UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-K

(Mark One)

☒ **Annual Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

For the fiscal year ended December 31, 2020
OR

☐ **Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

Commission File No. 1-5998



Marsh & McLennan Companies, Inc.
(Exact name of registrant as specified in its charter)

Delaware	**36-2668272**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

1166 Avenue of the Americas
New York, New York 10036-2774
(Address of principal executive offices; Zip Code)
(212) 345-5000
Registrant's telephone number, including area code
Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading symbol(s)	Name of each exchange on which registered
Common Stock, par value $1.00 per share	MMC	New York Stock Exchange Chicago Stock Exchange London Stock Exchange

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting Company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting Company" in Rule 12b-2 of the Exchange Act. (Check one):

Large Accelerated Filer	☒	Accelerated Filer	☐
Non-Accelerated Filer	☐	Smaller Reporting Company	☐
		Emerging Growth Company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell Company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. Yes ☒ No ☐

As of June 30, 2020, the aggregate market value of the registrant's common stock held by non-affiliates of the registrant was approximately 53,818,358,381 computed by reference to the closing price of such stock as reported on the New York Stock Exchange on June 30, 2020.

As of February 12, 2021, there were outstanding 508,186,561 shares of common stock, par value $1.00 per share, of the registrant.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of Marsh & McLennan Companies, Inc.'s Notice of Annual Meeting and Proxy Statement for the 2021 Annual Meeting of Stockholders (the "2021 Proxy Statement") are incorporated by reference in Part III of this Form 10-K.

INFORMATION CONCERNING FORWARD-LOOKING STATEMENTS

This Annual Report on Form 10-K contains "forward-looking statements," as defined in the Private Securities Litigation Reform Act of 1995. These statements, which express management's current views concerning future events or results, use words like "anticipate," "assume," "believe," "continue," "estimate," "expect," "intend," "plan," "project" and similar terms, and future or conditional tense verbs like "could," "may," "might," "should," "will" and "would."

Forward-looking statements are subject to inherent risks and uncertainties that could cause actual results to differ materially from those expressed or implied in our forward-looking statements. Factors that could materially affect our future results include, among other things:

- the financial and operational impact of COVID-19 on our revenue and ability to generate new business, our overall level of profitability and cash flow, and our liquidity, including the timeliness and collectability of our receivables;
- the impact from lawsuits, other contingent liabilities and loss contingencies arising from errors and omissions, breach of fiduciary duty or other claims against us, including claims related to pandemic coverage;
- the impact of investigations, reviews, or other activity by regulatory or law enforcement authorities, including the ongoing U.K. FCA review of legacy JLT enhanced transfer value advice;
- the financial and operational impact of complying with laws and regulations where we operate and the risks of noncompliance with such laws, including anti-corruption laws such as the U.S. Foreign Corrupt Practices Act, U.K. Anti-Bribery Act, trade sanctions regimes and cybersecurity and data privacy regulations such as the E.U.'s General Data Protection Regulation;
- our ability to maintain adequate safeguards to protect the security of our information systems and confidential, personal or proprietary information, particularly given the increased risk of supply chain attacks and other cybersecurity attacks or unauthorized dissemination of information caused by remote work arrangements;
- our ability to compete effectively and adapt to changes in the competitive environment, including to respond to technological change, disintermediation, digital disruption and other types of innovation;
- our ability to manage risks associated with our investment management and related services business, particularly in the context of uncertain equity markets, including our ability to execute timely trades in light of increased trading volume and to manage potential conflicts of interest between investment consulting and fiduciary management services;
- our ability to attract and retain industry leading talent;
- our ability to successfully recover if we experience a business continuity problem due to cyberattack, natural disaster, government unrest or otherwise;
- the regulatory, contractual and reputational risks that arise based on insurance placement activities and various insurer revenue streams; and
- the impact of changes in tax laws, guidance and interpretations, or disagreements with tax authorities, particularly due to the change in U.S. presidential administration.

The factors identified above are not exhaustive. Further information concerning Marsh & McLennan Companies and its businesses, including information about factors that could materially affect our results of operations and financial condition, is contained in the Company's filings with the Securities and Exchange Commission, including the "Risk Factors" section in Part I, Item 1A of this report and the "Management's Discussion and Analysis of Financial Condition and Results of Operations" section in Part II, Item 7 of this report. We caution readers not to place undue reliance on any forward-looking statements, which are based only on information currently available to us and speak only as of the dates on which they are made. We undertake no obligation to update or revise any forward-looking statement to reflect events or circumstances arising after the date on which it is made.

TABLE OF CONTENTS

Information Concerning Forward-Looking Statements		i
PART I		
Item 1 —	Business	1
Item 1A —	Risk Factors	14
Item 1B —	Unresolved Staff Comments	33
Item 2 —	Properties	33
Item 3 —	Legal Proceedings	34
Item 4 —	Mine Safety Disclosures	34
PART II		
Item 5 —	Market for the Company's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities	35
Item 6 —	Selected Financial Data	36
Item 7 —	Management's Discussion and Analysis of Financial Condition and Results of Operations	37
Item 7A —	Quantitative and Qualitative Disclosures About Market Risk	59
Item 8 —	Financial Statements and Supplementary Data	61
Item 9 —	Changes in and Disagreements with Accountants on Accounting and Financial Disclosure	122
Item 9A —	Controls and Procedures	122
Item 9B —	Other Information	124
PART III		
Item 10 —	Directors, Executive Officers and Corporate Governance	125
Item 11 —	Executive Compensation	125
Item 12 —	Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters	125
Item 13 —	Certain Relationships and Related Transactions, and Director Independence	125
Item 14 —	Principal Accountant Fees and Services	125
PART IV		
Item 15 —	Exhibits and Financial Statement Schedules	126
Item 16 —	Form 10-K Summary	140
Signatures		141

PART I

Item 1. Business.

References in this report to "we", "us" and "our" are to Marsh & McLennan Companies, Inc. and its consolidated subsidiaries (the "Company"), unless the context otherwise requires.

GENERAL

The Company is a global professional services firm offering clients advice in the areas of risk, strategy and people. The Company's 76,000 colleagues advise clients in over 130 countries. With annual revenue of $17 billion, the Company helps clients navigate an increasingly dynamic and complex environment through four market-leading businesses. Marsh advises individual and commercial clients of all sizes on insurance broking and innovative risk management solutions. Guy Carpenter develops advanced risk, reinsurance and capital strategies that help clients grow profitably and pursue emerging opportunities. Mercer delivers advice and technology-driven solutions that help organizations redefine the world of work, reshape retirement and investment outcomes, and unlock health and wellbeing for a changing workforce. Oliver Wyman Group serves as critical strategic, economic and brand advisor to private sector and governmental clients.

The Company conducts business through two segments:

- **Risk and Insurance Services** includes risk management activities (risk advice, risk transfer and risk control and mitigation solutions) as well as insurance and reinsurance broking and services. The Company conducts business in this segment through Marsh and Guy Carpenter.
- **Consulting** includes health, wealth and career services and products, and specialized management, economic and brand consulting services. The Company conducts business in this segment through Mercer and Oliver Wyman Group.

We describe our current segments in further detail below. We provide financial information about our segments in our consolidated financial statements included under Part II, Item 8 of this report.

OUR BUSINESSES

RISK AND INSURANCE SERVICES

The Risk and Insurance Services segment generated approximately 60% of the Company's total revenue in 2020 and employs approximately 44,100 colleagues worldwide. The Company conducts business in this segment through Marsh and Guy Carpenter.

MARSH

Marsh is the leading global insurance broker and risk advisor, serving companies, institutions and individuals. From its founding in 1871 to the present day, Marsh has demonstrated a commitment to thought leadership, innovation and insurance expertise to meet its clients' needs. Marsh's pioneering contributions include introducing the practice of client representation through brokerage, the discipline of risk management, the globalization of risk management services and the development of service platforms that identify, quantify, mitigate and transfer risk.

Currently, approximately 41,000 Marsh colleagues provide risk management, insurance broking, insurance program management services, risk consulting, analytical modeling and alternative risk financing services to a wide range of businesses, government entities, professional service organizations and individuals in more than 130 countries. Marsh generated approximately 50% of the Company's total revenue in 2020.

Insurance Broking and Risk Advisory

In its core insurance broking and risk advisory business, Marsh employs a team approach to identify, quantify and address clients' risk management and insurance needs. Marsh's product and service offerings include risk analysis, insurance program design and placement, insurance program support and administration, claims support and advocacy, alternative risk strategies and a wide array of risk analysis and risk management consulting services. Clients benefit from Marsh's advanced analytics, deep technical expertise, specialty and industry knowledge, collaborative global culture and the ability to

develop innovative solutions and products. The firm’s resources also include nearly three dozen specialty and industry practices, including cyber, financial and professional service practices, along with a growing employee health & benefits business.

Marsh provides services to clients of all sizes, including large multinational companies ("Risk Management"), high growth middle-market businesses ("Corporate"), small commercial enterprises and high net-worth private clients, and affinity group members ("Commercial & Consumer"). Marsh's segments are designed to build stronger value propositions and operating models to optimize solutions and services for clients depending on their needs.

Risk Management. Marsh has an extensive global footprint and market-leading advisory and placement services that benefit large domestic and international companies and institutions facing complex risk exposures. These clients are also supported by Marsh’s robust analytics and a growing digital experience.

In addition, Marsh’s largest global clients are serviced by Multinational Client Services, a dedicated team of colleagues from around the world focused on delivering service excellence and insurance solutions to clients wherever they are located. Marsh is digitizing the client experience through tools such as LINQ, Marsh’s account and service application; Blue[i], a suite of analytics tools for clients; and Bluestream, a digital brokerage platform that enables clients to provide insurance to their customers or suppliers in a B2B2C distribution model. Marsh provides global expertise and an intimate knowledge of local markets, helping clients navigate local regulatory environments to address the worldwide risk issues that confront them.

- ***Marsh JLT Specialty***. Marsh’s specialty unit combined with JLT Specialty to form Marsh JLT Specialty as part of the 2019 acquisition of Jardine Lloyd Thompson Group plc ("JLT"). The new unit offers leading expertise, global service and data-driven insights to clients across seven global specialties: aviation; credit specialties; financial & professional services; private equity & mergers & acquisitions; construction; energy & power; and marine & cargo. These teams of specialist experts are globally committed to delivering consulting, placement, account management and claims solutions to clients who require specialist advice and support. Marsh JLT Specialty has bolstered Marsh’s leadership as a global specialty broker.

Corporate. Middle market clients are served by Marsh’s brokerage operations globally and constitute a substantial majority of clients served by Marsh & McLennan Agency (MMA) in the United States and large portions of Marsh’s international business.

- ***MMA*** offers a broad range of commercial property and casualty products and services, as well as solutions for employee health and benefits, retirement and administration needs and a growing personal lines business in the United States and Canada. Since its first acquisition in 2009, MMA has acquired 82 agencies. MMA provides advice on insurance program structure and market dynamics, along with industry expertise and transactional capability.

Commercial & Consumer. Clients in this market segment typically face less complex risks and are served by Marsh’s innovative product and placement offerings and growing capabilities in digitally enabled distribution.

- ***Victor Insurance Holdings*** is one of the largest underwriting managers of professional liability and specialty insurance programs worldwide. In the United States, Victor Insurance Managers (US) and ICAT Managers deliver risk management and insurance solutions to over 125,000 insureds through a national third-party distribution network of licensed brokers. Through Dovetail Managing General Agency, a small business platform, Victor Insurance Managers (US) deploys cloud-based technology to enable independent insurance agents, on behalf of their small business clients, to obtain online quotes from multiple insurance providers and bind property and casualty and workers compensation insurance policies in real time. Victor Insurance Managers (Canada), a leading managing general agent in Canada with over 43,000 insureds, delivers professional liability and construction insurance, as well as group and retiree benefits programs and claims handling for individuals, organizations and businesses. Victor has a growing business

in the UK (where it was formerly known as Bluefin Underwriting) and in Europe, where new businesses have been launched in the Netherlands, Italy and Germany.

- ***Marsh Affinity*** focuses on insurance programs sold to insureds or vendors through a corporate sponsor using an affinity distribution model.
- ***High Net Worth (HNW)*** Individual high net worth clients and family offices are serviced by MMA and other Marsh personal lines businesses globally. These businesses provide a single-source solution for high net worth clients and are dedicated to sourcing protections across a broad spectrum of risk. Using a consultative approach, Marsh's HNW practices analyze exposures and customizes programs to cover individual clients with complex asset portfolios.

Additional Services and Adjacent Businesses

In addition to insurance broking, Marsh provides certain other specialist advisory or placement services:

Marsh Advisory is a global practice comprising specialists who use data and analytics, including through Marsh's Blue[i] digital analytics platform, to advise clients about exposures, critical business activities, and risk practices and strategies. Marsh Advisory provides client services in four main areas: Consulting Solutions, Analytics Solutions, Claims Solutions, and Captive Solutions.

Marsh Captive Solutions serves more than 1,350 captive facilities, including single-parent captives, reinsurance pools and risk retention groups. The Captive Solutions practice operates in 53 captive domiciles and leverages the consulting expertise within Marsh's brokerage offices worldwide. The practice includes the Captive Advisory Group, a consulting arm that performs captive feasibility studies and helps to structure and implement captive solutions; the Captive Management Group, an industry leader in managing captive facilities and in providing administrative, consultative and insurance-related services; and the Actuarial Services Group, which is comprised of credentialed actuaries and supporting actuarial analysts.

Torrent Technologies is a service provider to Write Your Own (WYO) insurers participating in the National Flood Insurance Program (NFIP) in the United States. Torrent offers a comprehensive suite of both NFIP and private and excess flood insurance products and services to WYO companies and agents.

Bowring Marsh is an international placement broker primarily for property and casualty risks. Bowring Marsh uses placement expertise in major international insurance market hubs, including Bermuda, Brazil, China, United Arab Emirates, Ireland, Spain, United Kingdom, the United States, Singapore, Japan and Switzerland, and an integrated global network to secure advantageous terms and conditions for its clients throughout the world.

Services for Insurers

Insurer Consulting Group provides services to insurance carriers. Through Marsh's patented electronic platform, MarketConnect, and sophisticated data analysis, Marsh provides insurers with individualized preference setting and risk identification capabilities, as well as detailed performance data and metrics. Insurer consulting teams review performance metrics and preferences with insurers and provide customized consulting services to insurers designed to improve business planning and strategy implementation. Marsh's Insurer Consulting services are designed to improve the product offerings available to clients, assist insurers in identifying new opportunities and enhance insurers' operational efficiency. The scope and nature of the services vary by insurer and by geography.

GUY CARPENTER

Guy Carpenter, the Company's reinsurance intermediary and advisor, generated approximately 10% of the Company's total revenue in 2020. Currently, approximately 3,100 Guy Carpenter colleagues provide clients with a combination of specialized reinsurance broking expertise, strategic advisory services and analytics solutions. Guy Carpenter creates and executes reinsurance and risk management solutions for clients worldwide through risk assessment analytics, actuarial services, highly-specialized product knowledge and trading relationships with reinsurance markets. Client services also include contract and claims management and fiduciary accounting.

Acting as a broker or intermediary on all classes of reinsurance, Guy Carpenter places two main types of property casualty and life / health reinsurance: treaty reinsurance, which involves the transfer of a portfolio of risks; and facultative reinsurance, which involves the transfer of part or all of the coverage provided by a single insurance policy.

Guy Carpenter provides reinsurance services in a broad range of centers of excellence and segments, including: Automobile / Motor, Aviation, Crop/Agriculture, Cyber, D&O/Non-Medical Professional, Engineering / Construction, Environmental, GL & Umbrella, Health, Life, Marine and Energy, Medical Professional, Mortgage, Political Risk & Trade Credit, Program Manager Solutions, Property, Public Sector, Retrocessional Reinsurance, Surety, Terror, and Workers Compensation / Employer Liability.

Guy Carpenter also offers clients alternatives to traditional reinsurance, including industry loss warranties and, through its licensed affiliates, capital markets alternatives such as transferring catastrophe risk through the issuance of risk-linked securities. GC Securities, the Guy Carpenter division of MMC Securities LLC and MMC Securities (Europe) Limited, offers corporate finance solutions, including mergers & acquisitions and private debt and equity capital raising, and capital markets-based risk transfer solutions that complement Guy Carpenter's strong industry relationships, analytical capabilities and reinsurance expertise.

Guy Carpenter also provides its clients with reinsurance-related services, including actuarial, enterprise risk management, financial and regulatory consulting, portfolio analysis and advice on the efficient use of capital. Guy Carpenter's Global Strategic Advisory ("GSA") unit helps clients better understand and quantify the uncertainties inherent in their businesses. Working in close partnership with Guy Carpenter account executives, GSA specialists help support clients' critical decisions in numerous areas, including reinsurance utilization, catastrophe exposure portfolio management, new product and market development, rating agency, regulatory and account impacts, loss reserve risk, capital adequacy and return on capital.

Compensation for Services in Risk and Insurance Services

Marsh and Guy Carpenter are compensated for brokerage and consulting services through commissions and fees. Commission rates and fees vary in amount and can depend on a number of factors, including the type of insurance or reinsurance coverage provided, the particular insurer or reinsurer selected, and the capacity in which the broker acts and negotiates with clients. In addition to compensation from its clients, Marsh also receives other compensation, separate from retail fees and commissions, from insurance companies. This other compensation includes, among other things, payments for consulting and analytics services provided to insurers; compensation for administrative and other services (including fees for services provided to or on behalf of insurers relating to the administration and management of quota shares, panels and other facilities in which insurers participate); and contingent commissions, which are paid by insurers based on factors such as volume or profitability of Marsh's placements, primarily driven by MMA and parts of Marsh's international operations.

Marsh and Guy Carpenter receive interest income on certain funds (such as premiums and claims proceeds) held in a fiduciary capacity for others. For a more detailed discussion of revenue sources and factors affecting revenue in our Risk and Insurance Services segment, see Part II, Item 7 ("Management's Discussion and Analysis of Financial Condition and Results of Operations") of this report.

CONSULTING

The Company's Consulting segment generated approximately 40% of the Company's total revenue in 2020 and employs approximately 29,700 colleagues worldwide. The Company conducts business in this segment through Mercer and Oliver Wyman Group.

MERCER

Mercer delivers advice and digital solutions that help organizations meet the health, wealth and career needs of a changing workforce. Mercer has approximately 24,700 colleagues based in 43 countries. Clients include a majority of the companies in the Fortune 1000 and FTSE 100, as well as medium- and small-market organizations, public sector employees and individual customers. Mercer generated approximately 28% of the Company's total revenue in 2020.

Mercer operates in the following areas:

Health. Mercer assists public and private sector employers in the design and management of employee health care programs; administration of health benefits and flexible benefits programs, including benefits outsourcing; employee engagement with their health benefits through a digital experience; compliance with local benefits-related regulations; and the establishment of health and welfare benefits coverage for employees. Mercer provides a range of advice and solutions to clients, which, depending on the engagement, may include: total health and wellness management strategies; global health brokerage solutions; vendor performance and audit; life and disability management; and measurement of healthcare provider performance. These services are provided through traditional fee-based consulting as well as commission-based brokerage services in connection with the selection of insurance companies and healthcare providers. Mercer provides solutions for private active and retiree exchanges in the United States, as well as tools to enhance employee engagement with their health benefits through its Darwin℠ platform across the world.

Mercer also provides consulting and actuarial services to U.S. state governments to support the purchase of healthcare through state Medicaid programs. In addition, Mercer provides consulting services to insurance carriers to assist them with improving product offerings available to clients, identifying new opportunities and enhancing insurers' operational efficiency.

Outside of the U.S., Mercer and Marsh go to market together for Health benefits brokerage and consulting under the Mercer Marsh Benefits℠ (MMB) brand.

Wealth. Through its Wealth business, Mercer assists clients worldwide in the design, governance and risk management of defined benefit, defined contribution and hybrid retirement plans. Mercer provides actuarial consulting, investment consulting, investment management and related services to the sponsors and trustees of pension plans, master trusts, foundations, endowments, and insurance companies as well as wealth management and other financial intermediary firms. Mercer also provides retirement plan outsourcing, including administration and delivery of defined benefit and defined contribution retirement benefits.

Mercer's investment consulting and investment management services (also referred to as "investment solutions," "delegated solutions," "fiduciary management" or "outsourced Chief Investment Officer (OCIO) services") cover a range of stages of the investment process, from strategy, asset allocation and implementation to ongoing portfolio management services. Mercer provides these services primarily to institutional and other sophisticated investors including retirement plans (e.g., defined benefit and defined contribution), master trusts, endowments and foundations and wealth managers and other financial intermediary firms, primarily through manager of manager funds sponsored and managed by Mercer. As of December 31, 2020, Mercer and its global affiliates had assets under management of approximately $357 billion worldwide.

Mercer also provides miscellaneous services to individual retail clients, including financial planning, high net worth risk solutions and other discretionary investment services.

Career. Mercer advises organizations on the engagement, skill assessment, management and reward of employees; the design of executive remuneration programs; people strategies during business transformation; improvement of human resource (HR) effectiveness; and the implementation of digital and cloud-based Human Resource Information Systems. In addition, through proprietary survey data and

decision support tools, Mercer provides clients with human capital information and analytical capabilities to improve strategic human capital decision making. Mercer helps clients plan and implement HR programs and other organizational changes designed to maximize employee engagement, drive desired employee behaviors and achieve improvements in business performance.

OLIVER WYMAN GROUP

With more than 5,000 professionals and offices in 31 countries, Oliver Wyman Group delivers advisory services to clients through three operating units, each of which is a leader in its field: Oliver Wyman, Lippincott and NERA Economic Consulting. Oliver Wyman Group generated approximately 12% of the Company's total revenue in 2020.

Oliver Wyman is a global leader in management consulting. Oliver Wyman combines deep industry knowledge with specialized expertise in strategy, operations, risk management and organization transformation. Industry groups include:

- Automotive
- Aviation, Aerospace & Defense
- Business Services
- Communications, Media & Technology
- Distribution & Wholesale
- Education
- Energy
- Financial Services (including corporate and institutional banking, insurance, wealth and asset management, public policy, and retail and business banking)
- Health & Life Sciences
- Industrial Products
- Public Sector
- Retail & Consumer Products
- Surface Transportation
- Travel & Leisure

Oliver Wyman overlays its industry knowledge with expertise in the following functional specializations:

- *Actuarial*. Oliver Wyman's Actuarial Practice uses mathematical and statistical modeling skills and qualitative assessment methodologies to assist clients in evaluating and addressing risk.
- *Climate and Sustainability*. Oliver Wyman assists clients in cutting through complex climate systems and solving for operational efficiencies. Oliver Wyman helps clients discover new business opportunities, create new pathways, and respond to climate risk, to make needed changes commercially compelling.
- *Corporate Finance & Restructuring.* Oliver Wyman provides an array of capabilities to support investment decision making by private equity funds, hedge funds, sovereign wealth funds, investment banks, commercial banks, arrangers, strategic investors and insurers.
- *Digital*. Oliver Wyman partners with clients to address their digital challenges, blending the power of digital with deep industry expertise. By building strong capabilities and culture, Oliver Wyman accelerates and embeds digital transformation, working collaboratively with clients' leaders, employees, stakeholders, and customers to jointly define, design, and achieve lasting results.
- *Operations.* Oliver Wyman helps organizations leverage their operations for a competitive advantage using a comprehensive set of capabilities, including performance improvement, digital operations strategy, and risk management.

- *Organizational Effectiveness.* Oliver Wyman's Organizational Effectiveness capability brings together deep functional expertise and industry knowledge to enable the whole organization to work in service of its strategic vision and to address the most pressing organizational, people, and change issues.
- *Payments.* Oliver Wyman draws on years of industry-shaping work in the Financial Services and Retail industries, deep digital expertise, and renowned research partners in its Celent® business, to help clients - from banks/issuers, to payments providers, to retailers - to build growth strategies, form effective partnerships, optimize costs, and manage risk.
- *Pricing, Sales, and Marketing*. Oliver Wyman helps organizations drive top-line and margin growth through outstanding strategy and decision making on pricing, marketing optimization, and best practices on sales effectiveness.
- *Risk Management.* Oliver Wyman works with chief financial officers, chief risk officers, and other senior finance and risk management executives of corporations and financial institutions on risk management solutions. Oliver Wyman provides effective, customized solutions to the challenges presented by the evolving roles, needs and priorities of these individuals and organizations.
- *Strategy*. Oliver Wyman is a leading provider of corporate strategy advice and solutions in the areas of growth strategy and corporate portfolio; non-organic growth and M&A; performance improvement; business design and innovation; corporate center and shared services; and strategic planning.

Lippincott is a creative consultancy specializing in brand and innovation that shapes recognized brands and experiences for clients globally. Lippincott's designers have helped create some of the world's most recognized brands.

NERA Economic Consulting provides economic analysis and advice to public and private entities to achieve practical solutions to highly complex business and legal issues arising from competition, regulation, public policy, strategy, finance and litigation. NERA professionals operate worldwide assisting clients including corporations, governments, law firms, regulatory agencies, trade associations, and international agencies. NERA's specialized practice areas include: antitrust; securities; complex commercial litigation; energy; environmental economics; network industries; intellectual property; product liability and mass torts; and transfer pricing.

Compensation for Services in Consulting

Mercer and Oliver Wyman Group are compensated for advice and services primarily through fees paid by clients. In the majority of cases, Mercer's Health business is also compensated through commissions for the placement of insurance contracts and supplemental compensation from insurers based on such factors as volume, growth of accounts, and total retention of accounts placed by Mercer. Mercer may receive commissions in other parts of its business, such as its Private Client Services business and certain financial advice businesses. Mercer's investments business and certain of Mercer's administration services are compensated typically through fees based on assets under administration or management or fee per member. For a majority of the Mercer-managed investment funds, revenue received from Mercer's investment management clients as sub-advisor fees is reported in accordance with U.S. GAAP, on a gross basis rather than a net basis. For a more detailed discussion of revenue sources and factors affecting revenue in the Consulting segment, see Part II, Item 7 ("Management's Discussion and Analysis of Financial Condition and Results of Operations") of this report.

REGULATION

The Company's activities are subject to licensing requirements and extensive regulation under U.S. federal and state laws, as well as laws of other countries in which the Company's subsidiaries operate. Across most jurisdictions we are also subject to various data privacy laws and regulations that apply to personal information belonging to our clients, their employees and third parties, as well as our own colleagues. In addition, we are subject to various financial crime laws and regulations through our activities, activities of associated persons, the products and services we provide and our business and client relationships. Such laws and regulations relate to, among other areas, sanctions and export control, anti-bribery, anti-corruption, anti-money-laundering and counter-terrorist financing. See Part I, Item 1A

("Risk Factors") below for a discussion of how actions by regulatory authorities or changes in legislation and regulation in the jurisdictions in which we operate may have an adverse effect on our businesses.

Risk and Insurance Services. While laws and regulations vary from location to location, every state of the United States and most foreign jurisdictions require insurance market intermediaries and related service providers (such as insurance brokers, agents and consultants, reinsurance brokers and managing general agents) to hold an individual or company license from a government agency or self-regulatory organization. Some jurisdictions issue licenses only to individual residents or locally-owned business entities; in those instances, if the Company has no licensed subsidiary, it may maintain arrangements with residents or business entities licensed to act in such jurisdiction. Such arrangements are subject to an internal review and approval process. Licensing of reinsurance intermediaries is generally less rigorous compared to that of insurance brokers, and most jurisdictions require only corporate reinsurance intermediary licenses.

In 2005, the Insurance Mediation Directive which, as from October 1, 2018 has been superseded by the Insurance Distribution Directive, was adopted by the United Kingdom and 27 other European Union Member States. Its implementation gave powers to the Financial Services Authority ("FSA"), the United Kingdom regulator at the time, to expand its responsibilities in line with the Financial Services and Markets Act (2000), the result of which was the regulation of insurance and reinsurance intermediaries. The enhanced regulatory regime implemented in the United Kingdom created a licensing system based on an assessment of factors which included professional competence, financial capacity and the requirement to hold professional indemnity insurance. In April 2013, the FSA was superseded by the Financial Conduct Authority ("FCA"). In April 2014, the FCA's responsibilities were expanded further to include the regulation of credit activities for consumers. This included the broking of premium finance to consumers who wished to spread the cost of their insurance. In April 2015, the FCA obtained concurrent competition powers enabling it to enforce prohibitions on anti-competitive behavior in relation to financial services.

Insurance authorities in the United States and certain other jurisdictions in which the Company's subsidiaries do business, including the FCA in the United Kingdom, also have enacted laws and regulations governing the investment of funds, such as premiums and claims proceeds, held in a fiduciary capacity for others. These laws and regulations typically provide for segregation of these fiduciary funds and limit the types of investments that may be made with them, and generally apply to both the insurance and reinsurance business.

Certain of the Company's Risk and Insurance Services activities are governed by other regulatory bodies, such as investment, securities and futures licensing authorities. In the United States, Marsh and Guy Carpenter use the services of MMC Securities LLC, a SEC registered broker-dealer and introducing broker in the United States. MMC Securities LLC is a member of the Financial Industry Regulatory Authority ("FINRA"), the National Futures Association and the Securities Investor Protection Corporation ("SIPC"), primarily in connection with capital markets and other investment banking-related services relating to insurance-linked and alternative risk financing transactions. Also in the United States, Marsh uses the services of MMA Securities LLC, a SEC registered broker-dealer, investment adviser and member of FINRA and SIPC JSL Securities, Inc., a SEC registered broker-dealer and member of FINRA, SIPC and the Municipal Securities Rulemaking Board and Centurion Asset Management LLC, a SEC registered investment adviser, primarily in connection with retirement, executive compensation and benefits consulting and advisory services to qualified and non-qualified benefits plans, companies and executives and personal wealth management. In the United Kingdom, Marsh and Guy Carpenter use the expertise of MMC Securities (Europe) Limited, which is authorized and regulated by the FCA to provide advice on securities and investments, including mergers & acquisitions in the European Union. MMC Securities LLC, MMC Securities (Europe) Limited, MMA Securities LLC, JSL Securities, Inc. and Centurion Asset Management LLC are indirect, wholly-owned subsidiaries of Marsh & McLennan Companies, Inc.

Consulting*.* Mercer's retirement-related consulting and investment services are subject to pension law and financial regulation in many countries. Depending on the country, Mercer may rely on licensed colleagues or registered legal entities to engage in these services, or may utilize other MMC entities or external third parties. In addition, trustee services, investment services (including advice to persons, institutions and other entities on the investment of pension assets and assumption of discretionary

investment management responsibilities) and retirement and employee benefit program administrative services provided by Mercer and its subsidiaries and affiliates are also subject to investment and securities regulations in various jurisdictions, including regulations imposed or enforced by the SEC and the Department of Labor in the United States, the FCA in the United Kingdom, the Central Bank of Ireland and the Australian Prudential Regulation Authority and the Australian Securities and Investments Commission. In the United States, Mercer provides investment services through Mercer Investments LLC, (formerly Mercer Investment Management, Inc.), an SEC-registered investment adviser, which consolidated the activities of each of Mercer's affiliated investment adviser entities in the United States (including Mercer Investment Consulting LLC and Pavilion Advisory Group) in 2019. Mercer Trust Company, a limited purpose New Hampshire chartered trust bank, may also provide services for certain clients of Mercer's investment management business in the United States. The benefits insurance consulting and brokerage services provided by Mercer and its subsidiaries and affiliates are subject to the same licensing requirements and regulatory oversight as the insurance market intermediaries described above regarding our Risk and Insurance Services businesses. Mercer provides annuity buy-out support that is subject to regulations (for example, in the U.S., state insurance licensing regulations and ERISA). Mercer uses the services of MMC Securities LLC to provide certain services, including executive benefit and compensation services and securities dealing services.

***FATCA*.** Regulations promulgated by the U.S. Treasury Department pursuant to the Foreign Account Tax Compliance Act and related legislation (FATCA) require the Company to take various measures relating to non-U.S. funds, transactions and accounts. The regulations impose on Mercer certain client financial account tracking and disclosure obligations with respect to non-U.S. financial institution and insurance clients.

COMPETITIVE CONDITIONS

The Company faces significant competition in all of its businesses from providers of similar products and services, including competition with regard to identifying and pursuing acquisition candidates. The Company also encounters strong competition throughout its businesses from both public corporations and private firms in attracting and retaining qualified employees. As the Company has clients across various geographies, industries and scale, the competitive landscape is complex and varies across these numerous markets. In addition to the discussion below, see "Risks Relating to the Company Generally — Competitive Risks," in Part I, Item 1A of this report.

***Risk and Insurance Services*.** The Company's combined insurance and reinsurance services businesses are global in scope. Our insurance and reinsurance businesses compete principally on sophistication, range, quality and cost of the services and products they offer to clients. The Company encounters strong competition from other insurance and reinsurance brokerage firms that operate on a global, regional, national or local scale, from a large number of regional and local firms in the United States, the United Kingdom, the European Union and elsewhere, from insurance and reinsurance companies that market, distribute and service their insurance and reinsurance products without the assistance of brokers or agents and from other businesses, including commercial and investment banks, accounting firms, consultants and online platforms, that provide risk-related services and products or alternatives to traditional insurance brokerage services. In addition, third party capital providers have entered the insurance and reinsurance risk transfer market offering products and capital directly to the Company's clients. Their presence in the market increases the competitive pressures that the Company faces.

Certain insureds and groups of insureds have established programs of self-insurance (including captive insurance companies) as a supplement or alternative to traditional third-party insurance, thereby reducing in some cases their need for third-party insurance placements. Certain insureds also obtain coverage directly from insurance providers. There are also many other providers of managing general agency, affinity programs and private client services, including specialized firms, insurance companies and other institutions.

***Consulting*.** The Company's consulting businesses face strong competition from other privately and publicly held worldwide and national companies, as well as regional and local firms. These businesses generally compete on the basis of the range, quality and cost of the services and products they provide to clients. Competitors include independent consulting and outsourcing firms, as well as consulting and

outsourcing operations affiliated with accounting, information systems, technology and financial services firms. Mercer's investments business faces competition from many sources, including investment consulting firms (many of which offer delegated services), investment management firms and other financial institutions. In some cases, clients have the option of handling the services provided by Mercer and Oliver Wyman Group internally, without assistance from outside advisors.

Segmentation of Activity by Type of Service and Geographic Area of Operation.

Financial information relating to the types of services provided by the Company and the geographic areas of its operations is incorporated herein by reference to Note 17 to the consolidated financial statements included under Part II, Item 8 of this report.

HUMAN CAPITAL

As a professional services firm, we believe the health of our business relies on the strength of our workforce. Our shared purpose is to make a difference in moments that matter, helping clients meet the challenges of our time. Measurement of our talent outcomes are, therefore, not just a human capital priority, but a business imperative.

For detailed information regarding our human capital management, we encourage investors to visit https://www.mmc.com/about/esg.html for our consolidated environmental, social and governance ("ESG") report to be published in the first quarter 2021. The information on this website, and in the ESG report, does not constitute, and should not be viewed as, incorporation by reference of the information contained on, or available through, the website or the report and does not form part of this Form 10-K.

Our People. As of December 31, 2020, the Company and its consolidated subsidiaries employed 76,000 colleagues worldwide, including approximately 44,100 in Risk and Insurance Services and 29,700 in Consulting. Two-thirds of our global workforce are located in either North America or Europe. While these remain our largest work regions, we have also grown our presence in Asia-Pacific and the Middle East over the last several years. Women comprise more than half of our global enterprise workforce, and approximately 30% of our senior leaders are women. In the United States, where we have the most complete data through workforce self-identification of race and ethnicity, approximately 1 in 4 U.S. colleagues and 14% of U.S. senior leaders identify as non-White.

Our Governance. The Chief People Officer is responsible for developing and executing our enterprise people strategy. This includes the attraction, recruitment, hiring, development and engagement of talent to deliver on our strategy and the design of colleague total rewards programs. The Chief People Officer and the Chief Inclusion & Diversity Officer are responsible for developing and integrating our diversity and inclusion approach into our strategy.

Our ESG Committee and Compensation Committee of the board of directors have oversight of these initiatives. The Compensation Committee has responsibility to review certain key human resource strategic activities, including those relating to diversity, training and recruitment. The Compensation Committee coordinates with the ESG Committee on diversity initiatives and both committees receive reports at least annually on diversity and inclusion from the Company's Chief People Officer. The Chief Executive Officer and Chief People Officer regularly update our board of directors, the ESG Committee and the Compensation Committee on the Company's human capital trends and activities.

Diversity & Inclusion. Our Company's greatest strength is the collective talent of our people. We believe the more diverse our backgrounds and experiences, the more we can achieve together working side by side. We seek capable, creative and fair-minded people who can help us enable client success, find smarter ways to do things and live our Code of Conduct, *The Greater Good*. We believe that inclusion means more than acceptance—it means belonging. Over the last year, we have taken several concrete actions to further goals, including the formation of a Race Advisory Council to advise our Executive Committee and help amplify diverse perspectives in decision-making. Other initiatives included the design of a new learning and sponsorship program to help underrepresented colleagues strengthen leadership skills, as well as the creation of various forums and networks to promote ongoing candid conversations within the organization.

