

TRINITY PROCESSING SERVICES LIMITED

Registered Number 01404518

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

Directors

Executive Directors

MJ Cherry
TJ Fletcher
RR Goff
SS Mahadevapura
TF Webb
Willis Corporate Director Services Limited

Registered Office

51 Lime Street
London
EC3M 7DQ

Auditor

Deloitte LLP
Statutory Auditor
London
United Kingdom



TRINITY PROCESSING SERVICES LIMITED

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TRINITY PROCESSING SERVICES LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

Company activities and review of developments

The Company is a subsidiary of Willis Towers Watson plc. Willis Towers Watson plc, together with its subsidiaries ('WTW'), is a leading global advisory, broking and solutions company that helps clients around the world turn risk into a path for growth. The principal business of the Company is to provide, and/or to procure for WTW, services for insurance claims processing, insurance accounting for clients and underwriters, insurance premium processing, insurance proportional treaty accounting and matters connected therewith. The Company is regulated by the Financial Conduct Authority ('FCA'). The Company is domiciled and incorporated in the UK.

There have been no significant changes in the Company's principal activities in 2020. The Directors are not aware, at the date of this report, of any likely major changes in the Company's activities in the next year.

Proposed acquisition by Aon plc

On 9 March 2020, WTW and Aon plc ('Aon') issued an announcement disclosing that the respective boards of directors of WTW and Aon had reached agreement on the terms of a recommended acquisition of WTW by Aon. The transaction was approved by the shareholders of both WTW and Aon during meetings of the respective shareholders held on 26 August 2020. On 16 June 2021, the U.S. Department of Justice filed suit in U.S. District Court in the District of Columbia against WTW and Aon, seeking to enjoin the proposed business combination between the two companies (among other relief). On 26 July 2021, WTW and Aon announced they had terminated the business combination and that Aon had agreed to pay WTW, in connection with such termination, a \$1 billion termination fee. Pursuant to the terms of the termination agreement, among other things, the business combination agreement between WTW and Aon was terminated by mutual consent, subject to payment in cash by Aon of the \$1 billion, which was received by WTW on 27 July 2021 (the 'Termination Agreement'). Under the Termination Agreement, WTW and Aon on behalf of themselves and certain other related and affiliated parties, each agreed to release the other from all claims and actions arising out of or related to the business combination agreement and the transactions contemplated thereby, subject to certain exceptions.

Financial Results for the Year Ended 31 December 2020

The profit after taxation amounted to £6,000 (2019: £210,000) as shown in the income statement on page 12. The decrease in profit of £204,000 is attributable to:

- £4,873,000 decrease in turnover, largely as a result of a decrease in expenses recharged to other group companies.

partly offset by:

- £4,201,000 reduction in operating expenses, largely as a result of a decrease in expenses recharged from other group companies;
- £420,000 foreign exchange impact driven primarily by the movement of the US dollar against the pound sterling; and
- £48,000 increase in corporation tax charge.

Balance sheet

The balance sheet on page 13 of the financial statements shows the Company's financial position at the year end. Net assets have increased by £6,000 as a result of:

- £150,000 increase in deposits and cash; and
- £81,000 increase in net amount due from group undertakings.

partly offset by:

- £225,000 increase in VAT payable.

WTW manages its operations on a business segment basis. For this reason, the Company's Directors believe that key performance indicators for the Company are not meaningful for an understanding of the development, performance or position of the business. The performance of WTW, which includes the Company, is discussed in WTW's financial statements which do not form part of this report.

TRINITY PROCESSING SERVICES LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2020 (continued)

Principal risks and uncertainties

COVID-19

The COVID-19 pandemic ('COVID-19') has had an adverse impact on global commercial activity, including the global supply chain, and has contributed to strain in financial markets, including, among other effects, significant volatility in equity markets, changes in interest rates and reduced liquidity on a global basis. It has also resulted in increased travel restrictions and extended shutdowns of businesses in various industries including, among others, travel, trade, tourism, health systems and food supply, and significantly reduced overall economic output. As such, there is a risk that COVID-19 could have a substantial negative impact on WTW's client demand and cash flow.

