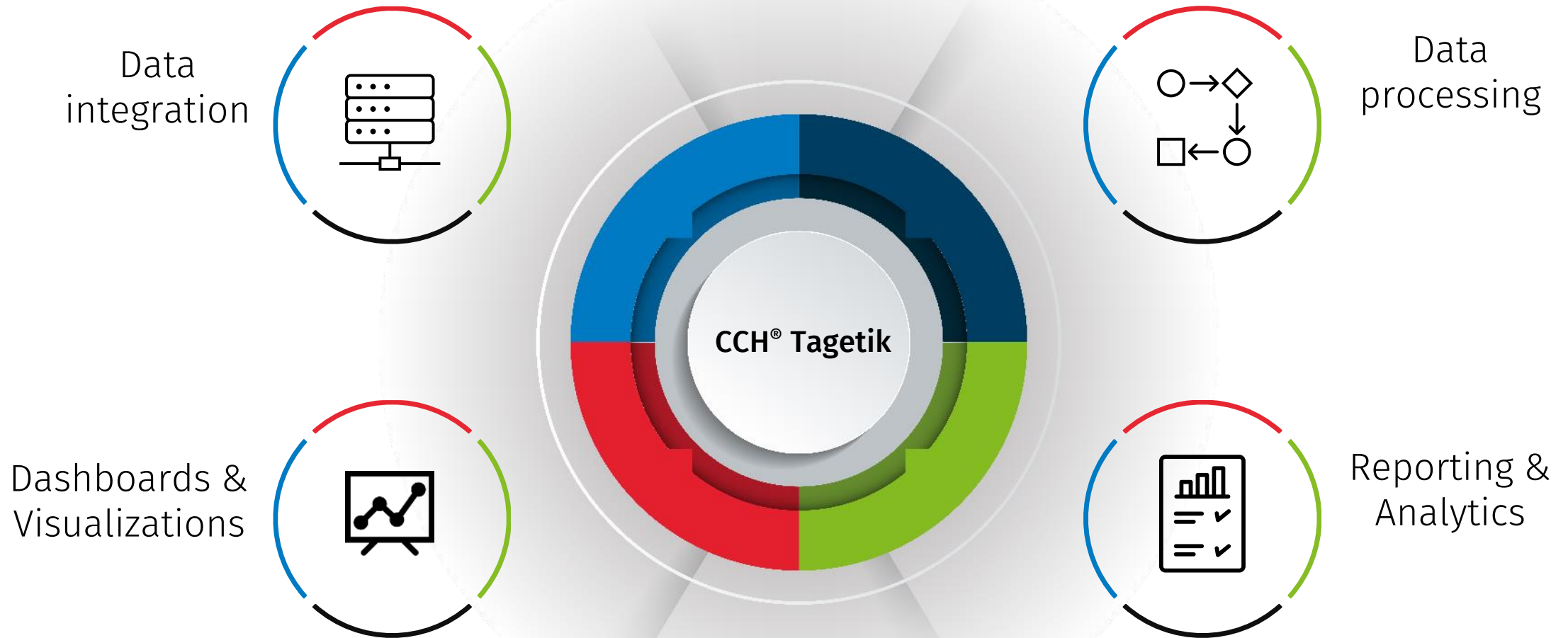
CCH[®] Tagetik drives better-informed decisions with a 360° view of business



Plan for a better future

- ❖ Translate decisions into financial, operational, ESG and tax impacts
- ❖ Get a 360° view of your business
- ❖ Better-informed decisions to drive growth

Elevate your processes with the CCH® Tagetik



Strategic & financial intelligence platform

CCH[®] Tagetik approach to ESG & Sustainability



CCH® Tagetik powers intelligent ESG reporting that's good for the world – and the balance sheet

Our leading data-centric platform enables integrated reporting and disclosures by connecting financial, operational and ESG data for complete transparency, control, and streamlined compliance while enabling confident, strategic decisions.



