# Willis Towers Watson Investor Day

September 9, 2021

# Willis Towers Watson Forward Looking Statements (1 of 2)

This document contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. You can identify these statements and other forward-looking statements in this document by words such as “may”, “will”, “would”, “expect”, “anticipate”, “believe”, “estimate”, “plan”, “intend”, “continue”, or similar words, expressions or the negative of such terms or other comparable terminology. These statements include, but are not limited to, such things as our outlook, the impact of the COVID-19 pandemic on our business, impact of the termination of the business combination with Aon plc and the divestitures contemplated in connection therewith, future capital expenditures, ongoing working capital efforts, future share repurchases, financial results (including our revenue), the impact of changes to tax laws on our financial results, existing and evolving business strategies and acquisitions and dispositions, demand for our services and competitive strengths, goals, the benefits of new initiatives, growth of our business and operations, our ability to successfully manage ongoing organizational and technology changes, including investments in improving systems and processes, and plans and references to future successes, including our future financial and operating results, plans, objectives, expectations and intentions and other statements that are not historical facts. Such statements are based upon the current beliefs and expectations of Willis Towers Watson’s management and are subject to significant risks and uncertainties. Actual results may differ from those set forth in the forward-looking statements. All forward-looking disclosure is speculative by its nature.

There are important risks, uncertainties, events and factors that could cause our actual results or performance to differ materially from those in the forward-looking statements contained herein, including the following: our ability to successfully establish, execute and achieve our global business strategy as it evolves; changes in demand for our services, including any decline in consulting services, defined benefit pension plans or the purchasing of insurance; the risks related to changes in general economic, business and political conditions, including changes in the financial markets and inflation; the risks relating to the adverse impact of the ongoing COVID-19 pandemic on the demand for our products and services, our cash flows and our business operations, including increased demand on our information technology resources and systems and related risks of cybersecurity breaches or incidents; the risks relating to or arising from the termination of the business combination with Aon plc and the divestitures contemplated in connection therewith, including, among others, risks relating to the impact of such terminations on relationships, including with suppliers, customers, employees and regulators, risks relating to litigation in connection with the business combination and the impact of the costs of the business combination that will be borne by us, despite the business combination being terminated and the payment of the termination fee; significant competition that we face and the potential for loss of market share and/or profitability; the impact of seasonality and differences in timing of renewals; the failure to protect client data or breaches of information systems or insufficient safeguards against cybersecurity breaches or incidents; the risk of increased liability or new legal claims arising from our new and existing products and services, and expectations, intentions and outcomes relating to outstanding litigation; the risk of substantial negative outcomes on existing litigation or investigation matters; changes in the regulatory environment in which we operate, including, among other risks, the impacts of pending competition law and regulatory investigations; various claims, government inquiries or investigations or the potential for regulatory action; our ability to make divestitures (including our ability to close the planned divestiture of our Willis Re business) or acquisitions and our ability to integrate or manage such acquired businesses; our ability to successfully hedge against fluctuations in foreign currency rates; our ability to integrate direct-to-consumer sales and marketing solutions with our existing offerings and solutions; our ability to comply with complex and evolving regulations related to data privacy and cyber security; our ability to successfully manage ongoing organizational changes, including investments in improving systems and processes; disasters or business continuity problems; the impact of Brexit; our ability to successfully enhance our billing, collection and other working capital efforts, and thereby increase our free cash flow; the potential impact of the anticipated replacement of the London Interbank Offered Rate (‘LIBOR’); our ability to properly identify and manage conflicts of interest; reputational damage, including from association with third parties; reliance on third-party services; the loss of key employees or a large number of employees; doing business internationally, including the impact of exchange rates; compliance with extensive government regulation; the risk of sanctions imposed by governments, or changes to associated sanction regulations; our ability to effectively apply technology, data and analytics changes for internal operations, maintaining industry standards and meeting client preferences; changes and developments in the insurance industry or the U.S. healthcare system, including those related to Medicare and any policy changes from the new Presidential administration and legislative actions from the current U.S. Congress; the inability to protect the Company’s intellectual property rights, or the potential infringement upon the intellectual property rights of others; fluctuations in our pension assets and liabilities; our capital structure, including indebtedness amounts, the limitations imposed by the covenants in the documents governing such indebtedness and the maintenance of the financial and disclosure controls and procedures of each; our ability to obtain financing on favorable terms or at all; adverse changes in our credit ratings; the impact of recent or potential changes to U.S. or foreign tax laws, including on our effective tax rate, and the enactment of additional, or the revision of existing, state, federal, and/or foreign regulatory and tax laws and regulations and any policy changes from the new Presidential administration and legislative actions from the current U.S. Congress; U.S. federal income tax consequences to U.S. persons owning at least 10% of our shares; changes in accounting principles, estimates or assumptions; fluctuation in revenue against our relatively fixed or higher than expected expenses; the laws of Ireland being different from the laws of the U.S. and potentially affording less protections to the holders of our securities; and our holding company structure potentially preventing us from being able to receive dividends or other distributions in needed amounts from our subsidiaries. The foregoing list of factors is not exhaustive and new factors may emerge from time to time that could also affect actual performance and results. For more information, please see Part I, Item 1A in our Annual Report on Form 10-K, and our subsequent filings with the SEC. Copies are available online at

# Willis Towers Watson Forward Looking Statements (2 of 2)

http://www.sec.gov or www.willistowerswatson.com.

Although we believe that the assumptions underlying our forward-looking statements are reasonable, any of these assumptions, and therefore also the forward-looking statements based on these assumptions, could themselves prove to be inaccurate. Given the significant uncertainties inherent in the forward-looking statements included in this document, our inclusion of this information is not a representation or guarantee by us that our objectives and plans will be achieved.

Our forward-looking statements speak only as of the date made, and we will not update these forward-looking statements unless the securities laws require us to do so. With regard to these risks, uncertainties and assumptions, the forward-looking events discussed in this document may not occur, and we caution you against unduly relying on these forward-looking statements.

Measures included in this presentation have not been prepared in accordance with generally accepted accounting principles in the United States ("GAAP"). These non-GAAP measures should be considered in addition to, and not as a substitute for, the information contained within Willis Towers Watson's financial statements. For a reconciliation of the non-GAAP measures used in this presentation to the most directly comparable GAAP measure, see the Appendix. We do not reconcile our forward-looking non-GAAP financial measures to the corresponding U.S. GAAP measures, due to variability and difficulty in making accurate forecasts and projections and/or certain information not being ascertainable or accessible; and because not all of the information, such as foreign currency impacts necessary for a quantitative reconciliation of these forward-looking non-GAAP financial measures to the most directly comparable U.S. GAAP financial measure, is available without unreasonable efforts. For the same reasons, we are unable to address the probable significance of the unavailable information. We provide non-GAAP financial measures that we believe will be achieved, however it cannot accurately predict all of the components of the adjusted calculations and the U.S. GAAP measures may be materially different than the non-GAAP measures.

# Investor day agenda

| Topic | Speakers |
|---|---|
| Introduction and reflections | John Haley |
| Our journey ahead \| vision, strategy and priorities | Carl Hess |
| **New Business Segments** *effective January 1* | |
| Risk and Broking | Adam Garrard |
| Q&A | |
| Break | |
| Health, Wealth and Career | Julie Gebauer<br>Gene Wickes |
| Financial strategy and outlook | Mike Burwell<br>Andrew Krasner |
| Q&A | |
| Wrap-up | Carl Hess |