COVID-19 risks could magnify other risks. For example, the effectiveness of external parties, including governmental and non-governmental organisations, in combating the spread and severity of COVID-19 could have a material impact on demand for WTW's business. The rapid development and fluidity of COVID-19, including the continued development, availability and distribution of an effective vaccine, precludes any prediction as to the duration of COVID and the ultimate adverse impact of COVID on WTW's business. Nevertheless, COVID-19 continues to present significant uncertainty with respect to demand for WTW's products and services.

In addition, COVID-19 has disrupted certain aspects of WTW's business and could continue to disrupt the Company's own business operations. As an increasing percentage of WTW's colleagues continue to work remotely, WTW faces resiliency risks, such as the risk that its information technology platform could potentially be inadequate to support increasing demand, as well as the risk that unusual working arrangements could impact the effectiveness of its operations or controls. The economic disruption caused by COVID-19 has impacted the pace at which WTW has made information technology-based investments, and WTW may continue to make fewer information technology-based investments than previously anticipated, which could potentially create business operational risk. In addition, WTW depends on third-party platforms and other infrastructure to provide certain of its products and services, and such third-party infrastructures face similar resiliency risks. These factors have exposed WTW to increased phishing and other cybersecurity attacks as cybercriminals try to exploit the uncertainty surrounding the COVID-19 pandemic, as well as an increase in the number of points of potential attack, such as laptops and mobile devices (both of which are now being used in increased numbers as many of WTW's employees work remotely), to be secured. A failure to effectively manage these risks, including to promptly identify and appropriately respond to any cyberattacks, may adversely affect WTW's business.

Also, a potential COVID-19 infection of any key WTW colleagues could materially and adversely impact its operations. Further, it is possible that COVID-19 impacts processes of third-party vendors on whom WTW relies, which could also materially impact its operations. The rapidly evolving changes in financial markets could also have a material impact on WTW's financial transactions.

All of the foregoing events or potential outcomes could cause a material adverse effect on the Company's own results of operations in any period and, depending on their severity, could also materially and adversely affect its financial condition. Furthermore, such potential material adverse effects may lag behind the developments related to the COVID-19 pandemic. Such events and outcomes also could potentially impact WTW's reputation with clients and regulators, among others.

Further details on risks relating to COVID-19 are discussed in WTW's consolidated financial statements which do not form part of this report.

Political Risk

The Company is exposed to additional risks by virtue of being part of WTW, including those relating to the United Kingdom having left the European Union ('EU') on 31 January 2020. On 24 December 2020, the E.U. and the U.K. agreed to the terms of a Trade and Cooperation Agreement ('TCA') that reflects certain matters agreed upon between the parties in relation to a broad range of separation issues. While many separation issues have been resolved, some uncertainty remains. These risks have been discussed in WTW's consolidated financial statements which do not form part of this report. The Company does not expect Brexit to have a significant impact on its business during the forthcoming year.

Currency Risk (Fx)

The Company has intercompany balances with fellow group undertakings in currencies other than pounds sterling, its functional currency, and is therefore exposed to movements in exchange rates. WTW's treasury function takes out contracts to manage this risk at a group level.

TRINITY PROCESSING SERVICES LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2020 (continued)

Principal risks and uncertainties (continued)

Intercompany Balances

The Company is party to a number of contracts, principally with other companies within WTW. The Company is therefore exposed to contractual risk arising from events or circumstances which might make it unable to fulfil its contractual obligations, such as system failure or counterpart bank failure.

Environment

WTW recognises the importance of its environmental responsibilities and monitors its impact on the environment on a location by location basis, and designs and implements policies to reduce any damage that might be caused by its activities.

Employees

The Company employed no staff during the year (2019: none).

WTW is committed to the participation and involvement of employees in WTW's business and to facilitating their personal development to its maximum potential.

Communication with colleagues concerning the objectives and performance of WTW is conducted through staff briefings and regular meetings, complemented by colleague publications and video presentations. Feedback is continually sought from staff on a variety of business, management and human resources issues. These communication tools provide colleagues with the opportunity to contribute to the everyday running of the business, to support the achievement of WTW's vision and business strategy and to facilitate their personal development.

