



WTW

Earnings Release Supplemental Materials 2022 Fourth Quarter and Full Year Financial Results

February 9, 2023

WTW Forward-Looking Statements

This document contains '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, 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,' 'continue,' 'seek,' 'target,' 'goal,' '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.

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 in this document, including the following: our ability to successfully establish, execute and achieve our global business strategy as it evolves; our ability to fully realize anticipated benefits of our growth strategy; the risks related to changes in general economic (including a possible recession), business and political conditions, including changes in the financial markets, inflation, increased interest rates and trade policies; the risks to our short-term and long-term financial goals from any of the risks or uncertainties set forth herein; the risks to our business, financial condition, results of operations, and long-term goals that may be materially adversely affected by any negative impact on the global economy and capital markets resulting from or relating to inflation, the military conflict between Russia and Ukraine or any other geopolitical tensions and the withdrawal from our high margin businesses in Russia and our ability to achieve cost-mitigation measures; our ability to successfully hedge against fluctuations in foreign currency rates; the risks relating to the adverse impacts of the ongoing COVID-19 pandemic, including supply chain, workforce availability, vaccination rates, new or emerging variants and further social-distancing orders in jurisdictions where we do business, on the demand for our products and services, our cash flows and our business operations; material interruptions to, loss of our information processing capabilities, or failure to effectively maintain and upgrade our information technology resources and systems and related risks of cybersecurity breaches or incidents; our ability to comply with complex and evolving regulations related to data privacy and cybersecurity; the risks relating to the transitional arrangements in effect subsequent to our now-completed sale of Willis Re to Gallagher; 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 and non-recurring revenue increases from disposals and book-of-business sales; 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 or acquisitions and our ability to integrate or manage such acquired businesses; our ability to integrate direct-to-consumer sales and marketing solutions with our existing offerings and solutions; 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 impact of the impending cessation of the London Interbank Offered Rate; our ability to properly identify and manage conflicts of interest; reputational damage, including from association with third parties; reliance on third-party service providers and suppliers; risks relating to changes in our management structures and in senior leadership; the loss of key employees or a large number of employees and rehiring rates; our ability to maintain our corporate culture; 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 (such as sanctions imposed on Russia) and related counter-sanctions; 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 legislative actions from the current U.S. Congress, and any other changes and developments in legal, economic, business or operational conditions impacting our Medicare benefits businesses such as TRANZACT; the inability to protect our intellectual property rights, or the potential infringement upon the intellectual property rights of others; fluctuations in our pension assets and liabilities and related changes in pension income, including as a result of, related to, or derived from movements in the interest rate environment, investment returns, inflation, or changes in other assumptions that are used to estimate our benefit obligations; 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 laws, and the enactment of additional, or the revision of existing, state, federal, and/or foreign laws and regulations, recent judicial decisions and development of case law, other regulations and any policy changes and legislative actions, including our effective tax rate; U.S. federal income tax consequences to U.S. persons owning at least 10% of our shares; changes in accounting principles, estimates or assumptions; risks relating to or arising from environmental, social and governance ('ESG') practices; 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 www.sec.gov or www.wtco.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.

WTW Non-GAAP Measures

In order to assist readers of our consolidated financial statements in understanding the core operating results that WTW's management uses to evaluate the business and for financial planning, we present the following non-GAAP measures: (1) Constant Currency Change, (2) Organic Change, (3) Adjusted Operating Income/Margin, (4) Adjusted EBITDA/Margin, (5) Adjusted Net Income, (6) Adjusted Diluted Earnings Per Share, (7) Adjusted Income Before Taxes, (8) Adjusted Income Taxes/Tax Rate and (9) Free Cash Flow.

The Company believes that these measures are relevant and provide useful information widely used by analysts, investors and other interested parties in our industry to provide a baseline for evaluating and comparing our operating performance, and in the case of free cash flow, our liquidity results.

Reconciliations of these measures are included in the accompanying appendix of these earning release supplemental materials.

The Company does not reconcile its 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 to the Company without unreasonable efforts. For the same reasons, the Company is unable to address the probable significance of the unavailable information. The Company provides non-GAAP financial measures that it believes 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.

Strategy and Operating Performance

Key Takeaways



Organic growth of 5% in Q4-22 and 4% for full year 2022, and Adjusted EPS growth of 12% for Q4-22 and 16% for full year 2022¹



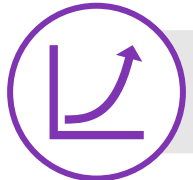
Significant progress on strategic priorities, with expanding talent base continuing to contribute to our performance



Realized \$49M of incremental annualized savings in Q4-22, bringing total to \$149M since Transformation Program inception



Continued to return capital, with share repurchases of \$440M in Q4-22 and \$3.5B for full year 2022



Remain focused on delivering our long-term financial targets

¹ Signifies Non-GAAP financial measures. See appendix for Non-GAAP reconciliations.

