

# **WILLIS TOWERS WATSON PUBLIC LIMITED COMPANY**

## **Related Person Transaction Policy**

**May 2019**

This Related Person Transaction Policy (“Policy”) of Willis Towers Watson Public Limited Company (the “Company”) addresses the reporting, review and approval or ratification of transactions with Related Persons (as defined below). The Company recognizes that such transactions may involve potential or actual conflicts of interest. The Company also recognizes that in some circumstances transactions between related persons and the Company may be incidental to the normal course of business and not inconsistent with the best interests of the Company or may provide an opportunity that is in the best interests of the Company to pursue. This Policy is designed to help ensure that, under the oversight of the Audit Committee (the “Committee”) of the Board of Directors of the Company (the “Board”), prospective related person transactions are reported internally and are subject to timely review and approval or ratification and, if appropriate, public disclosure.

This Policy supplements the Company’s Code of Conduct provisions concerning potential conflict of interest situations that are determined to be related person transactions (as defined below) and provides procedures for their reporting, review, oversight and public disclosure. With respect to all other potential conflict of interest situations, the provisions of the Company’s Code of Conduct shall continue to apply.

### **I. PERSONS COVERED BY THIS POLICY**

This Policy applies to any person who at any time since the beginning of the Company’s fiscal year was:

- each director or executive officer of the Company;
- any nominee for election as a director of the Company;
- any security holder who is known to the Company to own of record or beneficially more than five percent of any class of the Company’s voting securities; and
- any immediate family member of any of the foregoing persons

(each a “Related Person,” and collectively, the “Related Persons”).

“Executive officer” means the principal executive and financial officers of the Company, the president, any vice president in charge of a principal business unit, division or function (such as sales, administration or finance), any other officer who performs a policy making function, or any other person who performs similar policy making functions for the Company. Executive officers of subsidiaries may be deemed executive officers of the Company if they perform such policy making functions for the Company.

“Immediate family member” means the spouse, parents, stepparents, children, stepchildren, siblings, mothers- and fathers-in-law, sons- and daughters-in-law, brothers- and sisters-in-law, and any person (other than a tenant or employee) sharing the household of a director, executive officer, director nominee or greater than five percent owner of voting securities.

A transaction participated in by the Company with an entity that employs or is controlled by a Related Person, or in which a Related Person has a material ownership or financial interest, shall be considered a related person transaction.

## **II. TRANSACTIONS AND ARRANGEMENTS COVERED BY THIS POLICY**

A “related person transaction” means any financial transaction, arrangement or relationship (including any indebtedness or guarantee of indebtedness) or any series of similar transactions, arrangements or relationships that has occurred since the beginning of the Company’s most recent fiscal year, or that is currently proposed, in which:

- a) the aggregate amount involved does, or is expected to, exceed \$120,000,
- b) the Company or any one of its subsidiaries was or is to be a participant (whether or not the Company is a party), and
- c) any Related Person has or will have a direct or indirect material interest.

A Related Person’s interest in a transaction or arrangement should be presumed material unless it is clearly incidental in nature or has been determined in accordance with this Policy to be immaterial. An amendment to an arrangement that is considered a related person transaction (even though such arrangement has been reviewed under this Policy) shall, unless clearly incidental in nature, be considered a separate related person transaction.

Examples of related person transactions include sales, purchases or other transfers of real or personal property, use of property and equipment by lease or otherwise, services received or furnished, the borrowing and lending of funds, guarantees of loans or other undertakings, employment by the Company of an immediate family member of a Related Person or a material change in the terms or conditions of employment.

## **III. TRANSACTIONS TO BE REPORTED TO THE COMMITTEE**

Every director, executive officer and nominee for election as a director has an affirmative obligation to fully disclose to the Committee in advance (or otherwise at the earliest possible opportunity) all material facts concerning a prospective or existing transaction or arrangement involving the Company in which he or she or an immediate family member may have an interest. Any other officer or employee of the Company who intends to cause the Company to enter into any Related Person Transaction shall disclose that intention and all material facts with respect to the transaction to his or her superior, who shall be responsible for seeing that such information is reported to the Committee.

To assist the Company’s officers and employees in identifying related person transactions, the Company’s General Counsel shall maintain a listing of persons who are known to be five percent

or greater owners of any class of voting security of the Company and, based on information available from directors, executive officers and nominees for election as director through responses to the D&O questionnaire circulated annually and other disclosure provided by officers and directors in accordance with their affirmative obligations to inform the Company of such relationships, a listing of companies or other entities that employ or are controlled by a Related Person, or in which a Related Person has an ownership or financial interest material to such Related Person, and of the members of the immediate family of a Related Person who might reasonably be expected to enter into a related person transaction with the Company.

#### **IV. REVIEW, APPROVAL AND RATIFICATION BY THE COMMITTEE**

The Committee will review all related person transactions and approve such transactions that the Committee determines to be in the best interests of the Company in advance of such transactions being given effect (subject to a delegation of review and approval authority, as provided below). In the event the Company in error enters into a related person transaction that requires pre-approval by the Committee, promptly upon discovery of such error such transaction shall be presented to the Committee (or its delegate) for review and the Committee shall consider, if appropriate, whether to (i) ratify such related person transaction or (ii) direct management to rescind or modify the transaction and consider whether any disciplinary action or changes in the Company's controls and procedures should be undertaken in connection with such error.

If a member of the Committee has an interest or is involved in the transaction, that member shall not participate in determining whether the related person transaction shall be approved or ratified by the Committee; however, such person may be counted in determining the presence of a quorum at a meeting of the Committee acting on the transaction. In the event the vote of the remaining members of the Committee is insufficient to constitute an act of the Committee, approval or ratification shall be by unanimous vote of the independent directors of the Board excluding any independent director who is involved in the transaction.