Section 172 Companies Act 2006

In the course of the year, the Board of Directors of the Company complied with Section 172 of the Companies Act 2006 ('S172') by having regard to the following in all its principal decision making:

- (a) the long-term consequences of any of its decisions;
- (c) the Company's business relationships with its suppliers, customers and others;
- (d) community and environment; and
- (e) reputation and business conduct.

Section 172(b) does not apply to the Company as it has no employees.

Section 172(f) does not apply to the Company as it is a wholly-owned subsidiary of Willis Towers Watson plc ('WTW').

In each case, the Board of Directors carefully considered the long-term consequences of each of these decisions where necessary by discussing with management the consequences of any decisions on its key stakeholders, the Company's reputation, and the impact on the wider culture.

WTW has a well-established Audit Committee and a Risk Management Committee, both of which review all the WTW Board's principal decisions based on their internal control assessments and risk assessments.

The key responsibility of the WTW Risk Management Committee is to assist the WTW Board's oversight of the framework, policies and practices used by the Company to identify, assess and manage key strategic and operational risks facing the Company. See <https://investors.willistowerswatson.com/corporate-governance> for the full Terms of Reference.

The purpose of the WTW Audit Committee is to assist the WTW Board's oversight of: (1) the integrity of the financial statements of WTW; (2) the selection and oversight of the independent auditor's; (3) compliance with legal and regulatory requirements; (4) the independent auditor's qualifications and independence; (5) the performance of the independent auditors and the WTW internal audit function; (6) the establishment and maintenance of proper internal accounting controls and procedures; and (7) the preparation of an audit committee report as required by the U.S. Securities and Exchange Commission (the "SEC") and as required by the NASDAQ Stock Market. See <https://investors.willistowerswatson.com/corporate-governance> for the full Terms of Reference.

TRINITY PROCESSING SERVICES LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2020 (continued)

Section 172 Companies Act 2006 (continued)

All key recommendations made by management to the Board of Directors were, in the course of the year, put through a review process which involves a range of internal WTW structures, committees and working groups, to ensure the effective design and operation of controls within WTW. The internal structures include review and input from the WTW Risk, Compliance, Internal Audit, IT, Information Security, Legal and Finance functions and the business operations.

In the course of the year, the Board of Directors had access to management information in respect of the Company's day-to-day activities via a range of internal structures, committees and working groups.

A key value of WTW is to be strongly customer focused and to help its customers succeed. In every interaction, employees are encouraged to act in the best interests of all clients and customers, whether internal or external, by striving to fully understand their needs, to respect their perspectives and to exceed their expectations.

The Directors had access to training on a variety of subjects including the WTW Code of Conduct. Directors also received training from the Institute of Directors on Directors' duties.

Papers included in Board packs contained a cover sheet which provided an executive summary of the paper and the action requested of the Board. While Board papers have in practice covered various Section 172 factors in their content, it is expected that going forward the cover sheets will highlight specifically any Section 172 factors for consideration if the Board is requested to make any decisions.

See <https://investors.willistowerswatson.com/corporate-governance> for further details. This strategic report was approved by the Board of Directors and authorised for issue on 25 August 2021 and signed on its behalf by:



RR Goff

Director

51 Lime Street

London EC3M 7DQ

TRINITY PROCESSING SERVICES LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

The Directors present their annual report, together with the audited financial statements, for the year ended 31 December 2020.

Strategic report

The Directors have approved the content of the Company's strategic report prepared in accordance with Section 414C of the Companies Act 2006. The strategic report provides an overview of the Company's activities and an analysis of its performance for the year ended 31 December 2020, along with the principal risks faced in achieving its future objectives, future developments, information on financial risk management and information about employees.

Going concern

The Directors evaluate at each annual period whether there are conditions or events, considered in the aggregate, that raise a material uncertainty about the Company's ability to continue as a going concern within one year after the date that the financial statements are issued. The Directors' evaluation is based on relevant conditions and events that are known and reasonably knowable at the date that the financial statements are issued.