CCH® Tagetik can ingest, consolidate and report enterprise-wide data, connecting financials with ESG

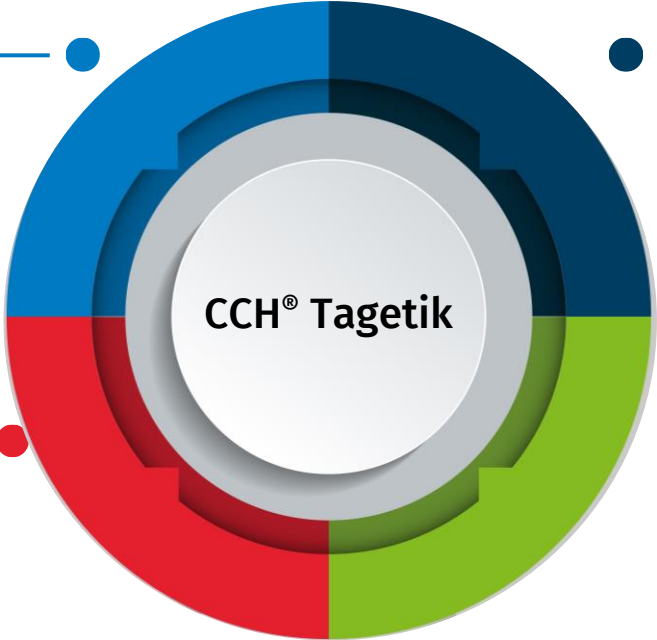
BI & REPORTING

Financial Close & Consolidation

- Transaction Matching
- Account Reconciliation
- Consolidation
- Financial & Management Reporting
- Disclosure Management
- ESG Reporting
- iXBRL

Corporate tax

- Global Minimum Tax
- Other tax



Extended Planning

- Financial Planning
- Operational planning
- Integrated Business Planning
- Supply Chain Planning
- Industry-specific solutions

ESG & Regulatory

- ESG & Sustainable Reporting
- Lease Accounting (IFRS 16 & ASC 842)
- IFRS 17 Insurance
- Solvency II (Pillar I, II, III)
- EBA Supervisory reporting

Strategic & financial intelligence platform

Data integration

Open & extendable

Cloud & On-premise

Financial & operational insights

AI-based predictive intelligence

Configurable Workflows

Connectivity

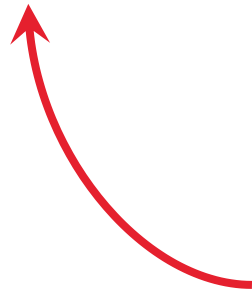
CCH® Tagetik connects financials and non-financials within a unified, intelligent data hub



Environmental and social performance impacts financial performance



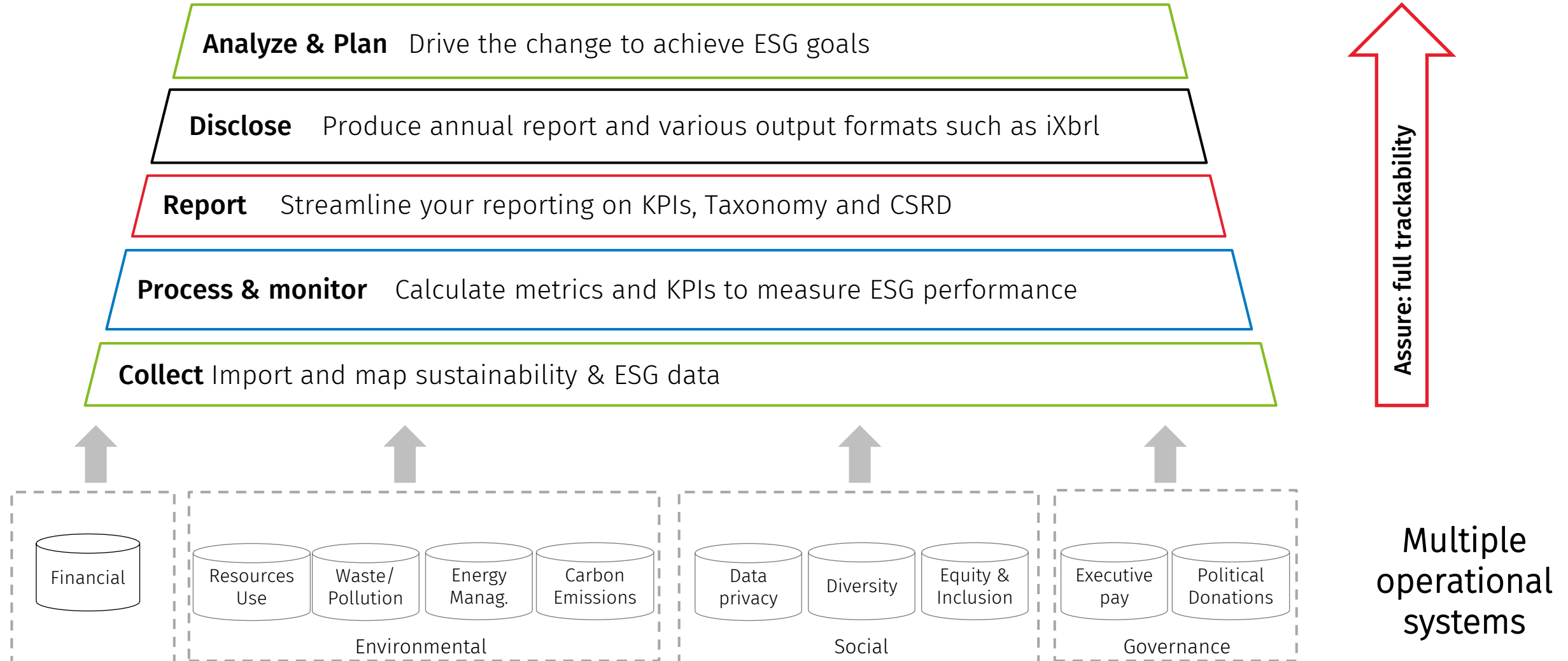
Financial performance impacts the environment and the society