Talent Development. We strive to create an environment where individuals and teams can perform to their highest potential and where career growth and mobility are encouraged and supported. We are committed to helping colleagues perform at their best by encouraging regular discussions about their

goals, performance, career aspirations and development opportunities. We also recognize the importance of our 13,000 people managers in their crucial roles for reviewing our talent pipeline and have given them increased support and opportunities for promoting the professional and personal growth of their teams. In addition, we offer more than 16,000 individual learning courses as part of continuous learning to help our colleagues grow and develop. In 2020, we published a set of People Manager Practices, centered around managing inclusively, that define what effective people management looks like. Managers also have access to our dedicated People Manager Hub, a one-stop source of information and community for all people managers globally.

Colleague Engagement. Each year we ask our colleagues to share their views on working at Marsh & McLennan through a company-wide engagement survey. Developed internally by our Global Talent Development team, the survey methodology has been consistent since 2011, with updates to specific questions as necessary. A third-party administers our survey in order to maintain confidentiality of responses. In 2020, a record number of colleagues completed the survey. As in the past, we continue to use the survey responses to help inform the ongoing development of a vibrant and inclusive culture.

Health and Wellbeing. As a company, our success depends on the health and wellbeing of our colleagues—we want to support our colleagues with resources, protection and peace of mind to live healthy lives. We offer comprehensive health insurance, including medical coverage and other core health benefits based on the market. We also prioritize our colleagues' mental wellness, including 24/7 access to an Employee Assistance Program for confidential counselling on personal issues for over 80 percent of our colleagues and their eligible family members, and critical incident support in countries where a disaster has occurred. In addition, we offer competitive time-off benefits, including a paid day off each year to volunteer.

Supporting our colleagues as they navigate the unprecedented challenges of COVID-19 has been our highest priority in 2020 and our teams have responded by working in innovative ways. Refer to "Recent Developments" included in Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations" for information on our response to the COVID-19 pandemic.

Total Rewards. We recognize how important it is to be financially secure through employment, so we offer competitive rewards to help build colleagues' personal wealth and improve their financial wellbeing. Base pay is just the start. Through our annual bonus program, we encourage performance that aligns with the Company's interests by providing eligible colleagues with discretionary awards. We also offer various incentives in certain circumstances, such as sales incentives and long-term incentives to roles that have a significant impact on our long-term performance designed to foster the Company's long-term success. Our robust offerings also include retirement benefits, savings and stock investment plans in certain jurisdictions.

EXECUTIVE OFFICERS OF THE COMPANY

The executive officers and executive officer appointees of the Company are appointed annually by the Company's Board of Directors. The following individuals are the executive officers of the Company:

Peter J. Beshar, age 59, is Executive Vice President and General Counsel of Marsh & McLennan Companies. In addition to managing the Company's Legal, Compliance & Public Affairs groups, Mr. Beshar also oversees the Company's Risk Management group. Before joining Marsh & McLennan Companies in November 2004, Mr. Beshar was a Litigation Partner in the law firm of Gibson, Dunn & Crutcher LLP. Mr. Beshar joined Gibson, Dunn & Crutcher in 1995 after serving as the Assistant Attorney General in charge of the New York Attorney General's Task Force on Illegal Firearms and as the Special Assistant to former U.S. Secretary of State Cyrus Vance in connection with the peace negotiations in the former Yugoslavia.

Paul Beswick, age 46, is Senior Vice President and Global Chief Information Officer (CIO) of Marsh & McLennan Companies. In this role, he manages over 5,000 technologists supporting Marsh & McLennan's global businesses. Prior to his appointment as Marsh & McLennan CIO in January 2021, Mr. Beswick was a Partner and Global Head of Oliver Wyman Labs and the Digital Practice at Oliver Wyman. During more than two decades with Oliver Wyman, he worked in various sectors, including retail, transportation, telecom, and consumer goods. Before this, Mr. Beswick headed Oliver Wyman's North American Retail Practice. Mr. Beswick holds an MA (first class) in chemical engineering from Cambridge University.

Dominic Burke, age 62, is Vice Chair of Marsh & McLennan Companies. He joined the firm in 2019 with the acquisition of Jardine Lloyd Thompson Group (JLT), after having served as JLT's Group Chief Executive for more than 13 years. He also serves as Chairman of Marsh JLT Specialty. Mr. Burke has more than three decades of experience in the insurance industry. Prior to serving as JLT's Group Chief Executive, Mr. Burke held various roles at JLT including Group Chief Operating Officer and prior to that, CEO of JLT's U.K. Retail and Employee Benefits business. Mr. Burke joined JLT in 2000, when it acquired the company he founded, Burke Ford Insurance Group. Mr. Burke serves as the Chairman of Newbury Racecourse plc and is a Director for the charity Injured Jockeys Fund in the U.K.

John Q. Doyle, age 57, is Vice Chair, Marsh & McLennan Companies and President and Chief Executive Officer of Marsh. He oversees all of Marsh's businesses and operations globally. Mr. Doyle was named CEO of Marsh in July 2017, having joined Marsh & McLennan Companies as President of Marsh in April 2016. Prior to that, he was Chief Executive Officer of AIG's commercial insurance businesses. Mr. Doyle began his career at AIG in 1986 and held several senior executive positions, including President and Chief Executive Officer of AIG property and casualty in the U.S., President and Chief Executive Officer of National Union Fire Insurance Company, and President of American Home Assurance Company.

Martine Ferland, age 59, is Vice Chair, Marsh & McLennan Companies and President and Chief Executive Officer of Mercer, a role she assumed in March 2019. Previously, she was Mercer's Group President, responsible for leading the firm's regions and Global Business Solutions. She joined Mercer in 2011 as Retirement Business Leader for the Europe and Pacific region, and has served as Europe and Pacific Region President and Co-President, Global Health. Ms. Ferland began her career as a pension actuary and consultant at Willis Towers Watson, where she spent 25 years and held various leadership positions in Montreal and New York. Ms. Ferland is a Fellow of the Society of Actuaries and of the Canadian Institute of Actuaries.

Carmen Fernandez, age 47, is Senior Vice President and Chief People Officer for Marsh & McLennan Companies. Prior to her current role, Ms. Fernandez held positions within Marsh & McLennan for 15 years, most recently Deputy CHRO, CHRO of Guy Carpenter, and HR leadership roles at Mercer, including North America HR Leader, Global HR Leader for the Career business and Chief of Staff in the Office of the CEO. Before joining Marsh & McLennan, Ms. Fernandez worked in investment banking at Bank of America and Goldman Sachs. She began her career as a consultant with Pricewaterhouse Coopers.

Daniel S. Glaser, age 60, is President and Chief Executive Officer of Marsh & McLennan Companies. Prior to starting his current role in January 2013, Mr. Glaser served as Group President and Chief Operating Officer of the Company. He rejoined Marsh & McLennan Companies in December 2007 as Chairman and Chief Executive Officer of Marsh, returning to the firm where he had begun his career right out of university in 1982. Mr. Glaser is an insurance industry veteran who has held senior positions in commercial insurance and insurance brokerage, working in the United States, Europe and the Middle East. Mr. Glaser serves as the Chairman of the U.S. Federal Advisory Committee on Insurance (FACI). He is a member of: the Board of Trustees for The Institutes and the Board of Directors for the Partnership for New York City. He is also Co-Chair of the International Advisory Board for BritishAmerican Business.

Peter Hearn, age 65, is Vice Chair, Marsh & McLennan Companies and President and Chief Executive Officer of Guy Carpenter. Previously, he was Global Chairman of Willis Re from March 2011 to June 2015. Prior to that, Mr. Hearn served as the company's Global CEO from February 2005 to March 2011, during which time he was also a member of the Willis Group Executive Committee. Mr. Hearn began his reinsurance career in 1978 with Willis Faber and Dumas, working in the North American casualty, facultative, marine, and North American reinsurance divisions until 1981, when he joined Towers Perrin Forster and Crosby. Mr. Hearn joined Willis Re as a Senior Vice President in 1994.

Scott McDonald, age 54, is Vice Chair, Marsh & McLennan Companies and President and Chief Executive Officer of Oliver Wyman Group. Prior to assuming this role in January 2014, Mr. McDonald was President of Oliver Wyman. Before becoming President of Oliver Wyman in 2012, Mr. McDonald was the Managing Partner of Oliver Wyman's Financial Services practice and has held a number of senior positions, including the Global head of the Corporate & Institutional Banking Practice. Before joining Oliver Wyman in 1995, he was an M&A investment banker with RBC Dominion Securities in Toronto.

Mark McGivney, age 53, is Chief Financial Officer of Marsh & McLennan Companies. Prior to assuming this role in January 2016, Mr. McGivney held a number of senior financial management positions since joining the Company in 2007. Most recently he was Senior Vice President, Corporate Finance of Marsh & McLennan, and was responsible for leading and directing the Company's Corporate Development, Treasury and Investor Relations functions from 2014 until 2016. Prior to that, he served as Chief Financial Officer of Marsh, and Chief Financial Officer and Chief Operating Officer of Mercer. His prior experience includes senior positions at The Hanover Insurance Group, including serving as Senior Vice President of Finance, Treasurer, and Chief Financial Officer of the Property & Casualty business, as well as positions with Merrill Lynch and Price Waterhouse.

AVAILABLE INFORMATION

The Company is subject to the information reporting requirements of the Securities Exchange Act of 1934. In accordance with the Exchange Act, the Company files with, or furnishes to, the SEC its annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and proxy statement for its annual shareholders' meeting. The Company makes these reports and any amendments to these reports available free of charge through its website, www.mmc.com, as soon as reasonably practicable after they are filed with or furnished to the SEC. The SEC also maintains a website at www.sec.gov that contains reports, proxy and information statements and other information regarding issuers, like the Company, that file electronically with the SEC.

The Company also posts on its website certain governance and other information for investors.

The Company encourages investors to visit these websites from time to time, as information is updated and new information is posted. Website references in this report are provided as a convenience and do not constitute, and should not be viewed as, incorporation by reference of the information contained on, or available through, the websites. Therefore, such information should not be considered part of this report.

Item 1A. Risk Factors

You should consider the risks described below in conjunction with the other information presented in this report. These risks have the potential to materially adversely affect the Company's business, results of operations or financial condition.

SUMMARY RISK FACTORS

Some of the factors that could materially and adversely affect our business, financial condition, results of operations or prospects, include the following:

- The COVID-19 pandemic could have a material adverse effect on our business operations, results of operations, cash flows and financial position;
- Our results of operations and investments could be adversely affected by macroeconomic conditions, political events and market conditions;
- Our business performance and growth plans could be negatively affected if we are not able to develop and implement improvements in technology or respond effectively to the threat of digital disruption and other technological change;
- We could incur significant liability or our reputation could be damaged if our information systems are breached or we otherwise fail to protect client or Company data or information systems;
- The costs to comply with, or our failure to comply with, U.S. and foreign laws related to privacy, data security and data protection, such as the E.U. General Data Protection Regulation (GDPR) and the California Consumer Privacy Act (CCPA), could adversely affect our financial condition, operating results and our reputation;
- We are subject to significant uninsured exposures arising from errors and omissions, breach of fiduciary duty and other claims;
- We cannot guarantee that we are or will be in compliance with all current and potentially applicable U.S. federal and state or foreign laws and regulations, and actions by regulatory authorities or changes in legislation and regulation in the jurisdictions in which we operate could have a material adverse effect on our business;
- Our business or reputation could be harmed by our reliance on third-party providers or introducers;
- The loss of members of our senior management team or other key colleagues could have a material adverse effect on our business;
- Failure to maintain our corporate culture could damage our reputation;
- Increasing scrutiny and changing expectations from investors, clients and our colleagues with respect to our environmental, social and governance (ESG) practices may impose additional costs on us or expose us to new or additional risks;
- We face significant competitive pressures in each of our businesses, including from disintermediation, as our competitive landscape continues to evolve;
- We rely on a large number of vendors and other third parties to perform key functions of our business operations and to provide services to our clients. These vendors and third parties may act in ways that could harm our business;
- Our inability to successfully recover should we experience a disaster or other business continuity or data recovery problem could cause material financial loss, loss of human capital, regulatory actions, reputational harm or legal liability;
- We face risks when we acquire businesses;
- If we are unable to collect our receivables, our results of operations and cash flows could be adversely affected;
- We may not be able to obtain sufficient financing on favorable terms;

- Our defined benefit pension plan obligations could cause the Company's financial position, earnings and cash flows to fluctuate;
- Our significant non-U.S. operations expose us to exchange rate fluctuations and various risks that could impact our business;
- Our quarterly revenues and profitability may fluctuate significantly;
- Credit rating downgrades would increase our financing costs and could subject us to operational risk;
- We have significantly increased our debt as a result of the JLT acquisition, which could adversely affect our financial flexibility;
- The current U.S. tax regime makes our results more difficult to predict;
- We are exposed to multiple risks associated with the global nature of our operations;
- Results in our Risk and Insurance Services segment may be adversely affected by a general decline in economic activity;
- Volatility or declines in premiums and other market trends may significantly impede our ability to grow revenues and profitability;
- Adverse legal developments and future regulations concerning how intermediaries are compensated by insurers or clients, as well as allegations of anti-competitive behavior or conflicts of interest more broadly, could have a material adverse effect on Marsh's business, results of operations and financial condition;
- Mercer's Investments business is subject to a number of risks, including risks related to third-party investment managers, operational risk, conflicts of interest, asset performance and regulatory compliance, that, if realized, could result in significant damage to our business;
- Revenues for the services provided by our Consulting segment may decline for various reasons, including as a result of changes in economic conditions, the value of equity, debt and other asset classes, our clients' or an industry's financial condition or government regulation or an accelerated trend away from actively managed investments to passively managed investments;
- Factors affecting defined benefit pension plans and the services we provide relating to those plans could adversely affect Mercer; and
- The profitability of our Consulting segment may decline if we are unable to achieve or maintain adequate utilization and pricing rates for our consultants.

RISKS RELATING TO THE COMPANY GENERALLY

Macroeconomic Risks

The COVID-19 pandemic could have a material adverse effect on our business operations, results of operations, cash flows and financial position.

Global health concerns relating to the ongoing COVID-19 pandemic and related government actions taken to reduce the spread of the virus have had a dramatic impact on the macroeconomic environment, and the outbreak continues to materially increase economic uncertainty and reduce economic activity.

The outbreak has resulted in authorities implementing numerous measures to try to contain the virus, such as travel bans and restrictions, quarantines, shelter in place or total lock-down orders and business limitations and shutdowns. Such measures have significantly contributed to decreased levels of business activity of our clients and the industries and markets that we serve. Governments around the globe have taken steps to mitigate some of the more severe anticipated economic effects of the virus, but there can be no assurance that such steps will be effective or achieve their desired results in a timely fashion.

The outbreak has adversely impacted and is likely to further adversely impact our workforce and operations and the operations of our clients, third-party vendors and business partners. The spread of COVID-19 has caused us to modify our business practices (including transitioning substantially all of our colleagues to a remote work environment, restricting colleague travel, developing social distancing plans for our colleagues and cancelling physical participation in meetings, events and conferences), and we

may take further actions as may be required by government authorities or as we determine are in the best interests of our colleagues, clients and business partners. There is no certainty how long such policies will remain in effect or that such measures will be sufficient to mitigate the risks posed by the virus or will otherwise be satisfactory to government authorities.

The ongoing impacts of COVID-19 may affect our ability to generate new business, our overall level of profitability and cash flow, and our liquidity due to a number of macroeconomic and operational factors. Such factors may include:

- in our Risk and Insurance Services segment, a reduction in demand, pricing and commission for specific lines of coverage most directly affected by COVID-19;
- in our Consulting segment, a reduction in fees or commission due to lower demand for our services as clients cut back on expenses; the impact on our business model for delivering services to clients due to restrictions on travel and movement, and guidance around social distancing; and the impact on profitability and margin of not achieving or maintaining adequate utilization and pricing rates;
- the timeliness and ultimate collectability of our receivables, including as a result of deferrals of premium payments directed by government authorities, which affects our ability to generate sufficient cash flows;
- the impact of disruption in the credit or financial markets, or changes to our credit ratings, which may impact our ability to access capital or repay our significant outstanding indebtedness on favorable terms and our compliance with the covenants contained in the agreements that govern our indebtedness;
- an increase in errors & omissions claims related to losses incurred by policyholders arising from the pandemic;
- the impact of financial market volatility, including our ability to execute timely trades in light of increased trading volume, which may reduce assets under management and revenue for Mercer's Investments business;
- failure of third parties upon which we rely to meet their obligations to us, or significant disruptions in their ability to meet those obligations in a timely manner, which may be caused by their own financial or operational difficulties;
- the impact of an extended period of remote work arrangements on our business continuity plans, and our ability to continue to provide services to our clients;
- increased risk of phishing and other cybersecurity attacks or unauthorized dissemination of personal, confidential, proprietary or sensitive data caused by remote work arrangements; and
- the potential effects on our internal controls including those over financial reporting as a result of remote work arrangements that are applicable to our team members and business partners.

These factors may remain prevalent for a significant period of time and may continue to adversely affect our business, results of operations and financial condition even after the COVID-19 pandemic subsides. For the year ended December 31, 2020, the COVID-19 pandemic had an adverse impact to the Company's revenue growth, primarily in our businesses that are discretionary in nature, which was partly mitigated through disciplined expense management by implementing restrictions on travel and other cost containment measures. However impacts from COVID-19 in 2020 may not be representative of future conditions. The extent to which the COVID-19 outbreak continues to impact our business, results of operations and financial condition will depend on future developments, which remain highly uncertain and are difficult to predict, including the duration and spread of the outbreak, its severity and strain mutations, the actions to contain the virus and the development and availability of effective treatments and vaccines, and how quickly and to what extent normal economic and operating conditions can resume. Even after the COVID-19 outbreak subsides, we may continue to experience materially adverse impacts to our business as a result of the virus's global economic impact, including the availability of credit, adverse impacts on our liquidity and any recession that has occurred or may occur in the future.

There are no comparable recent events that provide guidance as to the effect the spread of COVID-19 as a global pandemic may have, and, as a result, the ultimate impact of the outbreak is highly uncertain and

subject to change. We do not yet know the full extent of the impacts on our business, our operations or the global economy as a whole. However, the effects could have a material impact on our results of operations and heighten many of our known risks in this section.

Our results of operations and investments could be adversely affected by macroeconomic conditions, political events and market conditions.

Macroeconomic conditions, political events and other market conditions around the world affect our clients' businesses and the markets they serve. These conditions may reduce demand for our services or depress pricing for those services, which could have a material adverse effect on our results of operations. Changes in macroeconomic and political conditions could also shift demand to services for which we do not have a competitive advantage, and this could negatively affect the amount of business that we are able to obtain. In particular, please see above for detailed risks related to the impact of COVID-19.

In addition, the United Kingdom’s withdrawal from the European Union, referred to as "Brexit," continues to create political and economic uncertainty, particularly in the United Kingdom and the European Union. While the British government and the E.U. negotiated terms of the withdrawal in December 2020, the agreement did not contain resolutions related to financial services. Accordingly, there remains inevitable uncertainty on the treatment of financial services and the impact of the other terms of the agreement generally on our businesses.

We have significant operations and a substantial workforce in the U.K. With 12,500 colleagues and approximately 16% of our revenue from the U.K., the uncertainty surrounding the implementation and effect of Brexit may cause increased economic volatility, affecting our operations and business. The effects of Brexit will depend on the agreements the U.K. makes to retain access to European Union markets and the systems put in place to facilitate future trade and economic relationships. The measures could potentially disrupt the markets we serve and may cause us to lose clients and colleagues. In addition, Brexit could lead to legal uncertainty and potentially divergent national laws and regulations as the U.K. determines which European Union laws to replace or replicate. These developments may have a material adverse effect on global economic conditions and the stability of financial markets, both in the U.K. and globally. Any of these factors could affect the demand for our services. Furthermore, currency exchange rates in GBP and the Euro with respect to each other and the U.S. dollar have already been adversely affected by these developments. Should this foreign exchange volatility continue, it could cause volatility in our quarterly financial results.

More generally, our investments, including our minority investments in other companies as well as our cash investments and those held in a fiduciary capacity, are subject to general credit, liquidity, counterparty, foreign exchange, market and interest rate risks. These risks may be exacerbated by global macroeconomic conditions, market volatility and regulatory, financial and other difficulties affecting the companies in which we have invested or that may be faced by financial institution counterparties. During times of stress in the banking industry, counterparty risk can quickly escalate, potentially resulting in substantial trading and investment losses for corporate and other investors. In addition, we may incur investment losses as a result of unusual and unpredictable market developments, and we may continue to experience reduced investment earnings if the yields on investments deemed to be low risk remain at or near their current low levels. If the banking system or the fixed income, interest rate, credit or equity markets deteriorate, the value and liquidity of our investments could be adversely affected. Finally, the value of the Company's assets held in other jurisdictions, including cash holdings, may decline due to foreign exchange fluctuations.

Technology, Cybersecurity and Data Protection Risks

Our business performance and growth plans could be negatively affected if we are not able to develop and implement improvements in technology or respond effectively to the threat of digital disruption and other technological change.

We depend in large part on our technology systems for conducting business, as well as for providing the data and analytics we use to manage our business. As a result, our business success is dependent on maintaining the effectiveness of existing technology systems and on continuing to develop and enhance technology systems that support our business processes and strategic initiatives in a cost and resource efficient manner, particularly as our business processes become more digital. We have a number of

strategic initiatives involving investments in or partnerships with technology companies as part of our growth strategy, as well as investments in technology and infrastructure to support our own systems.

These investments may be costly and require significant capital expenditures, may not be profitable or may be less profitable than what we have experienced historically. In addition, investments in technology systems may not deliver the benefits or perform as expected, or may be replaced or become obsolete more quickly than expected, which could result in operational difficulties or additional costs. In some cases, we also depend on key vendors and partners to provide technology and other support for our strategic initiatives. If these vendors or partners fail to perform their obligations or otherwise cease to work with us, our ability to execute on our strategic initiatives could be adversely affected. If we do not keep up with technological changes or execute effectively on our strategic initiatives, our business and results of operations could be adversely impacted.

In addition, to remain competitive in many of our business areas, we must anticipate and respond effectively to the threat of digital disruption and other technological change. The threat comes from traditional players, such as insurers, through disintermediation as well as from new entrants, such as technology companies, "Insurtech" start-up companies and others. In the past few years, there has been a substantial increase in private equity investments into these Insurtech companies. These players are focused on using technology and innovation, including artificial intelligence (AI), digital platforms, data analytics, robotics and blockchain, to simplify and improve the client experience, increase efficiencies, alter business models and effect other potentially disruptive changes in the industries in which we operate.

We could incur significant liability or our reputation could be damaged if our information systems are breached or we otherwise fail to protect client or Company data or information systems.

In operating our business and providing services and solutions to clients, we collect, use, store, transmit and otherwise process certain electronic information, including personal, confidential, proprietary and sensitive data such as information related to financial records, health care, mergers and acquisitions and personal data of our clients, colleagues and vendors. We rely on the efficient, uninterrupted and secure operation of complex information technology systems and networks to operate our business and securely process, transmit and store electronic information. In the normal course of business, we also share electronic information with our vendors and other third parties. This electronic information comprises sensitive and confidential data, including information related to financial records, health care, mergers and acquisitions and clients' personal data. Our information technology systems and safety control systems, and those of our numerous third-party providers, as well as the control systems of critical infrastructure they rely on, such as power grids, are potentially vulnerable to unauthorized access, damage or interruption from a variety of external threats, including cyberattacks, computer viruses and other malware, ransomware and other types of data and systems-related modes of attack. Our systems are also subject to compromise from internal threats such as improper action by employees, vendors and other third parties with otherwise legitimate access to our systems. Moreover, we face the ongoing challenge of managing access controls in a complex environment. The latency of a compromise is often measured in months but could be years, and we may not be able to detect a compromise in a timely manner. We could experience significant financial and reputational harm if our information systems are breached, sensitive client or Company data are compromised, surreptitiously modified, rendered inaccessible for any period of time or maliciously made public, or if we fail to make adequate or timely disclosures to the public or law enforcement agencies following any such event, whether due to delayed discovery or a failure to follow existing protocols.

Cyberattacks are increasing in frequency and evolving in nature. We are at risk of attack by a variety of adversaries, including state-sponsored organizations, organized crime, hackers or "hactivists" (activist hackers), through use of increasingly sophisticated methods of attack, including the deployment of artificial intelligence to find and exploit vulnerabilities, such as “deep fakes”, and long-term, persistent attacks referred to as advanced persistent threats. These techniques used to obtain unauthorized access or sabotage systems include, among other things, computer viruses, malicious or destructive code, ransomware, social engineering attacks (including phishing and impersonation), hacking and denial-of-service attacks. Because these techniques change frequently and new techniques may not be identified until they are launched against a target, we may be unable to anticipate these techniques or implement adequate preventative measures, resulting in potential data loss, data unavailability, data corruption or

other damage to information technology systems. In addition, remote work arrangements in response to COVID-19 have increased the risk of phishing and other cybersecurity attacks or unauthorized dissemination of personal, confidential, proprietary or sensitive data.

As the breadth and complexity of the technologies we use and the software and platforms we develop continue to grow, including as a result of the use of mobile devices, cloud services, "open source" software, social media and the increased reliance on devices connected to the Internet (known as the "Internet of Things"), the potential risk of security breaches and cyber-attacks also increases. Despite ongoing efforts to improve our ability to protect data from compromise, we may not be able to protect all of our data across our diverse systems. Our efforts to improve and protect data from compromise may also identify previously undiscovered instances of security breaches or other cyber incidents. Our policies, employee training (including phishing prevention training), procedures and technical safeguards may also be insufficient to prevent or detect improper access to confidential, personal or proprietary information. In addition, the competition for talent in the data privacy and cybersecurity space is intense, and we may also be unable to hire, develop or retain suitable talent capable of adequately detecting, mitigating or remediating these risks.

Should an attacker gain access to our network using compromised credentials of an authorized user, we are at risk that the attacker might successfully leverage that access to compromise additional systems and data. Certain measures that could increase the security of our systems, such as data encryption (including encryption of data at rest), heightened monitoring and logging, scanning for source code errors or deployment of multi-factor authentication, take significant time and resources to deploy broadly, and such measures may not be deployed in a timely manner or be effective against an attack. The inability to implement, maintain and upgrade adequate safeguards could have a material adverse effect on our business.

Our information systems must be continually updated, patched, and upgraded to protect against known vulnerabilities. The volume of new software vulnerabilities has increased markedly, as has the criticality of patches and other remedial measures. In addition to remediating newly identified vulnerabilities, previously identified vulnerabilities must also be continuously addressed. Accordingly, we are at risk that cyberattackers exploit these known vulnerabilities before they have been communicated by vendors or addressed. Due to the large number and age of the systems and platforms that we operate, the increased frequency at which vendors are issuing security patches to their products, the need to test patches and, in some cases coordinate with clients and vendors, before they can be deployed, we perpetually face the substantial risk that we cannot deploy patches in a timely manner. We are also dependent on third party vendors to keep their systems patched and secure in order to protect our data. Any failure related to these activities could have a material adverse effect on our business.

We have numerous vendors and other third parties who receive personal information from us in connection with the services we offer our clients. We also use hundreds of IT vendors and software providers to maintain and secure our global information systems infrastructure. In addition, we have migrated certain data, and may increasingly migrate data, to the cloud hosted by third-party providers. Some of these vendors and third parties also have direct access to our systems. We are at risk of a cyberattack involving a vendor or other third party, which could result in a breakdown of such third party’s data protection processes or the cyberattackers gaining access to our infrastructure through a supply chain attack. For example, in December 2020, it was widely reported that hackers installed malware into business software updates provided by SolarWinds. The attack was widespread, affecting public and private organizations around the world, including several U.S. government agencies. While we do not believe our operations were affected by this latest attack, it highlighted the vulnerability of IT supply chains.

We have a history of making acquisitions and investments, and in April 2019 we completed the acquisition of JLT. The process of integrating the information systems of any businesses we acquire is complex and exposes us to additional risk. For instance, we may not adequately identify weaknesses and vulnerabilities in an acquired entity’s information systems, either before or after the acquisition, which could affect the value we are able to derive from the acquisition, expose us to unexpected liabilities or make our own systems more vulnerable to a cyberattack. In addition, if we discover a historical compromise, security breach or other cyber incident related to the target’s information systems following the close of the acquisition, we may be liable and exposed to significant costs and other unforeseen

liabilities. We may also be unable to integrate the systems of the businesses we acquire into our environment in a timely manner, which could further increase these risks until such integration takes place.

We have from time to time experienced data incidents and cybersecurity breaches, such as malware incursions (including computer viruses and ransomware), users exceeding their data access authorization, employee misconduct and incidents resulting from human error, such as loss of portable and other data storage devices or misconfiguration of software or hardware resulting in inadvertent exposure of personal, sensitive, confidential or proprietary information. Like many companies, we are subject to social engineering attacks such as regular phishing email campaigns directed at our employees that can result in malware infections and data loss. Although these incidents have resulted in data loss and other damages, to date, they have not had a material adverse effect on our business or operations. In the future, these types of incidents could result in personal, sensitive, confidential or proprietary information being lost or stolen, surreptitiously modified, rendered inaccessible for any period of time, or maliciously made public, including client, employee or Company data, which could have a material adverse effect on our business. In the event of a cyberattack, we might have to take our systems offline, which could interfere with services to our clients or damage our reputation. We also may be unable to detect an incident, assess its severity or impact, or appropriately respond in a timely manner. In addition, our liability insurance, which includes cyber insurance, may not be sufficient in type or amount to cover us against claims related to security breaches, cyberattacks and other related data and system incidents.

The costs to comply with, or our failure to comply with, U.S. and foreign laws related to privacy, data security and data protection, such as the E.U. General Data Protection Regulation (GDPR) and the California Consumer Privacy Act (CCPA), could adversely affect our financial condition, operating results and our reputation.

Improper disclosure of confidential, personal, or proprietary data could result in regulatory scrutiny, legal and financial liability, or harm to our reputation. In operating our business and providing services and solutions to clients, particularly in our Consulting segment, we store and transfer sensitive employee and client data, including personal data, in and across multiple jurisdictions. We leverage systems and applications that are spread all over the world requiring us to regularly move data across national borders. As a result, we are subject to a variety of laws and regulations in the United States, Europe and around the world regarding privacy, data protection, data security and cyber-security. These laws and regulations are continuously evolving and developing. Some of these laws and regulations are increasing the level of data handling restrictions, including rules on data localization, all of which could affect our operations and result in regulatory liability and high fines. In particular, high-profile security breaches at major companies continue to be disclosed regularly, which is leading to even greater regulatory scrutiny and fines at the highest levels they have ever been.

The scope and interpretation of the laws that are or may be applicable to us are often uncertain and may be conflicting. For example, the GDPR, which became effective in May 2018, greatly increased the European Commission’s jurisdictional reach of its laws and added a broad array of requirements for handling personal data, such as the public disclosure of data breaches, privacy impact assessments, data portability and the appointment of data protection officers in some cases. In the U.S., the CCPA came into effect in January 2019 and introduced several new concepts to local privacy requirements, including increased transparency and rights such as access and deletion and an ability to opt out of the “sale” of personal information. Despite a proliferation of regulatory guidance papers, much remains unclear with respect to how to interpret and implement the GDPR and the CCPA, and that lack of clarity could result in potential liability for our failure to meet our obligations under the GDPR and the CCPA. Given the breadth and depth of changes in data protection obligations, including classifying data and committing to a range of administrative, technical and physical controls to protect data and enable data transfers outside of the E.U., our compliance with laws such as the GDPR and the CCPA will continue to require time, resources and review of the technology and systems we use. Further, the European Union Court of Justice's "Schrems II" decision and Brexit have created uncertainty with regard to the future of the flow of personal information between the United Kingdom and the E.U., respectively, and that uncertainty may impair our ability to offer our existing and planned products and services or increase our cost of doing business.

Following the implementation of the GDPR, other jurisdictions have sought to amend, or propose legislation to amend, their existing data protection laws to align with the requirements of the GDPR with

the aim of obtaining an adequate level of data protection to facilitate the transfer of personal data to most jurisdictions from the E.U. Accordingly, the challenges we face in the E.U. will likely also apply to other jurisdictions that adopt laws similar to the GDPR or regulatory frameworks of equivalent complexity. For example, Brazil has enacted its general data protection law, the Lei Geral de Proteção de Dados Pessoais, which came into effect in August 2020, China has proposed a new comprehensive privacy law, India is considering a new privacy law, Canada is proposing significant changes to their federal privacy law and Japan has adopted sweeping changes to its privacy law. In some cases, including China and India, the laws include data localization elements that will require that certain personal data stay within their borders.

Looking at the U.S. following the passage of the CCPA, California recently approved a ballot measure that enacts the California Privacy Rights Act, making extensive modifications to the CCPA. Additionally, several other states have introduced privacy bills, some more comprehensive than the CCPA. There is also continued legislative interest in passing a federal privacy law which is likely to accelerate under the new U.S. administration.

In addition to data protection laws, countries and states in the U.S. are enacting cybersecurity laws and regulations. For example, the New York State Department of Financial Services issued in 2017 cybersecurity regulations which imposed an array of detailed security measures on covered entities. These requirements were phased in and the last of them came into effect on March 1, 2019. All of these evolving compliance and operational requirements impose significant costs that are likely to increase over time, may divert resources from other initiatives and projects and could restrict the way services involving data are offered, all of which may adversely affect our results of operations.

Many statutory requirements, both in the United States and abroad, include obligations for companies to notify individuals of security breaches involving certain personal information, which could result from breaches experienced by us or our vendors. In addition to government regulation, privacy advocates and industry groups have and may in the future propose self-regulatory standards from time to time. These and other industry standards may legally or contractually apply to us, or we may elect to comply with such standards. We expect that there will continue to be new proposed laws and regulations concerning data privacy and security, and we cannot yet determine the impact such future laws, regulations and standards may have on our business.

Furthermore, enforcement actions and investigations by regulatory authorities related to data security incidents and privacy violations, including a recent focus on website “cookies” compliance in some countries, continue to increase. Privacy violations, including unauthorized disclosure or transfer of sensitive or confidential client or Company data, whether through systems failure, employee negligence, fraud or misappropriation, by the Company, our vendors or other parties with whom we do business (if they fail to meet the standards we impose) could damage our reputation and subject us to significant litigation, monetary damages, regulatory enforcement actions, fines and criminal prosecution in one or more jurisdictions. Given the complexity of operationalizing the various privacy laws such as the GDPR and the CCPA, the maturity level of proposed compliance frameworks and the continued lack of clarity on how to implement their requirements, we and our clients are at risk of enforcement actions taken by E.U. and other data protection authorities or litigation from consumer advocacy groups acting on behalf of data subjects. We may not be able to respond quickly or effectively to regulatory, legislative and other developments, and these changes may in turn impair our ability to offer our existing or planned products and services and increase our cost of doing business.

Legal and Regulatory Risks

We are subject to significant uninsured exposures arising from errors and omissions, breach of fiduciary duty and other claims. Our businesses provide numerous professional services, including the placement of insurance and the provision of consulting, investment advisory and actuarial services, to clients around the world. As a result, the Company and its subsidiaries are subject to a significant number of errors and omissions, breach of fiduciary duty and similar claims, which we refer to collectively as "E&O claims." In our Risk and Insurance Services segment, such claims include allegations of damages arising from our failure to assess clients’ risks, advise clients, place coverage or notify insurers of potential claims on behalf of clients in accordance with our obligations to them. For example, these claims may include allegations related to losses incurred by policyholders arising from the COVID-19 pandemic, or losses from

cyberattacks associated with policies where cyber risk was not specifically included or excluded in policies, commonly referred to as “silent cyber.” In our Consulting segment, where we increasingly act in a fiduciary capacity through our investments business, such claims could include allegations of damages arising from the provision of consulting, investments, actuarial, pension administration and other services. We may also be exposed to claims related to assets or solutions offered by the Consulting segment in complement to its traditional consulting services. These Consulting segment services frequently involve complex calculations and other analysis, including (i) making assumptions about, and preparing estimates concerning, contingent future events, (ii) drafting and interpreting complex documentation governing pension plans, (iii) calculating benefits within complex pension structures, (iv) providing individual financial planning advice including investment advice and advice relating to cashing out of defined benefit pension plans, (v) providing investment advice, including guidance on asset allocation and investment strategy, and (vi) managing client assets, including the selection of investment managers and implementation of the client’s investment policy. We provide these services to a broad client base, including clients in the public sector for our investment services. Matters often relate to services provided by the Company dating back many years. Such claims may subject us to significant liability for monetary damages, including punitive and treble damages, negative publicity and reputational harm, and may divert personnel and management resources. We may be unable to effectively limit our potential liability in certain jurisdictions, including through insurance, or in connection with certain types of claims, particularly those concerning claims of a breach of fiduciary duty.

In establishing liabilities for E&O claims under U.S. generally accepted accounting principles ("U.S. GAAP"), the Company uses case level reviews by inside and outside counsel, actuarial analysis by Oliver Wyman, a subsidiary of the Company, and other methods to estimate potential losses. A liability is established when a loss is both probable and reasonably estimable. The liability is assessed quarterly and adjusted as developments warrant. In many cases, the Company has not recorded a liability, other than for legal fees to defend the claim, because we are unable, at the present time, to make a determination that a loss is both probable and reasonably estimable. Given the judgment involved in estimating and establishing liabilities in accordance with U.S. GAAP, as well as the unpredictability of E&O claims and the litigation that can flow from them, it is possible that an adverse outcome in a particular matter could have a material adverse effect on the Company's business, results of operations or financial condition.