# Introduction and reflections

John Haley

# We have continued to deliver strong results

## Total revenue

**$9.4B**
FY 2020

**Consistent mid single digit growth**
Achieved ~2% growth in 2020 despite impact of COVID-19

**4.8%[1]**
CAGR (2018-2020)

## Adjusted diluted EPS

**$11.70**
FY 2020

**Strong growth trajectory**
Sustained a history of long-term non-GAAP earnings growth

**10%**
CAGR (2018-2020)

## Adjusted operating margin

**20.1%**
FY 2020

**Steady margin gains**
Consistent margin improvement since 2016

**+200 bps**
Margin gain (2018-2020)

## Free Cash Flow

**$1.6B**
FY 2020

**Close to double 2019 FCF**
Keen focus on cash generation to preserve WTW's financial strength and flexibility

**23%**
CAGR (2018-2020)

[1]Reported revenue basis

# We have a portfolio of leading businesses in attractive markets

A leading global player in people, risk and capital

We work with

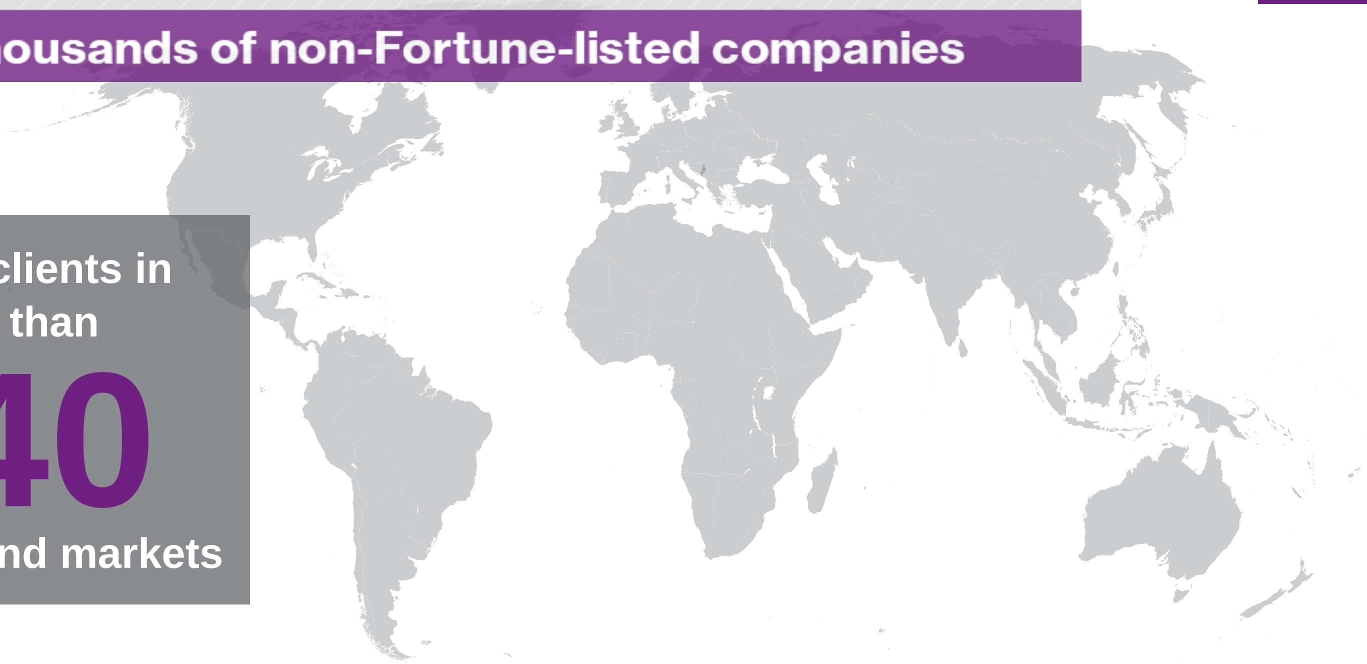
**91%** Fortune Global 500

**93%** FTSE 100

**91%** Fortune 1000

and thousands of non-Fortune-listed companies

**~30M** individuals use our platforms to access benefits and insurance



Serving clients in more than

**140**

countries and markets

# Reflections


# Carl Hess' distinguished career uniquely positions him to serve as WTW's future CEO

| | |
|---|---|
| Carl has a track record of exceptional leadership | ▪ Investment, Risk and Reinsurance (IRR) leader: improved operating margin over 540 bps during FY 2017 – 2020<br>▪ Americas leader: grew revenue over 6.5% (CAGR) during tenure |
| He knows our business well… | ▪ 30+ years of experience with Willis Towers Watson<br>▪ 10+ years serving as Managing Director of Investment business<br>▪ 7+ years of geography and segment leadership<br>▪ Extensive experience in insurance and risk industries |
| …and has been an integral part of company-wide initiatives | ▪ Investments Committee<br>▪ COVID-19 response / liquidity management<br>▪ New Ventures Investment Committee<br>▪ M&A activity<br>▪ Long-term executive sponsor of Inclusion and Diversity (I&D) efforts |

# Our journey ahead | vision, strategy and priorities

Carl Hess

# Our goal is to be a $10B+ company with a 24-25% margin by FYE 2024

## What we have

**Distinctive mix of complementary businesses**

Delivering superior advice, broking and solutions in the areas of people, risk and capital

- Accomplished and aspiring talent
- Collaborative client-first culture
- Sophisticated data and analytics
- Powerful tools

Strong balance sheet and significant financial flexibility

## What we will deliver

**FY 2024 targets:**

| Revenue | Adj Op. Margin | 3-year FCF | Adj. EPS |
|---|---|---|---|
| **$10B+** | **24-25%** | **$5-6B** | **$18-21** |

- Sustainable revenue growth at or above industry
- Improved operating margin and higher free cash flow conversion
- Strong and shareholder-friendly stewardship of capital
- Share buyback returns as hurdle for inorganic growth opportunities
- Robust and resilient total shareholder returns

**FY 2021-2022 buyback of $4B+**

## How we will get there

**Grow**

**Simplify**

**Transform**

# We will hit our FY 2024 targets by executing on three priorities

## Grow

## Simplify

**100-200 bps margin improvement via operating leverage**

Invest to grow at or above market in chosen areas

Increase agility; do the basics well

## Transform

**300 bps margin improvement**

Enhance client and colleague experience through operational excellence

### Grow

**Core opportunities**
delivering the highest growth and return

**Focused points of intersection**
offering differentiated solutions

**Innovation and acceleration**
taking a dynamic, yet disciplined, approach

**Inorganic expansion**
adding scale, filling gaps in our capabilities

### Simplify

**Streamlined structure**
2 segments,
3 geographies

**Evolved client model**
managing with a globally consistent approach

**Intentional portfolio management**
driving optimal value

### Transform

**Global platforms**
being common as possible, distinct as necessary

**Right-shoring our operations**
capitalizing on our scale

**Real estate rationalization**
building new ways of working

**Technology modernization**
enhancing the digital experience

## Driven by:

**World-class talent** through a compelling colleague experience

**Better decisions faster** supported by a balanced and mutually supporting matrix

**Data and analytical capabilities** built into everything we do

# Grow | Invest to grow at or above market in chosen areas

**Grow** | Simplify | Transform

## Core opportunities

delivering the highest growth and return

## Focused points of intersection

offering differentiated solutions

## Innovation and acceleration

taking a dynamic, yet disciplined, approach

## Inorganic expansion

adding scale, filling gaps in our capabilities

## FOCUS AREAS

- **Capturing addressable market share**, e.g., Risk and Broking, Individual Marketplace
- **Innovating in evolving markets**, such as defined contribution and wealth management
- **Expediting capabilities in fast growing markets,** including health insurance markets, cyber and climate
- **Bringing targeted solutions to clients** reflecting more connected offerings

# Simplify | Increase agility; do the basics well

Grow

Simplify

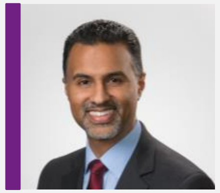
Transform

## Streamlined structure[1]

2 segments,
3 geographies

**Anne Pullum**
**Europe**

**Adam Garrard**
**Risk and Broking**



**Imran Qureshi**
**North America**

**Julie Gebauer**
**Health, Wealth and Career**

**Pamela Thomson-Hall**
**International**

[1]Current segments (HCB, CRB, IRR, BDA) will continue until January 1, at which time the structure will change to two segments (Health, Wealth and Career; Risk and Broking)

## Evolved client model

managing with a globally consistent approach

## Intentional portfolio management

driving optimal value

## FOCUS AREAS

- New streamlined structure and **agile decision-making process**
- **Geography-led** and **globally consistent** client model with expanded coverage
- Enhancing '**Growth Operations**' to improve sales and retention outcomes
- **Maximizing resource allocation** by consolidating corporate structures

# Transform | Enhance client and colleague experience through operational excellence

Grow

Simplify

**Transform**

| Global platforms | Right-shoring our operations | Real estate rationalization | Technology modernization |
|---|---|---|---|
| being common as possible, distinct as necessary | capitalizing on our scale | building new ways of working | enhancing the digital experience |

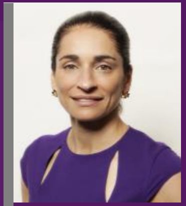
**$300M in expected cost reductions to contribute 300 bps of margin improvement toward FY 2024 margin target**

## FOCUS AREAS

New **Head of Transformation** to create vision for new operating model, drive change

**Cecil Hemingway**

New **COO role** to oversee service delivery across the company



**Alexis Faber**

Aligning real estate footprint to **hybrid work**

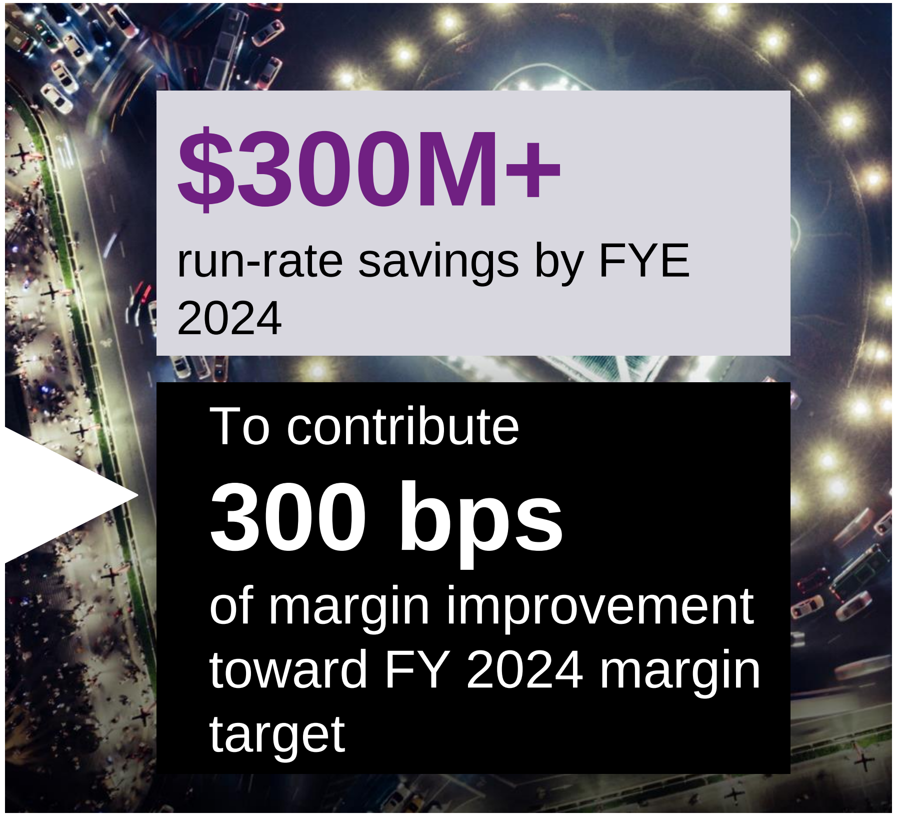
**Digital transformation journey**

# Simplify and Transform | Deliver $300M+ net run rate savings, while investing for growth

## Focus areas

| Real estate | Simplification | Technology and operations |
| --- | --- | --- |
| Standards for reimagined workplace, hybrid work | Demonstrable accountability | Corporate IT transformation, including cloud migration journey |
| Aligning real estate footprint to hybrid work | Two business segments with strong connections | Optimal resource deployment, appropriate colleague alignment |