- **Ingest** data from any source (HR, EHS, carbon...) to **quantify** the **ESG metrics**
- **Support ESG regulatory requirements** by leveraging **pre-built** but **flexible** content
- **Track and govern** extensively distributed ESG processes to produce **accurate, auditable** ESG KPIs & metrics
- **Report and disclose** ESG performance

The ESG solution that enables you to make better-informed decisions

Combining operational ESG and financial data for compliance and improved performance



CCH[®] Tagetik ESG & Sustainability Performance Management

ESG data ingestion, normalization, reporting, analysis and disclosure

EU Taxonomy

Accelerate your
EU Taxonomy compliance



ESG Metrics & KPIs

Collect, report, and disclose
according to ESG frameworks



CSRD

Report according to CSRD and
the related ESRS standards



CCH® Tagetik ESG & Sustainability Performance Management

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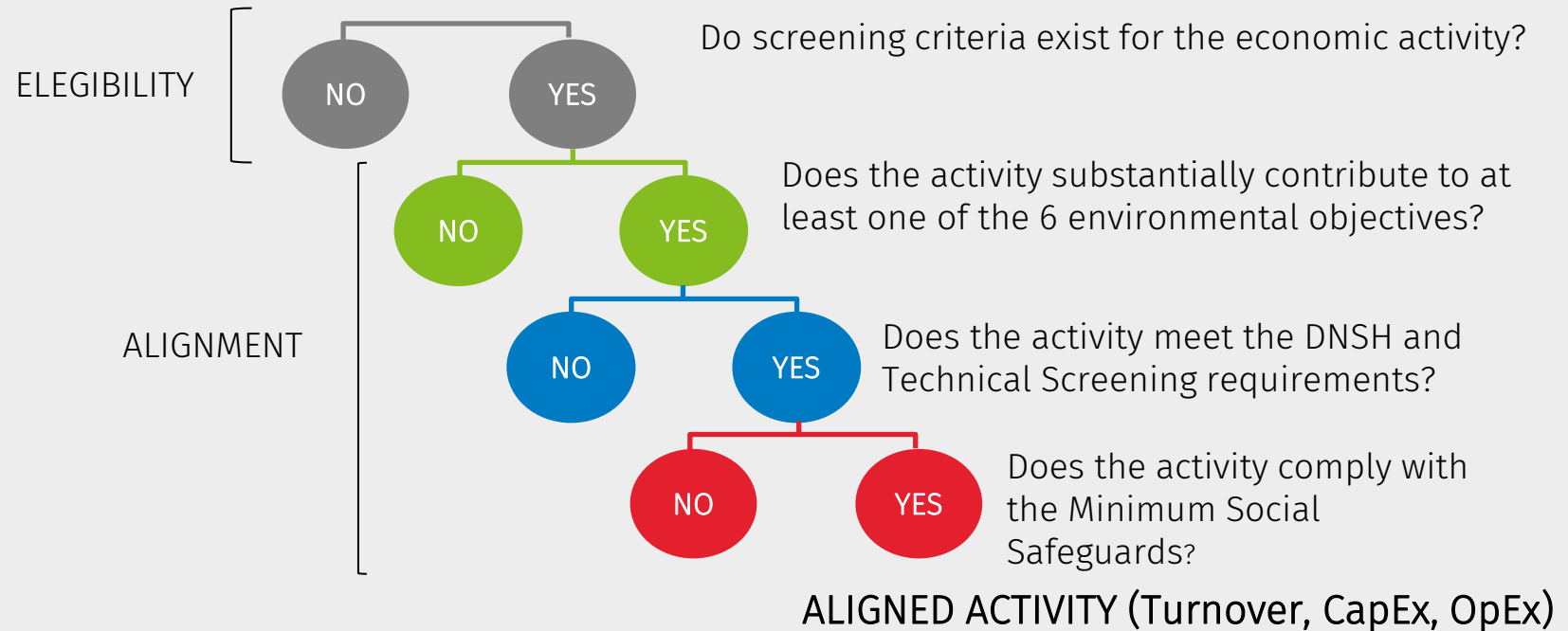


