

Building leadership, improving efficiency and quality, and being a responsible and transparent corporate citizen.

Personnel, Organization & Stakeholder Communications

Human resources

Wolters Kluwer continued to build a stronger foundation of human resources practices in 2006 to support its belief that an engaged and productive workforce is a key element of its competitive strength.

Wolters Kluwer is a global company with a diverse workforce that has a common focus on providing its customers with innovative products. Over the past years, Wolters Kluwer's culture has evolved as the company has undergone significant transformation from a traditional publisher to a global provider of information, software, and services which are essential to its customers' daily work. The company has changed the way it manages its operations from a highly decentralized, locally focused business to a more centralized operating company with a strong focus on its major markets of health, corporate services, financial services, tax, accounting, law, regulation, and education. This transformation has provided the foundation for building a corporate culture that is characterized by cross-business solution development, deep customer understanding, and transparency. The company continues to invest in human development and in fostering a culture which leads to innovation and creativity, recognizing the importance of these elements to the value provided by Wolters Kluwer. The company believes that stimulating ongoing development experiences of its workforce contributes to employees who are thought-leaders within their professional areas and who are critical to providing its professional customers with the solutions they need.

Managing talent

The company's Talent Management Program, which was launched in 2005, established a global framework for leadership criteria, assessment, and development. The six criteria are linked to the company values of customer focus, innovation, accountability, integrity, and value creation:

- leading people;
- driving growth;
- managing the business;
- team focus;
- individual excellence;
- technical expertise.

The Talent Management Program not only encompasses Wolters Kluwer's current and future leaders, but also identifies future critical workforce

segments based on positions and skills that management believes are essential to the execution of the business strategy. Its goal is to retain and develop potential talent within the critical workforce segments to ensure successful implementation of the company's long-term strategy.

Developmental plans for the program's participants were determined and communicated in 2006. In addition, the company used the program as a source for filling critical positions worldwide. As a result, a greater percentage of open senior positions were filled by internal candidates than in past years. Program participants staffed a number of taskforces created to develop specific recommendations around issues that are central to executing the company's long-term strategy, including customer intimacy, globalization opportunities, operational excellence, and employee engagement. These global, cross-functional taskforces supported the strategy by leveraging Wolters Kluwer's considerable in-house expertise and talent in areas that are vital to the company's success and provided a unique opportunity for high-potential employees to take part in building the company's vision for the future.

Wolters Kluwer values a global and diverse workforce. The company believes a more diverse workforce, including people with experience in different countries and cultures, ignites innovation and challenges the company to expand its perspective in ways that ultimately benefit its customers, shareholders, and employees.

Building leadership

Overall, the company continued to strengthen its management team by creating new positions that support the growth agenda and adding senior-level positions that provide focus for process efficiencies and project management. In line with its strategic objective of exploiting global scale and scope, Wolters Kluwer has increased its geographical spread of employees.

Wolters Kluwer Human Resources (HR) teams continue to work toward increased efficiencies. In North America, HR refined and re-examined Shared Services practices to achieve continuous improvement, including the application of Lean Six Sigma principles and the further development of employee self-service modules for HR transactions. HR staff in Europe developed common processes and systems across countries and provided the foundation for shared performance management and recruiting tools that will be implemented in 2007. In the Netherlands, the operational HR activities for Corporate Office staff, LTRE and Education divisional staff, and LTRE operating companies within the Netherlands have been consolidated into one HR Support Center.