## Financial outcomes



**$300M+**

run-rate savings by FYE 2024

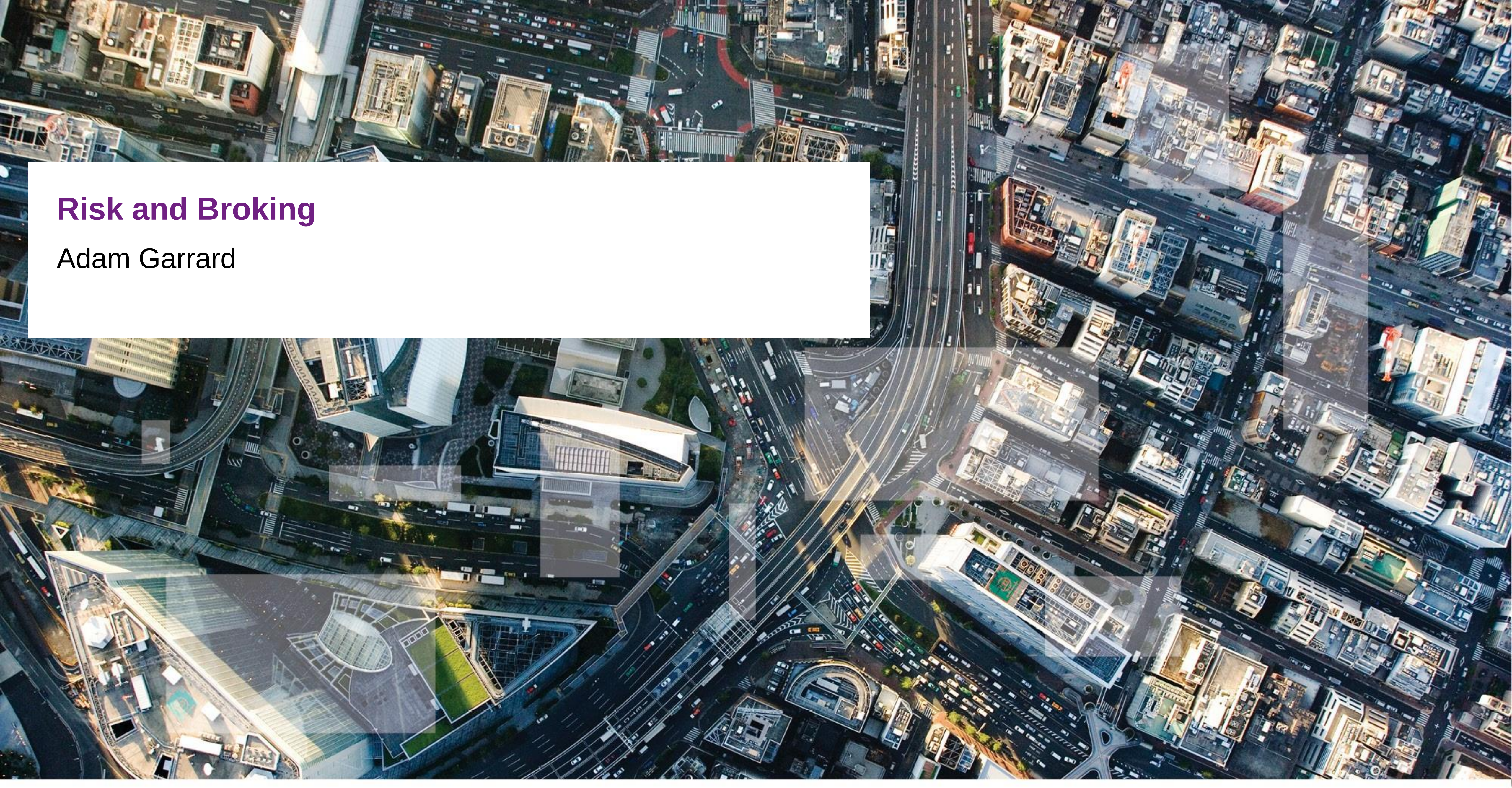
To contribute

**300 bps**

of margin improvement toward FY 2024 margin target

# We have a strong business and are committing to shareholders as we execute our vision

- Achieving our targets through our experienced, diverse management team
- Realizing profitable growth through innovation in attractive markets
- Accelerating digitization, standardization and modern ways of working, resulting in meaningfully improved margins
- Delivering superior shareholder returns through buybacks and prudent investments



# Risk and Broking

Adam Garrard

> We are a risk advisory and solutions business delivering **innovative**, **integrated** solutions **tailored** to client needs and underpinned by cutting edge **data and analytics, technology**, and the **best risk thinkers in the business.**

## We are strongly positioned in a large, attractive and growing market…

**Top 3**

**Property & casualty broking**

**~$32B** broking revenue globally

### Driven by

| Ongoing hard market | Rebounding exposures | Changing nature of risk |
| --- | --- | --- |

**…and well-positioned to take share by utilizing our assets.**

# Our business has proven to be resilient despite some short-term challenges

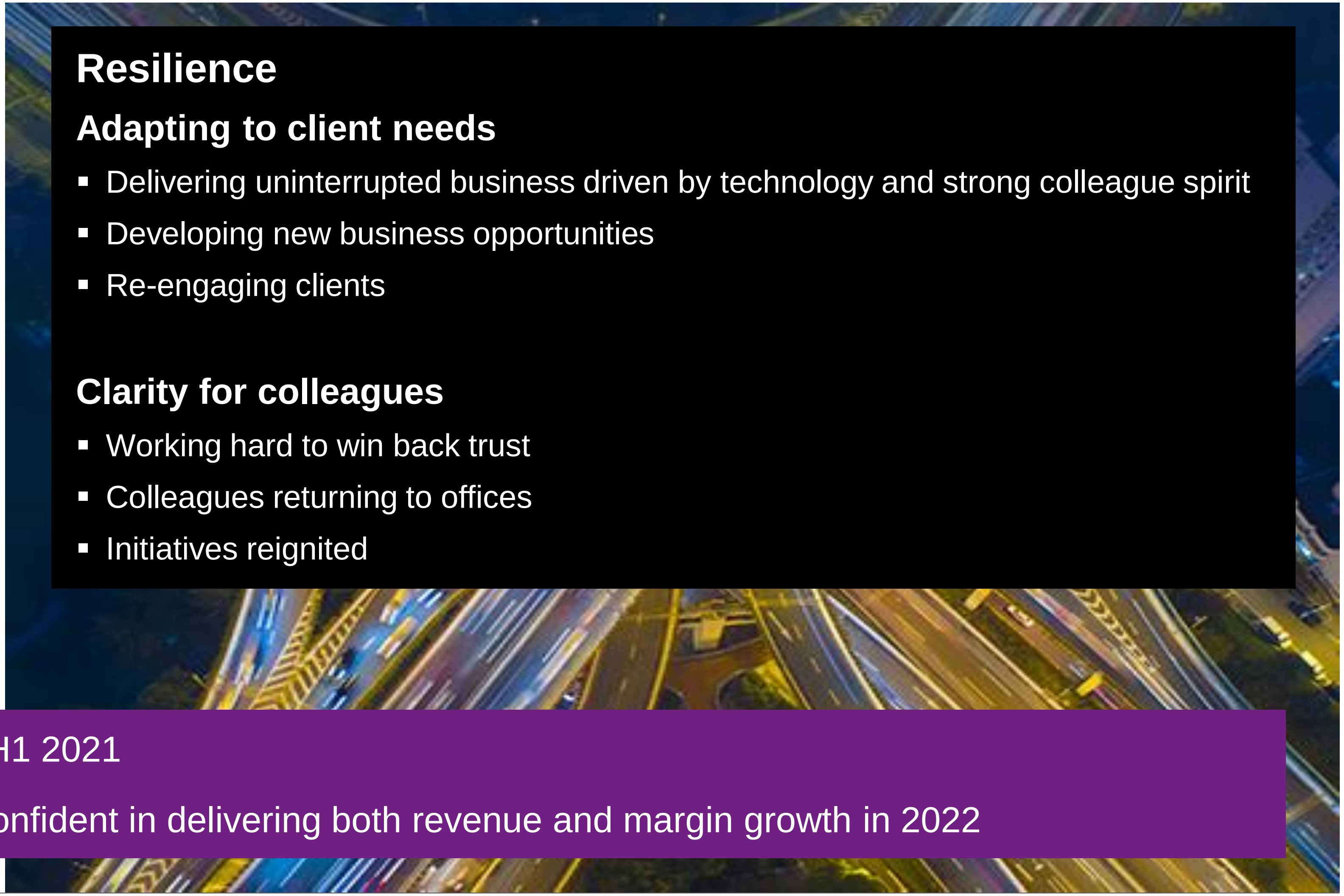
## Challenges

### Change to client activity

- Slowdown in new business requests
- Disruptions in new business activities
- Reduction in client retention

### Colleague engagement

- Prolonged period of uncertainty
- Increased attrition in some parts of CRB
- Office closures
- Initiatives delayed



## Resilience

### Adapting to client needs

- Delivering uninterrupted business driven by technology and strong colleague spirit
- Developing new business opportunities
- Re-engaging clients

### Clarity for colleagues

- Working hard to win back trust
- Colleagues returning to offices
- Initiatives reignited

We have delivered strong financials for H1 2021

Despite short-term headwinds, we are confident in delivering both revenue and margin growth in 2022

# Grow | We have already made investments in our client service tools to future-proof our business with market-leading capabilities

| | | |
|---|---|---|
| **Insurance technology** | **1,000+**<br>Insurers worldwide use ICT[1] technology | **~95%**<br>ICT technology average retention rate |
| **Core analytical models** | **~6,000**<br>Clients utilize tool to optimize risk programs | **~70%**<br>Higher average retention for CRI clients |
| **Digital broking** | **~20%**<br>Of our placements leverage some form of digital broking capability | **1,000+**<br>Brokers using the platform quarterly |

