

Wolters Kluwer NV Policy on Auditor Independence

1. Introduction

In order for the External Auditor of Wolters Kluwer NV to perform its task, the External Auditor must at all times be independent from Wolters Kluwer NV. This policy provides a framework for decision making on the acceptance of services by the External Auditor.

This policy is applicable to Wolters Kluwer NV and all subsidiaries in which Wolters Kluwer NV holds a direct or indirect controlling interest. Services by the External Auditor to entities in which Wolters Kluwer has significant influence, but has no control, will not be subject to this policy and will be reviewed separately. (See also paragraph 7.3)

Reference in this policy to the External Auditor means the External Auditor Firm including all its organizational departments, divisions, partners, subsidiaries and associated entities wherever located.

2. General principles

This policy requires the External Auditor to be independent both in fact as well as in appearance in accordance with the “Nadere voorschriften inzake onafhankelijkheid van de openbaar accountant” as issued by Royal NIVRA (issued 2007) as based on the European Commission Recommendations on Statutory Auditor’s Independence in the EU (issued May 2002).

The External Auditor of Wolters Kluwer NV will provide Audit Services to Wolters Kluwer NV as outlined in this policy. The External Auditor will only provide other services to Wolters Kluwer NV in those cases where these services do not conflict with the auditor’s independence. The independence of the External Auditor will be impaired where the External Auditor provides services which:

- Create conflicting interests between the External Auditor and Wolters Kluwer NV.
- Result in the External Auditor functioning in the role of management.
- Place the External Auditor in the position of auditing its own work.
- Place the External Auditor in the position of being an advocate for Wolters Kluwer NV.

Before the External Auditor may be engaged and the External Auditor accepts engagements, pre-approval as required by this policy must have been provided by management and/or the Audit Committee.

3. Auditor appointment

The External Auditor will be appointed by the General Meeting of Shareholders for a maximum period of four years. The Audit Committee may recommend the Supervisory Board on the appointment of the External Auditor. Engagement letters between Wolters Kluwer NV and the External Auditor will contain an assignment for one year only.

On an annual basis, the Audit Committee and Executive Board will assess the quality and performance of the External Auditor. They will advise the Supervisory Board on the outcome of this assessment and their dealings with the External Auditor, including his independence.

Every four years, the Audit Committee will conduct a thorough assessment of the functioning of the external auditor. The Supervisory Board will inform the Shareholders on the main conclusions of this review at the next annual General Meeting and submit a proposal to the General Meeting of Shareholders on the (re-) appointment of the external auditor.

4. The Audit Committee

4.1 Role and responsibility of the Audit Committee

The Audit Committee is responsible for ensuring the independence of the External Auditor. Therefore, the Audit Committee is involved in the decision making process on the selection and appointment of the External Auditor, as well as the compensation for the audit and audit related services. Furthermore, the Audit Committee may be required to pre-approve certain other services to be provided by the External Auditor in line with this policy.

Each year the Audit Committee will formally review the external auditor's independence as required by the Terms of Reference of the Audit Committee and documents its position in this matter. It will address any changes to this policy or situation as needed.

The Audit Committee will evaluate the audit quality control measures in respect of the external audit of Wolters Kluwer NV, document its position and address any changes if so deemed necessary. The Audit Committee will evaluate the appropriateness of the annual audit budget in relation to the perceived audit risk, market conditions and the results of recent audits.

Any unresolved disputes between the Executive Board and the External Auditor will be brought to the attention of the Audit Committee.

4.2 Audit Committee pre-approval of services by the External Auditor

The Audit Committee is responsible for preparing policies and procedures related to the pre-approval of all audit, audit-related and non-audit services provided by the External Auditor to Wolters Kluwer NV.

Pre-approval policies and procedures must be detailed as to the particular service and be designated to safeguard the continued independence of the External Auditor. The Audit Committee must be informed of each service provided pursuant to the pre-approval policies and procedures.

Engagements to render any audit, audit-related or non-audit service to Wolters Kluwer NV must be entered into pursuant to the pre-approval policies and procedures described in this document.

Paragraph 6 of this policy contains a description of classes of services that can be provided by the External Auditor. Depending on the type of service, Audit Committee pre-approval may be required.

For practical reasons, the Audit Committee delegates its authority to the CFO or Global Head of Internal Audit to pre-approve services below a threshold (see table below). For engagements that exceed the thresholds mentioned below, the chairman of the Audit Committee must provide approval. The process may be summarized as follows:

Class of service	Pre-approval required	Pre-approval authority delegated to CFO or Global Head of Internal Audit
Audit service	No	Not applicable
Audit-related service	Yes	engagements < EUR 250.000
Non-audit service - Allowed	Yes	engagements < EUR 50.000
Non-audit service - Restricted	Yes	Not applicable
Non-audit service - Prohibited	Not applicable	Not applicable

Pre-approvals issued by the CFO or Global Head of Internal Audit on behalf of the Audit Committee must be reported to the Audit Committee in the next Audit Committee meeting.