Fourth Quarter and Full Year 2022 GAAP Financial Results

Key figures

\$USD million, except EPS and %	Three months ended December 31,		Years ended December 31,	
	2022	2021	2022	2021
Revenue	\$2,722	\$2,706	\$8,866	\$8,998
<i>% change</i>	<i>1%</i>		<i>(1)%</i>	
Income from Operations	\$708	\$690	\$1,178	\$2,202
<i>% change</i>	<i>3%</i>		<i>(47)%</i>	
Operating Margin %	26.0%	25.5%	13.3%	24.5%
<i>change, basis points</i>	<i>50 bps</i>		<i>(1,120) bps</i>	
Net Income	\$593	\$2,407	\$1,024	\$4,236
<i>% change</i>	<i>(75)%</i>		<i>(76)%</i>	
Diluted EPS	\$5.40	\$19.19	\$8.98	\$32.78
<i>% change</i>	<i>(72)%</i>		<i>(73)%</i>	
Net Cash From Operating Activities			\$812	\$2,061
<i>% change</i>			<i>(61)%</i>	

Q4 2022 Key Figures, Including Non-GAAP Financial Results

Solid Operating Performance

Q4-2022 Results

Total Revenue	\$2.7B Q4 2022	+5% Q4 2022 Organic	+4% Q4 2021 Organic
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Adjusted Diluted EPS ¹	\$6.33 Q4 2022	+12% Q4 2022	\$5.67 Q4 2021
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Adjusted Operating Margin ¹	32.4% Q4 2022	+20bps Q4 2022	+32.2% Q4 2021
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Transformation Program	\$49M of run rate savings in Q4 2022
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¹ Signifies Non-GAAP financial measures. See appendix for Non-GAAP reconciliations

Full Year 2022 Key Figures, Including Non-GAAP Financial Results

Solid Operating Performance

Full Year 2022 Results

Total Revenue	\$8.9B 2022	+4% 2022 Organic	+6% 2021 Organic
Adjusted Diluted EPS ¹	\$13.41 2022	+16% 2022	\$11.60 2021
Adjusted Operating Margin ¹	20.9% 2022	+100bps 2022	+19.9% 2021
Free Cash Flow ¹	\$674M 2022	-\$1.2B 2022 v. 2021	\$1.9B 2021
Transformation Program	\$149M of run rate savings since inception		

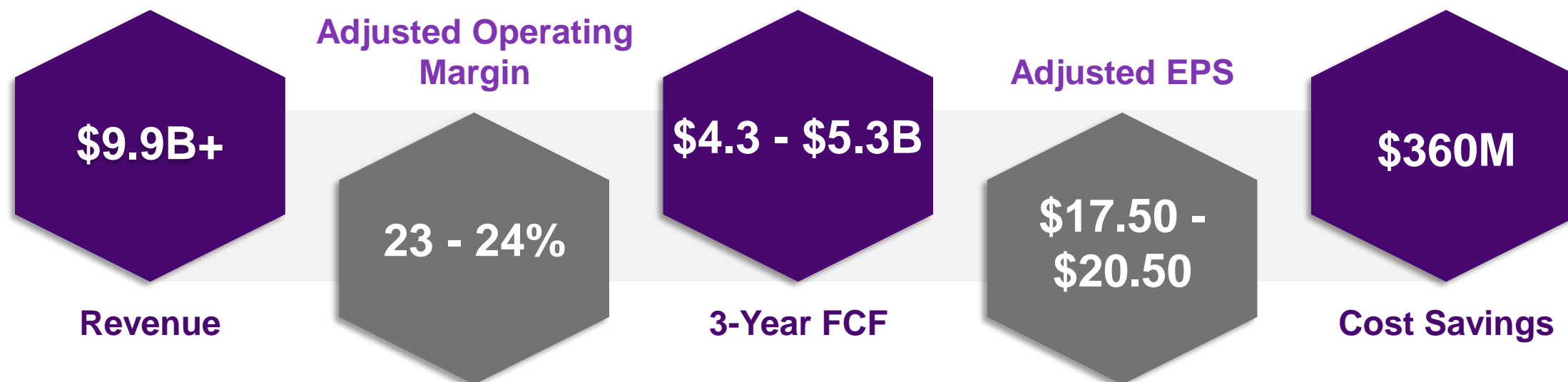
¹ Signifies Non-GAAP financial measures. See appendix for Non-GAAP reconciliations.

Our Strategic Priorities: Grow, Simplify, Transform

Focus on the execution on our strategy and the generation of outstanding value creation for all shareholders

- **Grow:** Invest to grow at or above market in chosen areas
- **Simplify:** Increase agility; do the basics well
- **Transform:** Enhance client and colleague experience through operational excellence

FY 2024 Financial Targets¹



¹ Reflects the Company's current beliefs and expectations as of February 9, 2023 and are subject to significant risks and uncertainties. Also includes Non-GAAP financial measures. We do not reconcile forward-looking Non-GAAP measures for reasons explained in the appendix.

Recent Progress Against Strategic Priorities



Grow

- ✓ Combined Asia and Australasia into one Asia Pacific Region
- ✓ Re-segmentation and corporate rebrand



Transform



Simplify

- ✓ New talent contributing to performance
- ✓ Expect client pipeline momentum to continue
- ✓ Global lines of business driving high-single-digit growth
- ✓ Cross-sell generating significant percentage of HWC project revenues
- ✓ Launched the pilot phase of an innovative digital commercial insurance platform

- ✓ Realized \$49M of incremental annualized savings in 4Q22 and \$149M in total since inception
- ✓ Repurchased 1.9M shares for \$440M in 4Q22 and 15.7M shares for \$3.5B in FY22

