



WTW Sustainable Blue Economy Finance Principles and partnership mobilization report

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A message from our CEO

WTW's vision is to be the best company we can be for the benefit of all our stakeholders. Specifically, we strive to be a magnet for the most accomplished and aspiring talent in the industry; to offer clients the best advice, broking and solutions in the areas of people, risk and capital; and to make a difference in the communities in which we live and work.

As stewards of the company, our leadership and actions focus on sustainable value creation, viability, stability, financial performance and growth.

WTW is pleased to be a signatory to the Sustainable Blue Economy Finance Principles that provide guidance and frameworks to ensure investment, underwriting and lending activities are aligned to the U.N. Sustainable Development Goal 14, Life Below Water. This enables financial institutions to rebuild ocean prosperity, restore biodiversity and regenerate ocean health.

A healthy ocean is critical for a sustainable future — for every community and business, regardless of location or sector. As one of the world's leading risk advisory companies, WTW is fully aware of the need to support measures aimed at helping to tackle the impacts of climate change and its subsequent impact on nature and biodiversity — on land, in the air and in the ocean. Assessing and mitigating risk is a core part of our business. It also speaks to our company's purpose: "We transform tomorrows."

This report highlights:

- The work WTW has done to help clients around the world assess and mitigate climate and nature-related risks
- The progress that's been made through our collaboration with corporate, finance and public sector institutions



Carl Hess,
CEO

A healthy ocean's role for our climate and our clients

Recognition

WTW is a global leader in helping our clients assess and mitigate climate and nature-related risks and, where possible, identify new opportunities (such as in the blue economy) resulting from this change. Through numerous collaborative partnerships with governments, non-governmental organizations, conservation organizations, academia and the private sector, WTW is working to help build resilience against climate change, often in the most vulnerable communities. This work takes many forms:

- Implementing parametric insurance products that safeguard fishers and their livelihoods from inclement weather
- Engaging the insurance industry on risk awareness for ports and terminals
- Helping to protect sovereigns from disaster through innovative risk-reduction mechanisms
- Enabling the conservation and restoration of our most crucial ecosystems, such as coral reefs and mangroves

WTW is a signatory to the Sustainable Blue Economy Finance Principles. These principles were created in 2018 to provide guidance and establish frameworks to ensure investment, underwriting and lending activities are aligned to the U.N. Sustainable Development Goal 14, Life Below Water, enabling financial institutions to rebuild ocean prosperity, restore biodiversity and regenerate ocean health.

This report reflects our continued commitment to actively support these partnerships and principles by enabling our clients to invest and embed safe and resilient practices for the marine environment and blue economy.



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We recognize the critical importance of a healthy blue economy; coastal and ocean ecosystems provide essential ecosystem services, such as coastal protection from storms and nursery grounds for fish, and ocean-based industries support livelihoods and economic development. Guided by the Sustainable Blue Economy Finance Principles, we strive to serve as a leader in deploying integrated analytics and innovative solutions in support of a sustainable blue economy.

Sarah Conway
Director and Ecosystem Resilience Lead

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Projects

Supporting the principles

WTW supports the principles through client partnership projects and activities

- **Livelihood protection for small-scale fisherfolk (SSF) in Indonesia:** WTW was commissioned by [Marine Change](#) to investigate the feasibility of using weather data, generated through remotely sensed information along with modeling and ground-truthing, to trigger a parametric insurance coverage to compensate fisherfolk in Sulawesi, Indonesia, for fishing days lost because of bad weather. The findings of this project can serve as a basis for further demonstrating the potential connection between fishers' productivity (landed catch) and bad weather periods (measured by an index composing of rainfall, significant wave height and surface-level winds). Potential applications of these findings can include developing and embedding a livelihood protection parametric insurance coverage into a fisheries company's supply chain composing of SSF.
- **Securing the United States' first coral reef insurance policy in Hawai'i:** In partnership with The Nature Conservancy, WTW led the development of the United States' first-ever coral reef insurance policy. The policy provides insurance coverage for coral reef repair and restoration in Hawai'i following hurricane or tropical storm damage. Coral reefs are a vital natural asset for Hawai'i's people, culture and economy and are said to provide over \$836 million in coastal flood protection to thousands of people and properties, provide \$13.4 million in fisheries and contribute \$1.2 billion to the state's economy through tourism.