[1]Insurance Consulting and Technology (ICT)

# Grow | We are reigniting key initiatives that were underway before the deal

| Initiative | Actions | Target |
|---|---|---|
| **Scale our global lines of business** | ▪ Bring the best of WTW's expertise and insight to our clients across the globe — where we specialize, we win | **1.5 times** Growth rate of our global lines of business compared to average growth rate of CRB |
| **Take our fair share of North America** | ▪ Double down on core middle market capability<br>▪ Rapidly accelerate our large account management hiring/training — we have the capability, we need to increase the scale of distribution<br>▪ Leverage our Health, Wealth and Career (HWC) relationships with large clients for smart connections | **$100M +** Incremental revenue in next 4 years |
| **Expand distribution** | ▪ Generate continuous product innovation opening up new markets, new clients<br>▪ Capitalize on our digital distribution platforms to grow in affinity, small and medium-sized enterprises (SMEs)<br>▪ Utilize inorganic opportunities to address market gaps whether they be presence, capabilities or scale | **1%+** Annual growth contribution in “adjacent new products" over next 4 years |

1. All figures exclude ICT.

# Simplify and Transform | We will deliver a 500+ bps margin improvement by digitizing and finding the most efficient locations of work

## Operational efficiency initiatives

1 Digital optimization of sales and operational processes

2 Efficient location of work, leveraging regional and global servicing hubs

\+ Company-wide initiatives, such as real estate rationalization and technology modernization

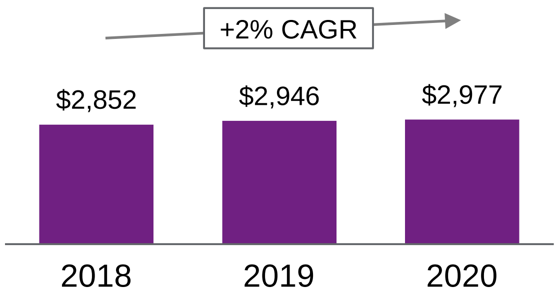
## Key outcomes

# Our financial results are strong and will continue to improve

**Forward-looking direction**

**Drivers**

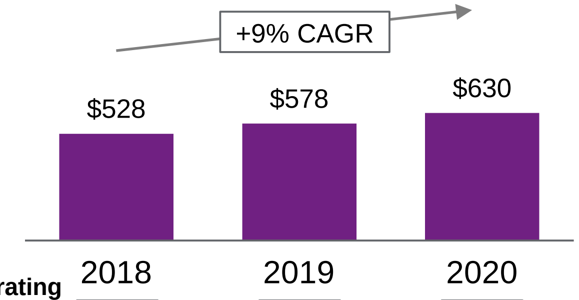
**Revenue[1] ($M)**




Mid single digit growth
*Through FYE 2024*

- Sustainable organic growth at or above industry
- Potential opportunistic inorganic moves
- Continued investment in digital and analytical capabilities
- Improved client segmentation and distribution
- Continued investment in our team to fuel growth

**Operating income[1] ($M)**




| | 2018 | 2019 | 2020 |
|---|---|---|---|
| **Operating margin[1] (%)** | 19% | 20% | 21% |

500 bps margin improvement[2]
*By FYE 2024*

- Workflow optimization through digitization
- Efficient location of work
- Procurement initiatives
- New ways of working

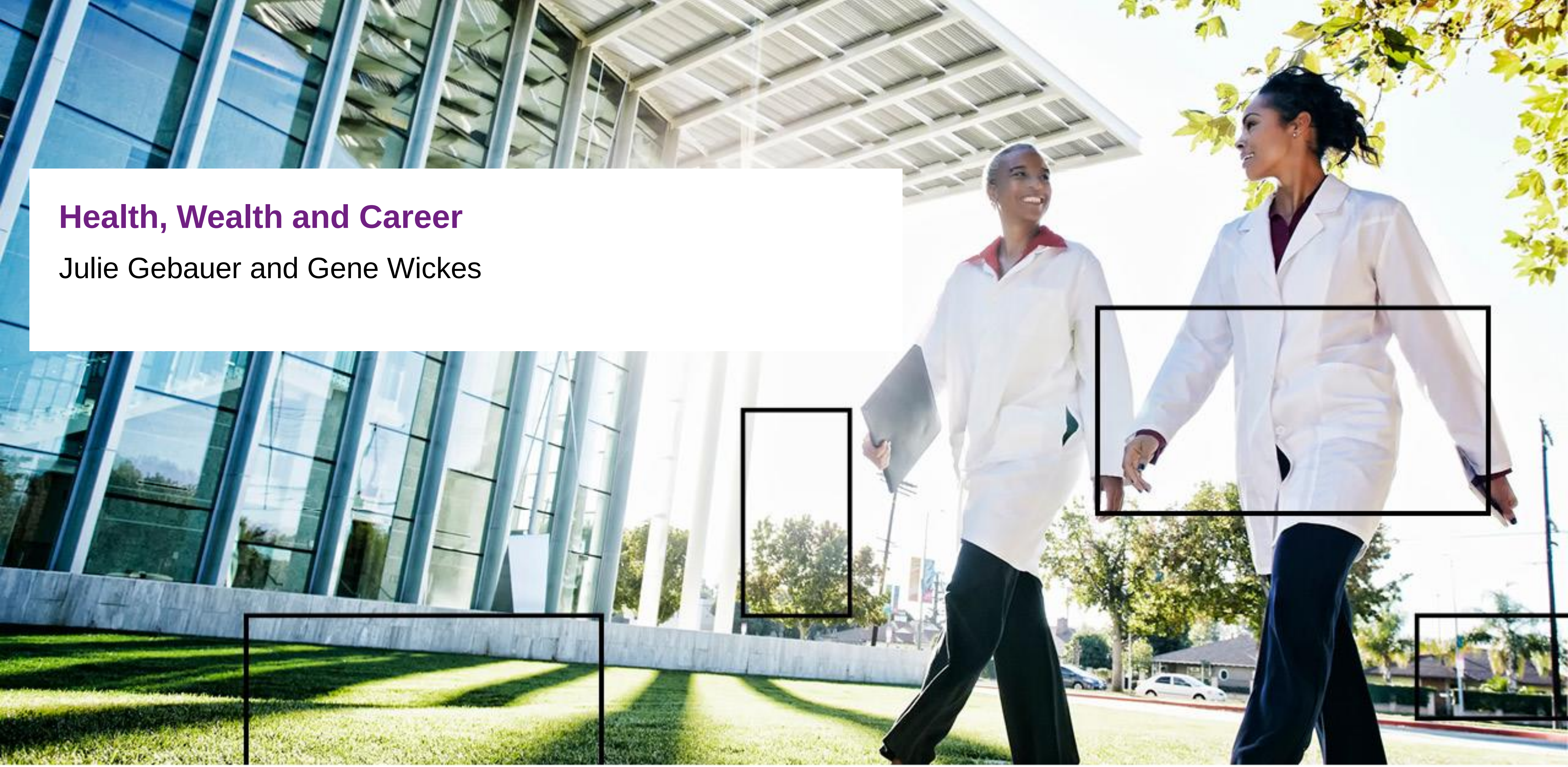
[1]All figures exclude ICT.  These figure represent organic revenue.
[2]From FY 2020

# Leading with world-class talent and culture, we are primed for success

- A culture of collaboration, diversity and excellence attracts the best talent
- We have built a strong launch pad, now we scale
- Continued industry leading innovation to address complex and emerging client risk
- Workflow digitization to deliver efficient and effective operations
- Ready to grow profitably and disrupt the status quo

# Q&A

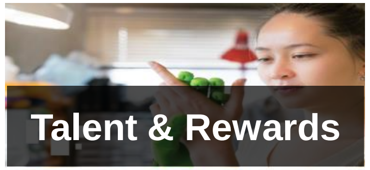
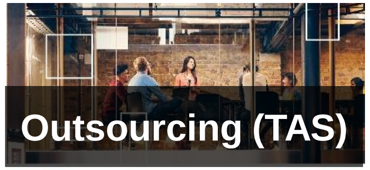
# Break



# Health, Wealth and Career

Julie Gebauer and Gene Wickes

# Overview | We have a world-class portfolio of leading businesses

| | $3.3B revenue (2020) | | | | $0.3B revenue (2020) |
|---|---|---|---|---|---|
| |  |  |  |  |  |
| | **Retirement** | **Health & Benefits** | **Talent & Rewards** | **Outsourcing (TAS)** | **Investments** |
| **% of HCB Revenue** | **40%** | **38%** | **17%** | **5%** | |
| **Our recognized track record of success…** | Leading actuary and advisor in all key markets<br><br>Leading US pension administration provider<br><br>98%+ client retention | Best Employee Benefits Consultant: Europe and GB<br><br>Benchmarking leader<br><br>95%+ client retention | Leading compensation advisor<br><br>3.5M daily client users on technology platforms<br><br>Benchmarking leader | 4M+ pension administration participants<br><br>#1 Benefits outsourcer in UK and Germany<br><br>99%+ client retention | $166B AUM/FUM<br><br>10M savers who rely on our advice<br><br>1.3M savers who benefit from our delegated solution |
| **…enabling industry growth with best-in-class margins** | **Slight growth** in mature DB, expanding DC market | **Solid net growth** in steadily growing market | **Flat performance** in market tracking general economy | **Solid growth** in moderately growing market | **Solid growth** in variable market |

Prior HCB[1] | Prior IRR

[1]Benefit Delivery and Administration (BDA) will be discussed separately

# Overview | We will grow, simplify and transform to build on our success

**Grow** with core solutions, de-risking/specialty/compliance offerings, systematic employee experience (EX) focus and bundled solutions