Number of employees per division

full-time equivalent, ultimo December 31

	2006	2005
Health	2,679	2,168
Corporate & Financial Services	3,187	2,932
Tax, Accounting & Legal	4,463	3,876
Legal, Tax & Regulatory Europe	7,145	7,051
Education	1,297	1,292
Corporate	100	100
Total	18,871	17,419

Geographical spread of employees

full-time equivalent, ultimo December 31

	2006	2005
Asia Pacific	810	812
Belgium	766	754
Canada	405	406
Central and Eastern Europe	737	738
France	1,203	1,184
Germany	855	776
Italy	967	955
Netherlands	1,652	1,655
Scandinavia	518	520
Spain	810	824
United Kingdom	1,337	1,350
United States	8,811	7,445
Total	18,871	17,419

Revenues per employee

per average FTE, in thousands of euros

	2006	2005
Revenues per employee (average FTE)	187	183

Shared services

In its shared services initiatives, Wolters Kluwer centralizes common product platforms and support functions to improve efficiency, increase quality, and achieve cost savings. Shared services activities are embedded in global and local operations throughout Wolters Kluwer, with particular focus on the areas of human resources, back-office fulfillment, editorial processes, real estate, technology and software development, technology infrastructure, and warehousing.

Progress continued in 2006 on the implementation of a single Wolters Kluwer internet content delivery platform for the legal, tax, and regulatory businesses worldwide. This global platform will support new electronic publishing products and serve as the new platform for existing products. Leveraging Wolters Kluwer's technology investments across markets enables superior solutions for customers worldwide and improves the scale and returns from product development activities.

Aligned with the Wolters Kluwer's strategy of driving operational excellence, global shared services initiatives in 2007 will focus on achieving additional efficiencies from its current scope of activities, further savings through strategic sourcing, and increased offshoring of software development and some editorial functions. As the use of offshore outsourcing has become an integral part of Wolters Kluwer's software development and operational strategy, the company recently went through a detailed exercise to identify additional IT and content outsourcing opportunities. A plan was created to further develop savings and support product development growth in the future.

North America

The North American Shared Services organization (NASS) provides a range of product and administrative support services to Wolters Kluwer's eight customer units in North America based within the Tax, Accounting & Legal,

Corporate & Financial Services, and Health divisions. These services include IT infrastructure, content and forms technology, publishing support, accounting and financial reporting, human resources, legal, strategic sourcing, and other product and administrative support.

The transformation of Wolters Kluwer's North American IT infrastructure continued in 2006 through an outsourcing arrangement with an external supplier. Through 2006, over 70% of Wolters Kluwer's North American servers had been migrated to a primary and a back-up datacenter within Wolters Kluwer's supplier. In 2006, NASS revised the outsourcing agreement with its supplier to reflect the full scope and volume of services required by Wolters Kluwer and to increase the flexibility of the contract and the service level agreements to better meet Wolters Kluwer's needs. NASS expects to complete the remainder of the in-scope data center migrations by the end of 2007.

In the third quarter of 2006, NASS launched a new central forms product which provides a common set of forms capabilities across the Wolters Kluwer's tax, securities, and government contract products. The new platform also establishes a consistent workflow management tool that enables units to manage the offshore workforce involved in the processing and development of forms. NASS will support the rollout of this new forms platform across the Tax and Accounting, Law & Business, and Wolters Kluwer Financial Services customer units in 2007.

NASS also has completed the centralization of human resources operations around centers of excellence in staffing, benefits, and administration; compensation and benefits; employee support; and HR information systems. For talent and performance management, NASS collaborates on Wolters Kluwer's global human resources programs.

Asia Pacific

The migration of editorial production for CCH businesses in Australia, New Zealand, and Asia to a central facility in Malaysia was successfully completed in 2006. This regional editorial production facility allows the Asia Pacific businesses to exploit their scale and scope while also providing a platform to institutionalize operational excellence in editorial production.

Europe

Further refinement of a standardized financial and accounting system based on SAP continued across operations in Europe, with the United Kingdom, Belgium, and France migrated to the new system. The European Strategic Sourcing Program continued to show cost savings and improved efficiency in all aspects of the supply chain identified for optimization.

In 2007, the European focus will be on strategic sourcing optimization in marketing and sales, human resources services, and information technology. Operational excellence initiatives also have been implemented through Lean Six Sigma initiatives now underway in Germany, Italy, Spain, and the United Kingdom.