Principles met

Protective, Risk-aware, Inclusive, Cooperative, Transparent, Purposeful, Impactful, Precautionary, Diversified, Solution-driven, Partnering and Science-led





Projects

Supporting the principles (*continued*)

WTW supports the principles through client partnership projects and activities

- **Applying innovative risk management tools to protect Fiji’s national priorities for a resilient blue economy:** Funded by the U.N. Development Program’s Blue Accelerator Grant Scheme with support from the Fiji government, WTW is designing use cases for potential parametric insurance products that will provide better risk management for blue economy actors (i.e., tourism and hotel industry, ocean recreation companies, small-scale fishers), specifically for Marine Protected Areas (MPA) management interruption, tourism sector protection and minimizing the impacts of marine heatwaves. The establishment of these products will contribute to the de-risking of investments into and enhance the resilience of the blue economy in Fiji.
- **Piloting a parametric insurance program to help protect against cyclone events on the Lau Seascapes:** Through voluntary contributions received from BHP, WTW is designing and placing a parametric insurance program in Fiji’s Lau Seascapes that seeks to enhance the resilience of natural capital and atoll island communities to the impacts of cyclones through the provision of insurance coverage for costs associated with reef restoration and community support. The establishment of these products can contribute to enhancing the resilience of the blue economy in Fiji.

Principles met

Protective, Risk-aware, Inclusive, Cooperative, Transparent, Purposeful, Impactful, Precautionary, Diversified, Solution-driven, Partnering and Science-led




Reporting and disclosure

Supporting the principles

Principles met

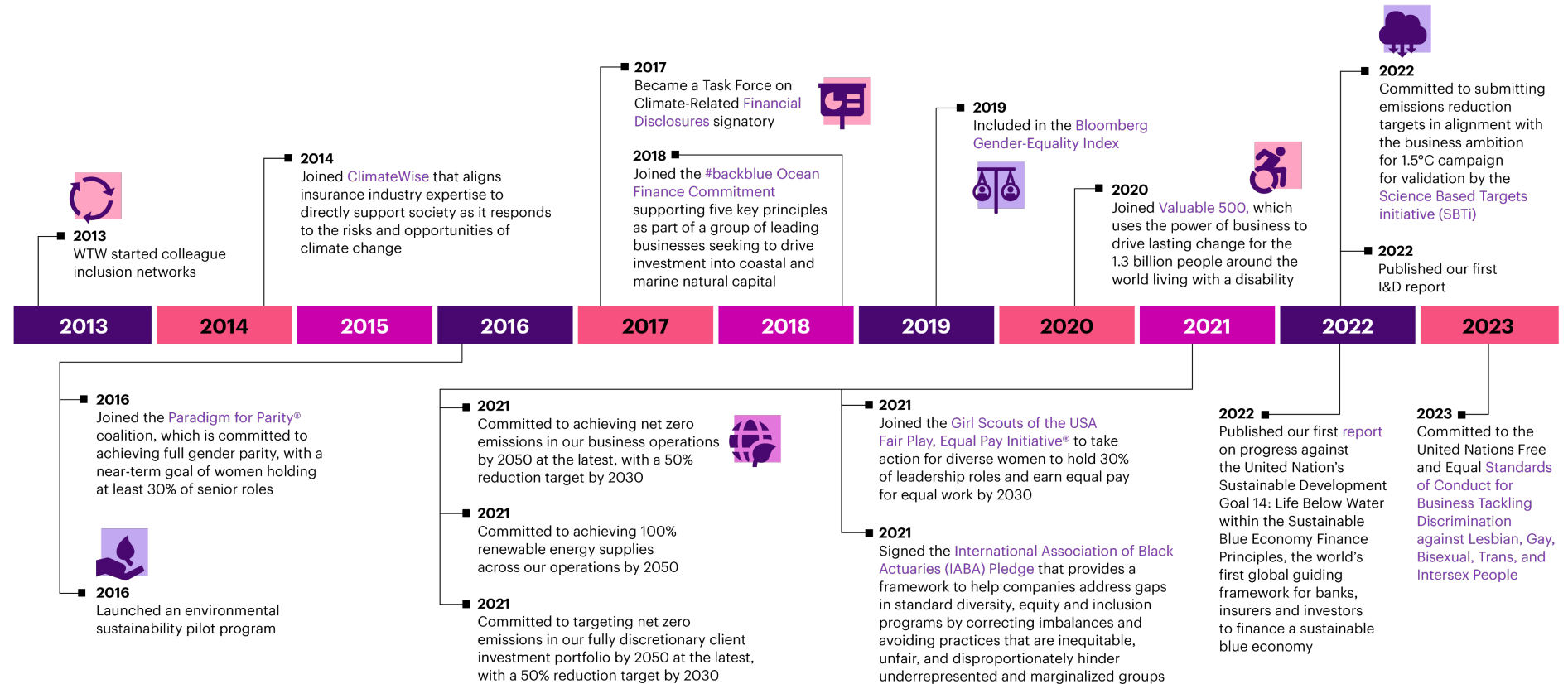
Compliant, Risk-aware, Systemic, Transparent, Purposeful, Impactful and Precautionary