The Committee shall have the authority to determine categories of transactions that are not considered related person transactions for the purposes of this Policy given their nature, size and/or degree of significance to the Company and are not required to be individually reported to, reviewed by, and/or approved or ratified by the Committee, and shall amend this Policy to accurately reflect such determination. Annually, the Committee shall review any previously approved or ratified related person transaction that is continuing and determine based on then-existing facts and circumstances, including the Company's existing contractual or other obligations, if it is in the best interests of the Company to continue, modify or terminate the transaction.

#### **V. EXCEPTIONS**

The following transactions or arrangements are not considered related person transactions for purposes of this Policy given their nature, size and/or degree of significance to the Company and are not required to be individually reported to, reviewed by, and/or approved or ratified by the Committee, even if the amount exceeds \$120,000 in a fiscal year:

- use of property, equipment or other assets owned or provided by the Company, including aircraft, vehicles, housing and computer or telephonic equipment, by a Related Person primarily for Company business purposes;
- reimbursement or payment of business expenses incurred by a director or executive officer in the performance of his or her duties and approved for reimbursement or payment by the Company in accordance with the Company's customary policies and practices;
- compensation arrangements for non-employee directors for their services as directors that are required to be reported in the Company's proxy statement under Item 402(k) of Regulation S-K;
- compensation arising from an executive officer's employment relationship or transaction, in each case, that (i) is required to be reported under Item 402 of Regulation S-K or (ii) would have been reported under Item 402 of Regulation S-K if the executive officer were a named executive officer, and was approved (or recommended to the Board for approval) by the Compensation Committee;
- claims activity relating to insurance policies administered in the ordinary course of business and consistent with the administration of the claims of others who are not Related Persons;
- provision by the Company of insurance brokerage, consulting, due diligence risk control, analytical or advisory services to a Related Person if entered into in the ordinary course on terms and conditions generally available to others who are not Related Persons;
- a transaction with any security holder who is known to the Company to own of record or beneficially more than five percent of any class of the Company's voting securities, but does not seek to have a Board seat or otherwise control over the Company, where such transaction is in the ordinary course of business, on an arm's-length basis and where the aggregate amount in any single fiscal year is less than the greater of \$200,000 or five percent of the recipient's gross revenues;
- a transaction where the Related Person's interest arises solely from ownership of the Company's securities and all holders of the securities received the same benefits on a pro rata basis (only if holders of the securities, other than Related Persons, own more than a de minimis amount of the securities);
- a transaction in which the Related Person's interest is derived solely from (i) such person's position as a director of another corporation or organization that is party to the transaction or (ii) from the direct or indirect ownership of an entity (other than a partnership), of less than ten percent (10%) of the equity interest of such entity; or (iii) from both such position and ownership; and

- a transaction involving services as a bank depository of funds, transfer agent, registrar, trustee under a trust indenture, or similar services.

Subject to the provisions below for ongoing review of recurrent or continuing transactions or arrangements, a transaction or arrangement that has been approved in accordance with this Policy will not thereafter be subject to the internal reporting and approval requirements of this Policy.

## **VI. DELEGATION**

The Committee may delegate its authority to review, approve or ratify specified related person transactions or categories of related person transactions, other than a transaction involving a member of the Committee, to one or more members of the Committee where the Committee determines that such action is warranted between scheduled Committee meetings. This member shall initially be the Chairman so long as he is not involved in the related person transaction. Any determinations made pursuant to such delegated authority shall be presented to the full Committee for review not later than the next regular meeting of the Committee.

## **VII. STANDARDS**

In connection with approving or ratifying a related person transaction, the Committee (or its delegate) shall, in its judgment, consider in light of the relevant facts and circumstances whether or not the transaction is in, or not inconsistent with, the best interests of the Company, including consideration of the following factors to the extent pertinent:

- the position within or relationship of the Related Person with the Company;
- the materiality of the transaction to the Related Person and the Company, including the dollar value of the transaction, without regard to profit or loss;
- the business purpose for and reasonableness of the transaction (including the anticipated profit or loss from the transaction), taken in the context of the alternatives available to the Company for attaining the purposes of the transaction;
- whether the transaction is comparable to a transaction that could be available on an arms-length basis or is on terms that the Company offers generally to persons who are not Related Persons;
- whether the transaction is in the ordinary course of the Company's business and was proposed and considered in the ordinary course of business; and
- the effect of the transaction on the Company's business and operations, including on the Company's internal control over financial reporting and system of disclosure controls or procedures, and any additional conditions or controls (including reporting and review requirements) that should be applied to such transaction.

## **VIII. APPROVALS TO BE REPORTED TO THE BOARD**

The Committee shall report to the Board at the next regularly scheduled meeting of the Board any related person transactions approved or ratified by the Committee.

## **IX. DISCLOSURE**

All related person transactions shall be publicly disclosed to the extent and in the manner required by applicable legal requirements and listing standards. The Committee may determine that public disclosure of a related person transaction considered by the Committee shall be made even where not so required, where the Committee considers such disclosure to be in the best interests of the Company and its securityholders.

## **X. CHANGES IN POLICY; GENERAL EFFECT**

This Policy may be changed at any time by action of the Committee. Any changes to this Policy shall be reported to the Board at the next regularly scheduled meeting of the Board. This Policy is intended as a component of the flexible framework within which the Board, assisted by its committees, directs the business and affairs of the Company. While it should be interpreted in the context of applicable laws, regulations and listing requirements, as well as in the context of the Company's Memorandum of Association and Bylaws, it is not intended to establish by its own force any legally binding obligations on the Company.