Sustainability

Consistent with its mission, Wolters Kluwer's main societal role is as a trusted provider of high-quality information, tools, and solutions for the professionals it serves. With this role come responsibilities as an employer, contributor to economic health, and global corporate citizen. It is the company's intent to ensure that its expertise and resources continue to

be put to good use for the benefit of all of its stakeholders, which include not only employees, customers, partners, and shareholders, but also the countries and communities in which Wolters Kluwer operates across the world. Wolters Kluwer reports on its sustainability efforts annually. The Sustainable Entrepreneurship Report for 2006 will be published in March 2007. The report documents in a centralized and comprehensive way Wolters Kluwer's efforts and provides the foundation for increasing the scope of social responsibility goals, reporting efforts, and actions in the future.

In 2006, the company focused on the following activities to increase its sustainability efforts and its reporting capabilities:

- expanding the collection of key data on human resource management, supplier practices, product responsibility, and energy and paper consumption within the global operating units of the company;
- shifting the focus of sustainability efforts across the company to knowledge creation - a core value provided by Wolters Kluwer to its customers. This includes an increased focus on and investment in employee development and an emphasis on research and technology as applied to product knowledge and customer intimacy;
- streamlining local sustainability initiatives into a global, cohesive program grounded in the company values. The company aims to transform its social activities into a number of initiatives whose social benefits and business gains are both large and distinctive. The focus will be on efforts where the company can make the biggest difference - linking local social initiatives to the business strategy and creating shared value across operating units.

Partnerships

Wolters Kluwer's global sustainability partnerships focus on the central themes of sharing knowledge, healthcare, and local initiatives which assist children and reduce poverty. In 2006, the company donated over €650,000 to different local initiatives, as well as providing employee expertise and efforts.

Business units in Europe and North America demonstrated their commitment to knowledge sharing through donations of school supplies and grants to universities and professional education organizations. Employees throughout Wolters Kluwer participated in charity sports events that raised funds for medical research. These events reflect the company's diverse global workforce, ranging from the New York City Marathon to sporting events for the Muscle Trust in the Netherlands, a fund for pioneering scientific research in the field of muscular diseases. Wolters Kluwer employees supported their local communities through participation in blood and food drives, resource sharing committees, and a project in Spain (in association with *Hermanitas de los Pobres*) where employees could shop online to choose the specific nonperishable goods shelters requested as well as make cash donations.

Wolters Kluwer started a global, company-wide charitable initiative at the end of 2006. Employees had a choice of three holiday cards that represented the company values, raising money with each card for CARE, one of the world's largest private humanitarian organizations; Fauna & Flora International, the world's longest established international conservation body; and UNEP, the environment program of the United Nations. Wolters Kluwer matched money for each card sent, and the company encouraged its customers, employees, and other relations to contribute as well.

At the corporate level, Wolters Kluwer supports several charities, such as

the War Trauma Foundation (www.wartraumafoundation.nl), which provides worldwide psychological support to traumatized victims of war, terror, and organized violence, by publishing *Intervention*, the international journal of mental health, psychosocial work, and counseling in areas of armed conflict. This peer-reviewed journal for mental health professionals working with victims of armed conflict is an essential tool in spreading the latest information gained from the practical experience of fieldworkers, so that their findings can inspire and support others carrying out similar interventions. Other organizations Wolters Kluwer supported in 2006 included the John Adams Institute, an independent, nonprofit foundation dedicated to furthering cultural exchange between the United States and the Netherlands; the Netherlands Philharmonic Orchestra; Amsterdam Partners; and NairoBits.

Full details regarding sustainable entrepreneurship at Wolters Kluwer are available at www.wolterskluwer.com/2006SER.

Communications

The transformation of Wolters Kluwer over the past three years benefited from an active communication approach. The strategy set out in 2003 and the strategy for 2007 and beyond announced in September 2006 included clear, transparent communications with all stakeholders. Management at all levels of the organization has embraced communications and invested in a solid and creative program that expresses the company's values, particularly those of customer focus, integrity, and accountability. Whether communicating with customers, employees, investors, partners, media, or other communities, Wolters Kluwer's goal is to raise visibility and exchange views on how the company is executing its strategy and meeting its objectives. Open debate and communications are crucial for fostering transparency, innovation, and growth.