EU Taxonomy: content

To qualify as green an activity would need to contribute to at least one of following **six objectives**:

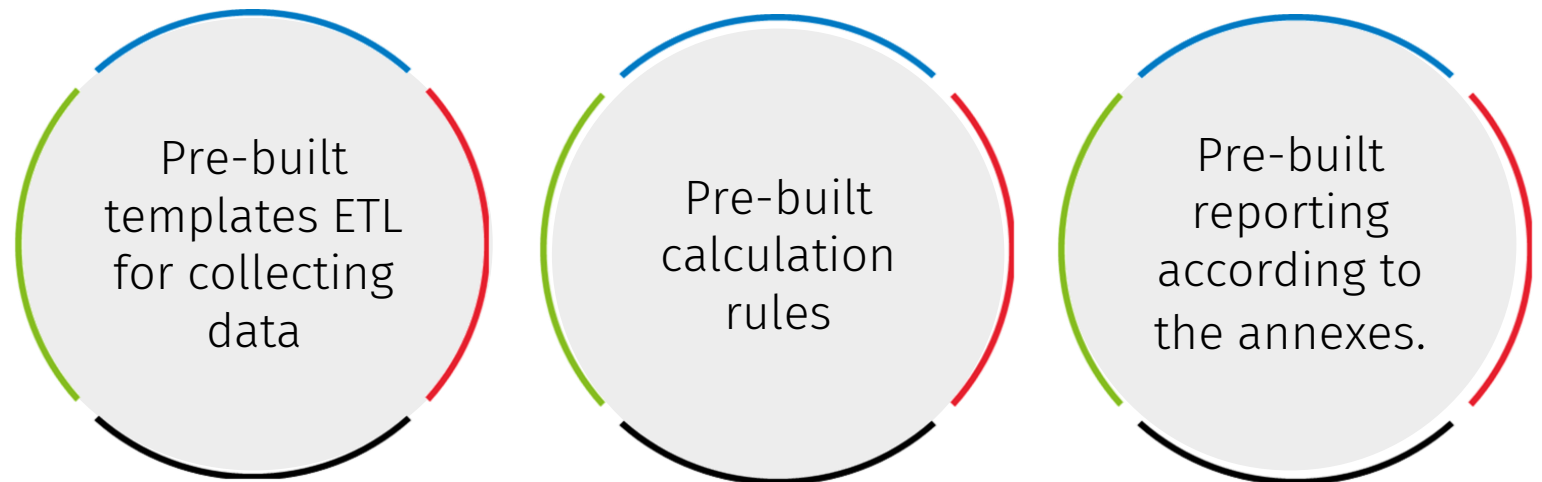
1. Climate change mitigation
2. Climate change adaptation
3. Sustainable use of water and marine resources
4. Pollution prevention
5. Circular economy
6. Healthy ecosystems