COVID-19 has had an adverse impact on global commercial activity, including the global supply chain, and has contributed to strain in financial markets, including, among others, a decline in equity markets, changes in interest rates and reduced liquidity on a global basis. It has also resulted in increased travel restrictions and extended shutdowns of businesses in various industries including, among others, travel, trade, tourism, health systems and food supply, and significantly reduced overall economic output.

COVID-19 has disrupted certain aspects of WTW's business and could continue to disrupt WTW's business and those of its clients, suppliers and other third parties with whom it interacts. In the light of this, the Directors considered it was appropriate to perform an analysis, specific to COVID-19, to consider whether these events and uncertainties cast a material uncertainty upon the Company's ability to continue as a going concern. These procedures were carried out as part of a WTW-wide exercise in conjunction with WTW, and considered business resilience and continuity plans, financial modelling, both for the Company and wider WTW group and stress testing of liquidity and financial resources.

Having assessed the responses to their enquiries, including those related to COVID-19, the Directors have no reason to believe that a material uncertainty exists that may cast significant doubt upon the ability of the Company to continue as a going concern or its ability to repay loans due from time to time. As a consequence of the enquiries, the Directors have a reasonable expectation that the Company has appropriate resources to continue in operational existence for a period of at least twelve months from the date of approval of the financial statements. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in note 1 to the financial statements on page 15.

Dividends

No interim dividend was paid in the year (2019: £nil). The Directors do not recommend the payment of a final dividend (2019: £nil).

Events after the balance sheet date

Termination of Potential Divestiture Related to the Aon Combination

As part of the potential combination with Aon and the required regulatory clearances in connection therewith, on 12 May 2021, WTW entered into a definitive agreement to sell its wholly-owned subsidiary Willis Re and certain of WTW's corporate risk and broking and health and benefit businesses to Arthur J. Gallagher & Co. ('Gallagher'), for total consideration of \$3.57 billion. In connection with the Termination Agreement, the definitive agreement with Gallagher automatically terminated in accordance with its terms.

Proposed Divestiture of Willis Re

On 12 August 2021, WTW reached an agreement to sell Willis Re to Gallagher for total cash consideration of \$3.25 billion plus an earnout payable in 2025 of up to \$750 million, subject to certain adjustments. The transaction is expected to close no later than the end of the first quarter of 2022, subject to the receipt of required regulatory approvals.

TRINITY PROCESSING SERVICES LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020 (continued)

Directors' responsibilities statement

Directors

The current Directors of the Company are shown on page 1, which forms part of this report. TJ Fletcher was appointed with effect from 21 July 2020. There were no other changes in Directors during the year or after the year end.

The activities of the Directors are covered by a WTW-wide Directors and Officers Insurance policy.

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 101 'Reduced Disclosure Framework' ('FRS 101'). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Disclosure of information to the auditor

Each of the persons who is a Director at the date of approval of this report confirms that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the Director has taken all the steps that he/she ought to have taken as a Director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

Auditor

Deloitte LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditor in the absence of an Annual General Meeting.

This Directors' report was approved by the Board of Directors and authorised for issue on 25 August 2021 and signed on its behalf by:



RR Goff

Director

51 Lime Street

London EC3M 7DQ

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TRINITY PROCESSING SERVICES LIMITED

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Trinity Processing Services Limited (the 'company'):

- give a true and fair view of the state of the Company's affairs as at 31 December 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 'Reduced Disclosure Framework'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the income statement;
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 12.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 'Reduced Disclosure Framework' (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ('ISAs (UK)') and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are issued.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

TRINITY PROCESSING SERVICES LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TRINITY PROCESSING SERVICES LIMITED (continued)

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory frameworks that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management, internal audit, actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

TRINITY PROCESSING SERVICES LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TRINITY PROCESSING SERVICES LIMITED (continued)

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Nicholas Bowker ACA (Senior Statutory Auditor)

for and on behalf of Deloitte LLP

Statutory Auditor

London, United Kingdom

~~2021~~

25 August 2021

TRINITY PROCESSING SERVICES LIMITED**INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2020**

	Notes	2020 £000	2019 £000
Turnover	3	31,322	36,195
Operating expenses		(31,617)	(35,818)
Operating income/(expense) – foreign exchange gain/(loss)		303	(117)
Operating profit	4	8	260
Profit before taxation		8	260
Tax charge on profit	7	(2)	(50)
Profit for the year		6	210

All activities derive from continuing operations.