We cannot guarantee that we are or will be in compliance with all current and potentially applicable U.S. federal and state or foreign laws and regulations, and actions by regulatory authorities or changes in legislation and regulation in the jurisdictions in which we operate could have a material adverse effect on our business.

Our activities are subject to extensive regulation under the laws of the United States and its various states, the United Kingdom, the European Union and its member states, and the other jurisdictions in which we operate. For example, we are subject to regulation by agencies such as the Securities and Exchange Commission, FINRA and state insurance regulators in the United States, the FCA and the Competition and Markets Authority (CMA) in the United Kingdom, and the European Commission in the European Union, as further described above under Part I, Item 1 - Business (Regulation) of this report. We are also subject to trade sanctions laws relating to countries such as Cuba, Crimea, Iran, North Korea, Russia, Syria and Venezuela, and anti-corruption laws such as the U.S. Foreign Corrupt Practices Act and the U.K. Anti-Bribery Act. We are subject to numerous other laws on matters as diverse as internal control over financial reporting and disclosure controls and procedures, securities regulation, data privacy and protection, cybersecurity, taxation, anti-trust and competition, immigration, wage-and-hour standards and employment and labor relations.

The U.S. and foreign laws and regulations that apply to our operations are complex and may change rapidly, and our efforts to comply and keep up with them require significant resources. In some cases, these laws and regulations may decrease the need for our services, increase our costs, negatively impact our revenues or impose operational limitations on our business, including on the products and services we may offer or on the amount or type of compensation we may collect. In particular, changes at regulatory agencies in the U.S. occur through policy and personnel changes following elections, which often leads to changes involving the level of oversight and focus on businesses and certain industries, in particular financial services. Accordingly, the expectation is that there will be increased regulatory scrutiny and enforcement action under the new administration.

While we attempt to comply with applicable laws and regulations, there can be no assurance that we, our employees, our consultants and our contractors and other agents are in full compliance with such laws and regulations or interpretations at all times, or that we will be able to comply with any future laws or regulations. If we fail to comply or are accused of failing to comply with applicable laws and regulations, including those referred to above, we may become subject to investigations, criminal penalties, civil remedies or other consequences, including fines, injunctions, loss of an operating license or approval, increased scrutiny or oversight by regulatory authorities, the suspension of individual employees, limitations on engaging in a particular business or redress to clients or other parties, and we may become exposed to negative publicity or reputational damage. Moreover, our failure to comply with laws or regulations in one jurisdiction may result in increased regulatory scrutiny by other regulatory agencies in that jurisdiction or regulatory agencies in other jurisdictions. These inquiries consume significant management attention, and the cost of compliance and the consequences of failing to be in compliance could therefore have a material adverse effect on our business, results of operations and financial condition.

In addition, we may be responsible for the legal and regulatory liabilities of companies that we acquire. In particular, upon the consummation of the acquisition of JLT, the Company assumed the legal liabilities and became responsible for JLT's litigation and regulatory exposures as of April 1, 2019. In the fourth quarter 2020, the Company recorded a $161 million provision for a legacy JLT matter related to an FCA review of the suitability of financial advice to individuals for defined benefit pension transfers. Additional information regarding certain ongoing investigations and certain other legal and regulatory proceedings is set forth in Note 16 to our consolidated financial statements included under Part II, Item 8 of this report.

In most jurisdictions, government regulatory authorities have the power to interpret and amend or repeal applicable laws and regulations, and have discretion to grant, renew and revoke the various licenses and approvals we need to conduct our activities. Such authorities may require the Company to incur substantial costs in order to comply with such laws and regulations. In some areas of our businesses, we act on the basis of our own or the industry's interpretations of applicable laws or regulations, which may conflict from state to state or country to country. In the event those interpretations eventually prove different from the interpretations of regulatory authorities, we may be penalized or precluded from carrying on our previous activities. Moreover, the laws and regulations to which we are subject may conflict among the various jurisdictions and countries in which we operate, which increases the likelihood of our businesses being non-compliant in one or more jurisdictions.

Our business or reputation could be harmed by our reliance on third-party providers or introducers.

We currently utilize the services of hundreds of third-party providers to meet the needs of our clients around the world.

There is a risk that our third-party providers or introducers engage in business practices that are prohibited by our internal policies or violate applicable laws and regulations, such as the U.S. Foreign Corrupt Practices Act and the U.K. Anti-Bribery Act.

Competitive Risks

The loss of members of our senior management team or other key colleagues could have a material adverse effect on our business.

We rely upon the contributions of our senior management team to establish and implement our business strategy and to manage the future growth of our business. The loss of any of the senior management team could limit our ability to successfully execute our business strategy or adversely affect our ability to retain existing and attract new clients. Moreover, we could be adversely affected if we fail to adequately plan for the succession of members of our senior management team.

Across all of our businesses, our colleagues are critical to developing and retaining client relationships as well as performing the services on which our revenues are earned. It is therefore important for us to attract, incentivize and retain significant revenue-producing employees and the key managerial and other professionals who support them. We face numerous challenges in this regard, including the intense competition for talent, the general mobility of colleagues and fostering a diverse and inclusive workplace.

Losing colleagues who manage or support substantial client relationships or possess substantial experience or expertise could adversely affect our ability to secure and complete client engagements, which could adversely affect our results of operations. And, subject to applicable enforceable restrictive covenants, if a key employee were to join an existing competitor or form a competing company, some of our clients could choose to use the services of that competitor instead of our services.

Failure to maintain our corporate culture could damage our reputation.

We strive to foster a culture in which our colleagues act with integrity and feel comfortable speaking up about potential misconduct. We are a people business, and our ability to attract and retain colleagues and clients is dependent upon our commitment to a diverse and inclusive workplace, trustworthiness, ethical business practices and other qualities. Our colleagues are the cornerstone of this culture, and acts of misconduct by any colleague, and particularly by senior management, could erode trust and confidence and damage our reputation among existing and potential clients and other stakeholders.

Increasing scrutiny and changing expectations from investors, clients and our colleagues with respect to our environmental, social and governance (ESG) practices may impose additional costs on us or expose us to new or additional risks.

There is increased focus, including from governmental organizations, investors, colleagues and clients, on ESG issues such as environmental stewardship, climate change, diversity and inclusion, racial justice and workplace conduct. Negative public perception, adverse publicity or negative comments in social media could damage our reputation if we do not, or are not perceived to, adequately address these issues. Any harm to our reputation could impact colleague engagement and retention and the willingness of clients and our partners to do business with us.

Moreover, as we work to align with the recommendations of the Financial Stability Board's Task Force on Climate-related Financial Disclosures, (TCFD), the Sustainability Accounting Standards Board (SASB), and our own ESG assessments and priorities, we expect to expand our public disclosures in these areas, including providing additional metrics. These metrics, whether it be the standards we set for ourselves or a failure to meet these metrics, and any failure to achieve progress on our metrics on a timely basis, or at all, may negatively impact our reputation and our business.

In addition, organizations that provide information to investors on corporate governance and related matters have developed ratings processes for evaluating companies on their approach to ESG matters, and unfavorable ratings of our company or our industries may lead to negative investor sentiment and the diversion of investment to other companies or industries.

We face significant competitive pressures in each of our businesses, including from disintermediation, as our competitive landscape continues to evolve.

As a global professional services firm, the Company faces competition in each of its businesses, and the competitive landscape continues to change and evolve. Our ability to compete successfully depends on a variety of factors, including the quality and expertise of our colleagues, our geographic reach, the sophistication and quality of our services, our pricing relative to competitors, our clients' ability to self-insure or use internal resources instead of consultants, and our ability to respond to changes in client demand and industry conditions. Some of our competitors may have greater financial resources, or may be better positioned to respond to technological and other changes in the industries we serve, and they may be able to compete more effectively. If we are unable to respond successfully to the changing conditions we face, our businesses, results of operations and financial condition will be adversely impacted.

Across our Risk and Insurance Services segment, we operate in a variety of markets and face different competitive landscapes. In addition to the challenges posed by capital market alternatives to traditional insurance and reinsurance, we compete against a wide range of other insurance and reinsurance brokerage and risk advisory firms that operate on a global, regional, national or local scale for both client business and employee talent. In recent years, private equity sponsors have invested tens of billions of dollars into the insurance brokerage sector, transforming existing players and creating new ones to compete with large brokers. We also compete with insurance and reinsurance companies that market and service their insurance products directly to consumers and without the assistance of brokers or other market intermediaries, and with various other companies that provide risk-related services or alternatives

to traditional brokerage services, including those that rely almost exclusively on technological solutions or platforms. This competition is intensified by an often "syndicated" or "distributed" approach to the purchase of insurance and reinsurance brokerage services, where a client engages multiple brokers to service different portions of the client's account. In addition, third party capital providers have entered the insurance and reinsurance risk transfer market offering products and capital directly to our clients that serve as substitutes for traditional insurance.

In our Consulting segment, we compete for business with numerous consulting firms and similar organizations, many of whom also provide, or are affiliated with firms that provide, accounting, information systems, technology and financial services. Such competitors may be able to offer more comprehensive products and services to potential clients, which may give them a competitive advantage.

In addition, companies in the industries that we serve may seek to achieve economies of scale and other synergies by combining with or acquiring other companies. If two or more of our current clients merge, or consolidate or combine their operations, it may decrease the amount of work that we perform for these clients.

We rely on a large number of vendors and other third parties to perform key functions of our business operations and to provide services to our clients. These vendors and third parties may act in ways that could harm our business.

We rely on a large number of vendors and other third parties, and in some cases subcontractors, to provide services, data and information such as technology, information security, funds transfers, business process management, and administration and support functions that are critical to the operations of our business. These third parties include correspondents, agents and other brokers and intermediaries, insurance markets, data providers, plan trustees, payroll service providers, software and system vendors, health plan providers, investment managers, risk modeling providers, and providers of human resource functions, such as recruiters. Many of these providers are located outside the U.S., which exposes us to business disruptions and political risks inherent when conducting business outside of the U.S. As we do not fully control the actions of these third parties, we are subject to the risk that their decisions or operations may adversely impact us and replacing these service providers could create significant delay in services or operations and additional expense.

A failure by the third parties to (i) comply with service level agreements in a high quality and timely manner, particularly during periods of our peak demand for their services, (ii) maintain adequate internal controls that may impact our own financial reporting, or (iii) adequately maintain the confidentiality of any of our data or trade secrets or adequately protect or properly use other intellectual property to which they may have access, could result in economic and reputational harm to us. These third parties also face their own technology, operating, business and economic risks, and any significant failures by them, including the improper use or disclosure of our confidential client, employee, or Company information or failure to comply with applicable law, could cause harm to our reputation or otherwise expose us to liability. An interruption in or the cessation of service by any service provider as a result of systems failures, capacity constraints, non-compliance with legal, regulatory or contractual obligations, financial difficulties or for any other reason could disrupt our operations, impact our ability to offer certain products and services, and result in contractual or regulatory penalties, liability claims from clients or employees, damage to our reputation and harm to our business.

Business Resiliency Risks

Our inability to successfully recover should we experience a disaster or other business continuity or data recovery problem could cause material financial loss, loss of human capital, regulatory actions, reputational harm or legal liability.

If we experience a local or regional disaster or other business continuity event, such as an earthquake, hurricane, flood, terrorist attack, pandemic, protests or riots, security breach, cyberattack (including manipulating the control systems of critical infrastructure), power loss or telecommunications failure, our ability to operate will depend, in part, on the continued availability of our personnel, our office facilities and the proper functioning of our computer, telecommunication and other related systems and operations. In such an event, we could experience operational challenges that could have a material adverse effect on our business. The risk of business disruption is more pronounced in certain geographic areas, including major metropolitan centers, like New York or London, where we have significant operations and

approximately 3,300 and 5,000 colleagues in those respective locations, and in certain countries and regions in which we operate that are subject to higher potential threat of terrorist attacks or military conflicts.

Our operations depend in particular upon our ability to protect our technology infrastructure against damage. If a business continuity event occurs, we could lose client or Company data or experience interruptions to our operations or delivery of services to our clients, which could have a material adverse effect. Such risks have increased significantly due to extended remote work accommodations as a result of COVID-19. A cyberattack or other business continuity event affecting us or a key vendor or other third party could result in a significant and extended disruption in the functioning of our information technology systems or operations or our ability to recover data, requiring us to incur significant expense to address and remediate or otherwise resolve such issues. For example, hackers have increasingly targeted companies by attacking internet-connected industrial control and safety control systems. An extended outage could result in the loss of clients and a decline in our revenues. In the worst case, any manipulation of the control systems of critical infrastructure may even result in the loss of life.

We regularly assess and take steps to improve our existing business continuity, disaster recovery and data recovery plans and key management succession. However, a disaster or other continuity event on a significant scale or affecting certain of our key operating areas within or across regions, or our inability to successfully recover from such an event, could materially interrupt our business operations and result in material financial loss, loss of human capital, regulatory actions, reputational harm, damaged client relationships and legal liability. Our business disruption insurance may also not fully cover, in type or amount, the cost of a successful recovery in the event of such a disruption.

Acquisitions and Dispositions Risks

We face risks when we acquire businesses.

We have a history of making acquisitions and investments, including a total of 132 in the period from 2013 to 2020. We may not be able to successfully integrate the businesses that we acquire into our own business, or achieve any expected cost savings or synergies from the integration of such businesses. Subject to standard contractual protections, we may also be responsible for legacy liabilities of companies that we acquire. For example, upon the consummation of the acquisition of JLT, the Company assumed the legal liabilities and became responsible for JLT’s litigation and regulatory exposures as of April 1, 2019.

In addition, if in the future the performance of our reporting units or an acquired business varies from our projections or assumptions, or estimates about future profitability of our reporting units or an acquired business change, the estimated fair value of our reporting units or an acquired business could change materially and could result in an impairment of goodwill and other acquisition-related intangible assets recorded on our balance sheet or in adjustments in contingent payment amounts. Given the significant size of the Company's goodwill and intangible assets, an impairment could have a material adverse effect on our results of operations in any given period.

We expect that acquisitions will continue to be a key part of our business strategy. Our success in this regard will depend on our ability to identify and compete for appropriate acquisition candidates and to finance and complete the transactions we decide to pursue on favorable terms with positive results.

When we dispose of businesses, we may continue to be subject to certain liabilities of that business after its disposition relating to the prior period of our ownership and may not be able to negotiate for limitations on those liabilities. We are also subject to the risk that the sales price is less than the amount reflected on our balance sheet.

Financial Risks

If we are unable to collect our receivables, our results of operations and cash flows could be adversely affected.

Our business depends on our ability to obtain payment from our clients of the amounts they owe us for the work we perform. As of December 31, 2020, our receivables for our commissions and fees were approximately $4.7 billion, or approximately one-quarter of our total annual revenues, and portions of our receivables are increasingly concentrated in certain businesses and geographies.

Macroeconomic or political conditions, such as the impact from COVID-19, could result in financial difficulties for our clients, which could cause clients to delay payments to us, request modifications to their payment arrangements that could increase our receivables balance or default on their payment obligations to us.

We may not be able to obtain sufficient financing on favorable terms.

The maintenance and growth of our business, including our ability to finance acquisitions, the payment of dividends and our ability to make share repurchases rely on our access to capital, which depends in large part on cash flow generated by our business and the availability of equity and debt financing. Certain of our businesses such as GC Securities, a division of MMC Securities, LLC and MMC Securities (Europe) Limited also rely on financings by the Company to fund the underwriting of their client's debt and equity capital raising transactions. We incurred significant debt to finance the JLT Transaction, and there can be no assurance that our operations will generate sufficient positive cash flow to finance all of our capital needs or that we will be able to obtain equity or debt financing on favorable terms. In addition, our ability to obtain financing will depend in part upon prevailing conditions in credit and capital markets, which are beyond our control.

Our defined benefit pension plan obligations could cause the Company's financial position, earnings and cash flows to fluctuate.

Our defined benefit pension obligations and the assets set aside to fund those obligations are sensitive to certain changes in the financial markets. Any such changes may result in increased pension expense or additional cash payments to fund these plans.

The Company has significant defined benefit pension obligations to its current and former employees, including obligations assumed as part of the JLT Transaction, totaling approximately $19.9 billion, and related plan assets of approximately $19.1 billion, at December 31, 2020 on a U.S. GAAP basis. As part of the JLT Transaction, the Company assumed responsibility for a number of pension plans throughout the world, with $305 million of net pension liabilities as of December 31, 2020 ($1,124 million in liabilities and $819 million of plan assets as of December 31, 2020). The Company's policy for funding its defined benefit pension plans is to contribute amounts at least sufficient to meet the funding requirements set forth by law. In the United States, contributions to these plans are based on ERISA guidelines. Outside the United States, contributions are generally based on statutory requirements and local funding practices, which may differ from measurements under U.S. GAAP. In the U.K., for example, the assumptions used to determine pension contributions are the result of legally-prescribed negotiations between the Company and the plans' trustees. Currently, the use of these assumptions results in a lower funded status than determined under U.S. GAAP and may result in contributions irrespective of the U.S. GAAP funded status.

The financial calculations relating to our defined benefit pension plans are complex. Pension plan assets could decrease as the result of poor future asset performance. In addition, the estimated return on plan assets would likely be impacted by changes in the interest rate environment and other factors, including equity valuations, since these factors reflect the starting point used in the Company’s projection models. For example a reduction in interest rates may result in a reduction in the estimated return on plan assets. Also, pension plan liabilities, periodic pension expense and future funding amounts could increase as a result of a decline in the interest rates we use to discount our pension liabilities, longer lifespans than those reflected in our mortality assumptions, changes in investment markets that result in lower expected returns on assets, actual investment return that is less than the expected return on assets, adverse changes in laws or regulations and other variables.

While we have taken steps to mitigate the impact of pension volatility on our earnings and cash funding requirements, these strategies may not be successful. Accordingly, given the magnitude of our worldwide pension plans, variations in or reassessment of the preceding or other factors or potential miscalculations relating to our defined benefit pension plans could cause significant fluctuation from year to year in our earnings and cash flow, as well as our pension plan assets, liabilities and equity, and may result in increased levels of contributions to our pension plans.

Our significant non-U.S. operations expose us to exchange rate fluctuations and various risks that could impact our business.

Approximately 53% of our total revenue reported in 2020 was from business outside of the United States. We are subject to exchange rate movement because we must translate the financial results of our foreign subsidiaries into U.S. dollars and also because some of our subsidiaries receive revenue other than in their functional currencies. Exchange rate movements may change over time, and they could have a material adverse impact on our financial results and cash flows reported in U.S. dollars. For additional discussion, see "Market Risk and Credit Risk-Foreign Currency Risk" in Part II, Item 7A ("Quantitative and Qualitative Disclosures about Market Risk") of this report.

Our quarterly revenues and profitability may fluctuate significantly.

Quarterly variations in revenues and operating results may occur due to several factors. These include:

- the number of client engagements during a quarter;
- the possibility that clients may decide to delay or terminate a current or anticipated project as a result of factors unrelated to our work product or progress;
- fluctuations in hiring and utilization rates and clients' ability to terminate engagements without penalty;
- potential limitations on the clients or industries we serve resulting from increased regulation or changing stakeholder expectations on ESG issues;
- the impact of changes in accounting standards or in our accounting estimates or assumptions;
- the impact on us or our clients of changes in legislation, regulation and legal guidance or interpretations in the jurisdictions in which we operate, in particular in the U.S. as a result of the change in presidential administrations;
- seasonality due to the impact of regulatory deadlines, policy renewals and other timing factors to which our clients are subject;
- the success of our acquisitions or investments;
- macroeconomic factors such as changes in foreign exchange rates, interest rates and global securities markets, particularly in the case of Mercer, where fees in its investments business and certain other business lines are derived from the value of assets under management or administration; and
- general economic conditions, including factors beyond our control affecting economic conditions such as COVID-19 and other global health crisis or pandemics, severe weather, climate change, geopolitical unrest such as protests and riots or other catastrophic events, since our results of operations are directly affected by the levels of business activity of our clients, which in turn are affected by the level of economic activity in the industries and markets that they serve.

A significant portion of our total operating expenses is relatively fixed in the short term. Therefore, a variation in the number of client assignments or in the timing of the initiation or the completion of client assignments can cause significant variations in quarterly operating results for these businesses.

Credit rating downgrades would increase our financing costs and could subject us to operational risk.

Currently, the Company's senior debt is rated A- by S&P and Baa1 by Moody's. The Company carries a Stable outlook with S&P and a Negative outlook with Moody's.

If we need to raise capital in the future (for example, in order to maintain adequate liquidity, fund maturing debt obligations or finance acquisitions or other initiatives), credit rating downgrades would increase our financing costs, and could limit our access to financing sources. We would also face the risk of a credit rating downgrade if we do not retire or refinance the debt to levels acceptable to the credit rating agencies in a timely manner. Further, a downgrade to a rating below investment-grade could result in greater operational risks through increased operating costs and increased competitive pressures.

We have significantly increased our debt as a result of the JLT acquisition, which could adversely affect our financial flexibility.

As of December 31, 2020, we had total consolidated debt outstanding of approximately $11.3 billion. In 2019 alone, we incurred $6.5 billion of additional debt to finance the JLT acquisition.

The level of debt outstanding could adversely affect our financial flexibility by reducing our cash flows and our ability to use cash from operations for other purposes, including working capital, dividends to shareholders, share repurchases, acquisitions, capital expenditures and general corporate purposes. In addition, we are subject to risks that, at the time any of our outstanding debt matures, we will not be able to retire or refinance the debt on terms that are acceptable to us.

The current U.S. tax regime makes our results more difficult to predict.
Our effective tax rate may fluctuate in the future as a result of the current U.S. tax regime enacted as part of the 2017 Tax Cuts and Jobs Act (the "TCJA") and the continuing issuance of interpretive guidance related to the TCJA. The TCJA included significant changes in U.S. income tax law that has a meaningful impact on our provision for income taxes and requires significant judgments and estimates in interpretation and calculations. The enacted tax legislation included, among other provisions, limitations on the deductibility of net interest, a tax on Global Intangible Low-Taxed Income ("GILTI"), and the Base Erosion and Anti-Abuse Tax ("BEAT"). Given the significant complexity of the rules, and the potential for additional guidance from U.S. Treasury, the Securities and Exchange Commission, the Financial Accounting Standards Board or other regulatory authorities, recognized impacts in future periods could be significantly different from our current estimates. Such uncertainty may also result in increased scrutiny from, or disagreements with, tax authorities. In addition, the change in the U.S. presidential administrations in January 2021 may increase the chance for legislative changes to the TCJA provisions. In particular, the Biden Administration has proposed changes to the U.S. statutory tax rate and GILTI which would increase the impact of the provision on our results. As a U.S.-domiciled company, any such increases would have a disproportionate impact on us compared to our foreign-based competitors.

Global Operations

We are exposed to multiple risks associated with the global nature of our operations.

We conduct business globally. In 2020, approximately 53% of the Company's total revenue was generated from operations outside the United States, and over one-half of our employees were located outside the United States. The JLT Transaction significantly expanded our non-U.S. operations in jurisdictions such as the U.K., Asia, South America and Australia, and we expect to expand our non-U.S. operations further.

The geographic breadth of our activities subjects us to significant legal, economic, operational, market, compliance and reputational risks. These include, among others, risks relating to:

- economic and political conditions in the countries in which we operate;
- client concentration in certain high-growth countries in which we operate;
- the length of payment cycles and potential difficulties in collecting accounts receivable;
- unexpected increases in taxes or changes in U.S. or foreign tax laws, rulings, policies or related legal and regulatory interpretations, including recent international initiatives to require multinational enterprises, like ours, to report profitability on a country-by-country basis, which could increase scrutiny by, or cause disagreements with, foreign tax authorities and the potential imposition of new global minimum tax;
- potential transfer pricing-related tax exposures that may result from the flow of funds among our subsidiaries and affiliates in the various jurisdictions in which we operate,

or permanent establishments created due to colleagues traveling to and doing work in countries where the company has no presence and which are not properly compensated through transfer pricing;

- our ability to obtain dividends or repatriate funds from our non-U.S. subsidiaries, including as a result of the imposition of currency controls and other government restrictions on repatriation in the jurisdictions in which our subsidiaries operate, fluctuations in foreign exchange rates and the imposition of withholding and other taxes on such payments;
- potential conflicts of interest that may arise as we expand the scope of our businesses and our client base;

- international hostilities, international trade disputes, terrorist activities, natural disasters, pandemics, and infrastructure disruptions;
- local investment or other financial restrictions that foreign governments may impose;
- potential lawsuits, investigations, market studies, reviews or other activity by foreign regulatory or law enforcement authorities or legislatively appointed commissions, which may result in potential modifications to our businesses, related private litigation or increased scrutiny from U.S. or other regulators;
- potential costs and difficulties in complying with a wide variety of foreign laws and regulations (including tax systems) administered by foreign government agencies, some of which may conflict with U.S. or other sources of law;
- potential costs and difficulties in complying, or monitoring compliance, with foreign and U.S. laws and regulations that are applicable to our operations abroad, including trade sanctions laws relating to countries such as Cuba, Crimea, Iran, North Korea, Russia, Syria and Venezuela and anti-corruption laws such as the U.S. Foreign Corrupt Practices Act and the U.K. Bribery Act 2010;
- limitations or restrictions that foreign or U.S. governments and regulators may impose on the products or services we sell, the methods by which we sell our products and services and the manner in which and the amounts we are compensated;
- potential limitations or difficulties in protecting our intellectual property in various foreign jurisdictions;
- limitations that foreign governments may impose on the conversion of currency or the payment of dividends or other remittances to us from our non-U.S. subsidiaries;
- engaging and relying on third parties to perform services on behalf of the Company; and
- potential difficulties in monitoring employees in geographically dispersed locations.

RISKS RELATING TO OUR RISK AND INSURANCE SERVICES SEGMENT

Our Risk and Insurance Services segment, conducted through Marsh and Guy Carpenter, represented 60% of the Company's total revenue in 2020. Our business in this segment is subject to particular risks.

Results in our Risk and Insurance Services segment may be adversely affected by a general decline in economic activity.

Demand for many types of insurance and reinsurance generally rises or falls as economic growth expands or slows. This dynamic affects the level of commissions and fees generated by Marsh and Guy Carpenter. To the extent our clients become adversely affected by declining business conditions, they may choose to limit their purchases of insurance and reinsurance coverage, as applicable, which would inhibit our ability to generate commission revenue and other revenue based on premiums placed by us. Also, the insurance they seek to obtain through us may be impacted by changes in their assets, property values, sales or number of employees, which may reduce our commission revenue, and they may decide not to purchase our risk advisory or other services, which would inhibit our ability to generate fee revenue. Moreover, insolvencies and combinations associated with an economic downturn, especially insolvencies and combinations in the insurance industry, could adversely affect our brokerage business through the loss of clients or by limiting our ability to place insurance and reinsurance business, as well as our revenues from insurers. Guy Carpenter is especially susceptible to this risk given the limited number of insurance company clients and reinsurers in the marketplace.

Volatility or declines in premiums and other market trends may significantly impede our ability to grow revenues and profitability.

A significant portion of our Risk and Insurance Services revenue consists of commissions paid to us out of the premiums that insurers and reinsurers charge our clients for coverage. We do not determine the insurance premiums on which our commissions are generally based. Our revenues and profitability are subject to change to the extent that premium rates fluctuate or trend in a particular direction. The potential

for changes in premium rates is significant, due to the normal cycles of pricing in the commercial insurance and reinsurance markets.

As traditional insurance companies continue to rely on non-affiliated brokers or agents to generate premium, those insurance companies may seek to reduce their expenses by lowering their commission rates. The reduction of these commission rates, along with general volatility or declines in premiums, may significantly affect our revenue and profitability. Because we do not determine the timing or extent of premium pricing changes, it is difficult to accurately forecast our commission revenues, including whether they will significantly decline. As a result, we may have to adjust our plans for future acquisitions, capital expenditures, dividend payments, loan repayments and other expenditures to account for unexpected changes in revenues, and any decreases in premium rates may adversely affect the results of our operations.

In addition to movements in premium rates, our ability to generate premium-based commission revenue may be challenged by disintermediation and the growing availability of alternative methods for clients to meet their risk-protection needs. This trend includes a greater willingness on the part of corporations to self-insure, the use of captive insurers, and the presence of capital markets-based solutions for traditional insurance and reinsurance needs. Further, the profitability of our Risk and Insurances Services segment depends in part on our ability to be compensated for the analytical services and other advice that we provide, including the consulting and analytics services that we provide to insurers. If we are unable to achieve and maintain adequate billing rates for all of our services, our margins and profitability could decline.

Adverse legal developments and future regulations concerning how intermediaries are compensated by insurers or clients, as well as allegations of anti-competitive behavior or conflicts of interest more broadly, could have a material adverse effect on our business, results of operations and financial condition.

The ways in which insurance intermediaries are compensated receive scrutiny from regulators in part because of the potential for anti-competitive behavior and conflicts of interest. The vast majority of the compensation that Marsh receives is in the form of retail fees and commissions that are paid by the client or paid from premium that is paid by the client. The amount of other compensation that we receive from insurance companies, separate from retail fees and commissions, has increased in the last several years, both on an underlying basis and through acquisition and represented approximately 5% of Marsh's revenue in 2020. This other compensation includes payment for (i) consulting and analytics services provided to insurers; (ii) administrative and other services provided to insurers (including services relating to the administration and management of quota shares, panels and other facilities); and (iii) contingent commissions, primarily at MMA and outside the U.S., paid by insurers based on factors such as volume or profitability. These other revenue streams present potential regulatory, litigation and reputational risks that may arise from alleged anti-competitive behavior or conflicts of interest, (including those arising from Guy Carpenter’s role as intermediary and advisor for insurance companies), and future changes in the regulatory environment may impact our ability to collect such revenue. Adverse regulatory, legal or other developments could have a material adverse effect on our business and expose the Company to negative publicity and reputational harm.

RISKS RELATING TO OUR CONSULTING SEGMENT

Our Consulting segment, conducted through Mercer and Oliver Wyman Group, represented 40% of our total revenue in 2020. Our businesses in this segment are subject to particular risks.

Mercer’s Investments business is subject to a number of risks, including risks related to third-party investment managers, operational risk, conflicts of interest, asset performance and regulatory compliance, that, if realized, could result in significant damage to our business.

Mercer’s Investments business provides clients with investment consulting and investment management services. As of December 31, 2020, Mercer and its global affiliates had assets under management of approximately $357 billion worldwide. In the investment consulting business, clients make and implement their own investment decisions based upon research prepared or advice provided by Mercer. In its investment management business, Mercer implements the client’s investment policy by engaging, overseeing and making changes to the third-party asset managers who determine which investments to

buy and sell. To effect implementation of a client's investment policy, Mercer may utilize its "manager of managers" investment funds.

Mercer's Investments business is subject to a number of risks, including risks related to litigation, third-parties, our operations, conflicts of interest, asset performance and regulatory compliance and scrutiny, which could arise in connection with these offerings. For example, Mercer's manager research or due diligence on an asset manager may fail to uncover material deficiencies or fraud that could result in investment losses to a client. There is a risk that Mercer will fail to properly implement a client's investment policy or direction, which could cause an incorrect or untimely allocation of client assets among asset managers or strategies. Mercer may also be perceived as recommending certain asset managers to clients, or offering delegated solutions to an investment consulting client, solely to enhance its own compensation. Asset classes may perform poorly, or asset managers may underperform their benchmarks, due to poor market performance, a downturn in the global equity markets, negligence or other reasons, resulting in poor returns or loss of client capital. Changes in the value levels of equity, debt, real assets, commodities, foreign exchange or other asset markets, in particular as a result of a downturn in the global markets, may cause our assets under management, revenue and earnings to decline. These risks, if realized, could result in significant liability and damage our business.

Revenues for the services provided by our Consulting segment may decline for various reasons, including as a result of changes in economic conditions, the value of equity, debt and other asset classes, our clients' or an industry's financial condition or government regulation or an accelerated trend away from actively managed investments to passively managed investments.

Global economic conditions, particularly the impact of COVID-19 may negatively impact businesses and financial institutions. Many of our clients, including financial institutions, corporations, government entities and pension plans, have reduced expenses, including amounts spent on consulting services, and used internal resources instead of consultants during difficult economic periods. The evolving needs and financial circumstances of our clients may reduce demand for our consulting services and could adversely affect our revenues and profitability. If the economy or markets in which we operate experience weakness or deteriorate, our business, financial condition and results of operations could be materially and adversely affected.

In addition, some of Mercer's Investments business generate fees based upon the value of the clients' assets under management or advisement. Changes in the value of equity, debt, currency, real estate, commodities or other asset classes could cause the value of assets under management or advisement, and the fees received by Mercer, to decline. Such changes could also cause clients to withdraw funds from Mercer's Investments business in favor of other investment service providers. In either case, our business, financial condition and results of operations could be materially and adversely affected. Mercer's Investments business also could be adversely affected by an accelerated shift away from actively managed investments to passively managed investments with associated lower fees. Further, revenue received by Mercer as investment manager to the majority of the Mercer-managed investment funds is reported in accordance with U.S. GAAP on a gross basis rather than a net basis, with sub-advisor fees reflected as an expense. Therefore, the reported revenue for these offerings does not fully reflect the amount of net revenue ultimately attributable to Mercer.

Demand for many of Mercer's benefits services is affected by government regulation and tax laws, rulings, policies and interpretations, which drive our clients' needs for benefits-related services. Significant changes in government regulations affecting the value, use or delivery of benefits and human resources programs, including changes in regulations relating to health and welfare plans, defined contribution plans or defined benefit plans, may adversely affect the demand for or profitability of Mercer's services.

Factors affecting defined benefit pension plans and the services we provide relating to those plans could adversely affect Mercer.

Mercer currently provides corporate trustees, multi-employer and public clients with actuarial, consulting and administration services relating to defined benefit pension plans. The nature of our work is complex. Many clients, particularly in the public sector, have sizeable pension deficits and are subject to impact from volatility in the global stock markets and interest rate fluctuations. A number of Mercer's clients have frozen or curtailed their defined benefit plans and have moved to defined contribution plans resulting in reduced revenue for Mercer's retirement business. These developments and a continued or accelerated

rate of decline in revenues for our defined benefit pension plans business could adversely affect Mercer's business and operating results. In addition, our actuarial services involve numerous assumptions and estimates regarding future events, including interest rates used to discount future liabilities, estimated rates of return for a plan's assets, healthcare cost trends, salary projections and participants' life expectancies. Our consulting services involve the drafting and interpretation of trust deeds and other complex documentation governing pension plans. Our administration services include calculating benefits within complicated pension plan structures. Our investments services include investment advice and management relating to defined benefit pension plan assets intended to fund present and future benefit obligations. Clients dissatisfied with our services have brought, and may bring, significant claims against us, particularly in the United States and the United Kingdom.

The profitability of our Consulting segment may decline if we are unable to achieve or maintain adequate utilization and pricing rates for our consultants.

The profitability of our Consulting businesses depends in part on ensuring that our consultants maintain adequate utilization rates (i.e., the percentage of our consultants' working hours devoted to billable activities). Our utilization rates are affected by a number of factors, including:

- our ability to transition consultants promptly from completed projects to new assignments, and to engage newly-hired consultants quickly in revenue-generating activities;
- our ability to continually secure new business engagements, particularly because a portion of our work is project-based rather than recurring in nature;
- our ability to forecast demand for our services and thereby maintain appropriate headcount in each of our geographies and workforces;
- our ability to retain key colleagues and consulting professionals;
- unanticipated changes in the scope of client engagements;
- the potential for conflicts of interest that might require us to decline client engagements that we otherwise would have accepted;
- our need to devote time and resources to sales, training, professional development and other non-billable activities;
- the potential disruptive impact of acquisitions and dispositions; and
- general economic conditions.

If the utilization rate for our consulting professionals declines, our profit margin and profitability could decline.

In addition, the profitability of our Consulting businesses depends in part on the prices we are able to charge for our services. The prices we charge are affected by a number of factors, including:

- clients' perception of our ability to add value through our services;
- market demand for the services we provide;
- our ability to develop new services and the introduction of new services by competitors;
- the pricing policies of our competitors;
- the extent to which our clients develop in-house or other capabilities to perform the services that they might otherwise purchase from us; and
- general economic conditions.

If we are unable to achieve and maintain adequate billing rates for our services, our profit margin and profitability could decline.

Item 1B. Unresolved Staff Comments.

There are no unresolved comments to be reported pursuant to Item 1B.

Item 2. Properties.

The Company maintains its corporate headquarters in New York City. We also maintain other offices around the world, primarily in leased space. In certain circumstances we may have space that we sublet to third parties, depending upon our needs in particular locations.