We Have a Portfolio of Leading Businesses in Attractive Markets

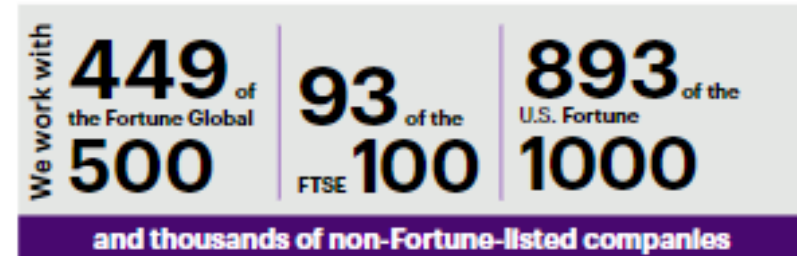
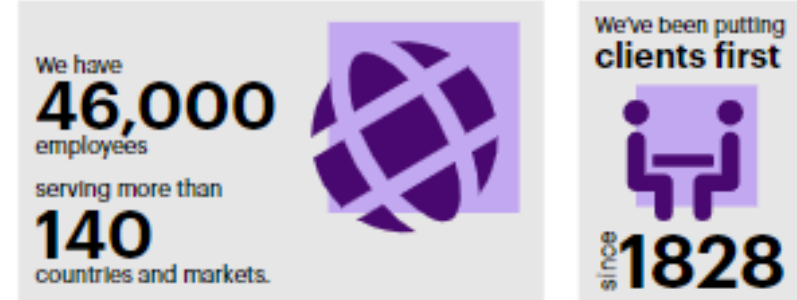
Delivering superior advice, broking and solutions in the areas of people, risk and capital

We have:

A distinctive mix of complementary businesses

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

A strong balance sheet and significant financial flexibility



~35M individuals use our platforms to access benefits and insurance

Segment Overview: Health, Wealth, & Career¹

Health, Wealth & Career: World-class portfolio of leading businesses providing advisory and consulting services within human capital, employee benefits and retirement verticals

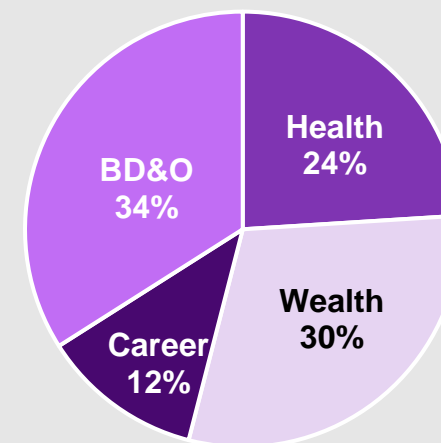
Health provides advice, broking, solutions and software for employee benefit plans, HR organizations and management teams of our clients

Wealth provides advice and management for retirement and investment asset owners using a sophisticated framework for managing risk

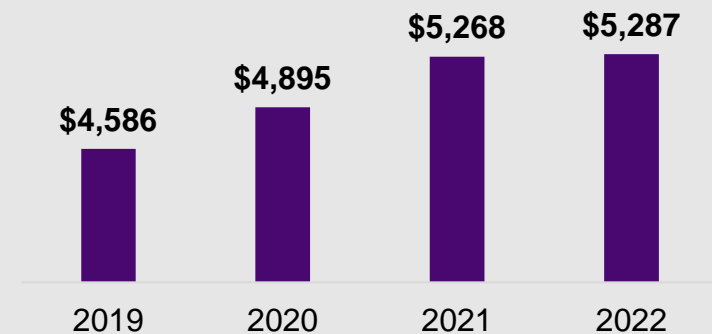
Career provides compensation advisory services, employee experience software and platforms, and other career-related consulting services to our clients

Benefits Delivery & Outsourcing provides medical exchange and outsourcing services to active employees and retirees across the group and individual markets as well as pension outsourcing

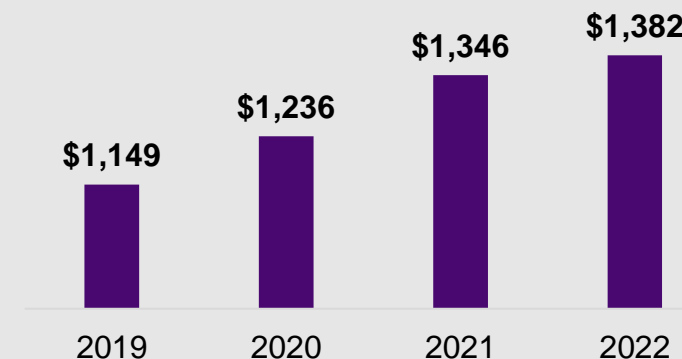
2022 Revenue



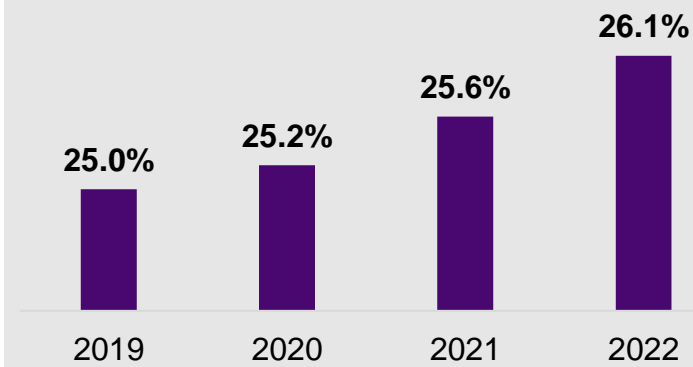
Revenue (\$M)



Operating Income (\$M)



Operating Margin %



¹ Includes Segment financial measures. See accompanying Earnings Release for Supplemental Segment Information. Segment results prior to 2022 were recast to reflect the realignment effective January 1, 2022.