Companies must report their aligned Turnover & CapEx



EU Taxonomy: CCH[®] Tagetik ESG Expert Solution

Pre-built configurations to accelerate compliance with the EU Taxonomy regulation in terms of eligibility and alignment



CCH[®] Tagetik ESG & Sustainability Performance Management

ESG data ingestion, normalization, reporting, analysis and disclosure

EU Taxonomy

Accelerate your
EU Taxonomy compliance



ESG Metrics & KPIs

Collect, report, and disclose
according to frameworks



CSRD

Report according to CSRD and
the related ESRS standards



Corporate Sustainability Reporting Directive (CSRD)

Who?

Listed & large EU companies – satisfying at least 2 of the following requirements:

- Balance sheet total +€20M
- Net revenue +40M
- +250 average number of employees during the FY

Non-EU companies with EU-based subsidiaries or securities on EU-regulated markets

When?

FY 2024

Large companies (with +500 employees) currently subject to the NFRD

FY 2025

Large companies not currently subject to the NFRD (see thresholds and criteria above)

FY 2026

Listed SMEs and other undertakings

What?

- **Provide additional disclosures**

Forward-looking and retrospective; Qualitative and quantitative; Short, medium & long-term horizons; Company's whole value chain

- **Report on the new sustainability standards ESRS**

Mandatory EU sustainability reporting standards that will be developed by the European Financial Reporting Advisory Group (EFRAG)

- **Use digital tagging**

Prepare financial statements and management reports in a single XHTML format and tag sustainability information with a digital taxonomy

- **Audit**

Implements a mandatory report audit with limited assurance, whereas a shift towards reasonable assurance is already planned

How CCH® Tagetik can help you tackle the CSRD disclosure challenges



Challenges



CCH® Tagetik for CSRD

Breadth of information



Pre-configured data model

Double materiality



Double materiality assessment

Mandatory EU sustainability reporting standards



Pre-loaded library of ESRS and related calculation logic

Mandatory assurance



Full auditability of the process

Integration in the Annual Report



Disclosure features

Finance team is responsible



Part of CCH® Tagetik platform

Focus on European Sustainability Reporting Standards (ESRS)

Basis of CCH® Tagetik developments	Currently in the CCH® Tagetik roadmap			Spring 24 release (depending on the final publication)
	Spring 23 release	Summer 23 release		
	SECTOR - AGNOSTIC STANDARDS			
CROSS-CUTTING STANDARDS	TOPICAL STANDARD			SECTOR-SPECIFIC STANDARDS (Not yet issued)
	Environment	Social	Governance	ENTITY-SPECIFIC STANDARDS (Not yet issued)
ESRS 1 General requirements	ESRS E1 Climate change	ESRS S1 Own workforce	ESRS G1 Business conduct	
ESRS 2 General disclosure	ESRS E2 Pollution	ESRS S2 Workers in the value chain		
	ESRS E3 Water & marine resources	ESRS S3 Affected communities		
	ESRS E4 Biodiversity and ecosystems	ESRS S4 Consumers and end-users		
	ESRS E5 Resource use and circular economy			

Focus on Double materiality

The European Sustainability Reporting Standards require organizations to report sustainability by considering not only the impact of external factors (e.g., climate change) on their financial value but also the impact their operations have on the planet and society at large.

Requirements

- ❑ Identify and engage stakeholders
- ❑ Draw-up a list of potentially relevant sustainability matters
- ❑ Define impacts, risks and opportunities
- ❑ Assess impacts, risks and opportunities
- ❑ Draw-up the materiality overview

Our solution

- Customizable questionnaires to be sent to affected stakeholders and users of sustainability statements
- Pre-built list of sustainability matters covered in topical ESRS
- Built-in functionalities to collect and manage results of survey
- Built-in logics to calculate the impact (weight stakeholders, define threshold for materiality)
- Output material sustainability matters matrix with evaluation results

The CCH® Tagetik Difference

Facilitate compliance requirements and drive strategic, sustainable growth



Support compliance
and keep ahead of
regulatory changes



Disclose sustainability
and financial
performance



Go beyond compliance
with enterprise-wide
ESG management

Thank you for your attention!



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SCAN ME