**Simplify and transform** through consistent service delivery, continued operational efficiency and enhanced capability to create smart connections

**Differentiate** with our world-class advisory, broking, data and technology offerings and innovations

# Grow | We have clarified priorities to capture future growth

| | Market growth | Drivers | Forward-looking revenue growth |
|---|---|---|---|
| **Retirement** | DB: Flat<br>DC: Moderate | ▪ Make the most of strong position in mature DB market<br>▪ Build position in growing DC market | Flat to low single digit |
| **Health & Benefits (H&B)** | Strong | ▪ Capitalize on brand strength and distinct value proposition | High single digit |
| **Talent & Rewards (T&R)** | Tied to employment/economy | ▪ Focus on sustainable core capabilities (Work & Rewards, EX Solutions)<br>▪ Maintain partner ecosystem to address non-core capabilities | Mid single digit |
| **Outsourcing (TAS)** | Moderate | ▪ Deliver excellent services and distinctive member experience<br>▪ Enable middle market growth with configurable platform | Low to mid single digit |
| **Investments** | Tied to securities markets/economy | ▪ Leverage significant scope in core DB and DC markets<br>▪ Expand specialist capabilities and adjacent areas | Mid single digit |

# Grow | Points of intersection will accelerate growth

| | Retirement | H&B | T&R | TAS/BDA | Investments | Risk and Broking |
|---|---|---|---|---|---|---|
| **DC solutions** | ☑ | | ☑ | ☑ | ☑ | |
| **ESG** | ☑ | ☑ | ☑ | ☑ | ☑ | ☑ |
| **EX solutions** | ☑ | ☑ | ☑ | ☑ | ☑ | ☑ |
| **Future of work** | ☑ | ☑ | ☑ | | | ☑ |
| **Total rewards** | ☑ | ☑ | ☑ | | | |
| **Wellbeing** | ☑ | ☑ | ☑ | | ☑ | |

**A multiplier effect to achieve mid single digit + revenue growth**

**Opportunities to cross-sell and make focused connections across businesses**

**Streamlined employee/client experiences through one-stop solutions**

# Simplify and Transform | We are undertaking initiatives to further improve margins

## Operational efficiency initiatives

1 Leverage **global platforms**, processes, company-wide shared services

2 Optimize **work efforts** via automation, most efficient location and outsourcing

3 Build on company-wide **data analytics** capability

4 Implement **standard approach** to core, configurable and bespoke solutions for different market segments

## Driving systematic connections

5 Include inbuilt EX solutions in most offerings

6 Expand integrated and global solutions capability

## Key outcomes

**Efficiency gains**
Ability to absorb price compression

**Consistent excellence**
Improved client retention

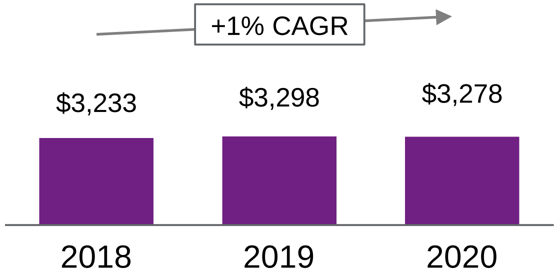
**More distinct value proposition**
Institutional relationships

**Net margin increase**

# Our financial results are world-class and will continue to improve

**Forward-looking direction** | **Drivers**

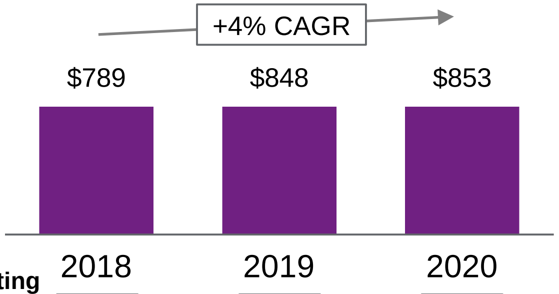
**Revenue[1] ($M)**




Mid single digit growth
*through FYE 2024*

- Focused points of intersection
- Ongoing innovation and acceleration
- Continued benefits of core strength

**Operating income[1] ($M)**




| Operating margin[1] (%) | 2018 | 2019 | 2020 |
|---|---|---|---|
| | 24% | 26% | 26% |

Operating margin improvement
*through FYE 2024*

- Leverage global platforms, processes, company-wide shared services
- Optimize work efforts via automation, most efficient location and outsourcing
- Build on company-wide data analytics capability
- Implement standard approach to core, configurable and bespoke solutions for different market segments

[1]Includes the previous HCB businesses, excluding BDA and Investments. Organic revenue growth 2018-2020 was 2%.

# We are better and stronger together

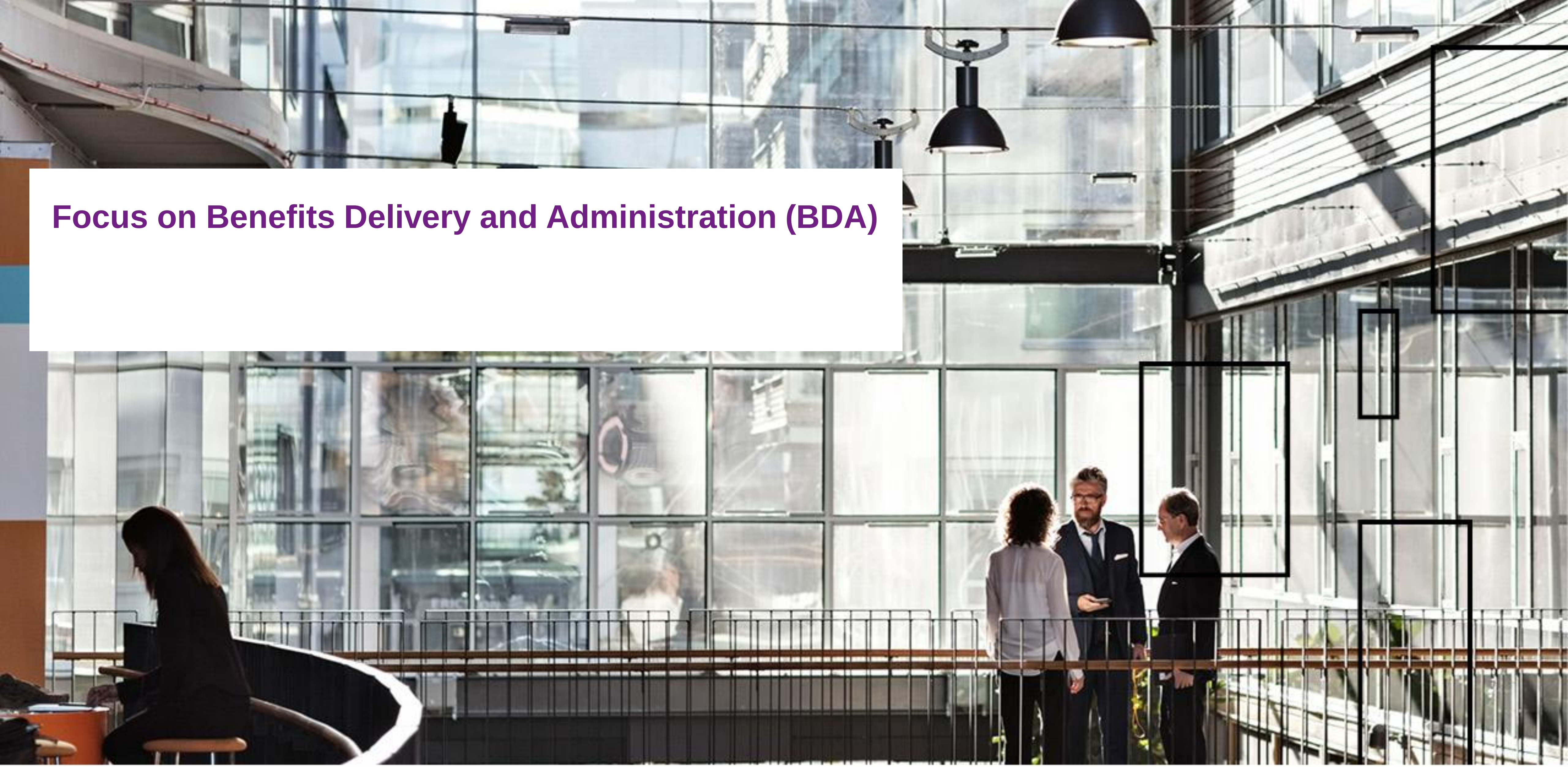
A strong track record of superior advice, broking and solutions across Health, Wealth and Career…

Enhanced through operational excellence, focused integration and innovation and acceleration…

Amid a meaningful set of attractive market opportunities…

Will generate sustainable revenue growth at or above market with improved margins…

To contribute to overall Willis Towers Watson value



# Focus on Benefits Delivery and Administration (BDA)

# Overview | BDA differentiates WTW from our traditional competitors

**Individual marketplace**

- Primarily focused on providing Medicare to consumers through employers (B2B) or direct to consumers (D2C)
- Explosive growth in D2C Medicare market; low growth but strong margins and cash flow generation in B2B arrangements
- Emerging Life, Individual and Family Plan (IFP) and Supplemental insurance business

**Benefit outsourcing**

- Provides health and welfare benefits administration for large US employers
- Supports contact center services for all US outsourcing clients
- Strong, mature business generating solid growth driven by new client wins and employment growth among clients

**Benefits accounts**

- Administers Health Reimbursement Arrangements (HRA), Health Savings Accounts (HSA) and other account-based benefits
- Primarily focused on Individual Marketplace and Benefits Outsourcing clients