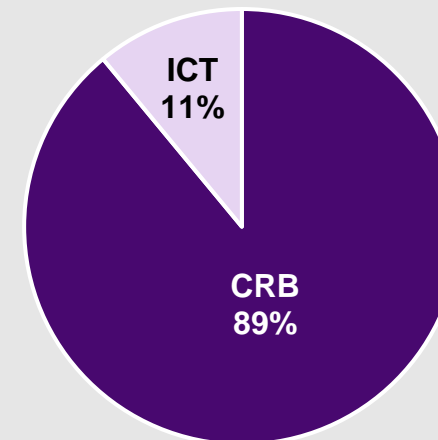
Segment Overview: Risk & Broking¹

Risk & Broking: Risk advisory and solutions business delivering innovative, integrated solutions tailored to client needs and underpinned by cutting edge data and analytics, technology and experienced risk thinkers

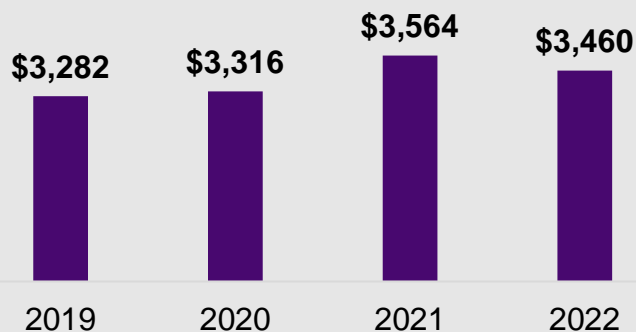
Corporate Risk & Broking provides a broad range of risk advice insurance brokerage and consulting services to clients worldwide ranging from small businesses to multinational corporations

Insurance Consulting and Technology provides advice and technology solutions to the insurance industry to help clients measure and manage risk and capita and improve performance

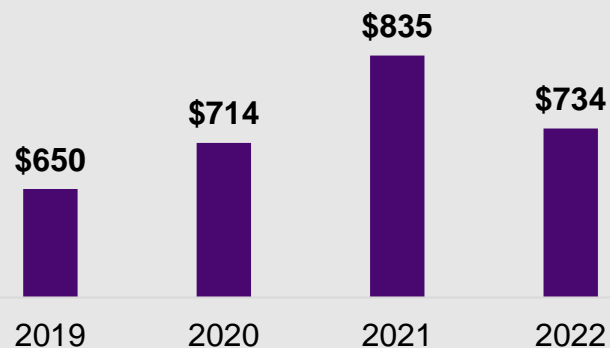
2022 Revenue



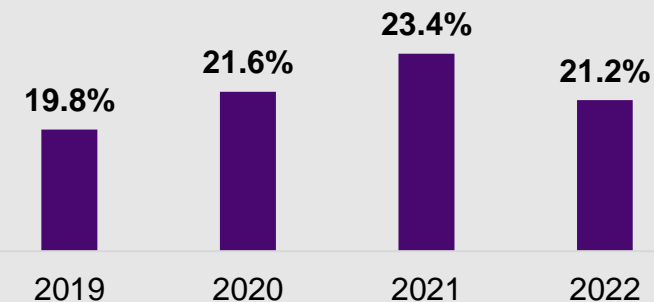
Revenue (\$M)



Operating Income (\$M)



Operating Margin %



¹ Includes Segment financial measures. See accompanying Earnings Release for Supplemental Segment Information. Segment results prior to 2022 were recast to reflect the realignment effective January 1, 2022.

Value Creation Framework

1. Seek profitable growth through innovation in attractive markets
2. Target superior shareholder returns through buybacks and prudent investments
3. Defensive business model with historically lower volatility than other financial services subsectors
4. Expected acceleration of operational transformation; aiming to result in meaningful margin improvements
5. Experienced, diverse management and global leadership team focused on achieving targets

Financial Review

Quarterly Segment Performance: Health, Wealth & Career

Segment Highlights

- For the quarter, HWC grew 5% organically, with BD&O leading the segment.
 - BD&O organic revenue growth was led by Medicare Advantage sales.
 - Wealth generated organic revenue growth from increased project activity across all geographies, related to financial market volatility, and higher levels of regulatory work in Great Britain.
 - Career grew organic revenue with increased reward-based advisory services, project activity, and increased sales through compensation benchmarking surveys.
 - YoY organic growth in our Health businesses was essentially flat, primarily due to headwinds from book sales in the comparable period.
 - Excluding book sales revenue grew organically in the Health businesses, driven by the continued expansion of our client portfolio for benefits management appointments in Europe and International, and increased project activity in North America.
- Operating income was \$672M in the quarter, an increase of 4% from the prior year.
- Operating margin increased 80 bps from the prior year to 39.0% primarily from higher operating leverage

1 Includes our Health & Benefits broking and consulting business.

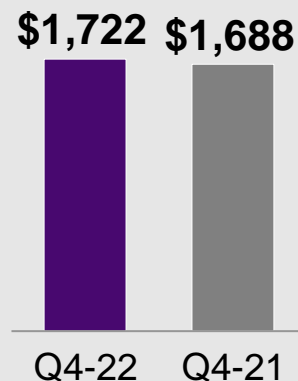
2 Includes our Retirement and Investment businesses.