Successful environmental, social and governance (ESG) strategies enable organizations around the world to make informed, intelligent and integrated decisions to unlock opportunities, stay ahead in a continuously changing landscape and build long-term sustainable value.

WTW focuses on ESG in our internal programs and operations. It is also an area where we support our clients to further our purpose to transform tomorrows.

ESG in action





Reporting and disclosure

Supporting the principles

In 2022, WTW continued to make progress in implementing our environmental strategy. Our efforts create a foundation for future measurements and activities to build upon:

- Developed a multiyear, multiphase road map to support our environmental strategy
- Developed a data collection program to support ongoing calculations of greenhouse gas (GHG) emissions in line with the accepted GHG Protocol, a Corporate Accounting and Reporting Standard published by the World Resources Institute and the World Business Council for Sustainable Development aimed at supporting a more consistent and transparent approach to emissions reporting
- Calculated our 2019 base year GHG emissions
- Calculated our 2021 GHG emissions
- Submitted the Science Based Targets initiative (SBTi) Commitment Letter to demonstrate WTW's intention to set a science-based emissions reduction target aligned with the SBTi's target-setting criteria

WTW makes disclosure statements available on our website:

- ESG Report
- Sustainability Accounting Standards Board Disclosure
- Taskforce on Climate-related Financial Disclosure

Principles met

Compliant, Risk-aware, Systemic, Transparent, Purposeful, Impactful and Precautionary





Joint initiatives and partnerships

Supporting the principles

Bermuda Institute of Ocean Sciences (BIOS) Internship Sponsor

WTW is a proud sponsor of the 2022 U.K. Universities Scholarship Programme, which provides internships for students at U.K. universities to enroll in an educational Coral Reef Ecology program. BIOS, a world-class center of excellence in marine science research and education, developed the program and allows high-caliber students to explore fields of study that directly address issues relating to climate change and challenges to the marine environment. Many program participants go on to take up important roles in climate and environmental science.

Centre for Risk Studies, Judge Business School

We sponsored the University of Cambridge's Centre for Risk Studies Risk Index, which looks to quantify the impact of future catastrophe shocks on the world's economy, including those from cyber attacks, commodity price volatility, geopolitical events and financial crises.

Principles met

Risk-aware, Inclusive, Cooperative,
Purposeful, Impactful, Diversified,
Solution-driven, Partnering and Science-led



Net-zero commitments

Supporting the principles

WTW commits to delivering net zero greenhouse gas emissions — in alignment with the SBTi — by 2050 at the latest, with at least a 50% reduction by 2030, across the company's business operations.

This includes a commitment to achieving 100% renewable energy supplies across the company's real estate portfolio.

More on this commitment and WTW's environmental programs in support of our operations can be found in WTW's [ESG Report](#) and [TCFD](#).