The notes on pages 15 to 19 form an integral part of these financial statements.

There is no other comprehensive income in either 2020 or 2019.

TRINITY PROCESSING SERVICES LIMITED

BALANCE SHEET AS AT 31 DECEMBER 2020

	Notes	2020 £000	2019 £000
Current assets			
Debtors: Amounts falling due within one year	8	10,302	19,232
Deposits and cash		155	5
		<u>10,457</u>	<u>19,237</u>
Current liabilities			
Creditors: amounts falling due within one year	9	(7,458)	(16,244)
		<u>(7,458)</u>	<u>(16,244)</u>
Net current assets		<u>2,999</u>	<u>2,993</u>
Total assets less current liabilities		<u>2,999</u>	<u>2,993</u>
Net assets		<u>2,999</u>	<u>2,993</u>
Equity			
Called up share capital	10	800	800
Retained earnings		2,199	2,193
Shareholder's equity		<u>2,999</u>	<u>2,993</u>

The notes on pages 15 to 19 form an integral part of these financial statements.

The financial statements of Trinity Processing Services Limited, registered company number 01404518, were approved by the Board of Directors and authorised for issue on 25 August 2021 and signed on its behalf by:



RR Goff

Director

TRINITY PROCESSING SERVICES LIMITED**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2020**

	Called up share capital £000	Retained earnings £000	Total £000
Balance at 1 January 2019	800	1,983	2,783
Profit for the year	—	210	210
Total comprehensive income for the year	—	210	210
Balance at 31 December 2019	800	2,193	2,993
Profit for the year	—	6	6
Total comprehensive income for the year	—	6	6
Balance at 31 December 2020	800	2,199	2,999

The notes on pages 15 to 19 form an integral part of these financial statements.

TRINITY PROCESSING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1. General information and accounting policies

General information

The Company is a private company limited by shares incorporated in the United Kingdom under the Companies Act 2006 and is registered in England and Wales. The registered number and address of the Company's registered office is shown on page 1 of this report.

Basis of preparation

The Company meets the definition of a qualifying entity under Financial Reporting Standard 100 and, consequently, has prepared these financial statements in accordance with Financial Reporting Standard 101 - Reduced Disclosure Framework ('FRS 101').

The financial statements have been prepared on the historical cost basis.

The principal accounting policies adopted are set out below.

Disclosure exemptions

The Company has taken advantage of certain disclosure exemptions permitted under FRS 101 in relation to, primarily: (i) financial instruments; (ii) presentation of a cash flow statement; (iii) related party transactions; and (iv) new International Financial Reporting Standards ('IFRSs') that have been issued but are not yet effective as, where required, equivalent disclosures are given in the group financial statements of Willis Towers Watson plc.

Going concern

The Company's business activities and the factors likely to affect its future development and position are set out in the Strategic Report. The Company's financial projections indicate that it will generate positive cash flows on its own account for a period of at least twelve months from the date of approval of the financial statements. The Company deposits its excess own cash funds with WTW's centralised treasury function and so shares banking arrangements with its parent and fellow subsidiaries.

The Directors have conducted enquiries into the nature and quality of the assets, liabilities, and cash that make up the Company's capital. Furthermore, the Directors' enquiries extend to the Company's relationship with WTW and external parties on a financial and non-financial level. Having assessed the responses to their enquiries, the Directors have no reason to believe that a material uncertainty exists that may cast significant doubt upon the ability of WTW to continue as a going concern or its ability to repay loans due to the Company from time to time.

As a consequence of the enquiries the Directors have a reasonable expectation that the Company has appropriate resources to continue in operational existence for a period of at least twelve months from the date of approval of the financial statements. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Parent undertaking and controlling party

The Company's:

- immediate parent company and controlling undertaking is Willis Faber Limited; and
- ultimate parent company is Willis Towers Watson plc, a company incorporated in Ireland, whose registered office is Willis Towers Watson House, Elm Park, Merrion Road, Dublin 4, Ireland.