3 Includes our Work & Rewards and Employee Experience businesses.

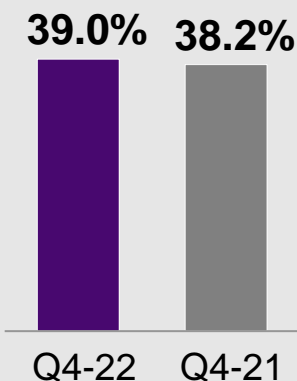
4 Includes our Benefits Delivery & Administration and Technology and Administrative Solutions businesses.

5 Signifies Non-GAAP financial measure. See appendix for Non-GAAP reconciliations.

Revenue (\$M)



Operating Margin



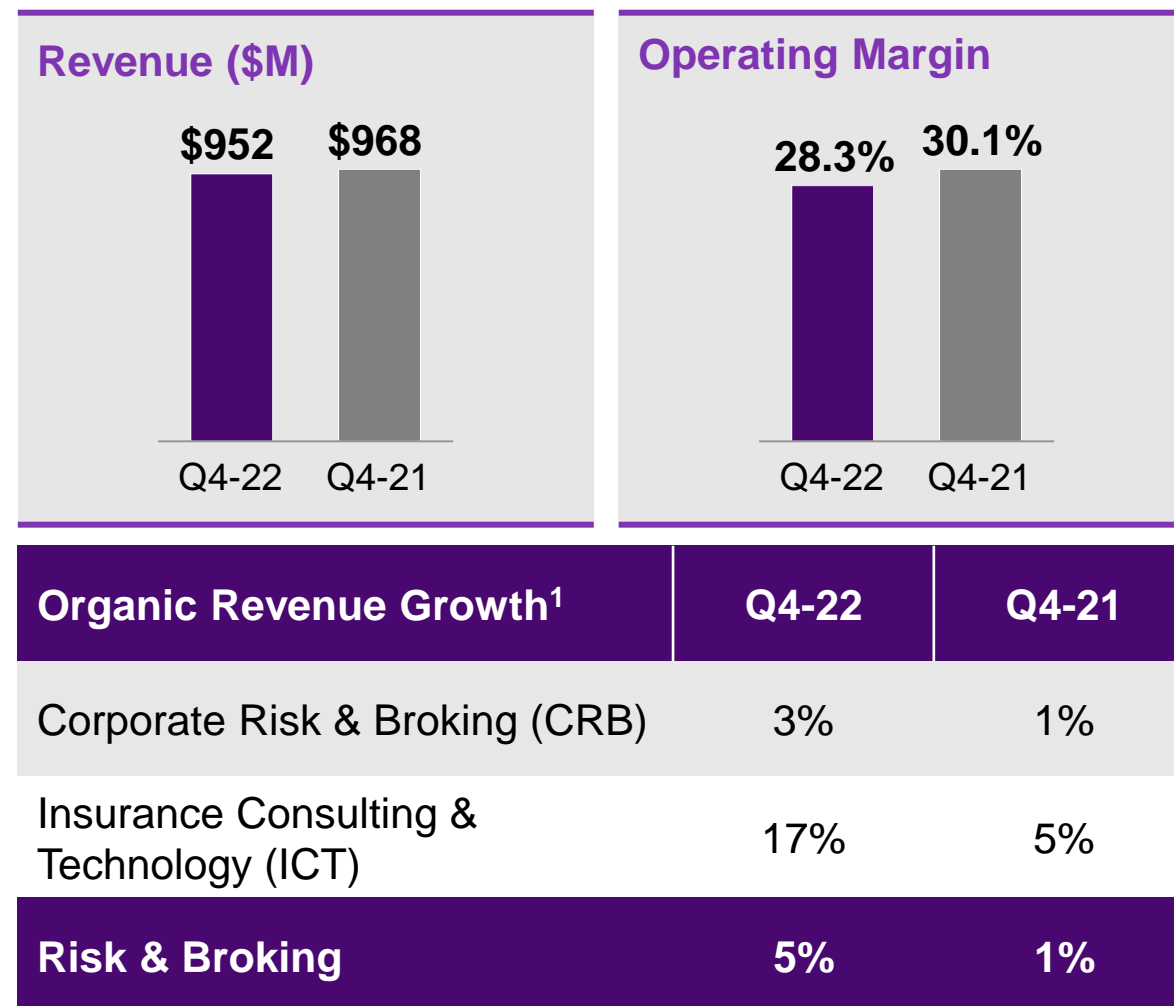
Organic Revenue Growth⁵

	Q4-22	Q4-21
Health ¹	0%	6%
Wealth ²	5%	1%
Career ³	9%	3%
Benefits Delivery & Outsourcing (BD&O) ⁴	6%	5%
Health, Wealth & Career	5%	4%

Segment Performance: Risk & Broking

Segment Highlights

- For the quarter, R&B grew 5% organically.
 - CRB generated organic revenue growth across all geographies, driven by our global lines of business, most notably in Construction and Aerospace.
 - CRB organic revenue growth rate was pressured by headwinds from book sales in the comparable period.
 - ICT organic revenue grew primarily due to favorable timing of software sales and increased advisory work.
- Operating income of \$269M in the quarter declined by 7%.
- Operating margin contracted by 180 bps primarily reflecting headwinds from book sales and investments in talent.



¹ Signifies Non-GAAP financial measure. See appendix for Non-GAAP reconciliations.