The Company and certain of its subsidiaries own, directly and indirectly through special purpose subsidiaries, a 58% condominium interest covering approximately 900,000 square feet of office space in a 44 story condominium in New York City. This real estate serves as the Company's headquarters and is occupied primarily by the Company and its subsidiaries for general corporate use. The condominium interests are financed by a 30-year mortgage loan that is non-recourse to the Company unless the Company (i) is downgraded below B (stable outlook) by S&P or Fitch or B2 (stable outlook) by Moody's and such downgrade is continuing or (ii) an event of default under the mortgage loan has occurred. The mortgage is secured by a first priority assignment of leases and rents, including the leases which the Company and certain of its subsidiaries entered into with their affiliated special purpose subsidiaries which own the mortgaged condominium interests. The net rent due under those leases in effect services the mortgage debt.

Item 3. Legal Proceedings.

We and our subsidiaries are party to a variety of other legal, administrative, regulatory and government proceedings, claims and inquiries arising in the normal course of business.

Additional information regarding certain legal proceedings and related matters is set forth in Note 16 to the consolidated financial statements appearing under Part II, Item 8 ("Financial Statements and Supplementary Data") of this report.

Item 4. Mine Safety Disclosures.

Not applicable.

PART II

Item 5. Market for the Company’s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities.

For information regarding dividends paid and the number of holders of the Company’s common stock, see the table entitled "Selected Quarterly Financial Data and Supplemental Information (Unaudited)" below on the last page of Part II, Item 8 ("Financial Statements and Other Supplementary Data") of this report.

The Company’s common stock is listed on the New York, Chicago and London Stock Exchanges. The following table indicates the high and low prices (NYSE composite quotations) of the Company’s common stock during 2020 and 2019 and each quarterly period thereof:

	2020 Stock Price Range		2019 Stock Price Range	
	High	Low	High	Low
First Quarter	$119.88	$74.33	$94.96	$77.85
Second Quarter	$111.99	$78.95	$100.20	$91.67
Third Quarter	$120.97	$106.83	$103.37	$94.81
Fourth Quarter	$119.31	$102.11	$113.94	$95.00
Full Year	$120.97	$74.33	$113.94	$77.85

There were no repurchases of the Company's common stock during 2020. In November 2019, the Board of Directors of the Company authorized the Company to repurchase up to $2.5 billion in shares of the Company's common stock, which superseded any prior authorizations. As of December 31, 2020, the Company remained authorized to repurchase up to approximately $2.4 billion in shares of its common stock. There is no time limit on the authorization.

Item 6. Selected Financial Data.

Marsh & McLennan Companies, Inc. and Subsidiaries
FIVE-YEAR STATISTICAL SUMMARY OF OPERATIONS

For the Years Ended December 31, *(In millions, except per share figures)*	**2020**	2019	2018	2017	2016
Revenue	**$ 17,224**	$ 16,652	$ 14,950	$ 14,024	$ 13,211
Expense:					
Compensation and benefits	**10,129**	9,734	8,605	8,085	7,694
Other operating expenses	**4,029**	4,241	3,584	3,284	3,086
Operating expenses	**14,158**	13,975	12,189	11,369	10,780
Operating income [(a)]	**3,066**	2,677	2,761	2,655	2,431
Other net benefits credits	**257**	265	215	201	233
Interest income	**7**	39	11	9	5
Interest expense	**(515)**	(524)	(290)	(237)	(189)
Cost of extinguishment of debt	**—**	(32)	—	—	—
Investment (loss) income	**(22)**	22	(12)	15	—
Acquisition related derivative contracts	**—**	(8)	(441)	—	—
Income before income taxes	**2,793**	2,439	2,244	2,643	2,480
Income tax expense [(b)]	**747**	666	574	1,133	685
Income from continuing operations	**2,046**	1,773	1,670	1,510	1,795
Discontinued operations, net of tax	**—**	—	—	2	—
Net income before non-controlling interests	**2,046**	1,773	1,670	1,512	1,795
Less: net income attributable to non-controlling interests	**30**	31	20	20	27
Net income attributable to the company	**$ 2,016**	$ 1,742	$ 1,650	$ 1,492	$ 1,768
Basic net income per share information:					
Net income attributable to the company	**$ 3.98**	$ 3.44	$ 3.26	$ 2.91	$ 3.41
Average number of shares outstanding	**506**	506	506	513	519
Diluted income per share information:					
Net income attributable to the company	**$ 3.94**	$ 3.41	$ 3.23	$ 2.87	$ 3.38
Average number of shares outstanding	**512**	511	511	519	524
Dividends paid per share	**$ 1.84**	$ 1.74	$ 1.58	$ 1.43	$ 1.30
Return on average equity	**23 %**	22 %	22 %	22 %	27 %
Year-end financial position:					
Working capital	**$ 1,599**	$ 389	$ 1,010	$ 1,300	$ 802
Total assets	**$ 33,049**	$ 31,357	$ 21,578	$ 20,429	$ 18,190
Long-term debt	**$ 10,796**	$ 10,741	$ 5,510	$ 5,225	$ 4,495
Total equity	**$ 9,260**	$ 7,943	$ 7,584	$ 7,442	$ 6,272
Total shares outstanding (net of treasury shares)	**508**	504	504	509	514
Other information:					
Number of employees	**76,000**	76,000	66,000	64,000	60,000
Stock price ranges—					
U.S. exchanges — High	**$ 120.97**	$ 113.94	$ 89.59	$ 86.54	$ 69.77
— Low	**$ 74.33**	$ 77.85	$ 74.30	$ 66.75	$ 50.81

(a) Includes the impact of net restructuring costs of $89 million, $112 million, $161 million, $40 million, and $44 million in 2020, 2019, 2018, 2017 and 2016, respectively, and JLT integration, restructuring and acquisition related costs of $305 million, $485 million and $12 million in 2020, 2019 and 2018, respectively. 2020 also includes a $161 million JLT legacy E&O provision.

(b) Income tax expense in 2017 includes a $460 million provisional charge related to the enactment of U.S. tax reform.

See "Management's Discussion and Analysis of Financial Condition and Results of Operations", appearing under Part II, Item 7 of this report, for discussion of significant items affecting the results of operations in 2020 and 2019.

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

General

Marsh & McLennan Companies, Inc. and its consolidated subsidiaries (the "Company") is a global professional services firm offering clients advice in the areas of risk, strategy and people. The Company's 76,000 colleagues advise clients in over 130 countries. With annual revenue over $17 billion, the Company helps clients navigate an increasingly dynamic and complex environment through four market-leading businesses. Marsh advises individual and commercial clients of all sizes on insurance broking and innovative risk management solutions. Guy Carpenter develops advanced risk, reinsurance and capital strategies that help clients grow profitably and pursue emerging opportunities. Mercer delivers advice and technology-driven solutions that help organizations redefine the world of work, reshape retirement and investment outcomes, and unlock health and well being for a changing workforce. Oliver Wyman Group serves as critical strategic, economic and brand advisor to private sector and governmental clients.

The Company conducts business through two segments:

- **Risk and Insurance Services** includes risk management activities (risk advice, risk transfer and risk control and mitigation solutions) as well as insurance and reinsurance broking and services. The Company conducts business in this segment through Marsh and Guy Carpenter.
- **Consulting** includes health, wealth and career consulting services and products, and specialized management, economic and brand consulting services. The Company conducts business in this segment through Mercer and Oliver Wyman Group.

We describe the primary sources of revenue and categories of expense for each segment below, in our discussion of segment financial results. A reconciliation of segment operating income to total operating income is included in Note 17 to the consolidated financial statements included in Part II, Item 8 in this report.

Acquisitions and dispositions impacting the Risk and Insurance Services and Consulting segments are discussed in Note 5 to the consolidated financial statements.

For information on fiscal 2018 results and similar comparisons, see "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" of our Form 10-K for the fiscal year ended December 31, 2019.

This MD&A contains forward-looking statements as that term is defined in the Private Securities Litigation Reform Act of 1995. See "Information Concerning Forward-Looking Statements" at the outset of this report.

Business Update Related To COVID-19

In March 2020, the World Health Organization declared the Coronavirus (COVID-19) a pandemic. The pandemic has impacted essentially every geography in which the Company operates. Governments implemented various restrictions around the world, including closure of non-essential businesses, travel, shelter-in-place requirements for citizens and other restrictions. The Company has taken a number of precautionary steps to safeguard its businesses and colleagues from COVID-19, including implementing travel restrictions, arranging work from home capabilities and flexible work policies.

In the second and third quarters of 2020, the Company began re-opening offices in various locations around the world, while ensuring that it continued to adhere to guidelines and orders issued by national, state and local governments. The timing of additional office re-openings will vary based on the conditions and restrictions in each location. In the fourth quarter, there was a surge in COVID-19 infections in many parts of the world, leading to renewed lock-downs and increased government restrictions. The safety and well-being of our colleagues continues to be our first priority. Several vaccines have been or are in various stages of approval. However, the speed of distribution and the impact on colleagues' ability to return to the office remains uncertain. The vast majority of the Company's colleagues have continued and will continue working in a remote work environment for most of 2021. The Company expects it will continue its ability to service clients effectively while colleagues remain in a remote work environment.

For the year ended December 31, 2020, the COVID-19 pandemic had an adverse impact on the Company's revenue growth, primarily in our businesses that are discretionary in nature, which was partly mitigated through disciplined expense management by implementing restrictions on travel and other cost containment measures. However, the ultimate extent of the COVID-19 impact to the Company will depend on numerous evolving factors and future developments that it is not able to predict. Factors that could adversely affect the Company's financial statements related to the financial and operational impact of COVID-19 are outlined in the "Risk Factors" section of this report.

Acquisition of JLT

On April 1, 2019, the Company completed the acquisition (the "Transaction") of all of the outstanding shares of Jardine Lloyd Thompson Group plc ("JLT"), a public company organized under the laws of England and Wales. In accordance with the terms of the Transaction, JLT shareholders received £19.15 in cash for each JLT share, which valued JLT's existing share capital at approximately £4.3 billion (or approximately $5.6 billion based on the exchange rate of U.S. $1.31:£1) on the Transaction closing date. As of December 31, 2020, the Company has substantially integrated JLT into all of its business operations.

After the acquisition of JLT, the Company assumed the legal liabilities of JLT's litigation and regulatory exposures as of April 1, 2019. Please see the "Risk Factors" section of this Annual Report on Form 10-K for risks associated with the acquisition and Note 16 to the consolidated financial statements which discusses certain errors and omission matters related to the acquisition.

JLT's results of operations for the period April 1, 2019 through December 31, 2019 are included in the Company's results of operations for 2019. In accordance with applicable accounting guidance, JLT's results of operations for the period January 1 through March 31, 2019 and for the year ended 2018 are not included in the Company's results of operations and therefore, affect comparability. The Company's results for the years ended December 31, 2020 and 2019 were impacted by JLT related acquisition, restructuring and integration costs as well as legacy MMC restructuring programs as discussed in Note 14 to the consolidated financial statements.

Consolidated Results of Operations

For the Years Ended December 31, *(In millions, except per share figures)*	**2020**	2019	2018
Revenue	**$ 17,224**	$ 16,652	$ 14,950
Expense			
Compensation and benefits	**10,129**	9,734	8,605
Other operating expenses	**4,029**	4,241	3,584
Operating expenses	**14,158**	13,975	12,189
Operating income	**$ 3,066**	$ 2,677	$ 2,761
Income before income taxes	**$ 2,793**	$ 2,439	$ 2,244
Net income before non-controlling interests	**$ 2,046**	$ 1,773	$ 1,670
Net income attributable to the Company	**$ 2,016**	$ 1,742	$ 1,650
Net income per share attributable to the Company			
– Basic	**$ 3.98**	$ 3.44	$ 3.26
– Diluted	**$ 3.94**	$ 3.41	$ 3.23
Average number of shares outstanding			
– Basic	**506**	506	506
– Diluted	**512**	511	511
Shares outstanding at December 31,	**508**	504	504

Consolidated operating income was $3.1 billion in 2020 compared with $2.7 billion in 2019, reflecting the impact of a 3% increase in revenue and an increase in expenses of 1%. On an underlying basis, revenue increased 1%, reflecting an increase of 3% in Risk & Insurance Services offset by a decrease in Consulting of 2%. On an underlying basis, expenses decreased 2%, reflecting a decrease in JLT

integration and restructuring and acquisition-related costs and savings realized from the completion of integration efforts to date. The expense decrease also reflects lower travel and entertainment, meeting costs and outside services resulting from the Company's restrictions on travel and cost containment measures taken in light of COVID-19 and lower expenses recoverable from clients. These decreases were partly offset by higher incentive compensation, severance and a JLT legacy E&O provision of $161 million recorded in 2020, which is discussed in Note 16 of the consolidated financial statements.

Income before income taxes increased 14% to $2.8 billion as compared to $2.4 billion in 2019, reflecting the change in operating income discussed in the preceding paragraph, partially offset by lower investment income.

Diluted earnings per share increased 16% to $3.94 in 2020 compared with $3.41 in 2019. This increase is a result of the factors discussed above, and a lower effective tax rate in 2020.

Risk and Insurance Services operating income increased $513 million, or 28%, in 2020 compared with 2019. Revenue increased 8%, reflecting increases of 3% on an underlying basis and 1% from acquisitions, partly offset by a 1% decrease from the impact of foreign currency translation. Expense increased 3% reflecting decreases of 2% on an underlying basis and 1% from the impact of foreign currency translation, partly offset by an increase of 2% from acquisitions. The decrease in underlying expenses is primarily due to lower JLT integration, restructuring and acquisition related costs and savings realized from the completion of integration efforts to date. The decrease also reflects lower travel and entertainment and meeting costs resulting from the Company's restrictions on travel and cost containment measures taken in light of COVID-19, partly offset by higher severance.

Consulting operating income decreased $216 million, or 18%, to $1.0 billion in 2020 compared with 2019, reflecting the impact of a decrease in revenue of 2% and an increase in expense of 1%. Revenue decreased 2% on an underlying basis and 1% from the impact of dispositions. On an underlying basis, expense increased 1% primarily due to a JLT legacy E&O provision of $161 million recorded in 2020, higher JLT integration and restructuring related costs as well as higher severance, partly offset by lower travel, entertainment and meeting costs resulting from the Company's restrictions on travel and cost containment measures taken in light of COVID-19 and lower expenses recoverable from clients.

The following chart summarizes the activity related to the restructuring and noteworthy items discussed in more detail below:

	For the Years Ended December 31,		
(In millions)	**2020**	2019	2018
Restructuring costs, excluding JLT	**$ 89**	$ 112	$ 161
JLT integration and restructuring costs	**251**	335	—
JLT acquisition related costs	**54**	150	12
JLT legacy E&O provision	**161**	—	—
Impact on operating income	**555**	597	173
Change in fair value of acquisition related derivative contracts	**—**	8	441
Pension settlement charges	**3**	7	42
Early extinguishment of JLT debt	**—**	32	—
JLT related interest income - pre-acquisition	**—**	(25)	—
JLT related interest expense - pre-acquisition	**—**	53	30
Investment and impairment loss	**—**	—	83
Impact on income before taxes	**$ 558**	$ 672	$ 769

In 2020, 2019 and 2018, the Company's results of operations and earnings per share were impacted by the following items:

- **Restructuring costs, excluding JLT:** Includes severance, adjustments to restructuring liabilities for future rent under non-cancellable leases and other real estate exit costs, and restructuring costs related to the integration of recent acquisitions. These costs are discussed in more detail in Note 14 of the consolidated financial statements.
- **JLT integration and restructuring costs:** Includes severance, lease related exit costs as well as consulting costs from the JLT Transaction. These costs are discussed in more detail in Note 14 of the consolidated financial statements.
- **JLT acquisition related costs:** Includes advisor fees and stamp duty taxes related to the closing of the JLT Transaction and retention costs. Also includes the loss on the sale of JLT's aerospace business, which is included in revenue.
- **JLT legacy E&O provision:** In 2020, reflects a provision for a legacy JLT E&O relating to suitability of financial advice provided to individuals for defined benefit pension transfers. This provision is discussed in more detail in Note 16 of the consolidated financial statements.
- **Change in fair value of acquisition related derivatives:** In connection with the JLT Transaction, to hedge the risk of appreciation of the GBP-denominated purchase price relative to the U.S. dollar, in September 2018, the Company entered into a deal contingent foreign exchange contract (the "FX Contract") to, solely upon consummation of the JLT Transaction, purchase £5.2 billion and sell a corresponding amount of U.S. dollars at a contracted exchange rate. The FX Contract is discussed in Note 11 to the consolidated financial statements. An unrealized loss of $325 million related to the fair value changes to this derivative was recognized in the consolidated statement of income for the year ended December 31, 2018, largely due to the depreciation of the GBP from September 2018. In 2019, the Company recorded a gain of $31 million upon final settlement of the FX Contract.

  In addition, to hedge the economic risk of increases in interest rates prior to its issuance of senior notes in January 2019, in the fourth quarter of 2018, the Company entered into treasury lock contracts related to $2 billion of the expected debt issuance. These economic hedges were not designated as accounting hedges. The Company recorded an unrealized loss of $116 million related to the changes in the fair value of these derivatives in the consolidated statement of income for the year ended December 31, 2018. In January 2019, upon issuance of the $5 billion of senior notes, the Company settled the treasury lock contracts and made a payment to its counter party for $122 million.

  JLT also had a number of foreign exchange contracts to hedge the risk of foreign exchange movements between the U.S. dollar and the GBP, related to JLT's U.S. dollar denominated revenue in the U.K. Prior to the acquisition, these derivative contracts were designated as cash flow hedges. Upon completion of the JLT Transaction, these derivative contracts were not re-designated as cash flow hedges by the Company. The contracts were settled in June 2019. The change in fair value between the acquisition date and the settlement date resulted in a charge of $26 million for the year ended December 31, 2019. The charge is recorded as a change in fair value of acquisition related derivative contracts in the consolidated statement of income.
- **JLT related interest income and expense:** To secure funding for the Transaction, the Company entered into a bridge loan agreement with aggregate commitments of £5.2 billion in September 2018. The Company paid the customary upfront fees related to the bridge loan, which were amortized as interest expense based on the period of time the facility was expected to be in effect. The Company recorded interest expense of approximately $30 million for the year ended December 31, 2018 related to the amortization of the bridge loan fees and an additional $6 million in 2019 upon termination of the bridge loan agreement in connection with the closing of the JLT Transaction. The Company recorded approximately $47 million of interest expense related to the senior notes issued in the first quarter of 2019 and $25 million of interest income from the investment of the proceeds prior to the closing of the JLT Transaction.

- **Investment loss-Alexander Forbes ("AF"):** The Company recorded an impairment charge of $83 million in the 2018 consolidated statement of income for an other than temporary decline in the value of the investment. During 2020, the Company sold approximately 242 million shares of the common stock of AF. Upon completion of the sales of these shares, the investment in AF was accounted at fair value, with investment gains and losses recorded as investment income (loss) in the consolidated statement of income.
- **Pension settlement charge:** The Defined Benefit Pension Plans in the U.K. and certain other countries allow participants an option for the payment of a lump sum distribution from plan assets before retirement in full satisfaction of the retirement benefits due to the participant as well as any survivor's benefit. The Company's policy in accordance with applicable U.S. GAAP is to treat these lump sum payments as a partial settlement of the plan liability if they exceed the sum of service cost plus interest cost components of net period pension cost of a plan for the year ("settlement thresholds"). The amount of lump sum payments in 2018 exceeded the settlement thresholds in two of the U.K. plans. The Company recorded non-cash settlement charges, primarily related to these plans of $42 million for the year ended December 31, 2018, of which approximately 90% impacted Risk and Insurance Services. In 2020 and 2019, the Company recorded $3 million and $7 million, respectively, of non-cash pension settlement charges related to certain of its non U.S. plans.

JLT Integration and Restructuring Costs

The Company is completing its integration of JLT, which is discussed in more detail in Note 14 to the consolidated financial statements. The costs incurred in connection with the integration and restructuring of the combined businesses, primarily related to severance, real estate rationalization and technology, consulting fees related to the management of the integration processes and legal fees related to the rationalization of legal entity structures. The Company incurred costs of $251 million in 2020 and $335 million in 2019 and expects the remaining costs of $139 million to be incurred in 2021 of which $134 million will be cash expenditures. Through December 31, 2020, the Company has exceeded the initial estimated savings of $350 million. The Company now expects approximately $425 million of annualized savings when the integration is completed in 2021.

Consolidated Revenue and Expense

Revenue - Components of Change

The Company conducts business in many countries. As a result, foreign exchange rate movements may impact period-to-period comparisons of revenue. Similarly, certain other items such as the revenue impact of acquisitions and dispositions, including transfers among businesses, may impact period-to-period comparisons of revenue. Underlying revenue measures the change in revenue from one period to another by isolating these impacts.

The calculation of underlying revenue growth for the year ended December 31, 2020 as compared to 2019, is calculated as if MMC and JLT were a combined company as of January 1, 2019, but excludes the impact of currency and other acquisitions, dispositions, and transfers among businesses. Combined prior year revenue information for MMC and JLT for the year ended December 31, 2019 are presented below. The unaudited 2019 JLT revenue amounts in the "2019 including JLT" column reflect historical JLT revenue information following IFRS, adjusted to conform with U.S. GAAP and the Company's specific accounting policies, primarily related to development of constraints and subsequent release of those constraints related to the reinsurance business. The decrease in revenue due to the disposal of JLT's Aerospace business is reflected in the acquisitions/dispositions column beginning in June 2019, when the sale was completed. See the reconciliation of non-GAAP measures within MD&A. All other acquisitions/dispositions activity is included in the acquisitions/dispositions column. Underlying expense growth is calculated in a similar manner.

The impact of foreign currency exchange fluctuations, acquisitions and dispositions, including transfers among businesses, on the Company's operating revenues by segment are as follows:

	Year Ended December 31,					Components of Revenue Change Including JLT*		
(In millions, except percentage figures)	**2020**	2019	**% Change GAAP Revenue**	**2019 Including JLT**	**% Change Including JLT in 2019**	**Currency Impact**	**Acquisitions/ Dispositions/ Other Impact**	**Underlying Revenue**
Risk and Insurance Services								
Marsh	**$ 8,595**	$ 8,014	7 %	**$ 8,246**	4 %	(1)%	2 %	3 %
Guy Carpenter	**1,696**	1,480	15 %	**1,598**	6 %	—	—	6 %
Subtotal	**10,291**	9,494	8 %	**9,844**	5 %	(1)%	1 %	4 %
Fiduciary Interest Income	**46**	105		**110**				
Total Risk and Insurance Services	**10,337**	9,599	8 %	**9,954**	4 %	(1)%	1 %	3 %
Consulting								
Mercer	**4,928**	5,021	(2)%	**5,094**	(3)%	—	(2)%	(1)%
Oliver Wyman Group	**2,048**	2,122	(3)%	**2,122**	(3)%	—	—	(4)%
Total Consulting	**6,976**	7,143	(2)%	**7,216**	(3)%	—	(1)%	(2)%
Corporate/Eliminations	**(89)**	(90)		**(90)**				
Total Revenue	**$ 17,224**	$ 16,652	3 %	**$ 17,080**	1 %	—	—	1 %

The following table provides more detailed revenue information for certain of the components presented above:

(In millions, except percentage figures)	Year Ended December 31, 2020	2019	% Change GAAP Revenue	2019 Including JLT	% Change Including JLT in 2019	Components of Revenue Change Including JLT* Currency Impact	Acquisitions/ Dispositions/ Other	Underlying Revenue
Marsh:								
EMEA	**$ 2,575**	$ 2,482	4 %	**$ 2,589**	(1)%	—	—	—
Asia Pacific	**1,059**	953	11 %	**1,019**	4 %	—	—	4 %
Latin America	**424**	460	(8)%	**483**	(12)%	(10)%	(5)%	3 %
Total International	**4,058**	3,895	4 %	**4,091**	(1)%	(1)%	(1)%	1 %
U.S./Canada	**4,537**	4,119	10 %	**4,155**	9 %	—	4 %	5 %
Total Marsh	**$ 8,595**	$ 8,014	7 %	**$ 8,246**	4 %	(1)%	2 %	3 %
Mercer:								
Wealth	**2,348**	2,369	(1)%	**2,422**	(3)%	—	(2)%	(1)%
Health	**1,793**	1,796	—	**1,815**	(1)%	(1)%	(2)%	2 %
Career	**787**	856	(8)%	**857**	(8)%	—	—	(8)%
Total Mercer	**$ 4,928**	$ 5,021	(2)%	**$ 5,094**	(3)%	—	(2)%	(1)%

* Components of revenue change may not add due to rounding.

Revenue

Consolidated revenue was $17 billion in 2020, an increase of 3%, or 1% on an underlying basis. Revenue in the Risk and Insurance Services segment increased 8% in 2020 compared with 2019, or 3% on an underlying basis. Revenue increased 3% and 6% on an underlying basis at Marsh and Guy Carpenter, respectively, as compared with 2019. The Consulting segment's revenue decreased 2% compared with 2019, as well as on an underlying basis. Revenue decreased 1% and 4% on an underlying basis at Mercer and Oliver Wyman Group, respectively, as compared with 2019.

Operating Expense

Consolidated operating expenses increased 1% in 2020 compared with 2019. Expenses decreased 2% on an underlying basis, reflecting a decrease in JLT integration and restructuring and acquisition-related costs, and savings realized from the completion of integration efforts to date. The decrease also reflects lower travel and entertainment, meeting costs and outside services resulting from the Company's restrictions on travel and cost containment measures taken in light of COVID-19 and lower expenses recoverable from clients. These decreases were partly offset by a JLT legacy E&O provision of $161 million recorded in 2020, higher incentive compensation and severance.

Risk and Insurance Services

In the Risk and Insurance Services segment, the Company's subsidiaries and other affiliated entities act as brokers, agents or consultants for insureds, insurance underwriters and other brokers in the areas of risk management, insurance broking and insurance program management services, primarily under the name of Marsh; and engage in reinsurance broking, catastrophe and financial modeling services and related advisory functions, primarily under the name of Guy Carpenter.

Marsh and Guy Carpenter are compensated for brokerage and consulting services primarily through fees paid by clients or commissions paid out of premiums charged by insurance and reinsurance companies. Commission rates vary in amount depending upon the type of insurance or reinsurance coverage provided, the particular insurer or reinsurer and the capacity in which the broker acts and negotiates with clients. Revenues can be affected by premium rate levels in the insurance/reinsurance markets, the amount of risk retained by insurance and reinsurance clients themselves and by the value of the risks that have been insured since commission-based compensation is frequently related to the premiums paid by insureds and reinsureds. In many cases, fee compensation may be negotiated in advance, based on the type of risk, coverage required and service provided by the Company and ultimately, the extent of the risk placed into the insurance market or retained by the client. The trends and comparisons of revenue from one period to the next can be affected by changes in premium rate levels, fluctuations in client risk

retention and increases or decreases in the value of risks that have been insured, as well as new and lost business, and the volume of business from new and existing clients.

Marsh also receives other compensation from insurance companies, separate from retail fees and commissions. This compensation includes, among other things, payment for consulting and analytics services provided to insurers; administrative and other services provided to or on behalf of insurers (including services relating to the administration and management of quota share, panels and other facilities in which insurers participate); and contingent commissions. Marsh and Guy Carpenter also receive interest income on certain funds (such as premiums and claims proceeds) held in a fiduciary capacity for others. The investment of fiduciary funds is regulated by state and other insurance authorities. These regulations typically require segregation of fiduciary funds and limit the types of investments that may be made with them. Interest income from these investments varies depending on the amount of funds invested and applicable interest rates, both of which vary from time to time. For presentation purposes, fiduciary interest is segregated from the other revenues of Marsh and Guy Carpenter and separately presented within the segment, as shown in the revenue by segments charts presented earlier in this MD&A.

The results of operations for the Risk and Insurance Services segment are presented below:

(In millions of dollars, except percentages)	**2020**	2019	2018
Revenue	**$ 10,337**	$ 9,599	$ 8,228
Compensation and benefits	**5,690**	5,370	4,485
Other operating expenses	**2,301**	2,396	1,879
Operating expenses	**7,991**	7,766	6,364
Operating income	**$ 2,346**	$ 1,833	$ 1,864
Operating income margin	**22.7 %**	19.1 %	22.7 %

Revenue

Revenue in the Risk and Insurance Services segment increased 8% in 2020 compared with 2019. Revenue grew 3% on an underlying basis and 1% from the impact of acquisitions, partly offset by a 1% decrease related to the impact of foreign currency translation.

In Marsh, revenue increased 3% on an underlying basis and 2% from the impact of acquisitions, partly offset by a 1% decrease from the impact of foreign currency translation. U.S./Canada had underlying revenue growth of 5%. International operations increased 1% on an underlying basis, reflecting increases of 4% in Asia Pacific and 3% in Latin America, while EMEA was flat compared to prior year.

Guy Carpenter's revenue increased 15% to $1.7 billion in 2020 compared with 2019, or 6% on an underlying basis.

Fiduciary interest income was $46 million in 2020 compared with $105 million in 2019. The decrease in 2020 compared to 2019 reflects the impact of lower interest rates partially offset by a higher level of average invested funds.

The Risk and Insurance Services segment completed seven acquisitions during 2020. Information regarding those acquisitions is included in Note 5 to the consolidated financial statements.

Expense

Expense in the Risk and Insurance Services segment increased 3% in 2020 compared with 2019, reflecting decreases of 2% on an underlying basis and 1% from the impact of foreign currency, partly offset by a 2% increase from acquisitions. The decrease in underlying expense reflects lower JLT integration, restructuring and acquisition related costs and savings realized from the completion of integration efforts to date. The decrease also reflects lower travel and entertainment and meeting costs resulting from the Company's restrictions on travel and cost containment measures taken in light of COVID-19 and lower base salaries. These decreases are partly offset by higher incentive compensation and severance.

Consulting

The Company conducts business in its Consulting segment through two main business groups, Mercer and Oliver Wyman Group. Mercer provides consulting expertise, advice, services and solutions in the areas of health, wealth and career. Oliver Wyman Group provides specialized management, economic and brand consulting services.

The major component of revenue in the Consulting business is fees paid by clients for advice and services. Mercer, principally through its health line of business, also earns revenue in the form of commissions received from insurance companies for the placement of group (and occasionally individual) insurance contracts, primarily life, health and accident coverages. Revenue for Mercer's investment management business and certain of Mercer's defined contribution administration services consists principally of fees based on assets under management or administration.

Revenue in the Consulting segment is affected by, among other things, global economic conditions, including changes in clients' particular industries and markets. Revenue is also affected by competition due to the introduction of new products and services, broad trends in employee demographics, including levels of employment, the effect of government policies and regulations, and fluctuations in interest and foreign exchange rates. Revenues from the provision of investment management services and retirement trust and administrative services are significantly affected by the level of assets under management or administration, which is impacted by securities market performance.

For the investment management business, revenues from the majority of funds are included on a gross basis in accordance with U.S. GAAP and include reimbursable expenses incurred by professional staff and sub-advisory fees, and the related expenses are included in other operating expenses.

The results of operations for the Consulting segment are presented below:

(In millions of dollars, except percentages)	**2020**	2019	2018
Revenue	**$ 6,976**	$ 7,143	$ 6,779
Compensation and benefits	**3,995**	3,934	3,760
Other operating expenses	**1,987**	1,999	1,920
Operating expenses	**5,982**	5,933	5,680
Operating income	**$ 994**	$ 1,210	$ 1,099
Operating income margin	**14.3 %**	16.9 %	16.2 %

Revenue

Consulting revenue in 2020 decreased 2% compared with 2019, reflecting decreases of 2% on an underlying basis and 1% from the impact of dispositions.

Mercer's revenue in 2020 decreased 1% on an underlying basis and 2% from the impact of dispositions. The decrease in underlying revenue reflects decreases in both Career of 8% and Wealth of 1% partly offset by an increase in Health of 2%. Oliver Wyman Group's revenue decreased 3% in 2020 compared with 2019, or 4% on an underlying basis.

Expense

Consulting expense in 2020 increased 1% compared with 2019. This reflects an increase of 1% on an underlying basis and a decrease of 1% from the impact of dispositions. The increase in underlying expense reflects a JLT legacy E&O provision of $161 million recorded in 2020, higher JLT integration and restructuring costs as well as higher base salaries, incentive compensation and severance. These increases were partly offset by lower travel, entertainment and meeting costs resulting from the Company's restrictions on travel and cost containment measures taken in light of COVID-19 and lower expenses recoverable from clients.

Corporate and Other

Corporate expense in 2020 was $274 million compared with $366 million in 2019. Expenses decreased 17% on an underlying basis due to lower acquisition, integration and restructuring costs primarily related

to the JLT Transaction and savings realized from the completion of integration efforts to date, partly offset by higher base salaries.

Other Corporate Items

Interest

Interest income earned on corporate funds amounted to $7 million in 2020 compared with $39 million in 2019. During the first quarter of 2019, the Company issued approximately $6.5 billion of senior notes related to the JLT acquisition. The funds were held in escrow and released for payment in April 2019, when the acquisition was completed. The decrease in interest income from the prior year is primarily due to interest earned on these funds in 2019. Interest expense in 2020 was $515 million compared with $524 million in 2019. The decrease in interest expense was primarily due to the impact of lower average interest rates on borrowings.

Investment (Loss) Income

The caption "Investment (loss) income" in the consolidated statements of income comprises realized and unrealized gains and losses from investments. It includes, when applicable, other than temporary declines in the value of securities, mark-to-market increases or decreases in equity investments with readily determinable fair values and equity method gains or losses on its investments in private equity funds. The Company's investments may include direct investments in insurance, consulting or other strategically linked companies and investments in private equity funds.

The Company recorded a net investment loss of $22 million in 2020, primarily due to the loss from the sale of shares of AF during the second quarter of 2020. The Company recorded net investment income of $22 million in 2019 which included gains of $10 million related to mark-to-market changes to equity securities and gains of $12 million related to investments in private equity funds and other investments.

Income Taxes

The Company completed the JLT Transaction on April 1, 2019. During 2020, the integration of this global organization required intercompany transfers of acquired entities into the Company's country structures and the combination of those entities within the equivalent Company businesses. The integration transactions were designed to be tax efficient. The Company's global effective tax rate on JLT's earnings was reduced compared to JLT's pre-acquisition tax rate by utilizing debt for the restructuring transactions to be capital efficient, and reducing the generation of post-acquisition tax losses by merging historically unprofitable JLT entities with profitable Company operations. Provisions for deferred taxes and uncertain tax positions were established as part of the purchase price allocation as of April 1, 2019.

The broader JLT organization is now held under the Company's legal entity structure, which makes it part of a U.S.-based multinational company and subjects it to full U.S. taxation.

The Company's consolidated effective tax rate was 26.7%, 27.3%, and 25.6% in 2020, 2019, and 2018, respectively. The rates in all periods reflect the effects of tax planning and the ongoing impact of the Tax Cuts and Jobs Act ("TCJA"), including regulatory and other guidance as it became available. The tax rate in 2020 includes a valuation allowance for certain tax credits, the impact of uncertain tax positions, and certain tax planning benefits. The 2019 rate reflects items related to the JLT acquisition, including non-deductible goodwill allocated to the sale of Aerospace and non-deductible expenses incurred in relation to the JLT acquisition. The 2018 rate includes the effect of a charge related to the Company’s investment in AF as discussed in Note 1. The tax rates in all periods reflect the impact of discrete tax matters, tax legislation, and nontaxable adjustments to contingent acquisition consideration.

The effective tax rate may vary significantly from period to period for the foreseeable future. The effective tax rate is sensitive to the geographic mix and repatriation of the Company's earnings, which may result in higher or lower tax rates. A shift in the mix of profits among jurisdictions can also affect the effective tax rate. In 2020, pre-tax income in Barbados, Canada, Ireland, Australia, Japan and Germany accounted for approximately 60% of the Company's total non-U.S. pre-tax income, with effective rates in those countries of 1%, 27%, 15%, 23%, 33.7%, and 32% respectively.

In addition, losses in certain jurisdictions cannot be offset by earnings from other operations, and may require valuation allowances that affect the rate, depending on estimates of the value of associated deferred tax assets which can be realized. A valuation allowance was recorded to reduce deferred tax

assets to the amount that the Company believes is more likely than not to be realized. Details are provided in Note 7 of the consolidated financial statements. The effective tax rate is also sensitive to changes in unrecognized tax benefits, including the impact of settled tax audits and expired statutes of limitation.

Changes in tax laws, rulings, policies or related legal and regulatory interpretations occur frequently and may also have significant favorable or adverse impacts on our effective tax rate.

As a U.S. domiciled parent holding company, the Company is the issuer of essentially all of the Company's external indebtedness, and incurs the related interest expense in the U.S. The Company's interest expense deductions are not currently limited. Further, most senior executive and oversight functions are conducted in the U.S. and the associated costs are incurred primarily in the U.S. Some of these expenses may not be deductible in the U.S., which may impact the effective tax rate.

The quasi-territorial tax regime provides an opportunity for the Company to repatriate foreign earnings more tax efficiently and there is less incentive for permanent reinvestment of these earnings. However, permanent reinvestment continues to be a component of the Company's global capital strategy. The Company continues to evaluate its global investment and repatriation strategy in light of our capital requirements and potential costs of repatriation.

The Coronavirus Aid, Relief and Economic Security Act (the "CARES Act") was signed into law on March 27, 2020. The CARES Act provided over $2 trillion in economic relief to individuals, governmental agencies and companies, to deal with the public health and economic impacts of COVID-19. Pursuant to the CARES Act, payroll taxes due from March 27, 2020 through December 31, 2020 will be deferred until 2021 and 2022 (50% to be paid each year) without interest or penalties.