**16%**

**Pro-forma organic revenue CAGR (2018 – 2020)**

**$1.36B**

**FY 2020 revenue**

# Overview | Individual Marketplace businesses (Extend Health and TRANZACT) have complementary financial profiles

## Extend Health: Serving the needs of employer-sponsored/affiliated individuals

### Growth Drivers

Relationships with the largest employers in the country

Captive customer base with growing self-service tendencies

Recognized expertise in transitioning sensitive populations

Adjacent opportunities supported by legislation

## TRANZACT: Acquiring customers independently and on behalf of insurance carrier clients

### Growth Drivers

Relationships with large, national carriers

Authority to market under carrier brands

Insurance marketing expertise and capabilities

Proprietary digital channels and emerging consumer-facing brand presence (Anhelo)

# Grow | Significant addressable market with strong momentum

## MEDICARE

**~$28B** Total potential market of annualized commissions

### Growth drivers

- Rapidly growing Medicare-eligible population
- Rising popularity of private Medicare
- Increasing use of mobile, web and phone channels to buy insurance

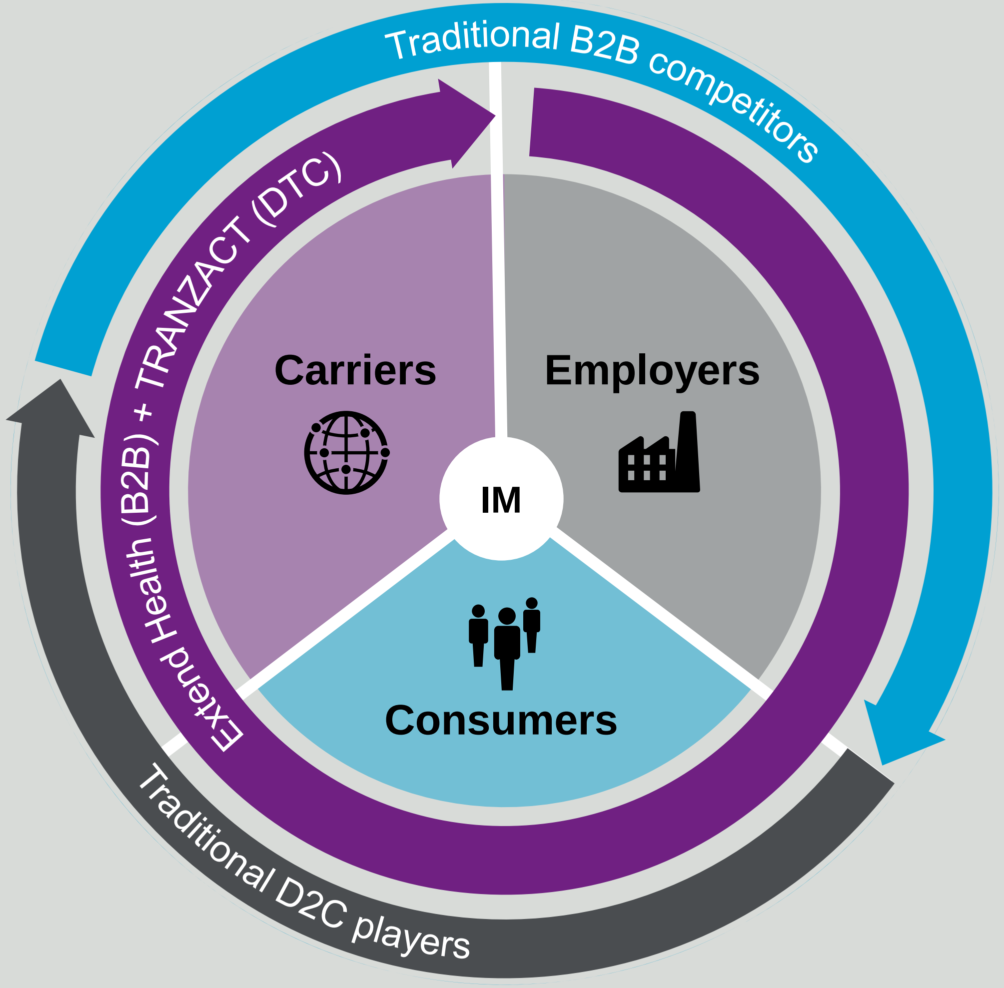
## NON-MEDICARE

**~$6B** Total potential market of annualized commissions

### Growth drivers

- Stabilization of non-Medicare health insurance market as an option for pre-65 retiree populations
- Introduction of individual marketplace solutions for active employees (ICHRA)

# Differentiate | We have unique capabilities that cover all customer segments in the sector




## Our winning formula leverages all stakeholders

Long-term relationships with **650+ corporate partners** that trust us to provide the best insurance options for their employees

**High member engagement** and strong self-service tools to increase stickiness of consumers

Highly trusted partner to **125+ carriers** including 8 strategic relationships

# Grow | Individual Marketplace is performing above our expectations, and we are very bullish on the future

## Unmatched diversification and operational excellence at scale

- Diversified member acquisition
- Multi-channel marketing and distribution
- Proprietary domains
- Leader in multicultural marketing
- Scaled enterprise technology and infrastructure

**20%**

**Pro-forma organic revenue CAGR (2018 – 2020)**

**$943M**

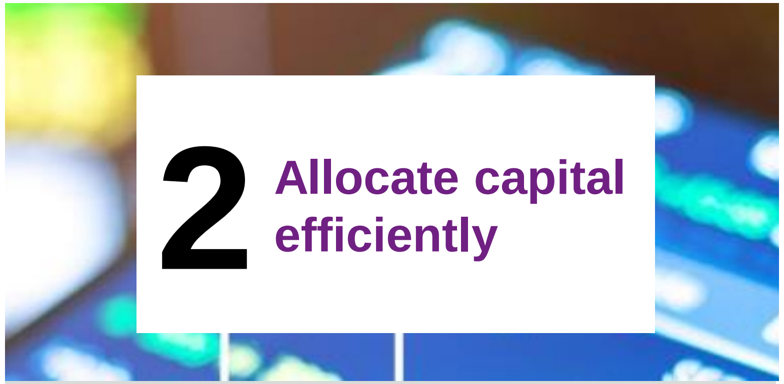
**FY 2020 revenue**

# Financial strategy and outlook

# We follow a principled financial management philosophy

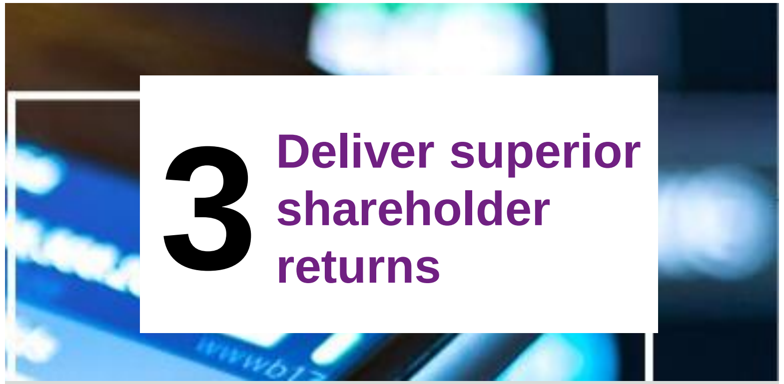
## 1 Manage with financial discipline

- Build on **strong financial** and business fundamentals using WTW's collective strength
- Deliver **strong organic growth** (building on current momentum) and substantial margin expansion
- Continue to **improve our FCF yield** to maximize financial flexibility and liquidity



## 2 Allocate capital efficiently

- Primarily use **capital to buy back shares** unless opportunities arise to do highly attractive bolt-on inorganic
- Remain agile to capture opportunities to **accelerate growth and acquire industry-leading capabilities**
- Harness our strong earnings and FCF power to **maintain balance sheet resilience and flexibility**



## 3 Deliver superior shareholder returns

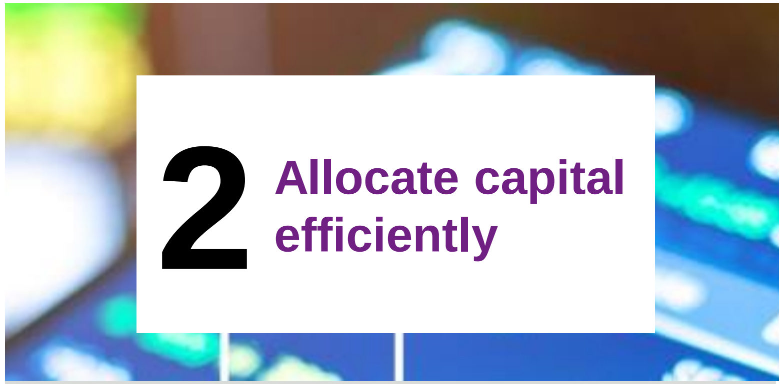
- Further increase our focus on delivering **superior returns** to our shareholders
- Create additional **transparency and clarity** around our financial goals and capital allocation plan

# We have delivered strong results over the last 3 years

## 1 Manage with financial discipline

**Robust business generation**
**Sustained operational efficiency**

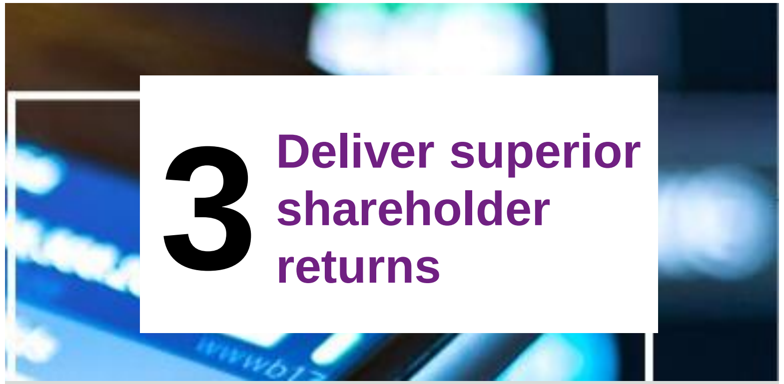
| | | |
|---|---|---|
| **4%** | ➡ | Annualized organic revenue growth (FY 2018-2020) |
| **20.1%** | ➡ | Adjusted operating margin (FY 2020) |
| **23%** | ➡ | FCF CAGR (FY 2018-2020) |