5. The External Auditor

5.1 Responsibility of the External Auditor

The External Auditor will maintain a quality control system that provides reasonable assurance that its independence will not be impaired. The external auditor will report annually to the Audit Committee on all aspects concerning independence, including possible conflicts with this policy, if any. The external auditor will annually confirm its independence in writing. Furthermore, the External Auditor will annually report to the Audit Committee on the External Auditor's system of audit quality controls in general and on the audit quality control measures for the audit of Wolters Kluwer NV in particular.

The External Auditor will ensure that his firm will be registered at the Autoriteit Financiële Markt (AFM) in due time. Any changes in this registration will be reported immediately in writing to the Audit Committee.

5.2 Rotation of Key Audit Partners

Wolters Kluwer NV requires the External Auditor to adhere to a rotation policy that is widely accepted and provides an appropriate balance between continuity (effectiveness and efficiency, audit quality and audit costs), risk management, independence and credibility. This implies a rotation of key audit partners in accordance with applicable domestic and international rules. More specifically, rotation of the lead partner and the concurring partner of the Wolters Kluwer NV audit is required after a maximum period of seven years from their appointment date into this position. None of these partners may rotate to a different position within the Wolters Kluwer NV audit team within a period of two years. Other key audit partners, either at Wolters Kluwer NV group level or partners signing off audit opinions of material Wolters Kluwer NV entities are required to rotate from their position after a maximum period of seven years. None of these partners may rotate to a different position within the Wolters Kluwer NV audit team within a period of two years.

6. Services provided by External Auditor

For the purpose of this policy, a distinction is made between audit services, audit related services and non-audit services.

Contingent fees are fees calculated on a predetermined basis relating to the outcome or result of a transaction or the result of the work performed. A contingent fee charged by the External Auditor in respect of an engagement may create self-interest and advocacy threats.

In some circumstances for non-audit services, contingent fees are allowed under local rules and regulations. Contingent fee arrangements are subject to approval by the CFO and the Global Head of Internal Audit.

6.1 Audit Services

Audit services are part of the annual appointment process. The External Auditor is appointed to perform audit services as listed below and does not need to go through a pre-approval process for each engagement.

Audit services are:

- Issuing the audit opinion for Wolters Kluwer NV's group reporting purposes and on Wolters Kluwer NV's consolidated financial statements. This service includes the review of internal accounting and financial reporting controls.
- Issuing the audit opinion on the statutory financial statements of the holding company and of its subsidiaries, where legally required.
- Issuing review opinions or reports of factual findings on interim financial statements.

As part of the annual appointment process, the scoping of the (statutory) audits has been approved. Any additional requirements for statutory audits will be submitted to the CFO or Global Head of Internal Audit and will be assessed and approved at that level and no pre-approval by the Audit Committee is required for these engagements.

6.2 Audit related services

Audit related services are assurance and related services that are reasonably related to the performance of audit and assurance services or other work traditionally provided to Wolters Kluwer NV by the External Auditor in its role as external auditor. These services typically result in a certification or specific opinion on an investigation.

Audit related services include:

- Opinions / audit reports on other information provided by the company upon request from a third party (e.g. a prospectus, comfort letters, royalty audits, or a report on employee benefit plans);
- Opening balance sheet audits of acquisitions
- Closing balance sheet audits of disposals
- Advice on accounting policies
- Sustainability reviews and audits
- Special purpose IT audits or IT auditors' review of set up of IT systems
- Internal audit services but subject to restrictions as mentioned in prohibited services below.

All engagements for **audit related services** to be provided by the External Auditor **require pre-approval by the Audit Committee (or delegated to CFO or Global Head of Internal Audit up to an amount of 250.000 euro).**

6.3 Non-audit services

Non-audit services are classified in the following categories:

- Non-audit services - Allowed
- Non-audit services - Restricted
- Non-audit services - Prohibited

Examples of non-audit services per category are listed below. These examples are non-exhaustive and serve as a general guidance for a further case-by-case assessment of proposed engagements for non-audit services.

6.3.1 Non-audit service - Allowed

The External Auditor is permitted to perform certain non-audit services. As a general rule, these services are only permitted provided that the External Auditor is not actively engaged in making management decisions or that could result in a situation whereby the External Auditor will be required to audit their own work.

Permitted non-audit services include:

- Tax compliance work.
- Tax consulting services including tax planning but excluding:
 - Representation in (tax) courts;
 - Recommending aggressive tax position transactions;
 - Tax services to certain persons serving in financial oversight roles.
- Risk management and internal control projects

All engagements for “**Non-audit services - Allowed**” to be provided by the External Auditor **require pre-approval by the Audit Committee (or delegated to CFO or Global Head of Internal Audit up to an amount of 50.000 euro).**

6.3.2 Non-audit services - Restricted

Certain non-audit services are restricted but may be acceptable when certain conditions are met. Services in this category are:

- Financial information systems design and implementation.
- Actuarial services.
- Interim management services (loan staff).
- Internal audit outsourcing services that relate to internal accounting controls, financial systems or financial statements.
- Legal services.
- Due diligence services.

Annex 1 to this policy contains a summary of the conditions that must be met for these services to be permissible. This annex provides general principles as a starting point for the assessment by the Audit Committee whether a restricted non-audit service could be permissible.