Principles met

Compliant, Risk-aware, Systemic, Impactful, Precautionary, Solution-driven and Partnering



As a fiduciary, we believe it is important to consider and manage the financial impact of climate change on our clients' investment portfolios. Therefore, WTW is committed to targeting net zero GHG emissions by 2050 at the latest, with a 50% reduction by 2030, in our fully discretionary delegated investment portfolios. We aim to **embed the assessment of climate risk and opportunity** at three levels in our discretionary portfolios:

- **Macro:** Our Climate Dashboard helps us to monitor how the macro landscape is changing with respect to climate issues.
- **Asset allocation:** We use climate scenarios to stress test our multi- and single-asset class portfolios and identify key thematic risks and opportunities.
- **Security-level analysis:** Our proprietary Climate Quantified physical and transition risk analytics enable us to get a much better understanding of the true climate value-at-risk in our portfolios.

A key goal is to identify best-in-class asset managers and work with them to build portfolios that deliver strong risk-adjusted returns over the long term. We have recently invested in opportunities across sustainable agriculture, forestry, electrification infrastructure and renewable energy, among others.

We **assess the managers' ability to reflect climate risk in their decisions** when selecting securities, and we engage with the asset management industry regarding their climate and stewardship practices. In 2022 alone, we conducted engagements with over 200 managers on over 600 products on sustainability and stewardship. We continue to focus our industry engagement efforts on the topics of culture, sustainable investment, climate, and inclusion and diversity.

We actively **assess the characteristics of market indices** and make a deliberate choice of which to use; climate risk is one of the factors we use in this decision. Our proprietary climate transition analytics are used to assess transition risk in quoted companies and to design indices that better account for climate value-at-risk than traditional market cap indices.

Memberships and leadership

Supporting the principles

Ocean Risk and Resilience Action Alliance (ORRAA)

The Ocean Risk and Resilience Action Alliance (ORRAA) is a multi-sector collaboration committed to building resilience to ocean risk. The Alliance will achieve its mission by driving investment into coastal natural capital through the development of innovative finance solutions that reduce vulnerability and build resilience in the most exposed and vulnerable regions and communities. ORRAA's mission is to catalyze the investment of at least USD \$500 million into coastal and marine natural capital through the development and deployment of finance products that build the resilience of 250 million climate vulnerable coastal people by 2030. WTW joined ORRAA in 2019 and, so far, has engaged in multiple projects, bringing innovative risk financing, understanding and analytics to the fore of enhancing ocean and coastal community resilience.

#backblue Ocean Finance Commitment

WTW committed to five key principles as part of a group of leading businesses seeking to drive investment into coastal and marine natural capital.

ClimateWise

We are a long-standing member of ClimateWise. This global network of leading insurance industry organizations — convened by the University of Cambridge Institute for Sustainability Leadership — is dedicated to enhancing societal resilience to climate risk.

Transition Pathway Initiative (TPI)

We are official supporters of this global investor initiative that assesses companies' preparedness for transition to a low-carbon economy. Led by asset owners and academic research from the Grantham Research Institute and London School of Economics, the Transition Pathway Initiative is supported by more than 132 organizations globally, jointly representing over \$50 trillion in combined assets under management and advice (as of November 2022).

Principles for Responsible Investment (PRI)

We are a signatory to the United Nations-supported Principles for Responsible Investment (PRI). Our head of stewardship is a member of the Stewardship Advisory Committee. WTW's Thinking Ahead Institute was selected by the PRI to research and assess the appropriate level of resources that institutional investors should be prepared to dedicate to stewardship within their organizations.

Principles met

Protective, Risk-aware, Systemic, Inclusive, Cooperative, Transparent, Purposeful, Impactful, Diversified, Solution-driven and Partnering



Memberships and leadership

Supporting the principles

Ports and Terminals Risk Forum and Index

With ports and terminals client members worldwide, as well as risk forum specialists from WTW, the Ports and Terminals Risk Forum acts as a members' network to explore risk identification and response while delivering customized risk management solutions. Reinforcing the company's focus on the industry's risk landscape, the Forum is collaborating with the Centre for Risk Studies at the University of Cambridge Judge Business School, a long-term WTW Research Network partner, to develop an annual index of risk disruptors for ports and terminals worldwide to be launched in 2023. This study will take an analytical approach to look at the range of disruptive threats ports and terminals are having to address as a result of global trends and how prepared they are.