Liquidity and Capital Resources

The Company is organized as a legal entity separate and distinct from its operating subsidiaries. As the Company does not have significant operations of its own, the Company is dependent upon dividends and other payments from its operating subsidiaries to pay principal and interest on its outstanding debt obligations, pay dividends to stockholders, repurchase its shares and pay corporate expenses. The Company can also provide financial support to its operating subsidiaries for acquisitions, investments and certain parts of their business that require liquidity, such as the capital markets business of Guy Carpenter. Other sources of liquidity include borrowing facilities in financing cash flows.

The Company derives a significant portion of its revenue and operating profit from operating subsidiaries located outside of the U.S. Funds from those operating subsidiaries are regularly repatriated to the U.S. out of annual earnings. At December 31, 2020, the Company had approximately $789 million of cash and cash equivalents in its foreign operations, which includes $249 million of operating funds required to be maintained for regulatory requirements or as collateral under certain captive insurance arrangements. The Company expects to continue its practice of repatriating available funds from its non-U.S. operating subsidiaries out of current annual earnings. Where appropriate, a portion of the current year earnings will continue to be permanently reinvested. With respect to repatriating 2018 and prior earnings, the Company has evaluated such factors as its short- and long-term capital needs, acquisition and borrowing strategies, and the availability of cash for repatriation for each of its subsidiaries. In general, the Company has determined that its permanent reinvestment assertions, in light of the enactment of the TCJA, should allow the Company to repatriate previously taxed earnings from the deemed repatriations as cash becomes available.

During 2020, the Company recorded foreign currency translation adjustments which increased net equity by $559 million. Continued weakening of the U.S. dollar against foreign currencies would further increase the translated U.S. dollar value of the Company's net investments in its non-U.S. subsidiaries, as well as the translated U.S. dollar value of cash repatriations from those subsidiaries. Conversely, strengthening of the U.S. dollar against foreign currencies would decrease the translated U.S. dollar value of the Company's net investments in its non-U.S. subsidiaries, as well as the translated U.S. dollar value of cash repatriations from those subsidiaries.

Cash on our consolidated balance sheets includes funds available for general corporate purposes. Funds held on behalf of clients in a fiduciary capacity are segregated and shown separately in the consolidated

balance sheets as an offset to fiduciary liabilities. Fiduciary funds cannot be used for general corporate purposes, and should not be considered as a source of liquidity for the Company.

Operating Cash Flows

The Company generated $3.4 billion of cash from operations in 2020 and $2.4 billion in 2019. These amounts reflect the net income of the Company during those periods, excluding gains or losses from investments, adjusted for non-cash charges and changes in working capital which relate primarily to the timing of payments of accrued liabilities or receipts of assets and pension contributions.

Pension-Related Items

Contributions

During 2020, the Company contributed $65 million to its U.S. pension plans and $78 million to non-U.S. pension plans compared to contributions of $35 million to U.S. plans and $87 million to non-U.S. plans in 2019.

In the U.S., contributions to the tax-qualified defined benefit plans are based on ERISA guidelines and the Company generally expects to maintain a funded status of 80% or more of the liability determined in accordance with the ERISA guidelines. In 2020, the Company made $30 million of contributions to non-qualified plans and $35 million to its qualified plans. The Company expects to contribute approximately $37 million to its U.S. pension plans in 2021, including $7 million to the U.S. qualified plans to meet ERISA funding requirements and $30 million to its non-qualified plans.

The Company contributed $34 million to its U.K. plans in 2020, including an expense allowance of approximately $5 million. The Company's contributions to its U.K. plans in 2021 are expected to be approximately $47 million, including an expense allowance of $16 million.

Outside the U.S., the Company has a large number of non-U.S. defined benefit pension plans, the largest of which are in the U.K., which comprise approximately 81% of non-U.S. plan assets at December 31, 2020. Contribution rates for non-U.S. plans are generally based on local funding practices and statutory requirements, which may differ significantly from measurements under U.S. GAAP. In the U.K., the assumptions used to determine pension contributions are the result of legally-prescribed negotiations between the Company and the plans' trustee that typically occur every three years in conjunction with the actuarial valuation of the plans. Currently, this results in a lower funded status compared to U.S. GAAP and may result in contributions irrespective of the U.S. GAAP funded status. For the MMC U.K. Pension Fund, a new agreement was reached with the trustee in the fourth quarter of 2019 based on the surplus funding position at December 31, 2018. In accordance with the agreement, no deficit funding is required until 2023. The funding level will be re-assessed during 2022 to determine if contributions are required in 2023. In order to have greater influence over asset allocation and overall investment decisions, in November 2019, the Company renewed its agreement to support annual deficit contributions by the U.K. operating companies under certain circumstances, up to GBP 450 million over a seven-year period.

In addition, in the U.K., the Company assumed responsibility for JLT's Pension Scheme ("JLT U.K. plan"). We currently expect to pay $29 million of deficit funding in 2021, although we will also reach a new funding agreement with the trustee during 2021.

In the aggregate, the Company expects to contribute approximately $87 million to its non-U.S. defined benefit plans in 2021, comprising approximately $40 million to plans outside of the U.K. and $47 million to the U.K. plans.

Changes to Pension Plans

As part of the JLT Transaction, the Company assumed responsibility for a number of pension plans throughout the world, the most significant of which is the JLT U.K. plan. The JLT U.K. plan has a defined benefit section which was frozen to future accrual in 2006 and a defined contribution section. The assets of the scheme are held in a trustee administered fund separate from the Company.

Changes in Funded Status and Expense

The year-over-year change in the funded status of the Company's pension plans is impacted by the

difference between actual and assumed results, particularly with regard to return on assets, and changes in the discount rate, as well as the amount of Company contributions, if any. Unrecognized actuarial losses were approximately $2.4 billion and $3.5 billion at December 31, 2020 for the U.S. plans and non-U.S. plans, respectively, compared with losses of $2.1 billion and $3.1 billion at December 31, 2019. The increases in both the U.S. and non-U.S. plans was primarily due to a decrease in the discount rate used to measure plan liabilities partly offset by an increase in asset values. In the past several years, the amount of unamortized losses has been significantly impacted, both positively and negatively, by actual asset performance and changes in discount rates. The discount rate used to measure plan liabilities in 2020 and 2019 decreased in the U.S. and U.K. (the Company's largest plans) following increases in the U.S. and the U.K. in 2018. An increase in the discount rate decreases the measured plan benefit obligation, resulting in actuarial gains, while a decrease in the discount rate increases the measured plan obligation, resulting in actuarial losses. During 2020, the Company's defined benefit pension plan assets had gains of 13.1% and 12.0% in the U.S. and U.K., respectively, as compared to gains of 21.4% and 13.1% in the U.S. and U.K., respectively, in 2019. During 2018, the Company's defined benefit pension plan assets had losses of 7.4% in the U.S. and 1.0% in the U.K.

Overall, based on the measurement at December 31, 2020, total benefit credits related to the Company’s defined benefit plans are expected to increase in 2021 by approximately $22 million compared to 2020, reflecting an increase in non-U.S. plans of approximately $31 million, offset by a decrease in U.S. plans of $9 million.

The Company’s accounting policies for its defined benefit pension plans, including the selection of and sensitivity to assumptions, are discussed below under Management’s Discussion of Critical Accounting Policies. For additional information regarding the Company’s retirement plans, see Note 8 to the consolidated financial statements.

Financing Cash Flows

Net cash used for financing activities was $1.9 billion in 2020 compared with $3.3 billion provided by financing activities in 2019.

Credit Facilities

The Company and certain of its foreign subsidiaries have a multi-currency five-year unsecured revolving credit facility of $1.8 billion. The interest rate on this facility is based on LIBOR plus a fixed margin which varies with the Company's credit ratings. This facility expires in October 2023 and requires the Company to maintain certain coverage and leverage ratios which are tested quarterly. The Company borrowed $1 billion under this facility in the first quarter of 2020, which was repaid in full during the second quarter of 2020. There were no borrowings outstanding under this facility at December 31, 2020.

In January 2020, the Company entered into two new term loan facilities: a $500 million one-year facility and a $500 million two-year facility. In the first quarter of 2020, the Company borrowed $1 billion against these facilities. During the third quarter of 2020, the Company repaid $500 million of borrowings from its one-year facility. In December 2020, the Company repaid $500 million of borrowings from the two year facility. These two facilities were terminated as of December 31, 2020 after repayment of the initial draw down.

In April 2020, the Company entered into a new 364 day $1 billion unsecured revolving credit facility with a term out option after one year. The facility has similar coverage and leverage ratios as the multi-currency five-year unsecured revolving credit facility. The Company had no borrowings outstanding under this facility at December 31, 2020.

The Company also maintains other credit facilities, guarantees and letters of credit with various banks, aggregating $573 million at December 31, 2020 and $598 million at December 31, 2019. There were no outstanding borrowings under these facilities as of December 31, 2020 or as of December 31, 2019.

Debt

The Company has established a short-term debt financing program of up to $1.5 billion through the issuance of commercial paper. The proceeds from the issuance of commercial paper were used for general corporate purposes. The Company had no commercial paper outstanding at December 31, 2020.

In December 2020, the Company repaid $700 million of maturing Senior Notes and $300 million of floating rate notes with an original maturity of December 2021.

In May 2020, the Company issued $750 million of 2.250% Senior Notes due 2030. The Company used the net proceeds from this offering to pay outstanding borrowings under the revolving credit facility.

In March 2020, the Company repaid $500 million of maturing Senior Notes.

In September 2019, the Company repaid $300 million of maturing Senior Notes.

During 2019, the Company issued approximately $6.5 billion of Senior Notes to primarily fund the acquisition of JLT, including the payment of related fees and expenses, and to repay certain JLT indebtedness, as well as for general corporate purposes.

In connection with the closing of the JLT Transaction, the Company assumed approximately $1 billion of historical JLT indebtedness, which it repaid during 2019. The Company incurred debt extinguishment costs of $32 million in regard to the repayment of this debt.

The Company's senior debt is currently rated A- by Standard & Poor's and Baa1 by Moody's. The Company's short-term debt is currently rated A-2 by Standard & Poor's and P-2 by Moody's. The Company carries a Stable outlook with S&P and a Negative outlook with Moody's.

Share Repurchases

The Company did not repurchase any shares of its common stock during 2020. In November 2019, the Board of Directors authorized an increase in the Company’s share repurchase program, which supersedes any prior authorization, allowing management to buy back up to $2.5 billion of the Company’s common stock. As of December 31, 2020, the Company remained authorized to purchase shares of its common stock up to a value of approximately $2.4 billion. There is no time limit on this authorization.

During 2019, the Company repurchased 4.8 million shares of its common stock for total consideration of $485 million at an average price per share of $100.48.

Dividends

The Company paid total dividends of $943 million in 2020 ($1.84 per share), $890 million in 2019 ($1.74 per share) and $807 million in 2018 ($1.58 per share).

Contingent Payments Related To Acquisitions

During 2020, the Company paid $102 million of contingent payments related to acquisitions made in prior years. These payments are split between financing and operating cash flows in the consolidated statements of cash flows. Payments of $54 million related to the contingent consideration liability that was recorded on the date of acquisition are reflected as financing cash flows. Payments related to increases in the contingent consideration liability subsequent to the date of acquisition of $48 million are reflected as operating cash flows. Remaining estimated future contingent consideration payments of $243 million for acquisitions completed in 2020 and in prior years are included in accounts payable and accrued liabilities or other liabilities in the consolidated balance sheet at December 31, 2020. The Company paid deferred purchase consideration related to prior years' acquisitions of $68 million and $43 million for the years ended December 31, 2020 and 2019, respectively, that is reflected as financing cash flows. Remaining deferred cash payments of approximately $241 million are included in accounts payable and accrued liabilities or other liabilities in the consolidated balance sheet at December 31, 2020.

In 2019, the Company paid $63 million of contingent payments related to acquisitions made in prior periods, of which $22 million was reported as financing cash flows and $41 million as operating cash flows.

Derivatives

Net Investment Hedge

The Company has investments in various subsidiaries with Euro functional currencies. As a result, the Company is exposed to the risk of fluctuations between the Euro and U.S. dollar exchange rates. As part of its risk management program to fund the JLT acquisition, the Company issued €1.1 billion Senior Notes, and designated the debt instruments as a net investment hedge of its Euro denominated subsidiaries. The hedge is re-assessed each quarter to confirm that the designated equity balance at the

beginning of each period continues to equal or exceed 80% of the outstanding balance of the Euro debt instrument and that all the critical terms of the hedging instrument and the hedged net investment continue to match. If the hedge is highly effective, the change in the debt balance related to foreign exchange fluctuations will be recorded in foreign currency translation gains (losses) in the consolidated balance sheet. The U.S. dollar value of the Euro notes increased by $124 million during 2020 related to the change in foreign exchange rates. The Company concluded that the hedge was highly effective and recorded an increase to accumulated other comprehensive loss for the year ended December 31, 2020.

JLT Fair Value Debt Derivative Contracts

Prior to the JLT Transaction closing, a significant portion of JLT's outstanding senior notes were denominated in U.S. dollars. In order to hedge its exposure against the risk of fluctuations between the British Pound ("GBP") and the U.S. dollar, JLT entered into foreign exchange and interest rate swaps, which were designated as fair value hedges. In June 2019, the Company redeemed these U.S. dollar denominated senior notes and settled the related derivative contracts. Both the change in fair value of the debt and the change in fair value of the derivative contracts were recorded in the consolidated statement of income in the second quarter of 2019. The Company received approximately $112 million upon settlement of these derivative contracts.

JLT Cash Flow Hedges

JLT also had a number of foreign exchange contracts to hedge the risk of foreign exchange movements between the U.S. dollar and the GBP, related to JLT's U.S. dollar denominated revenue in the U.K. Prior to the acquisition, these derivative contracts were designated as cash flow hedges. Upon acquisition, the derivative contracts were not re-designated as cash flow hedges by the Company. The contracts were settled in June 2019. The change in fair value between the acquisition date and the settlement date resulted in a charge of $26 million in the second quarter of 2019. The charge is recorded as a change in fair value of acquisition related derivative contracts in the consolidated statement of income.

Foreign Exchange Forward Contract

In connection with the JLT Transaction, to hedge the risk of appreciation of the GBP-denominated purchase price relative to the U.S. dollar, on September 20, 2018, the Company entered into the FX Contract to, solely upon consummation of the Transaction, purchase £5.2 billion and sell a corresponding amount of U.S. dollars at a contracted exchange rate. The FX Contract, which did not qualify for hedge accounting treatment under applicable accounting guidance, is discussed in Note 11 to the consolidated financial statements. The Company settled the FX Contract on April 1, 2019, recording a realized gain to the consolidated statement of income of approximately $31 million in 2019. The cash outflow related to the settlement of the FX Contract was approximately $294 million in 2019.

Foreign Exchange Contract on Euro Debt Issuance

In March 2019, the Company issued €1.1 billion of senior notes related to the JLT Transaction. See Note 13 for additional information related to the Euro senior note issuances. In connection with the senior note issuances of €1.1 billion, the Company entered into a forward exchange contract to hedge the economic risk of changes in foreign exchange rates from the issuance date to settlement date of the Euro senior notes. This forward exchange contract was settled in March 2019 and the Company recorded a charge of $7 million in the first quarter of 2019 related to the settlement of this contract.

Treasury Locks on Senior Notes

In connection with the JLT Transaction and to hedge the risk of increases in future interest rates prior to its issuance of senior notes, the Company entered into treasury locks related to $2 billion of the expected debt in the fourth quarter of 2018. The fair value at December 31, 2018 was based on the published treasury rate plus forward premium as of December 31, 2018 compared to the all in rate at the inception of the contract. The contracts were not designated as an accounting hedge. The Company recorded an unrealized loss of $116 million related to the change in the fair value of these derivatives in the consolidated statement of income for the year ended December 31, 2018. In January 2019, upon issuance of the $5 billion of senior notes, the Company settled the treasury lock derivatives and made a payment to its counter party for $122 million.

Investing Cash Flows

Net cash used for investing activities amounted to $814 million in 2020 compared with $5.7 billion used for investing activities in 2019.

The Company paid $668 million and $5.5 billion, net of cash acquired, for acquisitions it made during 2020 and 2019, respectively.

During 2020, the Company sold certain businesses primarily in the U.S., U.K. and Canada for cash proceeds of approximately $98 million.

At December 31, 2019, the Company owned approximately 443 million shares of the common stock of AF, a South African company listed on the Johannesburg Stock Exchange, which was accounted for under the equity method of accounting. In February 2020, the Company sold approximately 49 million shares, and in May 2020, sold an additional 193 million shares, leaving the Company with an investment of approximately 201 million shares of the common stock of AF at December 31, 2020. Upon completion of the sale of shares in May 2020, the investment in AF was accounted at fair value, with investment gains and losses recorded as investment income in the consolidated statement of income.

During the first quarter of 2019, the Company disposed of its investment in Benefitfocus for total proceeds of approximately $132 million. The Company received $115 million in the first quarter of 2019 and $17 million in the second quarter of 2019 as final settlement on the sale.

During the second quarter of 2019, the Company disposed of its investment in Payscale and received proceeds of approximately $47 million. In January 2019, the Company increased its equity ownership in Marsh India from 26% to 49% for approximately $88 million. Marsh India is carried under the equity method.

The Company's additions to fixed assets and capitalized software, which amounted to $348 million in 2020 and $421 million in 2019, primarily related to computer equipment purchases, the refurbishing and modernizing of office facilities and software development costs.

The Company has commitments for potential future investments of approximately $46 million in four private equity funds that invest primarily in financial services companies.

Commitments and Obligations

The following sets forth the Company's future contractual obligations by the types identified in the table below as of December 31, 2020:

	Payment due by Period				
Contractual Obligations *(In millions of dollars)*	Total	Within 1 Year	1-3 Years	4-5 Years	After 5 Years
Current portion of long-term debt	$ 517	$ 517	$ —	$ —	$ —
Long-term debt	10,866	—	1,135	2,135	7,596
Interest on long-term debt	5,454	461	821	674	3,498
Net operating leases	2,570	410	711	544	905
Service agreements	344	197	101	36	10
Other long-term obligations	558	182	329	47	—
Total	$ 20,309	$ 1,767	$ 3,097	$ 3,436	$ 12,009

The above does not include the liability for unrecognized tax benefits of $98 million as the Company is unable to reasonably predict the timing of settlement of these liabilities, other than approximately $20 million that may become payable during 2021.

The above does not include the remaining transitional tax payments related to the TCJA of $64.5 million.

Management's Discussion of Critical Accounting Policies

The preparation of financial statements in conformity with accounting principles generally accepted in the United States ("GAAP") requires management to make estimates and judgments that affect reported amounts of assets, liabilities, revenue and expenses, and disclosure of contingent assets and liabilities. Management considers the policies discussed below to be critical to understanding the Company's

financial statements because their application places the most significant demands on management's judgment, and requires management to make estimates about the effect of matters that are inherently uncertain. Actual results may differ from those estimates.

Revenue Recognition

In the Risk and Insurance Services segment, judgments related to the amount of variable revenue consideration to ultimately be received on placement of quota share reinsurance treaties and contingent commission from insurers, which was previously recognized when the contingency was resolved, now requires significant judgments and estimates.

The Company capitalizes the incremental costs to obtain contracts primarily related to commissions or sales bonus payments. These deferred costs are amortized over the expected life of the underlying customer relationships. The Company also capitalizes certain pre-placement costs that are considered fulfillment costs that are amortized at a point in time when the associated revenue is recognized.

Management also makes significant judgments and estimates to measure the progress toward completing performance obligations and realization rates for consideration related to contracts as well as potential performance-based fees in the Consulting segment.

See Note 2 to the consolidated financial statements for additional information.

Legal and Other Loss Contingencies

The Company and its subsidiaries are subject to numerous claims, lawsuits and proceedings including claims for errors and omissions ("E&O"). GAAP requires that a liability be recorded when a loss is both probable and reasonably estimable. Significant management judgment is required to apply this guidance. The Company utilizes case level reviews by inside and outside counsel, an internal actuarial analysis by Oliver Wyman, a subsidiary of the Company, and other methods to estimate potential losses. The liability is reviewed quarterly and adjusted as developments warrant. In many cases, the Company has not recorded a liability, other than for legal fees to defend the claim, because we are unable, at the present time, to make a determination that a loss is both probable and reasonably estimable. Given the unpredictability of E&O claims and of litigation that could flow from them, it is possible that an adverse outcome in a particular matter could have a material adverse effect on the Company's businesses, results of operations, financial condition or cash flow in a given quarterly or annual period.

In addition, to the extent that insurance coverage is available, significant management judgment is required to determine the amount of recoveries that are probable of collection under the Company's various insurance programs.

Retirement Benefits

The Company maintains qualified and non-qualified defined benefit pension and defined contribution plans for its eligible U.S. employees and a variety of defined benefit and defined contribution plans for its eligible non-U.S. employees. The Company's policy for funding its tax-qualified defined benefit retirement plans is to contribute amounts at least sufficient to meet the funding requirements set forth in U.S. and applicable foreign laws.

The Company recognizes the funded status of its over-funded defined benefit pension and retiree medical plans as a net benefit plan asset and its unfunded and underfunded plans as a net benefit plan liability. The gains or losses and prior service costs or credits that have not been recognized as components of net periodic costs are recorded as a component of Accumulated Other Comprehensive Income ("AOCI"), net of tax, in the Company's consolidated balance sheets. The gains and losses that exceed specified corridors, 10 percent of the greater of the projected benefit obligation or the market-related value of plan assets, are amortized prospectively out of AOCI over a period that approximates the remaining life expectancy of participants in plans where substantially all participants are inactive or the average remaining service period of active participants for plans with active participants. The vast majority of unrecognized losses relate to inactive plans and are amortized over the remaining life expectancy of the participants.

The determination of net periodic pension cost is based on a number of assumptions, including an expected long-term rate of return on plan assets, the discount rate, mortality and assumed rate of salary increase. The assumptions used in the calculation of net periodic pension costs and pension liabilities are

disclosed in Note 8 to the consolidated financial statements. The assumptions for expected rate of return on plan assets and the discount rate are discussed in more detail below.

The long-term rate of return on plan assets assumption is determined for each plan based on the facts and circumstances that exist as of the measurement date, and the specific portfolio mix of each plan's assets. The Company utilizes a model developed by Mercer, a subsidiary of the Company, to assist in the determination of this assumption. The model takes into account several factors, including: actual and target portfolio allocation; investment, administrative and trading expenses incurred directly by the plan trust; historical portfolio performance; relevant forward-looking economic analysis; and expected returns, variances and correlations for different asset classes. These measures are used to determine probabilities using standard statistical techniques to calculate a range of expected returns on the portfolio.

The target asset allocation for the U.S. plans is 64% equities and equity alternatives and 36% fixed income. At the end of 2020, the actual allocation for the U.S. plans was 64% equities and equity alternatives and 36% fixed income. The target asset allocation for the U.K. plans, which comprise approximately 81% of non-U.S. plan assets, is 32% equities and equity alternatives and 68% fixed income. At the end of 2020, the actual allocation for the U.K. plans was 33% equities and equity alternatives and 67% fixed income.

The discount rate selected for each U.S. plan is based on a model bond portfolio with coupons and redemptions that closely match the expected liability cash flows from the plan. Discount rates for non-U.S. plans are based on appropriate bond indices adjusted for duration; in the U.K., the plan duration is reflected using the Mercer yield curve.

The table below shows the weighted average assumed rate of return and the discount rate at the December 31, 2020 measurement date (for measuring pension expense in 2021) for the total Company, the U.S. and the Rest of World ("ROW").

	Total Company	U.S.	ROW
Assumed rate of return on plan assets	4.72 %	7.02 %	3.89 %
Discount rate	1.92 %	2.73 %	1.49 %

Holding all other assumptions constant, a half-percentage point change in the rate of return on plan assets and discount rate assumptions would affect net periodic pension cost for the U.S. and U.K. plans, which together comprise approximately 85% of total pension plan liabilities, as follows:

	0.5 Percentage Point Increase		0.5 Percentage Point Decrease	
(In millions of dollars)	U.S.	U.K.	U.S.	U.K.
Assumed rate of return on plan assets	$ (23)	$ (51)	$ 23	$ 51
Discount Rate	$ 3	$ 5	$ (4)	$ (8)

The impact of discount rate changes shown above relates to the increase or decrease in actuarial gains or losses being amortized through net periodic pension cost, as well as the increase or decrease in interest expense, with all other facts and assumptions held constant. It does not contemplate nor include potential future impacts a change in the interest rate environment and discount rates might cause, such as the impact on the market value of the plans' assets. In addition, the assumed return on plan assets would likely be impacted by changes in the interest rate environment and other factors, including equity valuations, since these factors reflect the starting point used in the Company's projection models. For example, a reduction in interest rates may result in a reduction in the assumed return on plan assets. Changing the discount rate and leaving the other assumptions constant also may not be representative of the impact on expense, because the long-term rates of inflation and salary increases are often correlated with the discount rate. Changes in these assumptions will not necessarily have a linear impact on the net periodic pension cost.

The Company contributes to certain health care and life insurance benefits provided to its retired employees. The cost of these post-retirement benefits for employees in the U.S. is accrued during the period up to the date employees are eligible to retire but is funded by the Company as incurred. The key assumptions and sensitivity to changes in the assumed health care cost trend rate are discussed in Note 8 to the consolidated financial statements.

Income Taxes

Significant judgment is required in determining the annual effective tax rate and in evaluating uncertain tax positions. The Company reports a liability for unrecognized tax benefits resulting from uncertain tax positions taken or expected to be taken in a tax return. The evaluation of a tax position is a two-step process:

- First, the Company determines whether it is more likely than not that a tax position will be sustained upon tax examination, including resolution of any related appeals or litigation, based on only the technical merits of the position. If a tax position does not meet the more-likely-than-not recognition threshold, the benefit of that position is not recognized in the financial statements.
- The second step is measurement. A tax position that meets the more-likely-than-not recognition threshold is measured to determine the amount of benefit to recognize in the financial statements. The tax position is measured as the largest amount of benefit that is greater than 50-percent likely of being realized upon ultimate resolution with a taxing authority. Uncertain tax positions are evaluated based upon the facts and circumstances that exist at each reporting period and involve significant management judgment. Subsequent changes in judgment based upon new information may lead to changes in recognition, de-recognition, and measurement. Adjustments may result, for example, upon resolution of an issue with the taxing authorities, or expiration of a statute of limitations barring an assessment for an issue.

The Company recognizes interest and penalties, if any, related to unrecognized tax benefits in income tax expense. The Company’s accounting policy follows the portfolio approach that leaves stranded income tax effects in AOCI.

Certain items are included in the Company's tax returns at different times than the items are reflected in the financial statements. As a result, the annual tax expense reflected in the consolidated statements of income is different than that reported in the tax returns. Some of these differences are permanent, such as non-deductible expenses, and some differences are temporary and reverse over time, such as depreciation expense. Temporary differences create deferred tax assets and liabilities, which are measured at existing tax rates. Deferred tax liabilities generally represent tax expense recognized in the financial statements for which payment has been deferred, or expense for which a deduction has been taken already in the tax return but the expense has not yet been recognized in the financial statements. Deferred tax assets generally represent items that can be used as a tax deduction or credit in tax returns in future years for which a benefit has already been recorded in the financial statements. The Company evaluates all significant available positive and negative evidence, including the existence of losses in recent years and its forecast of future taxable income by jurisdiction, in assessing the need for a valuation allowance. The Company also considers tax planning strategies that would result in realization of deferred tax assets, and the presence of taxable income in prior period tax filings in jurisdictions that allow for the carry back of tax attributes pursuant to the applicable tax law. The underlying assumptions the Company uses in forecasting future taxable income require significant judgment and take into account the Company's recent performance. The ultimate realization of deferred tax assets is dependent on the generation of future taxable income during the periods in which temporary differences or carry-forwards are deductible or creditable. Valuation allowances are established for deferred tax assets when it is estimated that it is more likely than not that future taxable income will be insufficient to fully use a deduction or credit in that jurisdiction.

Fair Value Determinations

Goodwill Impairment Testing – The Company is required to assess goodwill and any indefinite-lived intangible assets for impairment annually, or more frequently if circumstances indicate impairment may have occurred. The Company performs the annual impairment assessment for each of its reporting units during the third quarter of each year. In accordance with applicable accounting guidance, a company can assess qualitative factors to determine whether it is necessary to perform a quantitative goodwill impairment test. Alternatively, the Company may elect to proceed directly to the quantitative goodwill

impairment test. In 2020, the Company elected to perform a qualitative impairment assessment. As part of its assessment, the Company considered numerous factors, including:

- that the fair value of each reporting unit exceeds its carrying value by a substantial margin based on its most recent quantitative assessment in 2019;
- whether significant acquisitions or dispositions occurred which might alter the fair value of its reporting units;
- macroeconomic conditions and their potential impact on reporting unit fair values;
- actual performance compared with budget and prior projections used in its estimation of reporting unit fair values;
- industry and market conditions;
- and the year-over-year change in the Company's share price.

The Company completed its qualitative assessment in the third quarter of 2020 and concluded that a quantitative goodwill impairment test was not required in 2020 and that goodwill was not impaired.

Share-Based Payment

The accounting guidance for share-based payments requires, among other things, that the estimated grant date fair value of stock options be charged to earnings. Significant management judgment is required to determine the appropriate assumptions for inputs such as volatility and expected term necessary to estimate option values. In addition, management judgment is required to analyze the terms of the plans and awards granted thereunder to determine if awards will be treated as equity awards or liability awards, as defined by the accounting guidance.

As of December 31, 2020, there was $17.5 million of unrecognized compensation cost related to stock option awards. The weighted-average period over which the costs are expected to be recognized is 1.23 years. Also as of December 31, 2020, there was $347.7 million of unrecognized compensation cost related to the Company's restricted stock, restricted stock unit and performance stock unit awards. The weighted-average period over which that cost is expected to be recognized is approximately 1 year.

See Note 9 to the consolidated financial statements for additional information regarding accounting for share-based payments.

Investments and Derivatives

Although not directly recorded in the Company's consolidated balance sheets, the Company's defined benefit pension plans hold investments of approximately $19.1 billion, which include private equity and other non-liquid investments. The fair value of the plan investments determines, in part, the over-or under-funded status of those plans, which is included in the Company's consolidated balance sheets. The Company also has minority positions in certain equity securities (primarily Alexander Forbes), which are accounted for at fair value with gains or losses recorded as investment gains or losses in the consolidated statement of income. The Company also has approximately $111 million of investments in private equity funds accounted for using the equity method of accounting.

The Company reviews the carrying value of its investments (both direct and held through its pension plans) to determine if any valuation adjustments are appropriate under the applicable accounting pronouncements. The Company bases its review on the facts and circumstances as they relate to each investment. In those instances where quoted market prices are not available, particularly for private equity funds, significant management judgment is required to determine the appropriate value of the Company's investments. Fair value of investments in private equity funds is determined by the funds' investment managers. Factors considered in determining the fair value of private equity investments include: implied valuation of recently completed financing rounds that included sophisticated outside investors; performance multiples of comparable public companies; restrictions on the sale or disposal of the investments; trading characteristics of the securities; and the relative size of the holdings in comparison to other private investors and the public market float.

In connection with the JLT Transaction, the Company entered into several derivative contracts, described in Note 11 to the consolidated financial statements. These derivative contracts are recorded at fair value at the end of each period, with the change in fair value recorded in the consolidated statements of

income. Prior to their settlement, determination of the fair value of these contracts, in particular the deal contingent foreign exchange contract, required significant management judgments or estimates about the potential closing dates of the transaction and remaining value of the deal contingency feature. All derivative contracts related to the JLT Transaction were settled during 2019.

Purchase Price Allocation

Assets acquired and liabilities assumed, including contingent consideration, as part of a business acquisition are generally recorded at their fair value at the date of acquisition. The excess of purchase price over the fair value of assets acquired and liabilities assumed is recorded as goodwill. Determining fair value of identifiable assets, particularly intangibles, and liabilities acquired also requires management to make estimates, which are based on all available information and in some cases assumptions with respect to the timing and amount of future revenues and expenses associated with an asset. These estimates directly impact the amount of identified intangible assets recognized and the related amortization expense in future periods.

New Accounting Pronouncements

Note 1 to the consolidated financial statements contains a summary of the Company's significant accounting policies, including a discussion of recently issued accounting pronouncements and their impact or potential future impact on the Company's financial results, if determinable, under the sub-heading "New Accounting Pronouncements".

Reconciliation of Non-GAAP Measures

On April 1, 2019, the Company completed its acquisition of JLT. JLT's results of operations for the year ended December 31, 2020 are included in the Company's results of operations. JLT's results of operations for the three months ending March 31, 2019 are not included in the Company's results of operations for the twelve month period ended December 31, 2019. Prior to being acquired by the Company, JLT operated in three segments, Specialty, Reinsurance and Employee Benefits. As of April 1, 2019, the historical JLT businesses were combined into MMC operations as follows: JLT Specialty is included by geography within Marsh, JLT Reinsurance is included within Guy Carpenter and the majority of the JLT Employee Benefits business is included in Mercer Health and Wealth.

The JLT Transaction had a significant impact on the Company's results of operations in 2020. The Company believes that in addition to the change in reported GAAP revenue, a comparison of 2020 GAAP reported revenue to the combined 2019 revenue of MMC and JLT, as if the companies were combined on January 1, 2019, provides investors with meaningful information as to the Company's year-over-year underlying operating results. Investors should not consider the comparison of these non-GAAP measures in isolation from, or as a substitute for, the financial information that the Company reports in accordance with GAAP.

The "2019 Including JLT" revenue information set forth in the table below presents revenue information as if the companies were combined on January 1, 2019 and is not necessarily indicative of what the results would have been had we operated the business since January 1, 2019.

The MMC revenue amounts are as previously reported by the Company in its annual filing of Form 10-K for the year ended December 31, 2019. JLT 2019 revenue information is derived using the same policies and adjustments as the "JLT Supplemental Information - Revenue Analysis" furnished to the SEC on June 6, 2019 on Form 8-K, which is not incorporated by reference in this Form 10-K, and includes the revenue from JLT's aerospace business.

(In millions)		For the Year Ended December 31, 2019
MMC As Previously Reported		
Risk & Insurance Services		
Marsh	$	8,014
Guy Carpenter		1,480
Subtotal		9,494
Fiduciary interest income		105
Total Risk & Insurance Services		9,599
Consulting		
Mercer		5,021
Oliver Wyman Group		2,122
Total Consulting		7,143
Corporate eliminations		(90)
Total revenue	$	16,652
JLT 2019		
Specialty (Marsh)	$	232
Reinsurance (Guy Carpenter)		118
Employee Benefits (Mercer)		73
Subtotal		423
Fiduciary interest income		5
Total Revenue	$	428
2019 including JLT		
Marsh	$	8,246
Guy Carpenter		1,598
Subtotal		9,844
Fiduciary interest income		110
Total Risk & Insurance Services		9,954
Consulting		
Mercer		5,094
Oliver Wyman Group		2,122
Total Consulting		7,216
Corporate eliminations		(90)
Total revenue including JLT	$	17,080

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

Market Risk and Credit Risk

Certain of the Company's revenues, expenses, assets and liabilities are exposed to the impact of interest rate changes and fluctuations in foreign currency exchange rates and equity markets.

Interest Rate Risk and Credit Risk

Interest income generated from the Company's cash investments as well as invested fiduciary funds will vary with the general level of interest rates.

The Company had the following investments subject to variable interest rates:

(In millions of dollars)		**December 31, 2020**
Cash and cash equivalents invested in money market funds, certificates of deposit and time deposits	**$**	**2,089**
Fiduciary cash and investments	**$**	**8,585**

Based on the above balances, if short-term interest rates increased or decreased by 10%, or 3 basis points, over the full year, annual interest income, including interest earned on fiduciary funds, would increase or decrease by approximately $2 million.

In addition to interest rate risk, our cash investments and fiduciary fund investments are subject to potential loss of value due to counter-party credit risk. To minimize this risk, the Company and its subsidiaries invest pursuant to a Board approved investment policy. The policy mandates the preservation of principal and liquidity and requires broad diversification with counter-party limits assigned based primarily on credit rating and type of investment. The Company carefully monitors its cash and fiduciary fund investments and will further restrict the portfolio as appropriate to market conditions. The majority of cash and fiduciary fund investments are invested in short-term bank deposits and liquid money market funds.

Foreign Currency Risk

The translated values of revenue and expense from the Company's international operations are subject to fluctuations due to changes in currency exchange rates. The non-U.S. based revenue that is exposed to foreign exchange fluctuations is approximately 53% of total revenue. We periodically use forward contracts and options to limit foreign currency exchange rate exposure on net income and cash flows for specific, clearly defined transactions arising in the ordinary course of business. Although the Company has significant revenue generated in foreign locations which is subject to foreign exchange rate fluctuations, in most cases both the foreign currency revenue and expenses are in the functional currency of the foreign location. As such, under normal circumstances, the U.S. dollar translation of both the revenues and expenses, as well as the potentially offsetting movements of various currencies against the U.S. dollar, generally tends to mitigate the impact on net operating income of foreign currency risk. However, there have been periods where the impact was not mitigated due to external market factors, and external macroeconomic events may result in greater foreign exchange rate fluctuations in the future. If foreign exchange rates of major currencies (Euro, Sterling, Australian dollar and Canadian dollar) moved 10% in the same direction against the U.S. dollar compared with the foreign exchange rates in 2020, the Company estimates net operating income would increase or decrease by approximately $39 million. The Company has exposure to approximately 80 foreign currencies overall. In Continental Europe, the largest amount of revenue from renewals for the Risk & Insurance Services segment occurs in the first quarter.