Continued Progress on Transformation Program

On track to generate \$360M+ of annualized savings through 2024

Costs to Achieve (\$ millions)	FY 2022	Cumulative From Inception	Total Transformation
Real Estate Rationalization	\$79	\$98	
Technology Modernization	\$50	\$55	
Process Optimization	\$92	\$92	
Other	\$14	\$16	
Total Restructuring / Transformation Costs	\$235	\$261	~\$630
Total Capital Expenditures	\$36	\$36	~\$270
Total Costs to Achieve	\$271	\$297	~\$900
Annualized Run-Rate Savings	\$129	\$149	\$360+

Delivering on our financial commitments

Delivering \$360M+ run-rate savings to contribute 360 bps of margin improvement, while investing for growth

- Realized **\$49M of incremental annualized savings in Q4-22** and **\$149M of annualized savings** since program inception
- In Q4-22, we incurred **\$91M of restructuring / transformation related charges**, primarily related to real estate transaction costs and technology modernization related costs
- **\$16M of capital expenditures** for the quarter
- Cumulative total investment (OpEx + CapEx) to date is **\$297M representing ~33%** of expected total one-time program costs

Maintaining a Flexible Balance Sheet

Reinforcing our business fundamentals; safeguarding WTW's financial strengths

(\$ millions)	Dec 31, 2021	Dec 31, 2022
Cash and Cash Equivalents	4,486	1,262
Total Debt ¹	4,587	4,721
Total Equity	13,308	10,093
Debt to Adj. EBITDA ² <i>Trailing 12-month</i>	1.9x	2.0x

Disciplined capital management strategy

Provides WTW with the **financial flexibility** to reinvest in our businesses, capitalize on market growth opportunities and support significant value creation for shareholders

- Our capital structure provides a solid foundation of business strength and reinforces our ability to capture long-term growth
- History of effectively managing our leverage with a commitment to **maintaining our investment grade credit rating**
- Committed to a **disciplined approach to managing outstanding debt** and successfully reduced our leverage profile

¹ Total Debt equals sum of current debt and long-term debt as shown on the Consolidated Balance Sheets.

² Signifies Non-GAAP financial measure. See appendix for Non-GAAP reconciliations.

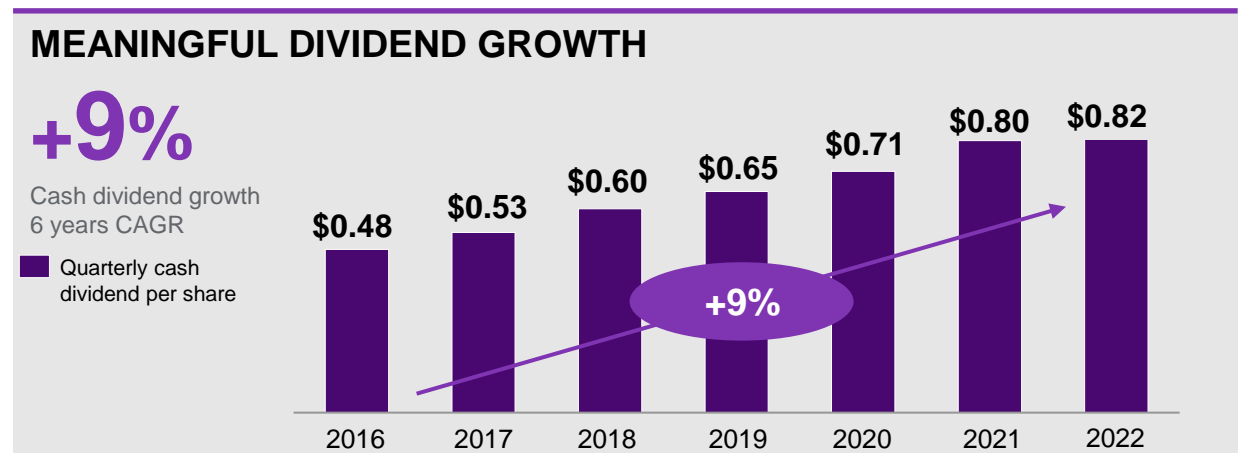
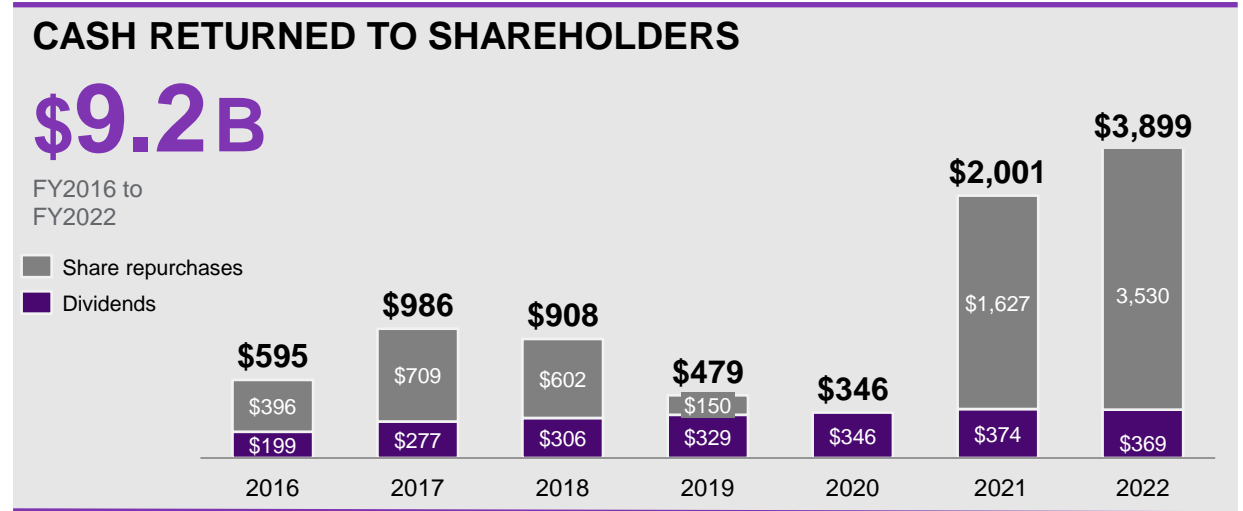
Executing Against a Balanced Capital Allocation Strategy