## 2 Allocate capital efficiently

**Disciplined working capital management**
**Continued capital structure optimization**

| | | |
|---|---|---|
| **$6.2B** | ➡ | $2.2B already returned 2018-H1 2021, plus $4B+ buyback in H2 2021-2022 |
| **2.0x** | ➡ | Leverage ratio in 2021[2] (Debt to adjusted EBITDA) |



## 3 Deliver superior shareholder returns

**Unwavering commitment to deliver effective financial management, growth**

| | | |
|---|---|---|
| **10%** | ➡ | Dividend CAGR (FY 2018-2021[1]) |
| **10%** | ➡ | Adjusted diluted EPS CAGR (FY 2018-2020) |

[1]Assumes full year 2021
[2]Leverage ratio adjusted for $400M debt paydown; reflects the impact of the proposed Willis Re divestiture

# Capital allocation | ~$10B - $11B of firepower to drive shareholder value with a bold new investment in Willis Towers Watson

**~$10B - $11B** estimated cash available 2H FY 2021 through FY 2024

**$1B - $2B**
cash available

**~$3.5B**
Break fee & divestiture, net of tax

**$5B - $6B**
FCF target generation FY 2022 to FY 2024

Estimated cash available 2H FY2021 through FY2024

**Investing in the business** for the future

**Continued investment** in core businesses and execute **bolt-on transactions** with strong strategic fit

**~$1B** buyback FY2021

Share buyback plan **announced** on 26 July 2021 **in progress**

**~$3B+ expected additional** buyback

**New share buyback** plan expected to be completed in 2022

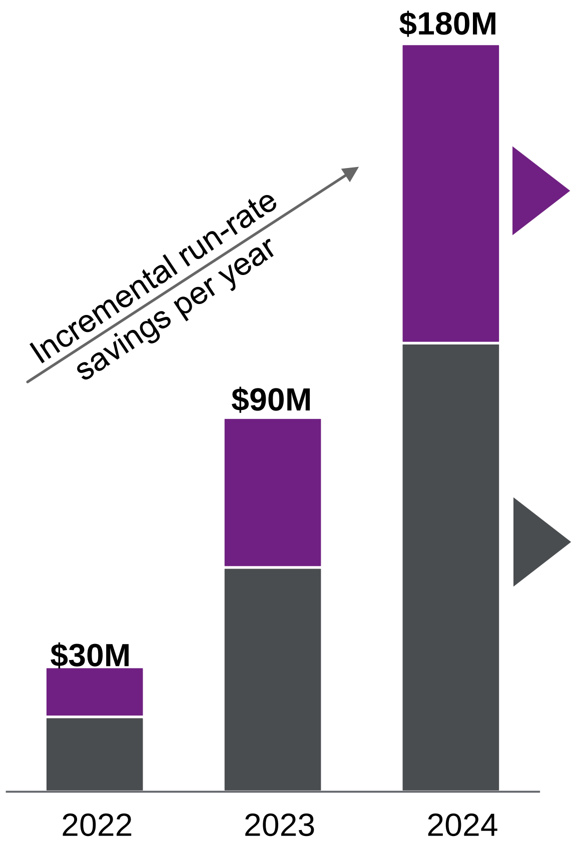
**~$1.3B dividends**

**Buybacks** from FCF[1]

[1]Primary use of capital expected to be share buybacks unless investment opportunities with superior return potential arise

# Transform | Deliver $300M in run-rate savings based on ~$750M investment over a three-year period

## $300M run-rate savings by FYE 2024



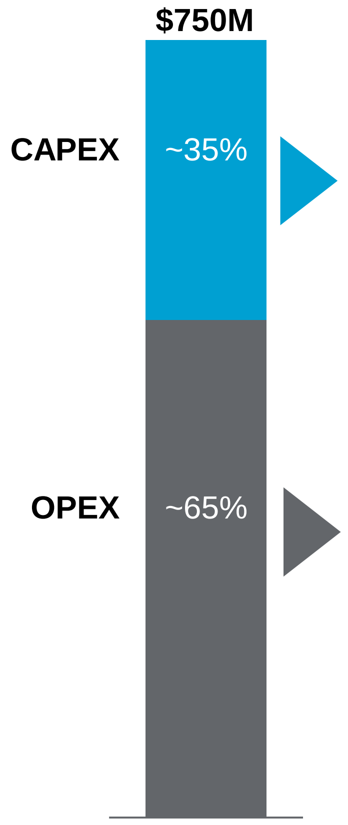

### Operations, technology, shared services

- Process optimization and automation
- Shared services and workforce optimization
- IT transformation (e.g., cloud)
- Corporate target operating model
- Organizational structure simplification

### Real estate

- Workplace use and flexibility
- Physical footprint rationalization
- Carbon footprint reduction

## One-time costs of ~$750M to deliver savings




### CAPEX key investments

- Shared services centralization
- Technology development (e.g., RPA, AI, self-service tools)

### OPEX key investments

- Lease-break costs
- Real estate transaction costs
- Professional services support
- Compensation

# Key financial targets | Strategic initiatives will deliver sustainable results

| 3-year revenue growth | FY 2024 adjusted operating margin | FY 2022 to FY 2024 strong FCF generation and disciplined capital deployment | FY 2024 adjusted diluted EPS |
|---|---|---|---|
| **Mid single digit+ organic revenue growth** | **24% - 25%** | **$5 to $6 billion FCF generation by FYE 2024** | **$18 - $21 Adjusted EPS** |
| **>$10B** Revenue by FY 2024 | Driven by >$300M transformation initiatives savings and operating leverage resulting in significant margin improvement compared to FY 2020 | With significant capital available for buybacks and investment in the business | |

# Q&A

# In closing

# We have a strong business and are committing to shareholders as we execute our vision

Achieving our targets through our experienced, diverse management team

Realizing profitable growth through innovation in attractive markets

Accelerating digitization, standardization and modern ways of working, resulting in meaningfully improved margins

Delivering superior shareholder returns through buybacks and prudent investments

# Appendix

# Appendix: FY20 Reconciliation of Non-GAAP Measures

## Organic Revenue Growth

| | Years Ended December 31, | | | Components of Revenue Change[1] | | | |
|---|---|---|---|---|---|---|---|
| | 2020 | 2019 | As Reported % Change | Currency Impact | Constant Currency Change | Acquisitions/ Divestitures | Organic Change |
| Human Capital & Benefits | $ 3,278 | $ 3,298 | (1)% | 0% | (1)% | 0% | 0% |
| Corporate Risk & Broking | 2,977 | 2,946 | 1% | 0% | 1% | 0% | 1% |
| Investment, Risk & Reinsurance | 1,651 | 1,637 | 1% | 0% | 1% | (3)% | 4% |
| Benefits Delivery & Administration | 1,359 | 1,035 | 31% | 0% | 31% | 21% | 10% |
| **Segment Revenue** | 9,265 | 8,916 | 4% | 0% | 4% | 2% | 2% |
| Reimbursable expenses and other | 87 | 123 | | | | | |
| **Revenue** | $ 9,352 | $ 9,039 | 3% | 0% | 4% | 2% | 2% |

[1]Components of revenue change may not add due to rounding

More information about these non-GAAP measures and reconciliations are contained in our Form 10-K and other filings with the SEC available at www.sec.gov or www.willistowerswatson.com

# Appendix: FY20 Reconciliation of Non-GAAP Measures

## Organic Revenue Growth

| | Years Ended December 31, | | | Components of Revenue Change[1] | | | |
|---|---|---|---|---|---|---|---|
| | 2019 | 2018 | As Reported % Change | Currency Impact | Constant Currency Change | Acquisitions/ Divestitures | Organic Change |
| Human Capital & Benefits | $ 3,298 | $ 3,233 | 2% | (2)% | 4% | 0% | 4% |
| Corporate Risk & Broking | 2,946 | 2,852 | 3% | (3)% | 6% | 0% | 6% |
| Investment, Risk & Reinsurance | 1,637 | 1,556 | 5% | (3)% | 8% | 1% | 7% |
| Benefits Delivery & Administration | 1,035 | 758 | 37% | 0% | 37% | 32% | 4% |
| **Segment Revenue** | 8,916 | 8,399 | 6% | (2)% | 9% | 3% | 5% |
| Reimbursable expenses and other | 123 | 114 | | | | | |
| **Revenue** | $ 9,039 | $ 8,513 | 6% | (2)% | 9% | 3% | 5% |

[1]Components of revenue change may not add due to rounding

More information about these non-GAAP measures and reconciliations are contained in our Form 10-K and other filings with the SEC available at www.sec.gov or www.willistowerswatson.com

# Appendix: FY20 Reconciliation of Non-GAAP Measures

## Net Income to Adjusted EBITDA and Adjusted EBITDA Margin

| | Years Ended December 31, | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | 2020 | | | 2019 | | | 2018 | | |
| **Net Income** | $ | 1,020 | 10.9% | $ | 1,073 | 11.9% | $ | 715 | 8.4% |
| Provision for income taxes | | 318 | | | 249 | | | 136 | |
| Interest expense | | 244 | | | 234 | | | 208 | |
| Depreciation[2] | | 308 | | | 240 | | | 208 | |
| Amortization | | 462 | | | 489 | | | 534 | |
| Restructuring costs | | 24 | | | — | | | — | |
| Transaction and integration expenses | | 110 | | | 13 | | | 202 | |
| Provision for significant litigation[1] | | 65 | | | — | | | — | |
| Pension settlement and curtailment gains and losses | | — | | | — | | | 24 | |
| (Gain)/loss on disposal of operations | | (81) | | | 2 | | | 9 | |
| **Adjusted EBITDA and Adjusted EBITDA Margin** | $ | 2,470 | 26.4% | $ | 2,300 | 25.4% | $ | 2,036 | 23.9% |