Equity Price Risk

The Company holds investments in both public and private companies as well as private equity funds, including investments of approximately $72 million that are valued using readily determinable fair values and approximately $33 million of investments without readily determinable fair values. The Company also has investments of approximately $280 million that are accounted for using the equity method. The investments are subject to risk of decline in market value, which, if determined to be other than temporary for assets without readily determinable fair values, could result in realized impairment losses. The

Company periodically reviews the carrying value of such investments to determine if any valuation adjustments are appropriate under the applicable accounting pronouncements.

At December 31, 2020, the Company owns approximately 14% of the common stock of AF, a South African company listed on the Johannesburg Stock Exchange. The investment in AF is accounted at fair value, with unrealized gains and losses recorded as investment income in the consolidated statement of income. The fair value of this investment at December 31, 2020 was approximately $54 million.

Other

A number of lawsuits and regulatory proceedings are pending. See Note 16 ("Claims, Lawsuits and Other Contingencies") to the consolidated financial statements included in this report.

Item 8. Financial Statements and Supplementary Data

MARSH & McLENNAN COMPANIES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME

For the Years Ended December 31, *(In millions, except per share figures)*	**2020**	2019	2018
Revenue	**$ 17,224**	$ 16,652	$ 14,950
Expense:			
Compensation and benefits	**10,129**	9,734	8,605
Other operating expenses	**4,029**	4,241	3,584
Operating expenses	**14,158**	13,975	12,189
Operating income	**3,066**	2,677	2,761
Other net benefits credits	**257**	265	215
Interest income	**7**	39	11
Interest expense	**(515)**	(524)	(290)
Cost of extinguishment of debt	**—**	(32)	—
Investment (loss) income	**(22)**	22	(12)
Acquisition related derivative contracts	**—**	(8)	(441)
Income before income taxes	**2,793**	2,439	2,244
Income tax expense	**747**	666	574
Net income before non-controlling interests	**2,046**	1,773	1,670
Less: Net income attributable to non-controlling interests	**30**	31	20
Net income attributable to the Company	**$ 2,016**	$ 1,742	$ 1,650
Net income per share attributable to the Company			
– Basic	**$ 3.98**	$ 3.44	$ 3.26
– Diluted	**$ 3.94**	$ 3.41	$ 3.23
Average number of shares outstanding			
– Basic	**506**	506	506
– Diluted	**512**	511	511
Shares outstanding at December 31,	**508**	504	504

The accompanying notes are an integral part of these consolidated statements.

MARSH & McLENNAN COMPANIES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

For the Years Ended December 31, *(In millions)*	**2020**	2019	2018
Net income before non-controlling interests	**$ 2,046**	$ 1,773	$ 1,670
Other comprehensive income (loss), before tax:			
Foreign currency translation adjustments	**559**	148	(529)
Loss related to pension and post-retirement plans	**(784)**	(702)	(91)
Other comprehensive loss, before tax	**(225)**	(554)	(620)
Income tax credit on other comprehensive loss	**(170)**	(146)	(30)
Other comprehensive loss, net of tax	**(55)**	(408)	(590)
Comprehensive income	**1,991**	1,365	1,080
Less: Comprehensive income attributable to non-controlling interests	**30**	31	20
Comprehensive income attributable to the Company	**$ 1,961**	$ 1,334	$ 1,060

The accompanying notes are an integral part of these consolidated statements.

MARSH & McLENNAN COMPANIES, INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

December 31, *(In millions, except share figures)*		**2020**		2019
ASSETS				
Current assets:				
Cash and cash equivalents	**$**	**2,089**	$	1,155
Receivables				
Commissions and fees		**4,679**		4,608
Advanced premiums and claims		**112**		123
Other		**677**		645
		5,468		5,376
Less-allowance for credit losses		**(142)**		(140)
Net receivables		**5,326**		5,236
Other current assets		**740**		677
Total current assets		**8,155**		7,068
Goodwill		**15,517**		14,671
Other intangible assets		**2,699**		2,774
Fixed assets, net		**856**		858
Pension related assets		**1,768**		1,632
Right of use assets		**1,894**		1,921
Deferred tax assets		**702**		676
Other assets		**1,458**		1,757
	$	**33,049**	$	31,357
LIABILITIES AND EQUITY				
Current liabilities:				
Short-term debt	**$**	**517**	$	1,215
Accounts payable and accrued liabilities		**3,050**		2,746
Accrued compensation and employee benefits		**2,400**		2,197
Current lease liabilities		**342**		342
Accrued income taxes		**247**		179
Total current liabilities		**6,556**		6,679
Fiduciary liabilities		**8,585**		7,344
Less – cash and investments held in a fiduciary capacity		**(8,585)**		(7,344)
		—		—
Long-term debt		**10,796**		10,741
Pension, postretirement and postemployment benefits		**2,662**		2,336
Long-term lease liabilities		**1,924**		1,926
Liability for errors and omissions		**366**		335
Other liabilities		**1,485**		1,397
Commitments and contingencies		**—**		—
Equity:				
Preferred stock, $1 par value, authorized 6,000,000 shares, none issued		**—**		—
Common stock, $1 par value, authorized				
1,600,000,000 shares, issued 560,641,640 shares at December 31, 2020 and December 31, 2019		**561**		561
Additional paid-in capital		**943**		862
Retained earnings		**16,272**		15,199
Accumulated other comprehensive loss		**(5,110)**		(5,055)
Non-controlling interests		**156**		150
		12,822		11,717
Less – treasury shares, at cost, 52,914,550 shares at December 31, 2020 and 57,013,097 shares at December 31, 2019		**(3,562)**		(3,774)
Total equity		**9,260**		7,943
	$	**33,049**	$	31,357

The accompanying notes are an integral part of these consolidated statements.

MARSH & McLENNAN COMPANIES, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

For the Years Ended December 31, *(In millions)*	**2020**	2019	2018
Operating cash flows:			
Net income before non-controlling interests	**$ 2,046**	$ 1,773	$ 1,670
Adjustments to reconcile net income to cash provided by operations:			
Depreciation and amortization of fixed assets and capitalized software	**390**	333	311
Amortization of intangible assets	**351**	314	183
Non cash lease expense	**355**	315	—
Adjustments and payments related to contingent consideration liability	**(22)**	27	(4)
Loss on deconsolidation of entity	**—**	—	11
Charge for early extinguishment of debt	**—**	32	—
Provision (benefit) for deferred income taxes	**40**	84	(39)
Loss (gain) on investments	**22**	(22)	12
Loss (gain) on disposition of assets	**24**	56	(48)
Share-based compensation expense	**290**	252	193
Change in fair value of acquisition-related derivative contracts	**—**	8	441
Changes in assets and liabilities:			
Net receivables	**(75)**	(130)	(78)
Other current assets	**(66)**	(13)	26
Other assets	**86**	(1)	(37)
Accounts payable and accrued liabilities	**241**	120	23
Accrued compensation and employee benefits	**207**	154	68
Accrued income taxes	**60**	42	(40)
Contributions to pension and other benefit plans and current year credit	**(356)**	(369)	(291)
Other liabilities	**108**	(172)	9
Operating lease liabilities	**(351)**	(327)	—
Effect of exchange rate changes	**32**	(115)	18
Net cash provided by operations	**3,382**	2,361	2,428
Financing cash flows:			
Purchase of treasury shares	**—**	(485)	(675)
Net increase in short term borrowings	**1,000**	300	—
Proceeds from issuance of debt	**737**	6,459	591
Repayments of debt	**(2,515)**	(1,064)	(263)
Payment of bridge loan fees	**—**	—	(35)
Payments for early extinguishment of debt	**—**	(585)	—
Purchase of non-controlling interests	**(3)**	(80)	—
Acquisition-related derivative payments	**—**	(337)	—
Shares withheld for taxes on vested units – treasury shares	**(132)**	(89)	(67)
Issuance of common stock from treasury shares	**132**	158	93
Payments of deferred and contingent consideration for acquisitions	**(122)**	(65)	(117)
Distributions of non-controlling interests	**(34)**	(16)	(30)
Dividends paid	**(943)**	(890)	(807)
Net cash (used for) provided by financing activities	**(1,880)**	3,306	(1,310)
Investing cash flows:			
Capital expenditures	**(348)**	(421)	(314)
Net sales (purchases) of long-term investments	**107**	183	4
Purchase of equity investment	**—**	(91)	—
Proceeds from sales of fixed assets	**6**	10	3
Dispositions	**98**	229	110
Acquisitions	**(668)**	(5,505)	(884)
Other, net	**(9)**	(76)	(8)
Net cash used for investing activities	**(814)**	(5,671)	(1,089)
Effect of exchange rate changes on cash and cash equivalents	**246**	93	(168)
Increase (decrease) in cash and cash equivalents	**934**	89	(139)
Cash and cash equivalents at beginning of year	**1,155**	1,066	1,205
Cash and cash equivalents at end of year	**$ 2,089**	$ 1,155	$ 1,066

The accompanying notes are an integral part of these consolidated statements.

MARSH & McLENNAN COMPANIES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF EQUITY

For the Years Ended December 31, *(In millions, except per share figures)*		**2020**		2019		2018
COMMON STOCK						
Balance, beginning and end of year	**$**	**561**	$	561	$	561
ADDITIONAL PAID-IN CAPITAL						
Balance, beginning of year	**$**	**862**	$	817	$	784
Change in accrued stock compensation costs		**75**		89		66
Issuance of shares under stock compensation plans and employee stock purchase plans		**7**		(44)		(35)
Other		**(1)**		—		2
Balance, end of year	**$**	**943**	$	862	$	817
RETAINED EARNINGS						
Balance, beginning of year	**$**	**15,199**	$	14,347	$	13,140
Net income attributable to the Company		**2,016**		1,742		1,650
Cumulative effect of adoption of the revenue recognition standard (See Note 1)		**—**		—		364
Dividend equivalents declared and paid - (per share amounts: $1.84 in 2020, $1.74 in 2019, and $1.58 in 2018)		**(11)**		(10)		(7)
Dividends declared and paid – (per share amounts: $1.84 in 2020, $1.74 in 2019, and $1.58 in 2018)		**(932)**		(880)		(800)
Balance, end of year	**$**	**16,272**	$	15,199	$	14,347
ACCUMULATED OTHER COMPREHENSIVE LOSS						
Balance, beginning of year	**$**	**(5,055)**	$	(4,647)	$	(4,043)
Cumulative effect of adoption of the financial instruments standard (See Note 1)		**—**		—		(14)
Other comprehensive loss, net of tax		**(55)**		(408)		(590)
Balance, end of year	**$**	**(5,110)**	$	(5,055)	$	(4,647)
TREASURY SHARES						
Balance, beginning of year	**$**	**(3,774)**	$	(3,567)	$	(3,083)
Issuance of shares under stock compensation plans and employee stock purchase plans		**212**		278		191
Purchase of treasury shares		**—**		(485)		(675)
Balance, end of year	**$**	**(3,562)**	$	(3,774)	$	(3,567)
NON-CONTROLLING INTERESTS						
Balance, beginning of year	**$**	**150**	$	73	$	83
Net income attributable to non-controlling interests		**30**		31		20
Distributions and other changes		**(21)**		(27)		(30)
Net non-controlling interests acquired		**(3)**		73		—
Balance, end of year	**$**	**156**	$	150	$	73
TOTAL EQUITY	**$**	**9,260**	$	7,943	$	7,584

The accompanying notes are an integral part of these consolidated statements.

1. Summary of Significant Accounting Policies

Nature of Operations: Marsh & McLennan Companies, Inc. (the "Company"), a global professional services firm, is organized based on the different services that it offers. Under this structure, the Company's two business segments are Risk and Insurance Services and Consulting.

The Risk and Insurance Services segment provides risk management solutions, services, advice and insurance broking, reinsurance broking and insurance program management services for businesses, public entities, insurance companies, associations, professional services organizations, and private clients. The Company conducts business in this segment through Marsh and Guy Carpenter.

The Company conducts business in its Consulting segment through Mercer and Oliver Wyman Group. Mercer provides consulting expertise, advice, services and solutions in the areas of health, wealth and career consulting services and products. Oliver Wyman Group provides specialized management and economic and brand consulting services.

Business Update Related To COVID-19

In March 2020, the World Health Organization declared the Coronavirus (COVID-19) a pandemic. The pandemic has impacted essentially every geography in which the Company operates. Governments implemented various restrictions around the world, including closure of non-essential businesses, travel, shelter-in-place requirements for citizens and other restrictions. The Company has taken a number of precautionary steps to safeguard its businesses and colleagues from COVID-19, including implementing travel restrictions, arranging work from home capabilities and flexible work policies. In the second and third quarters of 2020, the Company began re-opening offices in various locations around the world, while ensuring that it continued to adhere to guidelines and orders issued by national, state and local governments. The timing of additional office re-openings will vary based on the conditions and restrictions in each location. In the fourth quarter, there was a surge in COVID-19 infections in many parts of the world, leading to renewed lock-downs and increased government restrictions. The safety and well-being of our colleagues continues to be our first priority. Several vaccines have been or are in various stages of approval. However, the speed of distribution and the impact on colleagues' ability to return to the office remains uncertain. The vast majority of the Company's colleagues have continued and will continue working in a remote work environment for most of 2021. The Company expects it will continue its ability to service clients effectively while colleagues remain in a remote work environment.

For the year ended December 31, 2020, the COVID-19 pandemic had an adverse impact on the Company's revenue growth, primarily in our businesses that are discretionary in nature, which was partly mitigated through disciplined expense management by implementing restrictions on travel and other cost containment measures. However, the ultimate extent of the COVID-19 impact to the Company will depend on numerous evolving factors and future developments that it is not able to predict.

On April 1, 2019, the Company completed the acquisition (the "Transaction") of all of the outstanding shares of Jardine Lloyd Thompson Group plc ("JLT"), a public company organized under the laws of England and Wales. JLT's results of operations for the period April 1, 2019 through December 31, 2019 are included in the Company's results of operations for 2019. JLT's results of operations for the period January 1 through March 31, 2019 and for the year ended 2018 are not included in the Company's results of operations and therefore, affect comparability. Prior to being acquired by the Company, JLT operated in three segments: Specialty, Reinsurance and Employee Benefits. JLT operated in 41 countries, with significant revenue in the United Kingdom, Pacific, Asia and the United States. As of April 1, 2019, the historical JLT businesses were combined into MMC operations as follows: JLT Specialty is included by geography within Marsh, JLT Reinsurance is included in Guy Carpenter and the majority of JLT's Employee Benefits business is included in Mercer Health and Wealth. As of December 31, 2020, the Company has substantially integrated JLT into all of its business operations.

Principles of Consolidation: The accompanying consolidated financial statements include all wholly-owned and majority-owned subsidiaries. All significant inter-company transactions and balances have been eliminated.

Revenue: The Company provides detailed discussion regarding its revenue policies in Note 2 to the consolidated financial statements.

Cash and Cash Equivalents: Cash and cash equivalents primarily consist of certificates of deposit and time deposits, with original maturities of three months or less, and money market funds. The estimated fair value of the Company's cash and cash equivalents approximates their carrying value. The Company is required to maintain operating funds primarily related to regulatory requirements outside the United States or as collateral under captive insurance arrangements. At December 31, 2020, the Company maintained $270 million related to these regulatory requirements.

Fixed Assets: Fixed assets are stated at cost less accumulated depreciation and amortization. Expenditures for improvements are capitalized. Upon sale or retirement of an asset, the cost and related accumulated depreciation and amortization are removed from the accounts and any gain or loss is reflected in income. Expenditures for maintenance and repairs are charged to operations as incurred.

Depreciation of buildings, building improvements, furniture, and equipment is provided on a straight-line basis over the estimated useful lives of these assets. Furniture and equipment is depreciated over periods ranging from three to ten years. Leasehold improvements are amortized on a straight-line basis over the periods covered by the applicable leases or the estimated useful life of the improvement, whichever is less. Buildings are depreciated over periods ranging from thirty to forty years. The Company periodically reviews long-lived assets for impairment whenever events or changes indicate that the carrying value of assets may not be recoverable.

The components of fixed assets are as follows:

December 31, *(In millions of dollars)*		**2020**		2019
Furniture and equipment	**$**	**1,326**	$	1,268
Land and buildings		**379**		377
Leasehold and building improvements		**1,310**		1,214
		3,015		2,859
Less-accumulated depreciation and amortization		**(2,159)**		(2,001)
	$	**856**	$	858

Investments: The caption "Investment (loss) income" in the consolidated statements of income comprises realized and unrealized gains and losses from investments recognized in earnings. It includes, when applicable, other than temporary declines in the value of securities, mark-to-market increases or decreases in equity investments with readily determinable fair values and equity method gains or losses on the Company's investments in private equity funds.

The Company holds investments in certain private equity funds. Investments in private equity funds are accounted for under the equity method of accounting using a consistently applied three-month lag period adjusted for any known significant changes from the lag period to the reporting date of the Company. The underlying private equity funds follow investment company accounting, where investments within the fund are carried at fair value. Investment gains or losses for its proportionate share of the change in fair value of the funds are recorded in earnings. Investments using the equity method of accounting are included in "other assets" in the consolidated balance sheets.

In 2020, the Company recorded an investment loss of $22 million compared to investment income of $22 million in 2019 and investment loss of $12 million in 2018. The net investment loss in 2020 is primarily due to the $23 million loss from the sale of shares of AF during the second quarter of 2020. The investment gain in 2019 includes gains of $10 million related to mark-to-market changes in equity securities and gains of $12 million related to investments in private equity funds and other investments. The investment loss in 2018 includes an impairment charge of $83 million related to its investment in AF. The net investment loss in 2018 also includes gains of $54 million related to mark-to-market changes in equity securities and gains of $17 million related to investments in private equity funds and other investments.

Goodwill and Other Intangible Assets: Goodwill represents acquisition costs in excess of the fair value of net assets acquired. Goodwill is assessed at least annually for impairment. The Company performs an annual impairment test for each of its reporting units during the third quarter of each year. In accordance with applicable accounting guidance, a company can assess qualitative factors to determine whether it is necessary to perform a goodwill impairment test. Alternatively, a company may elect to proceed directly to the quantitative goodwill impairment test. When a quantitative test is performed, fair values of the reporting units are estimated using either a market approach or a discounted cash flow model. Carrying values for the reporting units are based on balances at the prior quarter-end and include directly identified assets and liabilities as well as an allocation of those assets and liabilities not recorded at the reporting unit level. As discussed in Note 6, the Company elected to perform a qualitative impairment assessment during 2020. Other intangible assets, which primarily consist of acquired customer lists, that are not deemed to have an indefinite life, are amortized over their estimated lives, typically ranging from 10 to 15 years, and assessed for impairment upon the occurrence of certain triggering events in accordance with applicable accounting literature. The Company had no indefinite lived identified intangible assets at December 31, 2020 and 2019.

Capitalized Software Costs: The Company capitalizes certain costs to develop, purchase or modify software for the internal use of the Company. These costs are amortized on a straight-line basis over periods ranging from 3 to 10 years. Costs incurred during the preliminary project stage and post implementation stage, are expensed as incurred. Costs incurred during the application development stage are capitalized. Costs related to updates and enhancements are only capitalized if they will result in additional functionality. Capitalized computer software costs of $481 million and $496 million, net of accumulated amortization of $1.6 billion and $1.4 billion as of December 31, 2020 and 2019, respectively, are included in other assets in the consolidated balance sheets.

Legal and Other Loss Contingencies: The Company and its subsidiaries are subject to a significant number of claims, lawsuits and proceedings including claims for errors and omissions ("E&O"). The preparation of financial statements in conformity with accounting principles generally accepted in the United States ("GAAP") requires that a liability be recorded when a loss is both probable and reasonably estimable. Significant management judgment is required to apply this guidance. The Company utilizes case level reviews by inside and outside counsel, an internal actuarial analysis by Oliver Wyman, a subsidiary of the Company, and other methods to estimate potential losses, including estimated legal costs. The liability is reviewed quarterly and adjusted as developments warrant. In many cases, the Company has not recorded a liability, other than for legal fees to defend the claim, because we are unable, at the present time, to make a determination that a loss is both probable and reasonably estimable. Given the unpredictability of E&O claims and of litigation that could flow from them, it is possible that an adverse outcome in a particular matter could have a material adverse effect on the Company’s businesses, results of operations, financial condition or cash flow in a given quarterly or annual period.

As of December 31, 2020, the Company’s liability for errors and omissions was $639 million, compared to $484 million at December 31, 2019, of which $271 million and $149 million, respectively, were included in accounts payable and accrued liabilities in the Consolidated Balance Sheets.

In addition, to the extent that insurance coverage is available, significant management judgment is required to determine the amount of recoveries that are probable of collection under the Company’s various insurance programs.

The legal and other contingent liabilities described above are not discounted.

Income Taxes: The Company's effective tax rate reflects its income, statutory tax rates and tax planning in the various jurisdictions in which it operates. Significant judgment is required in determining the annual tax provision and in evaluating uncertain tax positions and the ability to realize deferred tax assets.

The Company reports a liability for unrecognized tax benefits resulting from uncertain tax positions taken or expected to be taken in a tax return. The evaluation of a tax position is a two-step process. The first step involves recognition. The Company determines whether it is more likely than not that a tax position will be sustained upon tax examination, including resolution of any related appeals or litigation, based on only the technical merits of the position. The technical merits of a tax position derive from both statutory and judicial authority (legislation and statutes, legislative intent, regulations, rulings, and case law) and

their applicability to the facts and circumstances of the tax position. If a tax position does not meet the more-likely-than-not recognition threshold, the benefit of that position is not recognized in the financial statements. The second step is measurement. A tax position that meets the more-likely-than-not recognition threshold is measured to determine the amount of benefit to recognize in the financial statements. The tax position is measured as the largest amount of benefit that is greater than 50 percent likely to be realized upon ultimate resolution with a taxing authority. Uncertain tax positions are evaluated based upon the facts and circumstances that exist at each reporting period. Subsequent changes in judgment based upon new information may lead to changes in recognition, de-recognition, and measurement. Adjustments may result, for example, upon resolution of an issue with the taxing authorities, or expiration of a statute of limitations barring an assessment for an issue. The Company recognizes interest and penalties, if any, related to unrecognized tax benefits in income tax expense.

Tax law may require items be included in the Company's tax returns at different times than the items are reflected in the financial statements. As a result, the annual tax expense reflected in the consolidated statements of income is different than that reported in the income tax returns. Some of these differences are permanent, such as expenses that are not deductible in the returns, and some differences are temporary and reverse over time, such as depreciation expense. Temporary differences create deferred tax assets and liabilities. Deferred tax assets generally represent items that can be used as a tax deduction or credit in tax returns in future years for which benefit has already been recorded in the financial statements. Valuation allowances are established for deferred tax assets when it is estimated that future taxable income will be insufficient to use a deduction or credit in that jurisdiction. Deferred tax liabilities generally represent tax expense recognized in the financial statements for which payment has been deferred, or expense for which a deduction has been taken already in the tax return but the expense has not yet been recognized in the financial statements.

Integration and Restructuring Charges: Severance and related costs are recognized based on amounts due under established severance plans or estimates of one-time benefits that will be provided. Typically, severance benefits are recognized when the impacted colleagues are notified of their expected termination and such termination is expected to occur within the legally required notification period. These costs are included in compensation and benefits in the consolidated statements of income.

Costs for real estate consolidation are recognized based on the type of cost, and the expected future use of the facility. For locations where the Company does not expect to sub-lease the property, the amortization of any right-of-use asset is accelerated from the decision date to the cease use date. For locations where the Company expects to sub-lease the properties subsequent to its vacating the property, the right-of-use asset is reviewed for potential impairment at the earlier of the cease use date or the date a sub-lease is signed. To determine the amount of impairment, the fair value of the right-of-use asset is determined based on the present value of the estimated net cash flows related to the property. Contractual costs outside of the right-of-use asset are recognized based on the net present value of expected future cash outflows for which the Company will not receive any benefit. Such amounts are reliant on estimates of future sub-lease income to be received and future contractual costs to be incurred.

These costs are included in other operating expenses in the consolidated statements of income.

Other costs related to integration and restructuring, such as moving, legal or consulting costs are recognized as incurred. These costs are included in other operating expenses in the consolidated statements of income.

Derivative Instruments: All derivatives, whether designated in hedging relationships or not, are recorded on the balance sheet at fair value. If the derivative is designated as a fair value hedge, the changes in the fair value of the derivative and of the hedged item attributable to the hedged risk are recognized in earnings. The fair value of the derivative is recorded in the consolidated balance sheet in other receivables or accounts payable and accrued liabilities. If the derivative is designated as a cash flow hedge, the effective portions of changes in the fair value of the derivative are recorded in other comprehensive income and are recognized in the income statement when the hedged item affects earnings. Changes in the fair value attributable to the ineffective portion of cash flow hedges are recognized in earnings. If a derivative is not designated as an accounting hedge, the change in fair value is recorded in earnings.

Concentrations of Credit Risk: Financial instruments which potentially subject the Company to concentrations of credit risk consist primarily of cash and cash equivalents, commissions and fees receivable and insurance recoverables. The Company maintains a policy providing for the diversification of cash and cash equivalent investments and places its investments in a large number of high quality financial institutions to limit the amount of credit risk exposure. Concentrations of credit risk with respect to receivables are generally limited due to the large number of clients and markets in which the Company does business, as well as the dispersion across many geographic areas.

Per Share Data: Basic net income per share attributable to the Company is calculated by dividing the after-tax income attributable to the Company by the weighted average number of outstanding shares of the Company's common stock.

Diluted net income per share attributable to the Company is calculated by dividing the after-tax income attributable to the Company by the weighted average number of outstanding shares of the Company's common stock, which have been adjusted for the dilutive effect of potentially issuable common shares.

Basic and Diluted EPS Calculation			
(In millions, except per share figures)	**2020**	2019	2018
Net income before non-controlling interests	**$ 2,046**	$ 1,773	$ 1,670
Less: Net income attributable to non-controlling interests	**30**	31	20
Net income attributable to the Company	**$ 2,016**	$ 1,742	$ 1,650
Basic weighted average common shares outstanding	**506**	506	506
Dilutive effect of potentially issuable common shares	**6**	5	5
Diluted weighted average common shares outstanding	**512**	511	511
Average stock price used to calculate common stock equivalents	**$ 109.12**	$ 97.23	$ 83.13

Fiduciary Assets and Liabilities: In its capacity as an insurance broker or agent, generally the Company collects premiums from insureds and after deducting its commissions, remits the premiums to the respective insurance underwriters. The Company also collects claims or refunds from underwriters on behalf of insureds. Unremitted insurance premiums and claims proceeds are held by the Company in a fiduciary capacity. Risk and Insurance Services revenue includes interest on fiduciary funds of $46 million, $105 million and $65 million in 2020, 2019 and 2018, respectively. The Consulting segment recorded fiduciary interest income of $1 million, $4 million and $3 million in 2020, 2019 and 2018, respectively. Since fiduciary assets are not available for corporate use, they are shown in the consolidated balance sheets as an offset to fiduciary liabilities.

Net uncollected premiums and claims and the related payables were $11.2 billion and $8.9 billion at December 31, 2020 and 2019, respectively. The Company is not a principal to the contracts under which the right to receive premiums or the right to receive reimbursement of insured losses arises. Accordingly, net uncollected premiums and claims and the related payables are not assets and liabilities of the Company and are not included in the accompanying consolidated balance sheets.

In certain instances, the Company advances premiums, refunds or claims to insurance underwriters or insureds prior to collection. These advances are made from corporate funds and are reflected in the accompanying consolidated balance sheets as receivables.

Mercer manages assets in trusts or funds for which Mercer's management or trustee fee is not considered a variable interest, since the fees are commensurate with the level of effort required to provide those services. Mercer is not the primary beneficiary of these trusts or funds. Mercer's maximum exposure to loss of its interests is, therefore, limited to collection of its fees.

Estimates: The preparation of the consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expense during the reporting period. On an ongoing basis, the Company evaluates its estimates, judgments and methodologies. The estimates are based on historical experience and on various other assumptions that the Company believes are reasonable. Such matters include:

- the allowance for current expected credit losses on receivables,
- estimates of revenue,
- impairment assessments and charges,
- recoverability of long-lived assets,
- liabilities for errors and omissions,
- deferred tax assets, uncertain tax positions and income tax expense,
- share-based and incentive compensation expense,
- useful lives assigned to long-lived assets, and depreciation and amortization,
- fair value estimates of contingent consideration receivable or payable related to acquisitions or dispositions

The Company believes these estimates are reasonable based on information currently available at the time they are made. In most situations where estimates, fair values or recoverability of assets is dependent upon short or long term projections of cash flows, revenues or earnings before interest, taxes, depreciation and amortization ("EBITDA"), the Company has based its projections assuming the gradual lifting of global lockdowns during 2021. The Company has also considered potential impacts to its customer base in various industries and geographies. The ultimate extent to which the COVID-19 pandemic will directly or indirectly impact the Company's businesses, results of operations and financial condition will depend on future developments that are highly uncertain, including new information that may emerge concerning COVID-19 and the actions taken to contain it or treat it, and the economic impact on local, regional, national and international customers and markets. Actual results may differ from these estimates.

New Accounting Pronouncements Adopted Effective January 1, 2021

In January 2020, the FASB issued guidance that addresses accounting for the transition into and out of the equity method and measuring certain purchased options and forward contract to acquire investments. The standard takes effect for public business entities for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2020. The adoption of this standard did not have a material impact on the Company's financial position or its results of operations.

In December 2019, the FASB issued guidance related to the accounting for income taxes. The standard removes specific exceptions in the current rules and eliminates the need for an organization to analyze whether the following apply in a given period: (a) exception to the incremental approach for intraperiod tax allocation; (b) exceptions to accounting for basis differences when there are ownership changes in foreign investments and (c) exception in interim period income tax accounting for year-to-date losses that exceed anticipated losses. The standard also is designed to improve financial statement preparers' application of income tax-related guidance and simplify GAAP for (a) franchise taxes that are partially based on income; (b) transactions with a government that result in a step-up in the tax basis of goodwill; (c) separate financial statements of legal entities that are not subject to tax and (d) enacted changes in tax laws in interim periods. The standard takes effect for public business entities for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2020. The adoption of this standard did not have a material impact on the Company's financial position or its results of operations.

New Accounting Pronouncements Adopted Effective January 1, 2020:

In August 2018, the FASB issued new guidance that amends required fair value measurement disclosures. The guidance adds new requirements, eliminates some current disclosures and modifies other required disclosures. The new disclosure requirements, along with modifications made to disclosures as a result of the change in requirements for narrative descriptions of measurement uncertainty, must be applied on a prospective basis. The effects of all other amendments included in the guidance must be applied retrospectively for all periods presented. The adoption of this guidance impacted disclosures only and did not have an impact on the Company's financial position or results of operations.

In August 2018, the FASB issued new guidance that amends disclosures related to Defined Benefit Plans. The guidance removes disclosures that no longer are considered cost-beneficial, clarifies the specific

requirements of certain disclosures, and adds disclosure requirements identified as relevant. The guidance must be applied on a retrospective basis. Adoption of this guidance impacted disclosures only and did not have an impact on the Company's financial position or results of operations.

In January 2017, the FASB issued new guidance to simplify the test for goodwill impairment. The new guidance eliminates the second step in the current two-step goodwill impairment process, under which a goodwill impairment loss is measured by comparing the implied fair value of a reporting unit's goodwill with the carrying amount of that goodwill for that reporting unit. The new guidance requires a one-step impairment test, in which the goodwill impairment charge is based on the amount by which the carrying amount exceeds the reporting unit's fair value; however, the loss recognized should not exceed the total amount of goodwill allocated to that reporting unit. An entity still has the option to perform the qualitative assessment for a reporting unit to determine if the quantitative impairment test is necessary. The guidance should be applied on a prospective basis with the nature of and reason for the change in accounting principle disclosed upon transition. The adoption of this standard did not have an impact on the Company's financial position or results of operations.

In June 2016, the FASB issued new guidance on the impairment of financial instruments. The new guidance adds an allowance for credit losses ("CECL") impairment model that is based on expected losses rather than incurred losses. Under the new guidance, an entity recognizes as an allowance its estimate of lifetime expected credit losses, which the FASB believes will result in more timely recognition of such losses. The new standard is also intended to reduce the complexity of U.S. GAAP by decreasing the number of credit impairment models that entities use to account for debt instruments. Further, the new standard makes targeted changes to the impairment model for available-for-sale debt securities. The adoption of this standard did not have a material impact on the Company's financial position or results of operations.

New Accounting Pronouncements Effective January 1, 2019:

The following new accounting standard was adopted using a modified retrospective approach through a cumulative-effect adjustment to retained earnings as of January 1, 2019:

Leases

Effective January 1, 2019, the Company adopted new guidance intended to improve financial reporting for leases. Under the new guidance, a lessee is required to recognize assets and liabilities for leases. Consistent with legacy GAAP, the recognition, measurement and presentation of expenses and cash flows arising from a lease by a lessee will depend on the classification of the lease as financing or operating. However, unlike legacy GAAP, which requires that only capital leases are recognized on the balance sheet, the new guidance requires that both operating and financing leases be recognized on the balance sheet. The Company adopted this new standard using a modified retrospective method, applying the new guidance as of the beginning of the year of adoption, with a cumulative effect of initially applying the guidance recognized as an adjustment to retained earnings at January 1, 2019. Therefore, prior period information has not been restated. The Company has elected the package of practical expedients, which among other things, allows historical lease classifications to be carried forward. The Company did not elect the hindsight practical expedient in determining lease term and impairment of an entity's Right of Use Assets ("ROU assets"). On January 1, 2019, the Company recognized a lease liability of $1.9 billion and ROU asset of $1.7 billion, related to real estate operating leases. The ROU asset also reflected reclassification adjustments primarily from other liabilities related to existing deferred rent, unamortized lease incentives and restructuring liabilities of approximately $200 million upon adoption. There was no cumulative-effect adjustment required to be booked to retained earnings upon transition. The adoption of this standard did not have a material impact on our income statement as compared to prior periods.

The following new accounting standards were adopted prospectively as of January 1, 2019:

Derivatives and Hedging

Effective January 1, 2019, the Company adopted new guidance intended to refine and expand hedge accounting for both financial and commodity risks. The guidance creates more transparency around how economic results are presented in both the financial statements and the footnotes, as well as making targeted improvements to simplify the application of hedge accounting guidance. The adoption of this standard did not have an impact on the Company's financial position or results of operations.

Reclassification of Certain Tax Effects from Accumulated Other Comprehensive Income

Effective January 1, 2019, the Company adopted new guidance that allowed an entity to reclassify the stranded tax effects resulting from the Tax Cuts and Job Act (the "TCJA") from accumulated other comprehensive income ("AOCI") to retained earnings. The guidance is effective for the period beginning January 1, 2019. The Company elected not to reclassify the stranded income tax effects of the TCJA from AOCI to retained earnings. The adoption of this standard had no impact on the Company's financial position or results of operations. The Company's accounting policy related to releasing income tax effects from AOCI follows the portfolio approach.

2. Revenue

The core principle of the revenue recognition guidance is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. To achieve that principle, the entity applies the following steps: identify the contract(s) with the customer, identify the performance obligations in the contract(s), determine the transaction price, allocate the transaction price to the performance obligations in the contract and recognize revenue when (or as) the entity satisfies a performance obligation. In accordance with the accounting guidance, a performance obligation is satisfied either at a "point in time" or "over time" depending on the nature of the product or service provided, and the specific terms of the contract with customers.

Other revenue included in the consolidated statements of income that is not from contracts with customers is less than 1% of total revenue, and therefore is not presented as a separate line item.

Risk and Insurance Services

Risk and Insurance Services revenue reflects compensation for brokerage and consulting services through commissions and fees. Commission rates and fees vary in amount and can depend upon a number of factors, including the type of insurance or reinsurance coverage provided, the particular insurer or reinsurer selected, and the capacity in which the broker acts and negotiates with clients. For the majority of the insurance and reinsurance brokerage arrangements, advice and services provided which culminate in the placement of an effective policy are considered a single performance obligation. Arrangements with clients may include the placement of a single policy, multiple policies or a combination of policy placements and other services. Consideration related to such "bundled arrangements" is allocated to the individual performance obligations based on their relative fair value. Revenue for policy placement is generally recognized on the policy effective date, at which point control over the services provided by the Company has transferred to the client and the client has accepted the services. In many cases, fee compensation may be negotiated in advance, based on the type of risk, coverage required and service provided by the Company and ultimately, the extent of the risk placed into the insurance market or retained by the client. The trends and comparisons of revenue from one period to the next can be affected by changes in premium rate levels, fluctuations in client risk retention and increases or decreases in the value of risks that have been insured, as well as new and lost business, and the volume of business from new and existing clients. For such arrangements, revenue is recognized using output measures, which correspond to the progress toward completing the performance obligation. Fees for non-risk transfer services provided to clients are recognized over time in the period the services are provided, using a proportional performance model, primarily based on input measures. These measures of progress provide a faithful depiction of the progress towards completion of the performance obligation.