Capital Allocation Priorities

- Reinvest in capabilities, businesses, and processes
- Invest in innovation, technology, and new business
- Return excess cash to shareholders through share repurchases and dividends
- Strengthen balance sheet and liquidity
- Sustain dividends and payout ratio
- Business portfolio management
- Pursue opportunistic tuck-in and bolt-on M&A to strengthen capabilities

Q4-22 Highlights

- Repurchased \$440 million of shares during the quarter, for a total of \$3.5 billion for the year, with remaining authorization to repurchase \$1.3 billion at December 31, 2022
- Paid quarterly cash dividend of \$0.82 per common share



2023 Financial Targets¹



¹ Reflects the Company's current beliefs and expectations as of February 9, 2023 and are subject to significant risks and uncertainties. Also includes Non-GAAP financial measures. We do not reconcile forward-looking Non-GAAP measures for reasons explained in the appendix.

Appendix: Reconciliation of Non-GAAP Measures

Constant Currency and Organic Revenue Change

As reported, USD millions except %

	Three Months Ended December 31,		As Reported % Change	Components of Revenue Change ⁽ⁱ⁾			
	2022	2021		Less: Currency Impact	Constant Currency Change	Less: Acquisitions/ Divestitures	Organic Change
	Health, Wealth & Career	\$ 1,722		\$ 1,688	2%	(3)%	5%
Risk & Broking	952	968	(2)%	(5)%	3%	(2)%	5%
Segment Revenue	2,674	2,656	1%	(4)%	4%	(1)%	5%
Divested businesses and other	48	50					
Revenue	\$ 2,722	\$ 2,706	1%	(4)%	4%	(1)%	5%

	Years Ended December 31,		As Reported % Change	Components of Revenue Change ⁽ⁱ⁾			
	2022	2021		Less: Currency Impact	Constant Currency Change	Less: Acquisitions/ Divestitures	Organic Change
	Health, Wealth & Career	\$ 5,287		\$ 5,268	0%	(3)%	4%
Risk & Broking	3,460	3,564	(3)%	(5)%	2%	(2)%	3%
Segment Revenue	8,747	8,832	(1)%	(4)%	3%	(1)%	3%
Divested businesses and other	119	166					
Revenue	\$ 8,866	\$ 8,998	(1)%	(4)%	2%	(1)%	4%

⁽ⁱ⁾ Components of revenue change may not add due to rounding

Adjusted Op Income and Margin, Adj. EBITDA and Margin

As reported, USD millions except %

	Three Months Ended December 31,			
	2022		2021	
Income from operations	\$ 708	26.0%	\$ 690	25.5%
Adjusted for certain items:				
Amortization	73		84	
Restructuring costs	28		26	
Transaction and transformation, net	73		71	
Adjusted operating income	<u>\$ 882</u>	<u>32.4%</u>	<u>\$ 871</u>	<u>32.2%</u>

	Three Months Ended December 31,			
	2022		2021	
Net Income	\$ 593	21.8%	\$ 2,407	89.0%
Loss/(income) from discontinued operations, net of tax	13		(1,833)	
Provision for income taxes	131		150	
Interest expense	54		50	
Depreciation	64		69	
Amortization	73		84	
Restructuring costs	28		26	
Transaction and transformation, net	73		71	
(Gain)/loss on disposal of operations	(18)		1	
Adjusted EBITDA and Adjusted EBITDA Margin	<u>\$ 1,011</u>	<u>37.1%</u>	<u>\$ 1,025</u>	<u>37.9%</u>

	Years Ended December 31,			
	2022		2021	
Income from operations	\$ 1,178	13.3%	\$ 2,202	24.5%
Adjusted for certain items:				
Impairment	81		—	
Amortization	312		369	
Restructuring costs	99		26	
Transaction and transformation, net	181		(806)	
Adjusted operating income	<u>\$ 1,851</u>	<u>20.9%</u>	<u>\$ 1,791</u>	<u>19.9%</u>

	Years Ended December 31,			
	2022		2021	
Net Income	\$ 1,024	11.5%	\$ 4,236	47.1%
Loss/(income) from discontinued operations, net of tax	40		(2,080)	
Provision for income taxes	194		536	
Interest expense	208		211	
Impairment	81		—	
Depreciation	255		281	
Amortization	312		369	
Restructuring costs	99		26	
Transaction and transformation, net	181		(806)	
Gain on disposal of operations	(7)		(379)	
Adjusted EBITDA and Adjusted EBITDA Margin	<u>\$ 2,387</u>	<u>26.9%</u>	<u>\$ 2,394</u>	<u>26.6%</u>