The largest and smallest group in which the results of the Company are consolidated is Willis Towers Watson plc, whose financial statements are available to members of the public on WTW's website www.willistowerswatson.com, in the Investor Relations section.

Revenue recognition

Turnover, which arises solely in the UK, comprises fee income receivable in respect of management services and recharges of expenses to other group undertakings, which are recognised as earned.

TRINITY PROCESSING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

(continued)

1. General information and accounting policies (continued)

Foreign currency translation

These financial statements are presented in pounds sterling which is the currency of the primary economic environment in which the Company operates ('the functional currency').

Transactions in currencies other than the functional currency are initially recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange ruling at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognised as profit or loss in the period in which they arise.

Income Taxes

Current tax is provided at amounts expected to be paid or recovered using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Income tax is charged or credited to other comprehensive income if it relates to items that are credited or charged to other comprehensive income. Similarly, income tax is charged or credited directly to equity if it relates to items that are credited or charged directly to equity. Otherwise, income tax is recognised in the income statement.

Financial assets and financial liabilities

Financial assets and financial liabilities include cash and cash equivalents, trade debtors and certain other receivables as well as trade creditors and certain other payables (including amounts owed by/to group undertakings).

The Company classifies its financial assets as at amortised cost, on the basis of the business model in which a financial asset is managed and its contractual cash flow characteristics. The Company classifies its financial liabilities as at amortised cost.

Financial assets or financial liabilities at amortised cost are initially recognised at fair value, plus or minus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability, except that trade receivables are initially recognised at their transaction price, and are subsequently measured at amortised cost using the effective interest method. Any resulting interest is recognised in interest receivable or interest payable, as appropriate.

At each reporting date, the Company measures the loss allowance for financial assets at amortised cost. Impairment losses on financial assets at amortised cost are recognised in profit or loss on an expected loss basis: lifetime expected losses are recognised for relevant financial assets for which there have been significant increases in credit risk since initial recognition, whereas 12-month expected losses (cash shortfalls over the life of the loan arising from a default in the next 12 months) are recognised if the credit risk on a financial asset has not increased significantly since initial recognition. For trade receivables, lifetime expected losses are recognised, under the simplified approach. There would be a rebuttable presumption that the credit risk on a financial asset had increased significantly if it were more than 30 days past due and a rebuttable presumption that a financial asset was in default if it were more than 90 days past due. The amount of any impairment loss is recognised in profit or loss.

Recent accounting pronouncements adopted in the current period

No amendments to International Financial Reporting Standards ('IFRSs') or International Accounting Standards ('IASs') issued or adopted by the International Accounting Standards Board ('IASB') and endorsed by the EU that became effective for the Company during the financial year had a significant effect on the Company's financial statements.

TRINITY PROCESSING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020 (continued)

2. Critical accounting judgements and estimates

The preparation of financial statements in conformity with FRS 101 and in the application of the Company's accounting policies, which are described in note 1, requires management to make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities as at the dates of the financial statements and the reported amounts of revenues and expenses during the year. Judgements, estimates and assumptions are made about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the critical judgements that management has made in the process of applying the Company's accounting policies and/or the key assumptions or sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Critical judgements in applying the Company's accounting policies

There are no critical judgements, apart from those involving estimations (which are dealt with separately below), that management has made in the process of applying the Company's accounting policies that have a significant effect on the amounts recognised in the financial statements.

Key sources of estimation uncertainty

Impairment of financial assets at amortised cost

Management judgement is required to measure the loss allowance for financial assets at amortised cost at the end of each reporting period. See deposits and cash on the balance sheet on page 13 and amounts owed by group undertakings in note 8 for the carrying amount of financial assets at amortised cost. No impairment loss was recognised in 2020 or 2019.

3. Turnover

Turnover arises solely in the UK and is analysed in the table below.