Revenue related to reinsurance brokerage for excess of loss ("XOL") treaties is estimated based on contractually specified minimum or deposit premiums, and adjusted as additional evidence of the ultimate amount of brokerage is received. Revenue for quota share treaties is estimated based on indications of estimated premium income provided by the ceding insurer. The estimated brokerage revenue recognized for quota share treaties is constrained to an amount that is probable to not have a significant negative adjustment. The estimated revenue and the constraint are evaluated as additional evidence of the ultimate amount of underlying risks to be covered is received over the 12 to 18 months following the effective date of the placement.

In addition to commissions and fees from its clients, the Company also receives other compensation from insurance companies. This other insurer compensation includes, among other things, payments for consulting and analytics services provided to insurers, fees for administrative and other services provided to or on behalf of insurers (including services relating to the administration and management of quota shares, panels and other facilities in which insurers participate). The Company is also eligible for certain contingent commissions from insurers based on the attainment of specified metrics (i.e., volume and loss ratio measures) relating to Marsh's placements, particularly in Marsh & McLennan Agency ("MMA") and in parts of Marsh's international operations. Revenue for contingent commissions from insurers is estimated based on historical evidence of the achievement of the respective contingent metrics and recorded as the underlying policies that contribute to the achievement of the metric are placed. Due to the uncertainty of the amount of contingent consideration that will be received, the estimated revenue is constrained to an amount that is probable to not have a significant negative adjustment. Contingent consideration is generally received in the first quarter of the subsequent year.

A significant majority of the Company's Risk and Insurance Services revenue is for performance obligations recognized at a point in time. Marsh and Guy Carpenter also receive interest income on certain funds (such as premiums and claims proceeds) held in a fiduciary capacity for others.

Insurance brokerage commissions are generally invoiced on the policy effective date. Fee based arrangements generally include a percentage of the total fee due upon signing the arrangement, with additional fixed installments payable over the remainder of the year. Payment terms range from receipt of invoice up to 30 days from invoice date.

Reinsurance brokerage revenue is recognized on the effective date of the treaty. Payment terms depend on the type of reinsurance. For XOL treaties, brokerage revenue is typically collected in four installments during an annual treaty period based on a contractually specified minimum or deposit premium. For proportional or quota share treaties, brokerage is billed as underlying insured risks attach to the reinsurance treaty, generally over 12 to 18 months.

Consulting

The major component of revenue in the Consulting business is fees paid by clients for advice and services. Mercer, principally through its health line of business, also receives revenue in the form of commissions received from insurance companies for the placement of group (and occasionally individual) insurance contracts, primarily health, life and accident coverages. Revenue for Mercer’s investment management business and certain of Mercer’s defined benefit administration services consists principally of fees based on assets under delegated management or administration.

Consulting projects in Mercer’s wealth and career businesses, as well as consulting projects in Oliver Wyman Group, typically consist of a single performance obligation, which is recognized over time as control is transferred continuously to customers. Typically, revenue is recognized over time using an input measure of time expended to date relative to total estimated time to be incurred at project completion. Incurred hours represent services rendered and thereby faithfully depicts the transfer of control to the customer.

On a limited number of engagements, performance fees may also be earned for achieving certain prescribed performance criteria. Revenue for achievement is estimated and constrained to an amount that is probable to not have a significant negative adjustment.

A significant majority of fee revenues in the Consulting segment is recognized over time.

For consulting projects, Mercer generally invoices monthly in arrears with payment due within 30 days of the invoice date. Fees for delegated management services are either deducted from the net asset value of the fund or invoiced to the client on a monthly or quarterly basis in arrears. Oliver Wyman Group typically bills its clients 30-60 days in arrears with payment due upon receipt of the invoice.

Health brokerage and consulting services are components of both Marsh, which includes MMA, and Mercer, with approximately 60% of such revenues reported in Mercer. Health contracts typically involve a series of distinct services that are treated as a single performance obligation. Revenue for these services is recognized over time based on the amount of remuneration the Company expects to be entitled in exchange for these services. Payments for health brokerage and consulting services are typically paid monthly in arrears from carriers based on insured lives under the contract.

The following schedule disaggregates various components of the Company's revenue:

	For the Years Ended December 31,		
	2020	2019	2018
Marsh:			
EMEA	**$ 2,575**	$ 2,482	$ 2,132
Asia Pacific	**1,059**	953	683
Latin America	**424**	460	400
Total International	**4,058**	3,895	3,215
U.S./Canada	**4,537**	4,119	3,662
Total Marsh	**8,595**	8,014	6,877
Guy Carpenter	**1,696**	1,480	1,286
Subtotal	**10,291**	9,494	8,163
Fiduciary interest income	**46**	105	65
Total Risk and Insurance Services	**$ 10,337**	$ 9,599	$ 8,228
Mercer:			
Wealth	**$ 2,348**	$ 2,369	$ 2,185
Health	**1,793**	1,796	1,735
Career	**787**	856	812
Total Mercer	**4,928**	5,021	4,732
Oliver Wyman Group	**2,048**	2,122	2,047
Total Consulting	**$ 6,976**	$ 7,143	$ 6,779

The following schedule provides contract assets and contract liabilities information from contracts with customers.

(In millions)	**December 31, 2020**	December 31, 2019	December 31, 2018
Contract assets	**$ 236**	$ 207	$ 112
Contract liabilities	**$ 676**	$ 593	$ 545

The Company records accounts receivable when the right to consideration is unconditional, subject only to the passage of time. Contract assets primarily relate to quota share reinsurance brokerage and contingent insurer revenue. The Company does not have the right to bill and collect revenue for quota share brokerage until the underlying policies written by the ceding insurer attach to the treaty. Estimated revenue related to achievement of volume or loss ratio metrics cannot be billed or collected until all related policy placements are completed and the contingency is resolved. The change in contract assets from January 1, 2020 to December 31, 2020 is primarily due to $311 million of additions during the period, partly offset by $284 million transferred to accounts receivables, as the rights to bill and collect became unconditional. The change in contract assets from January 1, 2019 to December 31, 2019 is primarily due to $437 million of additions during the period offset by $342 million transferred to accounts receivables. Contract assets are included in other current assets in the Company's consolidated balance sheets. Contract liabilities primarily relate to the advance consideration received from customers. Contract liabilities are included in current liabilities in the Company's consolidated balance sheets. The change in contract liabilities from January 1, 2020 to December 31, 2020 includes cash received for performance obligations not yet fulfilled of $615 million offset by revenue recognized in 2020 of $527 million that was included in the contract liability balance at the beginning of the year. The Company recognized revenue of $531 million in 2019 that was included in the contract liability balance at January 1, 2019.

The Company recognizes commission revenue from arrangements for a significant portion of its brokerage arrangements at a point in time at effective date of the underlying policy. Commission revenue is estimated using historical information about the risks to be covered over the policy period, some of which are dependent on variable factors such as number of employees covered, covered payroll, airline passenger miles flown, shipped tonnage of marine cargo and others. For the year ended December 31, 2020, the Company recorded a revenue reduction of $42 million for estimated commission revenue accounted for on a point in time basis. The reduction primarily relates to policy inception periods from the third quarter of 2019 through the second quarter of 2020.

The amount of revenue recognized in 2020 and 2019 from performance obligations satisfied in previous periods, mainly due to variable consideration from contracts with insurers, quota share business and consulting contracts previously considered constrained was $97 million and $79 million, respectively.

The Company applies the practical expedient and therefore does not disclose the value of unsatisfied performance obligations for (1) contracts with original contract terms of one year or less and (2) contracts where the Company has the right to invoice for services performed. The revenue expected to be recognized in future periods during the non-cancellable term of existing contracts greater than one year that is related to performance obligations that are unsatisfied or partially satisfied at the end of the reporting period is approximately $38 million for Marsh, $184 million for Mercer and $6 million for Oliver Wyman Group. The Company expects revenue in 2021, 2022, 2023, 2024 and 2025 and beyond of $135 million, $64 million, $22 million, $6 million and $1 million, respectively, related to these performance obligations.

Costs to Obtain and Fulfill a Contract

The Company capitalizes the incremental costs to obtain contracts primarily related to commissions or sales bonus payments in both segments. These deferred costs are amortized over the expected life of the underlying customer relationships.

In Risk and Insurance Services, the Company capitalizes certain pre-placement costs that are considered fulfillment costs that meet the following criteria: these costs (1) relate directly to a contract, (2) enhance resources used to satisfy the Company’s performance obligation and (3) are expected to be recovered through revenue generated by the contract. These costs are amortized at a point in time when the associated revenue is recognized.

In Consulting, the Company incurs implementation costs necessary to facilitate the delivery of the contracted services. These costs are capitalized and amortized over the initial contract term plus expected renewal periods.

At December 31, 2020, the Company’s capitalized assets related to deferred implementation costs, costs to obtain and costs to fulfill were $29 million, $253 million and $296 million, respectively. At December 31, 2019, the Company's capitalized assets related to deferred implementation costs, costs to obtain and costs to fulfill were $30 million, $222 million, and $262 million, respectively. Costs to obtain and deferred implementation costs are primarily included in other assets and costs to fulfill are primarily included in other current assets in the Company's consolidated balance sheets. The Company recorded amortization of compensation and benefits expense of $1.3 billion and $1.2 billion for the years ended December 31, 2020 and 2019, respectively, related to these capitalized costs.

A significant portion of deferred costs to fulfill in Risk and Insurance Services is amortized within three to six months. Therefore, the deferral of the cost and its amortization often occur in the same annual period.

The Company has elected to use the practical expedient and recognizes the incremental costs of obtaining contracts as an expense when incurred if the amortization period of the assets is one year or less.

3. Supplemental Disclosures

The following schedule provides additional information concerning acquisitions, interest and income taxes paid:

(In millions of dollars)	**2020**	2019	2018
Assets acquired, excluding cash	**$ 929**	$ 8,655	$ 1,100
Liabilities assumed	**(78)**	(2,804)	(83)
Non-controlling interests assumed	**—**	(280)	—
Contingent and deferred purchase consideration	**(183)**	(66)	(133)
Net cash outflow for acquisitions	**$ 668**	$ 5,505	$ 884

(In millions of dollars)	**2020**	2019	2018
Interest paid	**$ 481**	$ 427	$ 264
Income taxes paid, net of refunds	**$ 673**	$ 661	$ 632

The classification of contingent consideration payments in the consolidated statement of cash flows is dependent upon whether the payment was part of the initial liability established on the acquisition date (financing) or an adjustment to the acquisition date liability (operating).

The following amounts are included in the consolidated statements of cash flows as a financing activity. The Company paid deferred and contingent consideration of $122 million in the year ended December 31, 2020, consisting of deferred purchase consideration of $68 million and contingent purchase consideration of $54 million. In the year ended December 31, 2019, the Company paid deferred and contingent consideration of $65 million, consisting of deferred purchase consideration of $43 million and contingent consideration of $22 million, and in the year ended December 31, 2018 the Company paid deferred and contingent consideration of $117 million, consisting of deferred purchase consideration of $62 million and contingent consideration of $55 million.

The following amounts are included in the operating section of the consolidated statements of cash flows. For the year ended December 31, 2020, the Company recorded a net charge for adjustments to acquisition related accounts of $26 million and contingent consideration payments of $48 million. For the year ended December 31, 2019, the Company recorded a net charge for adjustments to acquisition related accounts of $68 million and contingent consideration payments of $41 million, and for the year ended December 31, 2018 the Company recorded a net charge for adjustments to acquisition related accounts of $32 million and contingent consideration payments of $36 million.

The Company had non-cash issuances of common stock under its share-based payment plan of $219 million, $165 million and $130 million for the years ended December 31, 2020, 2019 and 2018, respectively. The Company recorded share-based compensation expense related to restricted stock units, performance stock units and stock options of $290 million, $252 million and $193 million for the years ended December 31, 2020, 2019 and 2018, respectively.

On January 1, 2019, the Company adopted the new accounting guidance related to leases, which requires a lessee to recognize assets and liabilities for its leases. Upon adoption of this accounting standard, the Company recorded a non-cash ROU asset of $1.7 billion and lease liability of $1.9 billion in the first quarter of 2019.

Allowance for Credit Losses on Accounts Receivable

On January 1, 2020, the Company adopted the new guidance on the impairment of financial instruments. The Company's policy for providing an allowance for credit losses on its accounts receivable is a combination of factors, including historical write-offs, aging of balances, and other qualitative and quantitative analyses.

An analysis of the allowance for credit losses for the year ended December 31, 2020 is provided below. Prior periods analysis is based on the Company's allowance for doubtful accounts model prior to adoption of the new accounting guidance discussed above:

For the Years Ended December 31, *(In millions of dollars)*	**2020**	2019	2018
Balance at beginning of year	**$ 140**	$ 112	$ 110
Provision charged to operations	**47**	32	34
Accounts written-off, net of recoveries	**(30)**	(16)	(24)
Effect of exchange rate changes and other	**(15)**	12	(8)
Balance at end of year	**$ 142**	$ 140	$ 112

4. Accumulated Other Comprehensive Income (Loss)

The changes, net of tax, in the balances of each component of Accumulated Other Comprehensive Income ("AOCI") for the years ended December 31, 2020 and 2019, including amounts reclassified out of AOCI, are as follows:

(In millions of dollars)	**Pension and Post-Retirement Plans Losses**	**Foreign Currency Translation Adjustments**	**Total**
Balance as of January 1, 2020	**$ (3,512)**	**$ (1,543)**	**$ (5,055)**
Other comprehensive (loss) gain before reclassifications	**(739)**	**559**	**(180)**
Amounts reclassified from accumulated other comprehensive income (loss)	**125**	**—**	**125**
Net current period other comprehensive (loss) gain	**(614)**	**559**	**(55)**
Balance as of December 31, 2020	**$ (4,126)**	**$ (984)**	**$ (5,110)**

(In millions of dollars)	Pension and Post-Retirement Plans Losses	Foreign Currency Translation Adjustments	Total
Balance as of January 1, 2019	$ (2,953)	$ (1,694)	$ (4,647)
Other comprehensive (loss) gain before reclassifications	(643)	151	(492)
Amounts reclassified from accumulated other comprehensive income (loss)	84	—	84
Net current period other comprehensive (loss) gain	(559)	151	(408)
Balance as of December 31, 2019	$ (3,512)	$ (1,543)	$ (5,055)

The components of other comprehensive income (loss) for the years ended December 31, 2020, 2019 and 2018 are as follows:

For the Year Ended December 31,	**2020**		
(In millions of dollars)	**Pre-Tax**	**Tax (Credit)**	**Net of Tax**
Foreign currency translation adjustments	**$ 559**	**$ —**	**$ 559**
Pension/post-retirement plans:			
Amortization of (gains) losses included in net periodic pension cost:			
Prior service credits (a)	**(2)**	**(1)**	**(1)**
Net actuarial losses (a)	**161**	**37**	**124**
Effect of settlement (a)	**3**	**1**	**2**
Subtotal	**162**	**37**	**125**
Net losses arising during period	**(772)**	**(177)**	**(595)**
Foreign currency translation adjustments	**(163)**	**(28)**	**(135)**
Other adjustments	**(11)**	**(2)**	**(9)**
Pension/post-retirement plans losses	**(784)**	**(170)**	**(614)**
Other comprehensive loss	**$ (225)**	**$ (170)**	**$ (55)**

(a) Components of net periodic pension cost are included in other net benefit credits in the consolidated statements of income. Income tax expense on net actuarial losses are included in income tax expense.

For the Year Ended December 31,	2019		
(In millions of dollars)	Pre-Tax	Tax (Credit)	Net of Tax
Foreign currency translation adjustments	$ 148	$ (3)	$ 151
Pension/post-retirement plans:			
Amortization of (gains) losses included in net periodic pension cost:			
Prior service credits (a)	(2)	(1)	(1)
Net actuarial losses (a)	102	22	80
Effect of settlement (a)	6	1	5
Subtotal	106	22	84
Net losses arising during period	(758)	(154)	(604)
Foreign currency translation adjustments	(50)	(11)	(39)
Pension/post-retirement plans losses	(702)	(143)	(559)
Other comprehensive loss	$ (554)	$ (146)	$ (408)

(a) Components of net periodic pension cost are included in other net benefit credits in the consolidated statements of income. Income tax expense on net actuarial losses are included in income tax expense.

For the Year Ended December 31,	2018		
(In millions of dollars)	Pre-Tax	Tax (Credit)	Net of Tax
Foreign currency translation adjustments	$ (529)	$ —	$ (529)
Pension/post-retirement plans:			
Amortization of (gains) losses included in net periodic pension cost:			
Prior service credits (a)	(4)	(1)	(3)
Net actuarial losses (a)	145	32	113
Effect of settlement (a)	42	8	34
Subtotal	183	39	144
Net gains arising during period	(374)	(88)	(286)
Foreign currency translation adjustments	141	25	116
Other adjustments	(41)	(6)	(35)
Pension/post-retirement plans losses	(91)	(30)	(61)
Other comprehensive loss	$ (620)	$ (30)	$ (590)

(a) Components of net periodic pension cost are included in other net benefit credits in the consolidated statements of income. Income tax expense on net actuarial losses are included in income tax expense.

The components of accumulated other comprehensive income (loss) are as follows:

(In millions of dollars)	**December 31, 2020**	December 31, 2019
Foreign currency translation adjustments (net of deferred tax asset of $11 in 2020 and $14 in 2019, respectively)	**$ (984)**	$ (1,543)
Net charges related to pension/post-retirement plans (net of deferred tax asset of $1,805 and $1,635 in 2020 and 2019, respectively)	**(4,126)**	(3,512)
	$ (5,110)	$ (5,055)

5. Acquisitions and Dispositions

The Company's acquisitions have been accounted for as business combinations. Net assets and results of operations are included in the Company's consolidated financial statements commencing at the respective purchase closing dates. In connection with acquisitions, the Company records the estimated values of the net tangible assets and the identifiable intangible assets purchased, which typically consist of customer relationships, developed technology, trademarks and non-compete agreements. The valuation of purchased intangible assets involves significant estimates and assumptions. The Company estimates the fair value of purchased intangible assets, primarily using the income approach, by determining the present value of future cash flows over the remaining economic life of the respective assets. The significant estimates and assumptions used in this approach include the determination of the discount rate, economic life, future revenue growth rates, expected account attrition rates and earnings margins. Refinement and completion of final valuation of net assets acquired could affect the carrying value of tangible assets, goodwill and identifiable intangible assets.

The Risk and Insurance Services segment completed seven acquisitions during 2020.

- January – Marsh & McLennan Agency ("MMA") acquired Momentous Insurance Brokerage Inc., a California-based full-service risk management and employee benefits firm specializing in high net worth private client services and insurance solutions for the entertainment industry, and Ironwood Insurance Services, LLC, an Atlanta-based broker that provides commercial property/casualty insurance, employee benefits, and private client solutions to mid-size businesses and individuals across the U.S.
- April – MMA acquired Assurance Holdings, Inc., an Illinois-based full service brokerage providing business insurance, employee benefits, private client insurance, and retirement services to businesses and individuals across the U.S.
- June – MMA acquired Nico Insurance Services, Inc., a California-based agency providing employee benefits solutions to groups and individuals.
- December – MMA acquired Heritage Insurance Services, Inc., a Kentucky-based full service broker that provides commercial property and casualty and personal lines primarily in the trucking and transportation industry, Inspro Insurance, Inc., a Nebraska-based full service broker that provides commercial property and casualty insurance, personal lines and employee benefits services, and Compass Financial Partners, LLC, a North Carolina-based retirement consulting and investment advisory firm.

Total purchase consideration for acquisitions made during 2020 was approximately $877 million, which consisted of cash paid of $694 million and deferred purchase and estimated contingent consideration of $183 million. Contingent consideration arrangements are based primarily on earnings before interest, tax, depreciation and amortization ("EBITDA") or revenue targets over a period of two to four years. During 2020, the Company also paid $68 million of deferred purchase consideration and $102 million of contingent consideration related to acquisitions made in prior years. Estimated fair values of assets acquired and liabilities assumed are subject to adjustment when purchase accounting is finalized.

The following table presents the preliminary allocation of purchase consideration to the assets acquired and liabilities assumed during 2020 based on the estimated fair values for the acquisitions as of their respective acquisition dates:

Acquisitions for the Year-Ended December 31, 2020 *(In millions)*		
Cash	**$**	**694**
Estimated fair value of deferred/contingent consideration		**183**
Total consideration	**$**	**877**
Allocation of purchase price:		
Cash and cash equivalents	**$**	**26**
Accounts receivable, net		**29**
Fixed assets, net		**16**
Other intangible assets		**278**
Goodwill		**593**
Other assets		**13**
Total assets acquired		**955**
Current liabilities		**25**
Other liabilities		**53**
Total liabilities assumed		**78**
Net assets acquired	**$**	**877**

The purchase price allocation above is based on estimates that are preliminary in nature and subject to adjustments, which could be material. Any necessary adjustments must be finalized during the measurement period, which for a particular asset, liability, or non-controlling instrument ends once the acquirer determines that either (1) the necessary information has been obtained or (2) the information is not available. However, the measurement period for all items is limited to one year from the acquisition date.

Items subject to change include:

- Amounts of intangible assets, fixed assets, capitalized software assets and right-of-use assets, subject to finalization of valuation efforts;
- Amounts for contingencies, pending the finalization of the Company's assessment of the portfolio of contingencies;
- Amounts for deferred tax assets and liabilities pending the finalization of valuations of the assets acquired, liabilities assumed and associated goodwill discussed below; and
- Amounts for income tax assets, receivables and liabilities, pending the filing of the acquired companies' pre-acquisition income tax returns and receipt of information from taxing authorities which may change certain estimates and assumptions used.

The estimation of fair value requires numerous judgments, assumptions and estimates about future events and uncertainties, which could materially impact these values, and the related amortization, where applicable, in the Company's results of operations.

The following chart provides information about intangible assets acquired during 2020:

Intangible assets through December 31, 2020 *(In millions)*		Amount	Weighted Average Amortization Period
Customer relationships	$	255	13.7 years
Other		23	4.3 years
	$	278	

The consolidated statement of income for 2020 includes approximately $169 million of revenue and operating income of $11 million related to acquisitions made during 2020. The consolidated statement of income for 2019 includes approximately $1.2 billion of revenue and $40 million of operating loss related to acquisitions made during 2019, and the consolidated statement of income for 2018 includes approximately $120 million of revenue and $2 million of operating income related to acquisitions made during 2018.

In 2020, the Company incurred acquisition-related costs of $3 million, primarily related to legal fees. In 2019, the Company incurred acquisition-related costs, primarily related to legal, investment banking and U.K. stamp duty tax of $125 million, primarily related to the acquisition of JLT. Acquisition-related costs incurred in 2018 were $7 million. These costs are included in other operating expenses in the Company's consolidated statement of income.

Dispositions

During 2020, the Company sold certain businesses primarily in the U.S., U.K. and Canada for cash proceeds of approximately $98 million.

At December 31, 2019, the Company owned approximately 443 million shares of the common stock of Alexander Forbes ("AF"), a South African company listed on the Johannesburg Stock Exchange, which was accounted for under the equity method of accounting. In February 2020, the Company sold approximately 49 million shares of the common stock of AF, and in May 2020, sold an additional 193 million shares to third parties, leaving the Company with an investment of approximately 201 million shares of the common stock of AF at December 31, 2020. Upon completion of the May transaction, the investment in AF is accounted at fair value, with unrealized gains and losses recorded as investment (loss) income in the consolidated statement of income.

Prior year acquisitions

On April 1, 2019, the Company completed the JLT Transaction and purchased all of the outstanding shares of JLT. Under the terms of the Transaction, JLT shareholders received £19.15 in cash for each JLT share, which valued JLT’s existing issued and to be issued share capital at approximately £4.3 billion (or approximately $5.6 billion based on an exchange rate of U.S. $1.31:£1). The Company also assumed existing JLT long-term indebtedness of approximately $1 billion. The Company implemented the Transaction by way of a scheme of arrangement under Part 26 of the United Kingdom Companies Act 2006, as amended.

The Transaction strengthened MMC’s leadership position in insurance and reinsurance broking and health and retirement. The addition of over 10,000 colleagues provided deeper industry expertise in almost every part of the Company. The Transaction also builds on MMC’s efforts to expand in faster-growing geographies and market segments, and facilitates investment in data and analytics.

During 2019, the Risk and Insurance Services segment completed five other acquisitions.

- February – MMA acquired Bouchard Insurance, Inc., a Florida-based full service agency and Employee Benefits Group, Inc., a Maryland-based independent insurance agency.
- April – MMA acquired Lovitt & Touche, Inc., an Arizona-based insurance agency and The Centurion Group, LLC, a Pennsylvania-based retirement consulting, asset management and benefit plan advisory firm.
- October – MMA acquired Benefits Reports Insurance Services, Inc., a Massachusetts-based independent insurance agency.

Total purchase consideration for acquisitions made during 2019 was approximately $5,927 million, which consisted of cash paid of $5,861 million and deferred purchase and estimated contingent consideration of $66 million. Contingent consideration arrangements are based primarily on EBITDA and/or revenue targets over periods of two to four years. The fair value of the contingent consideration was based on projected revenue and earnings of the acquired entities. Estimated fair values of assets acquired and liabilities assumed are subject to adjustment when purchase accounting is finalized. During 2019, the Company also paid $43 million of deferred purchase consideration and $63 million of contingent consideration related to acquisitions made in prior years.

Subsequent to the JLT acquisition, the Company purchased the outstanding non-controlling interests of several JLT subsidiaries for cash payments of approximately $79 million.

In January 2019, Marsh increased its equity ownership in Marsh India from 26% to 49%. Marsh India is accounted for under the equity method.

Prior year dispositions

During the third quarter of 2019, the Company completed the sale of a U.S. Specialty business at Marsh and a U.S. large market health and defined benefit business at Mercer for cash proceeds of approximately $60 million. Also, on June 1, 2019, the Company completed its disposition of JLT's global aerospace business for cash proceeds of $165 million and contingent consideration receivable of approximately $65 million, based on the aerospace business achieving certain revenue milestones in 2020. The aerospace business was divested as part of the European Commission's approval of the JLT Transaction.

Pro-Forma Information

The following unaudited pro-forma financial data gives effect to the acquisitions made by the Company during 2020, 2019 and 2018. In accordance with accounting guidance related to pro-forma disclosures, the information presented for current year acquisitions is as if they occurred on January 1, 2019 and reflects acquisitions made in 2019 as if they occurred on January 1, 2018. The 2018 information includes 2018 acquisitions as if they occurred on January 1, 2017. The pro-forma information includes the effects of amortization of acquired intangibles in all years and additional interest expense related to the issuance of debt related to the JLT Transaction in the 2018 pro-forma. The unaudited pro-forma financial data is presented for illustrative purposes only and is not necessarily indicative of the operating results that would have been achieved if such acquisitions had occurred on the dates indicated, nor is it necessarily indicative of future consolidated results.

	Years Ended December 31,		
(In millions, except per share data)	**2020**	2019	2018
Revenue	**$ 17,301**	$ 17,323	$ 17,106
Net income attributable to the Company	**$ 2,021**	$ 1,877	$ 1,302
Basic net income per share attributable to the Company	**$ 3.99**	$ 3.71	$ 2.58
Diluted net income per share attributable to the Company	**$ 3.95**	$ 3.67	$ 2.55

The unaudited pro-forma information presented in the table above includes adjustments for acquisition related costs, the change in fair value of JLT acquisition related derivatives, bridge financing costs and the early extinguishment of debt, including $207 million of costs incurred in 2019 that were reflected in the 2018 pro-forma results presented above.

6. Goodwill and Other Intangibles

The Company is required to assess goodwill and any indefinite-lived intangible assets for impairment annually, or more frequently if circumstances indicate impairment may have occurred. The Company performs the annual impairment assessment for each of its reporting units during the third quarter of each year. In accordance with applicable accounting guidance, a company can assess qualitative factors to determine whether it is necessary to perform a quantitative goodwill impairment test. Alternatively, the Company may elect to proceed directly to the quantitative goodwill impairment test. In 2020, the Company elected to perform a qualitative impairment assessment. As part of its assessment, the Company considered numerous factors, including:

- that the fair value of each reporting unit exceeds its carrying value by a substantial margin based on its most recent quantitative assessment in 2019;
- whether significant acquisitions or dispositions occurred which might alter the fair value of its reporting units;
- macroeconomic conditions and their potential impact on reporting unit fair values;
- actual performance compared with budget and prior projections used in its estimation of reporting unit fair values;

- industry and market conditions;
- and the year-over-year change in the Company's share price.

The Company completed its qualitative assessment in the third quarter of 2020 and concluded that goodwill was not impaired.

Other intangible assets that are not deemed to have an indefinite life are amortized over their estimated lives and assessed for impairment upon the occurrence of certain triggering events in accordance with applicable accounting literature. Based on its assessment, the Company concluded that other intangible assets were not impaired. The Company does not have any indefinite lived intangible assets.

Changes in the carrying amount of goodwill are as follows:

(In millions of dollars)	**2020**	2019
Balance as of January 1, as reported	**$ 14,671**	$ 9,599
Goodwill acquired (a)	**593**	5,124
Other adjustments (b)	**253**	(52)
Balance at December 31,	**$ 15,517**	$ 14,671

(a) Includes $4.9 billion from the acquisition of JLT in 2019.

(b) Primarily reflects the impact of foreign exchange and dispositions.

The goodwill acquired in 2020 and 2019 included approximately $179 million and $213 million, respectively, which is deductible for tax purposes, primarily related to the Risk and Insurance Services segment.

Goodwill allocable to the Company's reportable segments is as follows: Risk and Insurance Services, $11.7 billion and Consulting, $3.8 billion.

The gross cost and accumulated amortization of intangible assets at December 31, 2020 and 2019 are as follows:

(In millions of dollars)	**2020**			2019		
	Gross Cost	**Accumulated Amortization**	**Net Carrying Amount**	Gross Cost	Accumulated Amortization	Net Carrying Amount
Customer relationships	**$ 3,713**	**$ 1,170**	**$ 2,543**	$ 3,494	$ 897	$ 2,597
Other (a)	**386**	**230**	**156**	380	203	177
Amortized intangibles	**$ 4,099**	**$ 1,400**	**$ 2,699**	$ 3,874	$ 1,100	$ 2,774

(a) Primarily non-compete agreements, trade names and developed technology.

Aggregate amortization expense was $351 million for the year ended December 31, 2020, $314 million for the year ended December 31, 2019 and $183 million for the year ended December 31, 2018. The estimated future aggregate amortization expense is as follows:

For the Years Ending December 31, *(In millions of dollars)*	
2021	$ 356
2022	327
2023	300
2024	285
2025	275
Subsequent years	1,156
	$ 2,699

7. Income Taxes

For financial reporting purposes, income before income taxes includes the following components:

For the Years Ended December 31, *(In millions of dollars)*		**2020**		2019		2018
Income before income taxes:						
U.S.	**$**	**1,075**	$	657	$	460
Other		**1,718**		1,782		1,784
	$	**2,793**	$	2,439	$	2,244
The expense (benefit) for income taxes is comprised of:						
Current –						
U.S. Federal	**$**	**172**	$	70	$	82
Other national governments		**456**		455		449
U.S. state and local		**79**		57		82
		707		582		613
Deferred –						
U.S. Federal		**40**		69		(30)
Other national governments		**(14)**		(16)		(1)
U.S. state and local		**14**		31		(8)
		40		84		(39)
Total income taxes	**$**	**747**	$	666	$	574

The significant components of deferred income tax assets and liabilities and their balance sheet classifications are as follows:

December 31, *(In millions of dollars)*		**2020**		2019
Deferred tax assets:				
Accrued expenses not currently deductible	**$**	**547**	$	492
Differences related to non-U.S. operations [(a)]		**294**		324
Accrued U.S. retirement benefits		**494**		438
Net operating losses [(b)]		**60**		70
Income currently recognized for tax		**25**		19
Other		**43**		27
	$	**1,463**	$	1,370
Deferred tax liabilities:				
Differences related to non-U.S. operations	**$**	**569**	$	400
Depreciation and amortization		**491**		594
Accrued retirement & postretirement benefits - non-U.S. operations		**143**		151
Capitalized expenses currently recognized for tax		**87**		77
Other		**32**		37
	$	**1,322**	$	1,259

(a) Net of valuation allowances of $123 million in 2020 and $54 million in 2019.
(b) Net of valuation allowances of $75 million in 2020 and $72 million in 2019.

December 31, *(In millions of dollars)*	**2020**	2019
Balance sheet classifications:		
Deferred tax assets	**$ 702**	$ 676
Other liabilities	**$ 561**	$ 565

The amount of cumulative undistributed earnings that are indefinitely reinvested in non-U.S. subsidiaries is approximately $700 million as of December 31, 2020. While no additional U.S. federal income tax would be required if such earnings were repatriated, additional state and withholding taxes would apply. The amount of these additional taxes is estimated to be approximately $60 million.

Future U.S. federal tax costs related to basis differences in Non-U.S. subsidiaries would primarily be realized through the U.S. GILTI tax regime. The Company elected to recognize GILTI tax costs as a period cost and therefore, has not provided deferred tax liabilities on these basis differences.

A reconciliation from the U.S. Federal statutory income tax rate to the Company's effective income tax rate is shown below:

For the Years Ended December 31,	**2020**	2019	2018
U.S. Federal statutory rate	**21.0 %**	21.0 %	21.0 %
U.S. state and local income taxes—net of U.S. Federal income tax benefit	**2.5**	3.0	2.3
Differences related to non-U.S. operations	**2.3**	3.0	3.3
U.S. Tax Reform	**—**	—	(0.3)
Equity compensation	**(1.4)**	(1.3)	(1.0)
Uncertain Tax Positions	**1.1**	—	—
Other	**1.2**	1.6	0.3
Effective tax rate	**26.7 %**	27.3 %	25.6 %

The Company's consolidated effective tax rate was 26.7%, 27.3% and 25.6% in 2020, 2019 and 2018, respectively. The rates in all periods reflect the effects of tax planning and the ongoing impact of the Tax Cuts and Jobs Act ("TCJA"), including regulatory and other guidance as it became available. The tax rate in 2020 includes a valuation allowance for certain tax credits, the impact of uncertain tax positions, and certain tax planning benefits. The 2019 rate includes certain tax costs related to JLT integration and restructuring activity. The 2018 rate includes the effect of a charge related to the Company's investment in Alexander Forbes.

A valuation allowance was recorded to adjust deferred tax assets to the amount that the Company believes is more likely than not to be realized. Valuation allowances had net increases of $72 million, $60 million and $36 million in 2020, 2019 and 2018, respectively. Adjustments of the beginning of the year balances of valuation allowances decreased income tax expense by $14 million during 2020. There was no change to income tax expense as a result of adjustments of the beginning of the year valuation allowances in 2019, while in 2018 changes to the beginning of year valuation allowance increased income tax expense by $1 million. Approximately 58% of the Company's net operating loss carryforwards expire from 2021 through 2037, and others are unlimited. The potential tax benefit from net operating loss carryforwards at the end of 2020 comprised federal, state and local, and non-U.S. tax benefits of $24 million, $25 million, and $94 million, respectively, before reduction for valuation allowances.

Following is a reconciliation of the Company's total gross unrecognized tax benefits for the years ended December 31, 2020, 2019 and 2018:

(In millions of dollars)	**2020**	2019	2018
Balance at January 1,	**$ 86**	$ 78	$ 71
Additions, based on tax positions related to current year	**9**	8	6
Additions for tax positions of prior years	**25**	15	6
Reductions for tax positions of prior years	**(9)**	(1)	—
Settlements	**(4)**	(1)	(2)
Lapses in statutes of limitation	**(9)**	(13)	(3)
Balance at December 31,	**$ 98**	$ 86	$ 78

Of the total unrecognized tax benefits at December 31, 2020, 2019 and 2018, $90 million, $75 million and $64 million, respectively, represent the amount that, if recognized, would favorably affect the effective tax rate in any future periods. The total gross amount of accrued interest and penalties at December 31, 2020, 2019 and 2018, before any applicable federal benefit, was $40 million, $31 million and $15 million, respectively.

The Company is routinely examined by the jurisdictions in which it has significant operations. In the U.S. federal jurisdiction, the Company participates in the Internal Revenue Service's (IRS) Compliance Assurance Process (CAP), which is structured to be, in effect, a real-time audit. The IRS is currently examining the Company's 2017, 2018 and 2019 tax returns. The Company was accepted into the Bridge phase of the CAP process for tax year 2020.

New York is a significant tax jurisdiction for the Company. During 2019, New York State initiated an audit for the 2015 tax year; and during 2020 included the 2016 tax year. During 2020, New York City initiated an audit for tax years 2016 through 2018. During 2018, New York State and New York City closed the examination of tax years 2007 through 2009. In addition, New York State and New York City have continuing examinations underway for various entities covering the years 2010 through 2014.