Adjusted Net Income and Adjusted Diluted EPS

As reported, USD millions except %

	Three Months Ended December 31,	
	2022	2021
Net Income attributable to WTW	\$ 588	\$ 2,402
Adjusted for certain items:		
Loss/(income) from discontinued operations, net of tax	13	(1,833)
Amortization	73	84
Restructuring costs	28	26
Transaction and transformation, net	73	71
(Gain)/loss on disposal of operations	(18)	1
Tax effect on certain items listed above ⁽ⁱ⁾	(72)	(41)
Tax effect of internal reorganizations	4	—
Adjusted Net Income	\$ 689	\$ 710
Weighted-average shares of common stock, diluted	109	125
Diluted Earnings Per Share	\$ 5.40	\$ 19.19
Adjusted for certain items: ⁽ⁱⁱ⁾		
Loss/(income) from discontinued operations, net of tax	0.12	(14.64)
Amortization	0.67	0.67
Restructuring costs	0.26	0.21
Transaction and transformation, net	0.67	0.57
(Gain)/loss on disposal of operations	(0.17)	0.01
Tax effect on certain items listed above ⁽ⁱ⁾	(0.66)	(0.33)
Tax effect of internal reorganizations	0.04	—
Adjusted Diluted Earnings Per Share⁽ⁱⁱ⁾	\$ 6.33	\$ 5.67

⁽ⁱ⁾ The tax effect was calculated using an effective tax rate for each item.

⁽ⁱⁱ⁾ Per share values and totals may differ due to rounding.

	Years Ended December 31,	
	2022	2021
Net Income attributable to WTW	\$ 1,009	\$ 4,222
Adjusted for certain items:		
Loss/(income) from discontinued operations, net of tax	40	(2,080)
Impairment	81	—
Amortization	312	369
Restructuring costs	99	26
Transaction and transformation, net	181	(806)
Gain on disposal of operations	(7)	(379)
Tax effect on certain items listed above ⁽ⁱ⁾	(188)	103
Tax effect on statutory rate change	—	40
Tax effect of the CARES Act	(24)	—
Tax effect of internal reorganizations	4	—
Adjusted Net Income	\$ 1,507	\$ 1,495
Weighted-average shares of common stock, diluted	112	129
Diluted Earnings Per Share	\$ 8.98	\$ 32.78
Adjusted for certain items: ⁽ⁱⁱ⁾		
Loss/(income) from discontinued operations, net of tax	0.36	(16.15)
Impairment	0.72	—
Amortization	2.78	2.86
Restructuring costs	0.88	0.20
Transaction and transformation, net	1.61	(6.26)
Gain on disposal of operations	(0.06)	(2.94)
Tax effect on certain items listed above ⁽ⁱ⁾	(1.67)	0.79
Tax effect on statutory rate change	—	0.31
Tax effect of the CARES Act	(0.21)	—
Tax effect of internal reorganizations	0.04	—
Adjusted Diluted Earnings Per Share⁽ⁱⁱ⁾	\$ 13.41	\$ 11.60

Adjusted Income Before Taxes, Adjusted Income Tax Rate and Free Cash Flow

As reported, USD millions except %

	Three Months Ended December 31,	
	2022	2021
Income from continuing operations before income taxes	\$ 737	\$ 724
Adjusted for certain items:		
Amortization	73	84
Restructuring costs	28	26
Transaction and transformation, net	73	71
(Gain)/loss on disposal of operations	(18)	1
Adjusted income before taxes	\$ 893	\$ 906
Provision for income taxes	\$ 131	\$ 150
Tax effect on certain items listed above ⁽ⁱ⁾	72	41
Tax effect of internal reorganizations	(4)	—
Adjusted income taxes	\$ 199	\$ 191
U.S. GAAP tax rate	17.7%	20.8%
Adjusted income tax rate	22.2%	21.1%

⁽ⁱ⁾ The tax effect was calculated using an effective tax rate for each item.

	Years Ended December 31,	
	2022	2021
Income from continuing operations before income taxes	\$ 1,258	\$ 2,692
Adjusted for certain items:		
Impairment	81	—
Amortization	312	369
Restructuring costs	99	26
Transaction and transformation, net	181	(806)
Gain on disposal of operations	(7)	(379)
Adjusted income before taxes	\$ 1,924	\$ 1,902
Provision for income taxes	\$ 194	\$ 536
Tax effect on certain items listed above ⁽ⁱ⁾	188	(103)
Tax of statutory rate change	—	(40)
Tax effect of the CARES Act	24	—
Tax effect of internal reorganizations	(4)	—
Adjusted income taxes	\$ 402	\$ 393
U.S. GAAP tax rate	15.4%	19.9%
Adjusted income tax rate	20.9%	20.7%

	Years Ended December 31,	
	2022	2021
Cash flows from/(used in) operating activities	\$ 812	\$ 2,061
Less: Additions to fixed assets and software for internal use	(138)	(148)
Free Cash Flow	\$ 674	\$ 1,913

About WTW

At WTW (NASDAQ: WTW), we provide data-driven, insight-led solutions in the areas of people, risk and capital. Leveraging the global view and local expertise of our colleagues serving 140 countries and markets, we help organizations sharpen their strategy, enhance organizational resilience, motivate their workforce and maximize performance. Working shoulder to shoulder with our clients, we uncover opportunities for sustainable success—and provide perspective that moves you. Learn more at www.wtwco.com.