	2020 £000	2019 £000
Management charge	87	81
Expenses recharged to other group companies	31,235	36,114
	<u>31,322</u>	<u>36,195</u>

4. Operating profit

Operating profit is stated after (crediting)/charging:

Net foreign currency exchange differences	<u>(303)</u>	<u>117</u>
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The foreign exchange gain of £303,000 (2019: loss of £117,000) shown in the income statement is mainly attributable to the fluctuation in the value of pound sterling to the US dollar during the year in relation to intercompany assets and liabilities.

Auditor's remuneration of £15,000 (2019: £15,000) was borne by another group company.

TRINITY PROCESSING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020 (continued)

5. Employee costs

The Company employed no staff during the year (2019: none).

6. Directors' remuneration

The Directors of the Company are remunerated by other WTW companies with no part of their remuneration being allocated to this Company. Therefore no disclosure of their remuneration has been made in these financial statements.

	2020	2019
	£000	£000

7. Taxation

(a) Tax charged in the income statement

Current tax:

UK corporation tax

Tax charge in the income statement (note 7(b))

2	50
2	50

2020	2019
£000	£000

(b) Reconciliation of the total tax charge

The tax assessed for the year is equal to (2019: higher than) the standard rate of corporation tax in the UK of 19% (2019: 19%). The differences are explained below:

Profit before taxation

Tax calculated at UK standard rate of corporation tax of 19% (2019: 19%)

Effects of:

Expenses not deductible for tax purposes

Total tax expense in the income statement (note 7(a))

8	260
2	49
—	1
2	50

(c) Change in corporation tax rate

The Finance (No.2) Act 2015, which received royal assent on 18 November 2015, reduced the rate of UK Corporation tax to 19% with effect from 1 April 2017. The Finance Act 2016, which received royal assent on 15 September 2016, subsequently reduced the main rate of corporation tax to 17% from 1 April 2020. The Finance Bill 2019-21, which was published on 17 March 2020 and received royal assent on 22 July 2020 repealed the reduction in the rate of UK corporation tax from 19% to 17% from 1 April 2020. The rate of UK corporation tax would therefore remain at 19%. As the changes were substantively enacted prior to 31 December 2020, they have been reflected in these financial statements.

On 3 March 2021 the UK Government announced that from 1 April 2023, the main rate Corporation Tax on profits over £250,000 will be increased to 25%. As these changes have not been enacted they are not reflected in these financial statements.

	2020	2019
	£000	£000

8. Debtors: amounts falling due within one year		
Amounts owed by group undertakings	10,302	19,232
	10,302	19,232

TRINITY PROCESSING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020 (continued)

	2020	2019
	£000	£000
9. Creditors: amounts falling due within one year		
Amounts owed to group undertakings	7,231	16,194
Amounts owed to group undertakings in respect of corporation taxation group relief	2	50
VAT payable	225	—
	<u>7,458</u>	<u>16,244</u>

	2020	2019
	£000	£000
10. Called up share capital		
Allotted, called up and fully paid		
800,000 (2019: 800,000) ordinary shares of £1 each	<u>800</u>	<u>800</u>

The Company has one class of ordinary shares, which carry no right to fixed income.

11. Related party transactions

FRS 101 (paragraph 8(k)) exempts the reporting of transactions between group companies in the financial statements of companies that are wholly owned within WTW. The Company has taken advantage of this exemption. There are no other transactions requiring disclosure.

12. Events after the balance sheet date

Termination of Potential Divestiture Related to the Aon Combination

As part of the potential combination with Aon and the required regulatory clearances in connection therewith, on 12 May 2021, WTW entered into a definitive agreement to sell its wholly-owned subsidiary Willis Re and certain of WTW's corporate risk and broking and health and benefit businesses to Arthur J. Gallagher & Co. ('Gallagher'), for total consideration of \$3.57 billion. In connection with the Termination Agreement, the definitive agreement with Gallagher automatically terminated in accordance with its terms.

Proposed Divestiture of Willis Re

On 12 August 2021, WTW reached an agreement to sell Willis Re to Gallagher for total cash consideration of \$3.25 billion plus an earnout payable in 2025 of up to \$750 million, subject to certain adjustments. The transaction is expected to close no later than the end of the first quarter of 2022, subject to the receipt of required regulatory approvals.