



Risk Management Statement

Growth and innovation are fundamental to WTW's success. Equally important are understanding and managing the risks associated with our businesses. Risk is an inherent part of any company and WTW need to appropriately balance upside potential with potential downside consequences. Intelligent risk-taking is one of the ways we will unlock our potential for the benefit of our clients, our colleagues and our shareholders.

WTW is exposed to a variety of risks and seeks to manage these risks in a structured and consistent way. WTW's approach to Enterprise Risk Management (ERM) is derived from industry best practices, including those set by the Committee of Sponsoring Organizations of the Treadway Commission (COSO), which defines ERM as:

“the culture, capabilities and practices, integrated with strategy-setting and its execution, that organizations rely on to manage risk in creating, preserving and realizing value”

Enterprise Risk Management Framework at WTW

The purpose of WTW's ERM Framework is to support delivery of effective risk management across the Company. The ERM Framework applies to all WTW entities and all colleagues working for and on behalf of WTW. The chart below outlines WTW's ERM Framework.

WTW Enterprise Risk Management Framework



Risk assessment and control reviews are important components of the overall WTW ERM Framework. They aim at understanding the risk and its potential likelihood and impact in the context of achieving WTW's strategic objectives. WTW conducts regular risk and control reviews that are designed to capture material risks, controls and key areas of focus to follow-up through management actions.

Three Lines of Defense Model

WTW operates a Three Lines of Defense Model which aligns to the expectations of our clients, regulators, Boards and shareholders. This model states that the first line of defence is the business and/or functions which own and manage risk. The second line of defence, includes ERM and Compliance, overseeing the management of risk. The third line of defence comprises of functions that provide independent assurance, such as Internal Audit. The Three Lines of Defense provide assurance to the WTW Board that risks are assessed and managed to defined risk appetites and tolerances.

WTW has an established the ERM Statement of Principles which sets out the standards, roles and responsibilities and accountabilities for managing risk at WTW, within the context of the Three Lines of Defense.

ERM Governance

WTW's Board, through its various Board Committees, oversees senior management who are responsible for the strategy and day-to-day operations and management of the company, including climate-related matters. The Board has delegated to the Audit and Risk Committee and the Operational Transformation Committee, the responsibility of assisting the Board in its oversight of the framework, policies and practices used by the business to identify, assess and manage risks facing the company. These Board committees are supported by management and management-level committees including the WTW Controls Committee, which provides executive management oversight of WTW's internal control system, risk management and compliance within internal policies and procedures.

The Chief Risk Officer (CRO), who reports into the General Counsel, is responsible for WTW's enterprise risk management framework and provides quarterly updates to the Audit and Risk Committee as well as the Operational Transformation Committee. As part of this update, the CRO reports on WTW's risk profile, top risks based on agreed risk appetites and outcomes of detailed risk analysis. Prior to updating the respective Board Committees, the CRO discusses the material risks with the Controls Committee which is comprised by members of senior management, including the General Counsel (who serves as the Committee Chair), CFO, COO, Chief Human Resources Officer, Chief Risk Officer, Chief Compliance Officer and Chief Auditor, among other leaders across WTW.

WTW also has an Enterprise Risk Management Steering Group (ERMSG). The ERMSG has cross business and functional representation, supports a positive risk culture and receives quarterly risk reports.

Training

To support embedding of risk management practices and a positive risk culture within WTW, risk management training is provided as needed.

The scope of this training covers business and function leaders and colleagues. ERM topics covered are tailored to the audience.

Legal disclaimer

Forward-Looking Statements

We have included in this document 'forward-looking statements' within the meaning of Section 27A of the Securities Act of 1933, and Section 21E of the Securities Exchange Act of 1934, which are intended to be covered by the safe harbors created by those laws. These forward-looking statements include information about possible or assumed future results of our operations. All statements, other than statements of historical facts, that address activities, events or developments that we expect or anticipate may occur in the future, including such things as our outlook, metrics and targets, the impact of the global pandemic on our business, future capital expenditures, ongoing working capital efforts, future share repurchases, financial results (including our revenue, costs or margins), the impact of changes to tax laws on our financial results, existing and evolving business strategies and acquisitions and dispositions, including the sale of Willis Re to Arthur J. Gallagher & Co. ('Gallagher'), 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 leadership, organizational and technology changes, including investments in improving systems and processes, our ability to implement and realize anticipated benefits of any cost-savings initiatives including the multi-year operational Transformation program, and plans and references to future successes, including our future financial and operating results, plans, objectives, expectations and intentions are forward-looking statements. Also, when we use words such as 'may,' 'will,' 'would,' 'anticipate,' 'believe,' 'estimate,' 'expect,' 'intend,' 'plan,' 'continues,' 'seek,' 'target,' 'focus,' 'probably,' or similar expressions, we are making forward-looking statements. Such statements are based upon the current beliefs and expectations of the Company'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.

A number of risks and uncertainties that could cause actual results to differ materially from the results reflected in these forward-looking statements are identified under Risk Factors in Item 1A of our Annual Report on Form 10-K and in our subsequent filings. Copies are available online at www.sec.gov or www.wtwco.com. The risk factors described in our filings are not the only risks and uncertainties that we face. Additional risks and uncertainties that are presently unknown to us could also impair our business operations, financial condition or results.

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, 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. In light of 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.

Policy Statements

Each of the following statements is a statement of general policy. It is possible that specific circumstances in our global operations may differ from those described in our policy statements.

Willis Towers Watson public limited company and its subsidiaries (“WTW”) is a leading global advisory, broking and solutions company that provides data-driven, insight-led solutions in the areas of people, risk and capital. Leveraging the global view and local expertise of our colleagues serving more than 140 countries and markets, we help organizations sharpen strategies, enhance resilience, motivate workforces and maximize performance. Our purpose is to transform tomorrows - this extends to our own sustainability position and impact. Our clients, colleagues and other stakeholders expect us to conduct business with integrity, in an environmentally and socially responsible manner and with the highest ethical standards. Providing disclosures, like this report, is just one way we plan to help create additional clarity for our stakeholders on our sustainability position and impact.