1. In the fourth quarter of 2020, the Company agreed in principle to settle both the federal litigation and the Delaware litigation associated with the 2016 Willis/Towers Watson merger for aggregate payments of $90 million. The Company subsequently filed definitive settlement agreements with both courts in January 2021. We described this litigation in the Company's Periodic Report on Form 10-Q for the quarter ended September 30, 2020, and we will provide an update regarding the settlements in the Company's 2020 Annual Report on Form 10-K. As a result of the settlements, the Company increased its provision for such litigation (net of insurance and other recoveries) from $15 million to $65 million during the fourth quarter of 2020. The settlements are contingent upon final approval by the courts in both the federal litigation and the Delaware litigation. The Company agreed to the settlements and the payment of the settlement amounts to eliminate the distraction, burden, expense and uncertainty of further litigation. Further, in reaching the settlements, the parties understood and agreed that there is no admission of liability or wrongdoing by the Company or any of the other defendants 2. Includes abandonment of long-lived asset of $35 million for the year ended December 31, 2020

More information about these non-GAAP measures and reconciliations are contained in our Form 10-K and other filings with the SEC available at www.sec.gov or www.willistowerswatson.com

# Appendix: FY20 Reconciliation of Non-GAAP Measures

## Net Income Attributable to WTW to Adjusted Diluted Earnings Per Share

| | Years Ended December 31, | | | | | |
|---|---|---|---|---|---|---|
| | 2020 | | 2019 | | 2018 | |
| **Net Income attributable to Willis Towers Watson** | $ | 996 | $ | 1,044 | $ | 695 |
| Adjusted for certain items | | | | | | |
| Abandonment of long-lived asset | | 35 | | — | | — |
| Amortization | | 462 | | 489 | | 534 |
| Restructuring costs | | 24 | | — | | — |
| Transaction and integration expenses | | 110 | | 13 | | 202 |
| Pension settlement and curtailment gains and losses | | — | | — | | 132 |
| Provision for significant litigation[1] | | 65 | | — | | — |
| (Gain)/loss on disposal of operations | | (81) | | 2 | | 9 |
| Tax effect on certain items listed above[2] | | (149) | | (121) | | (184) |
| Tax effects of internal reorganizations | | — | | — | | 4 |
| Tax effect of the CARES Act | | 61 | | — | | — |
| **Adjusted Net Income** | $ | 1,523 | $ | 1,427 | $ | 1,284 |
| | | | | | | |
| Weighted-average shares of common stock, diluted | | 130 | | 130 | | 132 |
| | | | | | | |
| **Diluted Earnings Per Share** | $ | 7.65 | $ | 8.02 | $ | 5.27 |
| Adjusted for certain items[3] | | | | | | |
| Abandonment of long-lived asset | | 0.27 | | — | | — |
| Amortization | | 3.55 | | 3.75 | | 4.04 |
| Restructuring costs | | 0.18 | | — | | — |
| Transaction and integration expenses | | 0.84 | | 0.10 | | 1.53 |
| Pension settlement and curtailment gains and losses | | — | | — | | 0.18 |
| Provision for significant litigation[1] | | 0.50 | | — | | — |
| (Gain)/loss on disposal of operations | | (0.62) | | 0.02 | | 0.07 |
| Tax effect on certain items listed above[2] | | (1.14) | | (0.93) | | (1.39) |
| Tax effects of internal reorganizations | | — | | — | | 0.03 |
| Tax effect of the CARES Act | | 0.47 | | — | | — |
| **Adjusted Diluted Earnings Per Share** | $ | 11.70 | $ | 10.96 | $ | 9.73 |

1. In the fourth quarter of 2020, the Company agreed in principle to settle both the federal litigation and the Delaware litigation associated with the 2016 Willis/Towers Watson merger for aggregate payments of $90 million. The Company subsequently filed definitive settlement agreements with both courts in January 2021. We described this litigation in the Company's Periodic Report on Form 10-Q for the quarter ended September 30, 2020, and we will provide an update regarding the settlements in the Company's 2020 Annual Report on Form 10-K. As a result of the settlements, the Company increased its provision for such litigation (net of insurance and other recoveries) from $15 million to $65 million during the fourth quarter of 2020. The settlements are contingent upon final approval by the courts in both the federal litigation and the Delaware litigation. The Company agreed to the settlements and the payment of the settlement amounts to eliminate the distraction, burden, expense and uncertainty of further litigation. Further, in reaching the settlements, the parties understood and agreed that there is no admission of liability or wrongdoing by the Company or any of the other defendants 2. The tax effect was calculated using an effective tax rate for each item. 3. Per share values and totals may differ due to rounding.

More information about these non-GAAP measures and reconciliations are contained in our Form 10-K and other filings with the SEC available at www.sec.gov or www.willistowerswatson.com

# Appendix: FY20 Reconciliation of Non-GAAP Measures

## Income From Operations to Adjusted Operating Income

| | Years Ended December 31, | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | 2020 | | | 2019 | | | 2018 | | |
| **Income from operations** | $ | 1,183 | 12.6% | $ | 1,329 | 14.7% | $ | 809 | 9.5% |
| Adjusted for certain items | | | | | | | | | |
| Abandonment of long-lived asset | | 35 | | | — | | | — | |
| Amortization | | 462 | | | 489 | | | 534 | |
| Restructuring costs | | 24 | | | — | | | — | |
| Transaction and integration expenses | | 110 | | | 13 | | | 202 | |
| Provision for significant litigation[1] | | 65 | | | — | | | — | |
| **Adjusted operating income** | $ | 1,879 | 20.1% | $ | 1,831 | 20.3% | $ | 1,545 | 18.1% |

1. In the fourth quarter of 2020, the Company agreed in principle to settle both the federal litigation and the Delaware litigation associated with the 2016 Willis/Towers Watson merger for aggregate payments of $90 million. The Company subsequently filed definitive settlement agreements with both courts in January 2021. We described this litigation in the Company's Periodic Report on Form 10-Q for the quarter ended September 30, 2020, and we will provide an update regarding the settlements in the Company's 2020 Annual Report on Form 10-K. As a result of the settlements, the Company increased its provision for such litigation (net of insurance and other recoveries) from $15 million to $65 million during the fourth quarter of 2020. The settlements are contingent upon final approval by the courts in both the federal litigation and the Delaware litigation. The Company agreed to the settlements and the payment of the settlement amounts to eliminate the distraction, burden, expense and uncertainty of further litigation. Further, in reaching the settlements, the parties understood and agreed that there is no admission of liability or wrongdoing by the Company or any of the other defendants.

More information about these non-GAAP measures and reconciliations are contained in our Form 10-K and other filings with the SEC available at www.sec.gov or www.willistowerswatson.com

# Appendix: FY20 Reconciliation of Non-GAAP Measures

## Adjusted Income Before Taxes and Adjusted Income Taxes / Rate

| | Years Ended December 31, | | |
|---|---|---|---|
| | 2020 | 2019 | 2018 |
| **Income from operations before income taxes** | $ 1,338 | $ 1,322 | $ 851 |
| Adjusted for certain items | | | |
| Abandonment of long-lived asset | 35 | — | — |
| Amortization | 462 | 489 | 534 |
| Restructuring costs | 24 | — | — |
| Transaction and integration expenses | 110 | 13 | 202 |
| Pension settlement and curtailment gains and losses | — | — | 24 |
| Provision for significant litigation[1] | 65 | — | — |
| (Gain)/loss on disposal of operations | (81) | 2 | 9 |
| **Adjusted income before taxes** | $ 1,953 | $ 1,826 | $ 1,620 |
| **Provision for income taxes** | $ 318 | $ 249 | $ 136 |
| Tax effect on certain items listed above[2] | 149 | 121 | 184 |
| Tax effects of internal reorganizations | — | — | (4) |
| Tax effect of the CARES Act | (61) | — | — |
| **Adjusted income taxes** | $ 406 | $ 370 | $ 316 |
| **U.S. GAAP tax rate** | **23.8%** | **18.8%** | **16.0%** |
| **Adjusted income tax rate** | **20.8%** | **20.3%** | **19.5%** |

1. In the fourth quarter of 2020, the Company agreed in principle to settle both the federal litigation and the Delaware litigation associated with the 2016 Willis/Towers Watson merger for aggregate payments of $90 million. The Company subsequently filed definitive settlement agreements with both courts in January 2021. We described this litigation in the Company's Periodic Report on Form 10-Q for the quarter ended September 30, 2020, and we will provide an update regarding the settlements in the Company's 2020 Annual Report on Form 10-K. As a result of the settlements, the Company increased its provision for such litigation (net of insurance and other recoveries) from $15 million to $65 million during the fourth quarter of 2020. The settlements are contingent upon final approval by the courts in both the federal litigation and the Delaware litigation. The Company agreed to the settlements and the payment of the settlement amounts to eliminate the distraction, burden, expense and uncertainty of further litigation. Further, in reaching the settlements, the parties understood and agreed that there is no admission of liability or wrongdoing by the Company or any of the other defendants. 2. The tax effect was calculated using an effective tax rate for each item.

More information about these non-GAAP measures and reconciliations are contained in our Form 10-K and other filings with the SEC available at www.sec.gov or www.willistowerswatson.com

# Appendix: FY20 Reconciliation of Non-GAAP Measures

## Free Cash Flow

| | Years Ended December 31, | | |
|---|---|---|---|
| | 2020 | 2019 | 2018 |
| **Cash flows from operating activities** | $ 1,774 | $ 1,081 | $ 1,288 |
| Less: Additions to fixed assets and software for internal use | (223) | (246) | (268) |
| **Free Cash Flow** | $ 1,551 | $ 835 | $ 1,020 |

More information about these non-GAAP measures and reconciliations are contained in our Form 10-K and other filings with the SEC available at www.sec.gov or www.willistowerswatson.com