All engagements for “**Non-audit services - Restricted**” to be provided by the External Auditor **require pre-approval by the Audit Committee.**

6.3.3 Non-audit services - Prohibited

The External Auditor is prohibited from providing to Wolters Kluwer NV the following categories of non-audit services at any point during the audit and professional engagement period:

- Bookkeeping or other services related the accounting records of financial statements of Wolters Kluwer NV.
- Payroll services.
- Appraisal or valuation services, fairness opinions, or contribution-in-kind reports, with two exceptions:
 - Unless performed in the context of planning and implementation of tax planning strategy for tax compliance services;
 - Unless performed solely for non-financial purposes where the results of the valuation do not affect the financial statements and the resulting report will not be included in any public filing or record.
- All (interim) management functions whereby the External Auditor takes management decisions or is actively engaged in decision making processes (i.e. acting temporarily or permanently as a director, officer, or employee or performing any decision making, supervisory or ongoing monitoring functions).
- Executive recruiting and resourcing activities.
- Forensic audits.
- Treasury advisory roles.

- Corporate finance advisory.
- Consultancy engagements.

- Any other service that the Executive Board of Wolters Kluwer NV determines is not permissible.

7. Miscellaneous

7.1 Hiring arrangements

Wolters Kluwer NV and the External Auditor agree on a restricted hiring policy:

- Wolters Kluwer NV will not hire, in a financial reporting oversight role, partners or professional staff members of the External Auditor involved in the Wolters Kluwer NV audit within the last two years, unless they have provided less than 10 hours of actual service. A financial reporting oversight role is a role in which a person is in a position to or does exercise influence over the contents of the financial statements or anymore who prepares them.
- The External Auditor will not hire senior management from Wolters Kluwer NV for involvement in the Wolters Kluwer NV audit within two years after termination of their employment with Wolters Kluwer NV.

7.2 Disclosure of fees

Wolters Kluwer NV will disclose the audit and non-audit fees incurred for professional services provided by the External Audit firm for the last two fiscal years. In this disclosure, the total fee of the External Auditor will be broken down into the following categories:

- Audit fees
- Audit related fees
- Tax fees
- All other non-audit fees

7.3 Other matters and exceptions

7.3.1 General

For all other commercial contacts, such as joint ventures and or marketing relations between Wolters Kluwer (and its subsidiaries) and the External Auditor, formal pre-approval of the CFO or the Global Head of Internal Audit is required.

In sensitive situations, the CFO and Global Head of Internal Audit may consider to consult the Audit Committee before allowing these contacts.

7.3.2 Wolters Kluwer minority participations or joint ventures

For services by the External Auditor to entities in which Wolters Kluwer has significant influence, but no control, Wolters Kluwer management will request local management of these entities to pre inform Wolters Kluwer's CFO or Global Head of Internal Audit before any engagement will be conducted.

7.3.2 Matters of doubt

In all matters of doubt, either the Wolters Kluwer CFO or Global head of Internal Audit should be consulted.

Annex 1. Summary of conditions for restricted non-audit services

This annex contains a summary of the conditions that will be considered when assessing whether restricted non-audit services could be permitted. This annex is merely a summary of the directives set by Royal NIVRA and serves as a general guidance only. Final acceptance of individual engagements will be assessed against the full text of the relevant directives.

Description of restricted non-audit service	Conditions which must be met to allow the service
Financial information systems design and implementation.	<p>The External Auditor may only perform these services provided that:</p> <ul style="list-style-type: none"> • management confirms in writing that it takes all responsibility over the entire system; • management does not solely rely on the services provided by the External Auditor to assess the quality of the system; • management formally accepts the specification for the design of the system; and • the services are not a turn-key project.
Actuarial services.	<p>These services particularly have the risk of resulting in the auditor having to audit their own work. Actuarial services may be allowed as long as these are limited to assistance in understanding methods, models, assumptions and inputs used in the calculation of the provisions for employee benefits.</p>
Loaned staff	<p>Staff may only be loaned by the External Auditor to Wolters Kluwer NV if:</p> <ul style="list-style-type: none"> • the tasks are performed under direct supervision of management of Wolters Kluwer NV, • no financial accounting tasks are performed, • no tasks are performed that have important influence over general or financial management functions of Wolters Kluwer NV, and • the employee works at such a level that he/she does not have any influence over the outcome of the audit process.
Internal audit outsourcing services that relate to internal accounting controls, financial systems or financial statements.	<p>Internal audit services are permitted only if management remains fully responsible for the internal control system, determining the internal control measures and giving follow-up on findings in respect of internal controls. Furthermore, a concurring review on the audit files is required by an audit partner not involved in the audit of the financial statements if the External Auditor provides Internal audit services to Wolters Kluwer NV.</p>
Legal services.	<p>Legal Services may only be allowed as long as the External Auditor does not represent or act on behalf of Wolters Kluwer NV.</p>
Due diligence services.	<p>The acceptability of due diligence services must be assessed on a case-by-case basis taking into account the specific circumstances of the proposed engagement.</p>