Lastly, WTW is **actively involved in the global discussion** on implementing innovative tools and solutions for risk understanding and financing, specifically on parametric insurance.

WTW has been represented at the following conferences: The Economist's World Ocean Summit, ADB's Ocean Finance Event, Island Finance Forum, U.N. Ocean Conference, World Economic Forum's BiodiverCities Nature Action Agenda Community, InsuResilience Sectoral Communities workshops on nature-based solutions and risk financing, One Ocean Summit and Palau's Our Ocean Conference.

1-in-100 initiative

WTW's 1-in-100 Initiative involved working with the G20 Financial Stability Board, Bank of England, U.S. Treasury, International Association of Insurance Supervisors and other authorities to propel reform on the disclosure of near-term climate and natural disaster-related risks by financial institutions. At its core is a stress test the insurance sector can use to evaluate the maximum probable annual financial loss an organization, city or region could expect once in 100 years, enabling it to manage its risk in a more informed and effective way.

Global Adaptation and Resilience Investment Working Group

We participate in this multistakeholder working group looking to establish the Global Adaptation and Resilience Fund. It's supported by private sector investors and other stakeholders, including institutional investors, corporations, start-ups, think tanks, advisory firms and development finance institutions.

Principles met

Protective, Risk-aware, Systemic, Inclusive, Cooperative, Transparent, Purposeful, Impactful, Diversified, Solution-driven and Partnering





Memberships and leadership

Supporting the principles

Investment Consultants Sustainability Working Group

We co-founded the Investment Consultants Sustainability Working Group in 2020 to bring together leading U.K. investment consulting firms. With 20 members, it seeks to improve sustainable investing practices across the investment industry. It also formed a sister organization in the U.S.

U.K. Stewardship Code

We are a signatory to the U.K. Stewardship Code, which recognizes and promotes the value and importance of effective investor stewardship in our own activities as well as in those of our clients and partners. Our latest U.K. Stewardship Code Report can also be found on Financial Reporting Council's website.

SBTi and the U.N. Business Ambition of 1.5 campaign and the U.N. Race to Zero campaign

WTW registered its commitment to SBTi in July 2022 to set near-term science-based targets that support reaching net-zero by no later than 2050 in line with the SBTi Net-Zero Standard, the U.N. Business Ambition for 1.5°C campaign and the U.N. Race to Zero campaign.

Principles met

Protective, Risk-aware, Systemic, Inclusive, Cooperative, Transparent, Purposeful, Impactful, Diversified, Solution-driven and Partnering



Scientific research

Supporting the principles

WTW supports ocean-related projects and activities that assess the environmental and social risks and impacts based on sound scientific evidence. Our analytical approach is underpinned by robust analytics, using the best available science. WTW is also home to the WTW Research Network, an award-winning collaboration between science and the insurance, finance and risk management sector dating back to 2006.

Our various projects and activities include (but are not limited to):

- Aligning our net-zero commitment with SBTi
- Contributing to University College London's work on refining dynamic ocean models by providing valuable reinsurance industry insights so the model will strengthen scientific understanding of ocean function as it experiences transient heat uptake, ocean CO2 uptake, sea level rise and more. The National Oceanography Centre and Florida State University are also contributing project partners.

Principles met

Risk-aware, Systemic, Cooperative, Transparent, Purposeful, Impactful, Precautionary, Solution-driven, Partnering and Science-led



Closing remarks

WTW is proud to report on our efforts to help tackle the impacts of climate change and its subsequent influence on nature and biodiversity. As a signatory to the Sustainable Blue Economy Finance Principles, we strive to align our internal activities and the solutions we develop for our clients with the U.N. Sustainable Development Goal 14, Life Below Water.