Dialogue

Communication with customers is at the heart of everything Wolters Kluwer does and is conducted through many channels. In addition to the continuous communication between the company's sales and marketing and product development teams and their customers, Wolters Kluwer organized events to proactively address the needs of professionals such as accountants, healthcare providers and researchers, bankers, lawyers, and educators. Examples include the *Nursing2006* symposium, CCH's annual user conference and series of live audio conferences, and CT's seminar series and forum on the globalization of the legal profession. Several customer roundtable meetings and forums were organized in Europe, for example for legal professionals in Poland and Italy. In the online community, content experts from the Tax, Accounting & Legal division contribute to the knowledge within their fields through blogs on trade regulation and securities law. The company's executive management and content experts appeared in print, broadcast, and online media in 2006, and also presented and met with customers at numerous industry and professional events.

Wolters Kluwer plays an active role in its industry and professional communities. Individuals and teams across the company have received recognition and awards, showing that the external world understands and supports Wolters Kluwer's achievements.

A creative employee community

Wolters Kluwer's innovative and open communications culture supports the creativity of all involved and shares best practices throughout the employee

community. The company's mission, values, strategy, objectives, goals, and achievements are shared with employees at meetings, through print and online newsletters, and via electronic platforms, including thousands of dedicated virtual discussion groups linking peers and colleagues through a global intranet. These investments in open, informal two-way communication form the foundation for the 2007 employee communications program.

Unified branding

In 2006, Wolters Kluwer continued building out the branding approach launched in 2005. With a history of over 100 years in many of their markets, the company's brands have a strong foundation in their communities. The unified branding approach recognizes the high value of each of the brands and links them to the global umbrella brand, Wolters Kluwer. Together they reflect the company's strongest attributes: high-quality content in the professional's context; diversity of customers, products, services, and tools; and a talented employee force that builds innovative and technologically advanced solutions.

Consistent embedded communications

For 2007, Wolters Kluwer will continue to invest in branding and communications that support its position as a growth company with strong competitive advantages in products, services, and software solutions. The communication program for 2007 supports a global, unified approach at all levels of the organization, bringing together the shared value of each of the units and brands. Industry events, trade shows, media, and customer events are among the venues for ongoing dialogue. Wolters Kluwer will continue to be a reliable industry source for knowledge and understanding of the challenges faced by its customers and partners. Wolters Kluwer's commitment to fostering open and transparent communication with customers, business partners, and other stakeholders is demonstrated each day through the work of its sales representatives, customer support desks, business unit managers, senior leadership team, and all employees throughout the company.

The company seeks to be thoroughly open with shareholders and the investment community, and is committed to a high degree of transparency in its financial reporting. Wolters Kluwer has a comprehensive program for communicating with investors. This includes communicating with its shareholders and the investment community at large during the Annual General Meeting of Shareholders as well as regularly throughout the year.

In 2006, the company reported full quarterly results (under International Financial Reporting Standards) and held quarterly results presentations which were made broadly accessible to the public. The company also held a significant number of roadshows, one-on-one, and group meetings with investors that included participating in selected sector-specific seminars throughout the year. In September, the company held an investor/analyst day to communicate its future strategy to the investment community. Furthermore, the investor part of the corporate website was upgraded by improving accessibility and adding more functionality and information.

Wolters Kluwer is strict in its compliance with applicable rules and regulations on fair disclosure to shareholders. It is the policy to post presentations to analysts and shareholders on the company's website. In adherence with fair disclosure rules, these meetings and presentations do not take place shortly before the publication of annual and quarterly financial information.

Investor Relations

The company does not assess, comment upon, or correct, other than factually, any analyst report or valuation prior to publication.

The company is committed to help investors become better acquainted with Wolters Kluwer and its management, as well as to maintain a long-term relationship of trust with the investment community at large. See → Information for Shareholders and Investors for a full overview of activities and facts.