Although we are proud of our accomplishments in this area, we know there is more to do. Like many companies — including our clients — we are on a journey to help rebuild ocean prosperity, restore biodiversity and regenerate ocean health. To do this, WTW and others — including governments, regulatory bodies and our business partners — must take action, make meaningful progress and drive consistency.

Our work in this area directly affects our ability to be the best company we can be and achieve our purpose to transform tomorrows. We will continue to make progress by:

- Remaining accountable to our stakeholders and being stewards of our global community
- Collaborating with leading organizations around the world to drive performance and influence positive change
- Developing innovative solutions that help our clients mitigate risk and create long-term sustainable value



About WTW

Our purpose and values

Our purpose is why our company exists. At WTW, we transform tomorrows.

And our values are more than words. A strong client focus, an emphasis on teamwork, unwavering integrity, mutual respect and a constant striving for excellence are at the core of WTW's rich history.

Client focus

We are driven to help our clients succeed. In every interaction and with every solution, we act in our clients' best interests — striving to understand their needs, respecting their perspectives and exceeding their expectations.

Teamwork

When you get one of us, you get all of us. We bring innovative solutions and world-class advice to our clients by working across boundaries of business, geography and function. We help each other succeed and create more value by working together.

Integrity

Our clients invest more than their time and money with us; they also invest their trust. We seek to earn that trust every day through professionalism, doing what is right and telling the truth. We are accountable to the organizations and people with which we interact — including clients, shareholders, regulators and each other for our actions and results.

Respect

We listen to and learn from each other. We support and celebrate differences; foster an inclusive culture; and operate with openness, honesty and benefit of the doubt. We manage our relationships, inside the company and out, with fairness, decency and good citizenship.

Excellence

We strive to lead and sustain excellence. Most important, this means an unwavering commitment to professional development and personal growth for our people. Our colleagues take responsibility to develop their expertise, competencies and professional stature, while the company invests in

the tools and opportunities that allow for continual development. In business, we place an unrelenting focus on innovation, quality and risk management.

Our ESG perspective — people, risk, capital

People

are at the heart of climate and resilience, wellbeing, DEI and sustainability.



Risk

captures and measures how ESG connects to an organization's operations as well as the potential costs of action and inaction.



Capital

encompasses sustainable investing and investment in programs to support employees and communities or to mitigate risk.



Legal disclaimer

Forward-looking statements

Some of the statements contained in this report and on the Company's website are 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, are forward-looking statements. Also, when we use words such as "may," "will," "would," "anticipate," "believe," "estimate," "expect," "intend," "plan," "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.

Our approach to inclusion of disclosures in this report is different from disclosures included in mandatory regulatory reporting in various jurisdictions around the world.

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. These statements are based on assumptions that may not come true and are subject to significant risks and uncertainties.

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. In light of the significant uncertainties inherent in the forward-looking statements included in this report, our Annual Report on Form 10-K and subsequent filings, 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 on our website may not occur, and we caution you against unduly relying on these forward-looking statements.

The inclusion of information or the absence of information in this report should not be construed to represent our belief regarding the materiality or financial impact of that information. For a discussion of information that is material to WTW, please see our filings with the United States Securities and Exchange Commission ("SEC"), including our Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q.

Risk factors

As discussed above, a number of risks and uncertainties could cause actual results to differ materially from those projected in any forward-looking statements. The Company's risk factors are described in "Risk Factors" in Item 1A of our Annual Report on Form 10-K and in our subsequent filings and should be carefully considered in evaluating our business. 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.

Policy statements

Each of the policy statements attached to this Legal Disclaimer 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.

Many of the goals, targets, commitments, impacts, policies, and programs described in this report are aspirational, and as such, no guarantees or promises are made that these will be met or successfully executed. WTW's membership or support for certain ESG-related organizations or initiatives such as those described in this report may change or be withdrawn from time to time if WTW determines it is the company's interest to do so.



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 you sharpen your strategy, enhance organizational resilience, motivate your workforce and maximize performance. Working shoulder to shoulder with you, we uncover opportunities for sustainable success — and provide perspective that moves you. Learn more at [wtwco.com](https://www.wtwco.com).



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