The status of audits for significant jurisdictions outside the United States are summarized in the table below:

Tax Audit (Years)			
Jurisdiction:	**Initiated in 2020**	**Ongoing**	**Concluded**
Canada	2017, 2019-2020	2018	2013-2016 during 2019
France		2017-2018	2011, 2012 during 2018
Germany	2015-2018	2013-2016	2009-2012 during 2018
Italy	2017	2015-2016	
Singapore	2018	2018	2016, 2017 during 2020
United Kingdom	2018	2016-2017	2014, 2015 during 2018

The Company has established liabilities for uncertain tax positions in relation to potential assessments in the jurisdictions in which it operates. The Company believes the resolution of tax matters will not have a material effect on the consolidated financial position of the Company, although a resolution of tax matters could have a material impact on the Company's net income or cash flows and on its effective tax rate in a particular future period. It is reasonably possible that the total amount of unrecognized tax benefits will decrease between zero and approximately $33 million within the next twelve months due to settlement of audits and expiration of statutes of limitation.

8. Retirement Benefits

The Company maintains qualified and non-qualified defined benefit pension plans for its U.S. and non-U.S. eligible employees. The Company's policy for funding its tax qualified defined benefit retirement plans is to contribute amounts at least sufficient to meet the funding requirements set forth by U.S. law and the laws of the non-U.S. jurisdictions in which the Company offers defined benefit plans.

Combined U.S. and Non-U.S. Plans

The weighted average actuarial assumptions utilized for the U.S. and significant non-U.S. defined benefit plans and post-retirement benefit plans are as follows:

	Pension Benefits		Post-retirement Benefits	
	2020	2019	**2020**	2019
Weighted average assumptions:				
Discount rate (for expense)	**2.57 %**	3.48 %	**2.72 %**	3.65 %
Expected return on plan assets	**5.31 %**	5.74 %	**—**	—
Rate of compensation increase (for expense)*	**1.76 %**	1.74 %	**—**	—
Discount rate (for benefit obligation)	**1.92 %**	2.57 %	**2.42 %**	2.72 %
Rate of compensation increase (for benefit obligation)*	**1.85 %**	1.76 %	**—**	—

*Rate of compensation increase assumptions do not include a rate of compensation increase for the U.S. defined benefit plans since future benefit accruals were discontinued for those plans after December 31, 2016 and earned benefits are not subject to final salary level adjustments.

The Company uses actuaries from Mercer, a subsidiary of the Company, to perform valuations of its pension plans. The long-term rate of return on plan assets assumption is determined for each plan based on the facts and circumstances that exist as of the measurement date, and the specific portfolio mix of each plan's assets. The Company utilizes a model developed by the Mercer actuaries to assist in the determination of this assumption. The model takes into account several factors, including: actual and target portfolio allocation; investment, administrative and trading expenses incurred directly by the plan trust; historical portfolio performance; relevant forward-looking economic analysis; and expected returns, variances and correlations for different asset classes. These measures are used to determine probabilities using standard statistical techniques to calculate a range of expected returns on the portfolio. Generally, the Company does not adjust the rate of return assumption from year to year if, at the measurement date, it is within the range between the 25th and 75th percentile of the expected long-term annual returns. Historical long-term average asset returns of the most significant plans are also reviewed to determine whether they are consistent and reasonable compared with the rate selected. The expected return on plan assets is determined by applying the assumed long-term rate of return to the market-related value of plan assets. This market-related value recognizes investment gains or losses over a five-year period from the year in which they occur. Investment gains or losses for this purpose are the difference between the expected return calculated using the market-related value of assets and the actual return based on the market value of assets. Since the market-related value of assets recognizes gains or losses over a five-year period, the future market-related value of the assets will be impacted as previously deferred gains or losses are reflected.

The target asset allocation for the U.S. plans is 64% equities and equity alternatives and 36% fixed income. At the end of 2020, the actual allocation for the U.S. plans was 64% equities and equity alternatives and 36% fixed income. The target asset allocation for the U.K. plans, which comprise approximately 81% of non-U.S. plan assets, is 32% equities and equity alternatives and 68% fixed income. At the end of 2020, the actual allocation for the U.K. plans was 33% equities and equity alternatives and 67% fixed income. The assets of the Company's defined benefit plans are diversified and are managed in accordance with applicable laws and with the goal of maximizing the plans' real return within acceptable risk parameters. The Company uses threshold-based portfolio re-balancing to ensure the actual portfolio remains consistent with target asset allocation ranges.

The discount rate selected for each U.S. plan is based on a model bond portfolio with coupons and redemptions that closely match the expected liability cash flows from the plan. Discount rates for non-U.S. plans are based on appropriate bond indices adjusted for duration; in the U.K., the plan duration is reflected using the Mercer yield curve.

Changes to Pension Plans

As part of the JLT Transaction, the Company assumed responsibility for a number of pension plans throughout the world, the most significant of which is the JLT U.K. plan. The JLT U.K. plan has a defined benefit section which was frozen to future accrual in 2006 and a defined contribution section. The assets of the scheme are held in a trustee administered fund separate from the Company.

The components of the net periodic benefit cost for defined benefit and other post-retirement plans are as follows:

Combined U.S. and significant non-U.S. Plans For the Years Ended December 31,	Pension Benefits			Post-retirement Benefits		
(In millions)	**2020**	2019	2018	**2020**	2019	2018
Service cost	**$ 36**	$ 31	$ 34	**$ —**	$ —	$ 1
Interest cost	**421**	487	463	**3**	3	3
Expected return on plan assets	**(844)**	(863)	(864)	**—**	—	—
Amortization of prior service (credit)	**—**	—	(2)	**(2)**	(2)	(2)
Recognized actuarial loss (gain)	**161**	104	146	**—**	(1)	(1)
Net periodic benefit (credit) cost	**$ (226)**	$ (241)	$ (223)	**$ 1**	$ —	$ 1
Plan termination	**1**	—	—	**—**	—	—
Settlement loss	**3**	7	42	**—**	—	—
Total (credit) cost	**$ (222)**	$ (234)	$ (181)	**$ 1**	$ —	$ 1

The following chart provides the amounts reported in the consolidated statements of income:

Combined U.S. and significant non-U.S. Plans For the Years Ended December 31,	Pension Benefits			Post-retirement Benefits		
(In millions)	**2020**	2019	2018	**2020**	2019	2018
Compensation and benefits expense (Operating income)	**$ 36**	$ 31	$ 34	**$ —**	$ —	$ 1
Other net benefit (credit) cost	**(258)**	(265)	(215)	**1**	—	—
Total (credit) cost	**$ (222)**	$ (234)	$ (181)	**$ 1**	$ —	$ 1

Pension Settlement Charge

Defined Benefit Pension Plans in the U.K. and certain other countries allow participants an option for the payment of a lump sum distribution from plan assets before retirement in full satisfaction of the retirement benefits due to the participant as well as any survivor's benefit. The Company's policy under applicable U.S. GAAP is to treat these lump sum payments as a partial settlement of the plan liability if they exceed the total of interest plus service costs ("settlement thresholds"). Based on the amount of lump sum payments through December 31, 2018, the lump sum payments exceeded the settlement thresholds in two of the U.K. plans. The Company recorded non-cash settlement charges of $42 million in the consolidated statements of income for the year ended December 31, 2018, primarily related to these plans. The Company recorded $3 million and $7 million of non-cash settlement charges for the years ended December 31, 2020 and 2019, respectively, related to other non-U.S. plans.

Plan Assets

For the U.S. plans, investment allocation decisions are made by a fiduciary committee composed of senior executives appointed by the Company's Chief Executive Officer. For the non-U.S. plans, investment allocation decisions are made by local fiduciaries, in consultation with the Company for the larger plans. Plan assets are invested in a manner consistent with the fiduciary standards set forth in all relevant laws relating to pensions and trusts in each country. Primary investment objectives are (1) to achieve an investment return that, in combination with current and future contributions, will provide sufficient funds to pay benefits as they become due, and (2) to minimize the risk of large losses. The investment allocations are designed to meet these objectives by broadly diversifying plan assets among numerous asset classes with differing expected returns, volatilities, and correlations.

The major categories of plan assets include equity securities, equity alternative investments, and fixed income securities. For the U.S. plan, the category ranges are 59-69% for equities and equity alternatives, and 31-41% for fixed income. For the U.K. plans, the category ranges are 29-35% for equities and equity alternatives, and 65-71% for fixed income. Asset allocation is monitored frequently and re-balancing actions are taken as appropriate.

Plan investments are exposed to stock market, interest rate, and credit risk. Concentrations of these risks are generally limited due to diversification by investment style within each asset class, diversification by investment manager, diversification by industry sectors and issuers, and the dispersion of investments across many geographic areas.

Unrecognized Actuarial Gains/Losses

In accordance with applicable accounting guidance, the funded status of the Company's pension plans is recorded in the consolidated balance sheets and provides for a delayed recognition of actuarial gains or losses arising from changes in the projected benefit obligation due to changes in the assumed discount rates, differences between the actual and expected value of plan assets and other assumption changes. The unrecognized pension plan actuarial gains or losses and prior service costs not yet recognized in net periodic pension cost are recognized in AOCI, net of tax. These gains and losses are amortized prospectively out of AOCI over a period that approximates the remaining life expectancy of participants in plans where substantially all participants are inactive, or the average remaining service period of active participants for plans with active participants. The vast majority of unrecognized losses relate to inactive plans and are amortized over the remaining life expectancy of the participants.

U.S. Plans

The following schedules provide information concerning the Company's U.S. defined benefit pension plans and post-retirement benefit plans:

	U.S. Pension Benefits		U.S. Post-retirement Benefits	
(In millions)	**2020**	2019	**2020**	2019
Change in benefit obligation:				
Benefit obligation at beginning of year	**$ 6,322**	$ 5,529	**$ 31**	$ 32
Interest cost	**213**	241	**1**	1
Employee contributions	**—**	—	**4**	4
Plan combination	**—**	64	**—**	—
Actuarial (gain) loss	**650**	753	**1**	1
Benefits paid	**(271)**	(265)	**(6)**	(7)
Benefit obligation, December 31	**$ 6,914**	$ 6,322	**$ 31**	$ 31
Change in plan assets:				
Fair value of plan assets at beginning of year	**$ 4,715**	$ 4,062	**$ 2**	$ 1
Actual return on plan assets	**591**	834	**—**	—
Employer contributions	**65**	35	**3**	4
Employee contributions	**—**	—	**4**	4
Benefits paid	**(271)**	(265)	**(6)**	(7)
Other	**—**	49	**(1)**	—
Fair value of plan assets, December 31	**$ 5,100**	$ 4,715	**$ 2**	$ 2
Net funded status, December 31	**$ (1,814)**	$ (1,607)	**$ (29)**	$ (29)
Amounts recognized in the consolidated balance sheets:				
Current liabilities	**$ (30)**	$ (29)	**$ (1)**	$ (1)
Non-current liabilities	**(1,784)**	(1,578)	**(28)**	(28)
Net liability recognized, December 31	**$ (1,814)**	$ (1,607)	**$ (29)**	$ (29)
Amounts recognized in other comprehensive income (loss):				
Net actuarial (loss) gain	**(2,446)**	(2,114)	**3**	4
Total recognized accumulated other comprehensive (loss) income, December 31	**$ (2,446)**	$ (2,114)	**$ 3**	$ 4
Cumulative employer contributions in excess of (less than) net periodic cost	**632**	507	**(32)**	(33)
Net amount recognized in consolidated balance sheet	**$ (1,814)**	$ (1,607)	**$ (29)**	$ (29)
Accumulated benefit obligation at December 31	**$ 6,914**	$ 6,322	**$ —**	$ —

	U.S. Pension Benefits		U.S. Post-retirement Benefits	
(In millions)	**2020**	2019	**2020**	2019
Reconciliation of net actuarial (loss) gain recognized in accumulated other comprehensive income (loss):				
Beginning balance	**$ (2,114)**	$ (1,896)	**$ 4**	$ 6
Recognized as component of net periodic benefit cost (credit)	**72**	44	**—**	(1)
Changes in plan assets and benefit obligations recognized in other comprehensive income (loss):				
Liability experience	**(650)**	(753)	**(1)**	(1)
Asset experience	**246**	491	**—**	—
Total loss recognized as change in plan assets and benefit obligations	**(404)**	(262)	**(1)**	(1)
Net actuarial (loss) gain, December 31	**$ (2,446)**	$ (2,114)	**$ 3**	$ 4

For the Years Ended December 31,	U.S. Pension Benefits			U.S. Post-retirement Benefits		
(In millions)	**2020**	2019	2018	**2020**	2019	2018
Total recognized in net periodic benefit cost and other comprehensive loss	**$ 272**	$ 160	$ 63	**$ 2**	$ 2	$ —

The weighted average actuarial assumptions utilized in determining expense during the year and benefit obligation at the end of the year for the U.S. defined benefit and other U.S. post-retirement plans are as follows:

	U.S. Pension Benefits		U.S. Post-retirement Benefits	
	2020	2019	**2020**	2019
Weighted average assumptions:				
Discount rate (for expense)	**3.44 %**	4.45 %	**3.10 %**	4.24 %
Expected return on plan assets	**7.82 %**	7.95 %	**—**	—
Discount rate (for benefit obligation)	**2.73 %**	3.44 %	**2.18 %**	3.10 %

The accumulated benefit obligation and aggregate fair value of plan assets for U.S. pension plans with accumulated benefit obligations in excess of plan assets were $6.9 billion and $5.1 billion, respectively, as of December 31, 2020 and $6.3 billion and $4.7 billion, respectively, as of December 31, 2019.

The projected benefit obligation and fair value of plan assets for U.S. pension plans with projected benefit obligations in excess of plan assets was $6.9 billion and $5.1 billion, respectively, as of December 31, 2020 and $6.3 billion and $4.7 billion, respectively, as of December 31, 2019. The increase in the benefit obligation in 2020 compared to 2019 reflects the decrease in discount rates used to measure plan liabilities.

As of December 31, 2020, the U.S. qualified plan holds 2 million shares of the Company's common stock which were contributed to the qualified plan by the Company in 2005. This represented approximately 4.6% of that plan's assets as of December 31, 2020.

The components of the net periodic benefit cost (credit) for the U.S. defined benefit and other post-retirement benefit plans are as follows:

U.S. Plans only For the Years Ended December 31,	Pension Benefits			Post-retirement Benefits		
(In millions)	**2020**	2019	2018	**2020**	2019	2018
Interest cost	**213**	241	235	**1**	1	1
Expected return on plan assets	**(345)**	(343)	(357)	**—**	—	—
Recognized actuarial loss (gain)	**72**	44	55	**—**	(1)	(1)
Net periodic benefit (credit) cost	**$ (60)**	$ (58)	$ (67)	**$ 1**	$ —	$ —

The assumed health care cost trend rate for Medicare eligibles and non-Medicare eligibles is approximately 5.8% in 2020, gradually declining to 4.5% in 2039. Assumed health care cost trend rates have a small effect on the amounts reported for the U.S. health care plans because the Company caps its share of health care trend at 5%.

Estimated Future Contributions

The Company expects to contribute approximately $37 million to its U.S. plans in 2021. The Company's policy for funding its tax-qualified defined benefit retirement plans is to contribute amounts at least sufficient to meet the funding requirements set forth in the U.S. and applicable foreign law.

Non-U.S. Plans

The following schedules provide information concerning the Company's non-U.S. defined benefit pension plans and non-U.S. post-retirement benefit plans:

	Non-U.S. Pension Benefits		Non-U.S. Post-retirement Benefits	
(In millions)	**2020**	2019	**2020**	2019
Change in benefit obligation:				
Benefit obligation at beginning of year	**$ 11,321**	$ 8,969	**$ 61**	$ 57
Service cost	**36**	31	**—**	—
Interest cost	**208**	246	**2**	2
Employee contributions	**2**	2	**—**	—
Plan combination	**—**	915	**—**	—
Actuarial loss	**1,273**	1,339	**10**	3
Plan amendments	**11**	(1)	**—**	—
Effect of settlement	**(13)**	(25)	**—**	—
Special termination benefits	**1**	—	**—**	—
Benefits paid	**(402)**	(364)	**(2)**	(3)
Foreign currency changes	**561**	209	**2**	2
Benefit obligation, December 31	**$ 12,998**	$ 11,321	**$ 73**	$ 61
Change in plan assets:				
Fair value of plan assets at beginning of year	**$ 12,313**	$ 10,306	**$ —**	$ —
Plan combination	**—**	683	**—**	—
Actual return on plan assets	**1,415**	1,367	**—**	—
Effect of settlement	**(13)**	(25)	**—**	—
Company contributions	**78**	87	**2**	3
Employee contributions	**2**	2	**—**	—
Benefits paid	**(402)**	(364)	**(2)**	(3)
Foreign currency changes	**635**	257	**—**	—
Fair value of plan assets, December 31	**$ 14,028**	$ 12,313	**$ —**	$ —
Net funded status, December 31	**$ 1,030**	$ 992	**$ (73)**	$ (61)
Amounts recognized in the consolidated balance sheets:				
Non-current assets	**$ 1,764**	$ 1,632	**$ —**	$ —
Current liabilities	**(7)**	(6)	**(3)**	(3)
Non-current liabilities	**(727)**	(634)	**(70)**	(58)
Net asset (liability) recognized, December 31	**$ 1,030**	$ 992	**$ (73)**	$ (61)
Amounts recognized in other comprehensive (loss) income:				
Prior service credit	**$ (13)**	$ (2)	**$ 9**	$ 11
Net actuarial loss	**(3,467)**	(3,055)	**(16)**	(5)
Total recognized accumulated other comprehensive (loss) income, December 31	**$ (3,480)**	$ (3,057)	**$ (7)**	$ 6
Cumulative employer contributions in excess of (less than) net periodic cost	**4,510**	4,049	**(66)**	(67)
Net asset (liability) recognized in consolidated balance sheets, December 31	**$ 1,030**	$ 992	**$ (73)**	$ (61)
Accumulated benefit obligation, December 31	**$ 12,736**	$ 11,079	**$ —**	$ —

	Non-U.S. Pension Benefits		Non-U.S. Post-retirement Benefits	
(In millions)	**2020**	2019	**2020**	2019
Reconciliation of prior service (cost) credit recognized in accumulated other comprehensive income (loss):				
Beginning balance	**$ (2)**	$ (2)	**$ 11**	$ 12
Recognized as component of net periodic benefit credit:				
Amortization of prior service credit	**—**	—	**(2)**	(2)
Total recognized as component of net periodic benefit credit	**—**	—	**(2)**	(2)
Changes in plan assets and benefit obligations recognized in other comprehensive income:				
Plan amendments	**(11)**	1	**—**	—
Exchange rate adjustments	**—**	(1)	**—**	1
Prior service (cost) credit, December 31	**$ (13)**	$ (2)	**$ 9**	$ 11

	Non-U.S. Pension Benefits		Non-U.S. Post-retirement Benefits	
(In millions)	**2020**	2019	**2020**	2019
Reconciliation of net actuarial (loss) gain recognized in accumulated other comprehensive (loss) income:				
Beginning balance	**$ (3,055)**	$ (2,568)	**$ (5)**	$ (1)
Recognized as component of net periodic benefit cost:				
Amortization of net loss	**89**	60	**—**	—
Effect of settlement	**3**	7	**—**	—
Total recognized as component of net periodic benefit credit	**92**	67	**—**	—
Changes in plan assets and benefit obligations recognized in other comprehensive income (loss):				
Liability experience	**(1,273)**	(1,339)	**(10)**	(3)
Asset experience	**916**	847	**—**	—
Total amount recognized as change in plan assets and benefit obligations	**(357)**	(492)	**(10)**	(3)
Exchange rate adjustments	**(147)**	(62)	**(1)**	(1)
Net actuarial loss, December 31	**$ (3,467)**	$ (3,055)	**$ (16)**	$ (5)

For the Years Ended December 31,	Non-U.S. Pension Benefits			Non-U.S. Post-retirement Benefits		
(In millions)	**2020**	2019	2018	**2020**	2019	2018
Total recognized in net periodic benefit cost and other comprehensive loss (income)	**$ 261**	$ 311	$ (147)	**$ 13**	$ 5	$ (5)

The weighted average actuarial assumptions utilized in determining expense during the year and benefit obligation at the end of the year for the non-U.S. defined benefit and post-retirement plans are as follows:

	Non-U.S. Pension Benefits		Non-U.S. Post-retirement Benefits	
	2020	2019	**2020**	2019
Weighted average assumptions:				
Discount rate (for expense)	**2.09 %**	2.89 %	**2.53 %**	3.32 %
Expected return on plan assets	**4.35 %**	4.87 %	**—**	—
Rate of compensation increase (for expense)	**2.75 %**	2.82 %	**—**	—
Discount rate (for benefit obligation)	**1.49 %**	2.09 %	**1.96 %**	2.53 %
Rate of compensation increase (for benefit obligation)	**2.84 %**	2.75 %	**—**	—

The accumulated benefit obligation and fair value of plan assets for the non-U.S. pension plans with accumulated benefit obligations in excess of plan assets were $3.1 billion and $2.5 billion, respectively, as of December 31, 2020 and $2.7 billion and $2.2 billion, respectively, as of December 31, 2019.

The projected benefit obligation and fair value of plan assets for non-U.S. pension plans with projected benefit obligations in excess of plan assets was $3.3 billion and $2.6 billion, respectively, as of December 31, 2020 and $3.0 billion and $2.3 billion, respectively, as of December 31, 2019.

The increase in the benefit obligation in 2020 compared to 2019 reflects an actuarial loss primarily due to the decrease in discount rates used to measure plan liabilities.

Components of Net Periodic Benefits Costs

The components of the net periodic benefit cost for the non-U.S. defined benefit and other post-retirement benefit plans and the curtailment, settlement and termination expenses are as follows:

For the Years Ended December 31,	Non-U.S. Pension Benefits			Non-U.S. Post-retirement Benefits		
(In millions)	**2020**	2019	2018	**2020**	2019	2018
Service cost	**$ 36**	$ 31	$ 34	**$ —**	$ —	$ 1
Interest cost	**208**	246	228	**2**	2	2
Expected return on plan assets	**(499)**	(520)	(507)	**—**	—	—
Amortization of prior service credit	**—**	—	(2)	**(2)**	(2)	(2)
Recognized actuarial loss	**89**	60	91	**—**	—	—
Net periodic benefit (credit) cost	**(166)**	(183)	(156)	**—**	—	1
Settlement loss	**3**	7	42	**—**	—	—
Special termination benefits	**1**	—	—	**—**	—	—
Total (credit) cost	**$ (162)**	$ (176)	$ (114)	**$ —**	$ —	$ 1

The assumed health care cost trend rate was approximately 4.93% in 2020, gradually declining to 4.22% in 2040. Assumed health care cost trend rates can have a significant effect on the amounts reported for the non-U.S. health care plans.

Estimated Future Contributions

The Company expects to contribute approximately $87 million to its non-U.S. pension plans in 2021. Funding requirements for non-U.S. plans vary by country. Contribution rates are generally based on local funding practices and requirements, which may differ significantly from measurements under U.S. GAAP. Funding amounts may be influenced by future asset performance, the level of discount rates and other variables impacting the assets and/or liabilities of the plan. Discretionary contributions may also be affected by alternative uses of the Company's cash flows, including dividends, investments and share repurchases.
In the U.K., the assumptions used to determine pension contributions are the result of legally-prescribed negotiations between the Company and the plans' trustee that typically occurs every three years in conjunction with the actuarial valuation of the plans. Currently, this results in a lower funded status than under U.S. GAAP and may result in contributions irrespective of the U.S. GAAP funded status. For the

MMC UK Pension Fund, in November 2016, the Company and the trustee agreed to a funding deficit recovery plan for the U.K. defined benefit pension plans. A new agreement was reached with the trustee in fourth quarter of 2019 based on the surplus funding position at December 31, 2018. Under the agreement no deficit funding is required until 2023. The funding level will be re-assessed during 2022 to determine if contributions are required in 2023. As part of a long-term strategy, which depends on having greater influence over asset allocation and overall investment decisions, in November 2019 the Company renewed its agreement to support annual deficit contributions by the U.K. operating companies under certain circumstances, up to GBP 450 million over a seven-year period.

In addition, in the U.K., the Company assumed responsibility for JLT's Pension Scheme (JLT U.K. plan). We currently expect to pay $29 million of deficit funding in 2021, although we will also reach a new funding agreement with the trustee during 2021.

Estimated Future Benefit Payments

The estimated future benefit payments for the Company's pension and post-retirement benefit plans are as follows:

For the Years Ended December 31,	Pension Benefits		Post-retirement Benefits	
(In millions)	U.S.	Non-U.S.	U.S.	Non-U.S.
2021	$ 291	$ 344	$ 4	$ 3
2022	$ 302	$ 353	$ 3	$ 3
2023	$ 315	$ 373	$ 3	$ 3
2024	$ 321	$ 382	$ 3	$ 3
2025	$ 327	$ 394	$ 3	$ 3
2026-2030	$ 1,701	$ 2,160	$ 10	$ 15

Defined Benefit Plans Fair Value Disclosures

The U.S. and non-U.S. plan investments are classified into Level 1, which refers to investments valued using quoted prices from active markets for identical assets; Level 2, which refers to investments not traded on an active market but for which observable market inputs are readily available; Level 3, which refers to investments valued based on significant unobservable inputs; and NAV, which refers to investments valued using net asset value as a practical expedient. Assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. See Note 10 for further description of fair value hierarchy leveling.

The following table sets forth, by level within the fair value hierarchy, a summary of the U.S. and non-U.S. plans' investments measured at fair value on a recurring basis at December 31, 2020 and 2019:

Assets *(In millions)*	Fair Value Measurements at December 31, 2020				
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	NAV	Total
Common/collective trusts	**$ 561**	**$ —**	**$ —**	**$ 4,298**	**$ 4,859**
Corporate obligations	**—**	**4,707**	**2**	**—**	**4,709**
Corporate stocks	**2,737**	**39**	**1**	**—**	**2,777**
Private equity/partnerships	**—**	**—**	**—**	**1,353**	**1,353**
Government securities	**15**	**4,331**	**—**	**—**	**4,346**
Real estate	**—**	**—**	**—**	**487**	**487**
Short-term investment funds	**1,040**	**—**	**—**	**—**	**1,040**
Company common stock	**234**	**—**	**—**	**—**	**234**
Other investments	**13**	**7**	**771**	**—**	**791**
Total investments	**$ 4,600**	**$ 9,084**	**$ 774**	**$ 6,138**	**$ 20,596**
Net derivative liabilities	**—**	**(1,522)**	**—**	**—**	**(1,522)**
Net Investments	**$ 4,600**	**$ 7,562**	**$ 774**	**$ 6,138**	**$ 19,074**

Assets *(In millions)*	Fair Value Measurements at December 31, 2019				
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	NAV	Total
Common/collective trusts	$ 492	$ —	$ —	$ 5,959	$ 6,451
Corporate obligations	—	4,063	—	—	4,063
Corporate stocks	2,871	34	1	—	2,906
Private equity/partnerships	—	—	—	1,055	1,055
Government securities	20	679	—	—	699
Real estate	—	—	—	660	660
Short-term investment funds	309	3	—	—	312
Company common stock	223	—	—	—	223
Other investments	15	17	682	2	716
Total investments	$ 3,930	$ 4,796	$ 683	$ 7,676	$ 17,085

The tables below set forth a summary of changes in the fair value of the plans' Level 3 assets for the years ended December 31, 2020 and December 31, 2019:

Assets *(In millions)*	Fair Value, January 1, 2020	Purchases	Sales	Unrealized Gain/ (Loss)	Realized Gain/ (Loss)	Exchange Rate Impact	Transfers in/(out) and Other	Fair Value, December 31, 2020
Other investments	**$ 682**	**$ 20**	**$ (12)**	**$ 25**	**$ 1**	**$ 55**	**$ 2**	**$ 773**
Corporate stocks	**1**	**—**	**—**	**—**	**—**	**—**	**—**	**1**
Total assets	**$ 683**	**$ 20**	**$ (12)**	**$ 25**	**$ 1**	**$ 55**	**$ 2**	**$ 774**

Assets *(In millions)*	Fair Value, January 1, 2019	Purchases	Sales	Unrealized Gain/ (Loss)	Realized Gain/ (Loss)	Exchange Rate Impact	Transfers in/(out) and Other (a)	Fair Value, December 31, 2019
Other investments	$ 333	$ 17	$ (14)	$ 72	$ 1	$ (9)	$ 282	$ 682
Corporate stocks	1	—	—	—	—	—	—	1
Total assets	$ 334	$ 17	$ (14)	$ 72	$ 1	$ (9)	$ 282	$ 683

(a) Transfers in during 2019 are primarily related to the inclusion of JLT plan assets.

The following is a description of the valuation methodologies used for assets measured at fair value:

Company common stock: Valued at the closing price reported on the New York Stock Exchange.

Common stocks, preferred stocks, convertible equity securities, rights/warrants and real estate investment trusts (included in Corporate stocks): Valued at the closing price reported on the primary exchange.

Corporate bonds (included in Corporate obligations): The fair value of corporate bonds is estimated using recently executed transactions, market price quotations (where observable) and bond spreads. The spread data used are for the same maturity as the bond. If the spread data does not reference the issuer, then data that references a comparable issuer are used. When observable price quotations are not available, fair value is determined based on cash flow models.

Commercial mortgage-backed and asset-backed securities (included in Corporate obligations): Fair value is determined using discounted cash flow models. Observable inputs are based on trade and quote activity of bonds with similar features including issuer vintage, purpose of underlying loan (first or second lien), prepayment speeds and credit ratings. The discount rate is the combination of the appropriate rate from the benchmark yield curve and the discount margin based on quoted prices.

Common/Collective trusts: Valued at the net asset value of units of a bank collective trust. The net asset value as provided by the trustee, is used as a practical expedient to estimate fair value. The net asset value is based on the fair value of the underlying investments held by the fund less its liabilities. This practical expedient is not used when it is determined to be probable that the fund will sell the investment for an amount different than the reported net asset value.

U.S. government bonds (included in Government securities): The fair value of U.S. government bonds is estimated by pricing models that utilize observable market data including quotes, spreads and data points for yield curves.

U.S. agency securities (included in Government securities): U.S. agency securities are comprised of two main categories consisting of agency issued debt and mortgage pass-throughs. Agency issued debt securities are valued by benchmarking market-derived prices to quoted market prices and trade data for identical or comparable securities. Mortgage pass-throughs include certain "To-be-announced" (TBA) securities and mortgage pass-through pools. TBA securities are generally valued using quoted market prices or are benchmarked thereto. Fair value of mortgage pass-through pools are model driven with respect to spreads of the comparable TBA security.

Private equity and real estate partnerships: Investments in private equity and real estate partnerships are valued based on the fair value reported by the manager of the corresponding partnership and reported on a one quarter lag. The managers provide unaudited quarterly financial statements and audited annual financial statements which set forth the value of the fund. The valuations obtained from the managers are based on various analyses on the underlying holdings in each partnership, including financial valuation models and projections, comparable valuations from the public markets, and precedent private market transactions. Investments are valued in the accompanying financial statements based on the Plan’s beneficial interest in the underlying net assets of the partnership as determined by the partnership agreement.

Insurance group annuity contracts: The fair values for these investments are based on the current market value of the aggregate accumulated contributions plus interest earned.

Net derivative liabilities: Includes interest rate swaps, inflation swaps, total return swaps, repurchase agreements and equity based derivatives, primarily related to the U.K. plans. These derivatives are structured to hedge interest rate, inflation and equity exposure in the U.K. plans. Fair values for interest rate, inflation and equity based derivatives are calculated using a discounted cash flow pricing model. These models use observable market data such as contractual fixed rate, spot equity price or index value and dividend data.

In the prior year, the invested assets and hedging derivatives in the U.K. plans were structured as a pooled fund and disclosed in the leveling chart in the common/collective trust category and measured at fair value based on NAV. In the fourth quarter of 2020, the Company restructured the U.K. plans' investment portfolio to segregate its asset and hedging instruments by specific investment categories.

Short-term investment funds: Primarily high-grade money market instruments valued at net asset value at year-end.

Registered investment companies: Valued at the closing price reported on the primary exchange.

Defined Contribution Plans

The Company maintains certain defined contribution plans for its employees, including the Marsh & McLennan Companies 401(k) Savings & Investment Plan ("MMC 401(k) Plan") and the Marsh & McLennan Agency Savings and Investment Plan (collectively, the "401(k) Plans"), that are qualified under U.S. tax laws. For the 401(k) Plans, eligible employees may contribute a percentage of their base salary, subject to certain limitations, and the Company matches a fixed portion of the employees' contributions. In addition, the Company also amended the MMC 401(k) Plan for most of its U.S. employees to add an automatic Company contribution equal to 4% of eligible base pay beginning on January 1, 2017. The 401(k) Plans contain an Employee Stock Ownership Plan feature under U.S. tax law. Approximately $537 million of the 401(k) Plans' assets at December 31, 2020 and $556 million at December 31, 2019 were invested in the Company's common stock. If a participant does not choose an investment direction for his or her future contributions, they are automatically invested in a BlackRock LifePath Portfolio that most closely matches the participant's expected retirement year. The cost of these defined contribution plans was $145 million in 2020, $139 million in 2019 and $133 million in 2018. In addition, the Company has significant defined contribution plans in the U.K. As noted above, effective August 1, 2014, a newly formed defined contribution plan replaced the existing defined contribution and defined benefit plans with regard to future service. In addition, the Company has assumed responsibility for the defined contribution section of the JLT U.K. plan. The cost of the U.K. defined contribution plan was $121 million, $100 million and $80 million in 2020, 2019 and 2018, respectively.

9. Stock Benefit Plans

The Company maintains multiple stock-based payment arrangements under which employees may be awarded restricted stock units, stock options and other forms of stock-based benefits.

Marsh & McLennan Companies, Inc. Incentive and Stock Award Plans

On May 21, 2020, the Marsh & McLennan Companies, Inc. 2020 Incentive and Stock Award Plan (the "2020 Plan") was approved by the Company's stockholders. The 2020 Plan replaced the Company's previous equity incentive plan (2011 Incentive and Stock Award Plan).

The types of awards permitted under the 2020 Plan include stock options, restricted stock units payable in Company common stock or cash, and other stock-based awards. Performance-based restricted stock units are referred to as performance stock units. The 2020 Plan contains a provision which, in the event of a change in control of the Company, may accelerate the vesting of awards. This provision requires both a change in control of the Company and a subsequent specified termination of employment for vesting to be accelerated. There are 20 million shares available for issuance under the 2020 plan. The total number of shares issued in connection with full-value awards may not exceed 12.5 million shares. Full-value awards include awards such as restricted stock units and performance stock units but exclude stock options.

The Company's current practice is to grant non-qualified stock options, restricted stock units ("RSUs") and/or performance stock units ("PSUs") on an annual basis to senior executives and a limited number of

other employees as part of their total compensation. RSU awards are also granted to new hires or as retention awards for certain employees.

Stock Options: The Company currently grants non-qualified stock options under the 2020 Plan. The Compensation Committee determines when the options vest and may be exercised and under what terms the options are forfeited. Options are generally granted with an exercise price equal to the market value of the Company's common stock on the date of grant. These option awards generally vest 25% per year and have a contractual term of 10 years.

The estimated fair value of options granted is calculated using the Black-Scholes option pricing valuation model. This model takes into account several factors and assumptions. The expected dividend yield is based on expected dividends for the expected life of the stock options.

The assumptions used in the Black-Scholes option pricing valuation model for options granted by the Company in 2020, 2019 and 2018 are as follows:

	2020	2019	2018
Risk-free interest rate	**1.44 %**	2.51 %	2.73 %
Expected life (in years)	**6.0**	6.0	6.0
Expected volatility	**20.33 %**	20.93 %	23.23 %
Expected dividend yield	**1.53 %**	1.82 %	1.81 %

A summary of the status of the Company’s stock option awards as of December 31, 2020 and changes during the year then ended is presented below:

	Shares		**Weighted Average Exercise Price**	**Weighted Average Remaining Contractual Term**		**Aggregate Intrinsic Value ($000)**
Balance at January 1, 2020	**8,859,128**	**$**	**64.69**			
Granted	**1,326,790**	**$**	**118.87**			
Exercised	**(2,348,898)**	**$**	**44.72**			
Forfeited	**(67,125)**	**$**	**96.09**			
Balance at December 31, 2020	**7,769,895**	**$**	**79.71**	**6.5 years**	**$**	**285,520**
Options vested or expected to vest at December 31, 2020	**7,645,454**	**$**	**79.45**	**6.5 years**	**$**	**282,844**
Options exercisable at December 31, 2020	**4,299,859**	**$**	**64.71**	**5.2 years**	**$**	**220,402**

In the above table, forfeited options are unvested options whose requisite service period has not been met. Expired options are vested options that were not exercised. The weighted-average grant-date fair value of the Company's option awards granted during the years ended December 31, 2020, 2019 and 2018 was $21.09, $17.87 and $18.29, respectively. The total intrinsic value of options exercised during the same periods was $159.3 million, $136.7 million and $72.9 million, respectively.

As of December 31, 2020, there was $17.5 million of unrecognized compensation cost related to the Company's option awards. The weighted-average period over which that cost is expected to be recognized is approximately 1.23 years. Cash received from the exercise of stock options for the years ended December 31, 2020, 2019 and 2018 was $72.0 million, $106.5 million and $46.7 million, respectively.

The Company's policy is to issue treasury shares upon option exercises or share unit conversion. The Company intends to issue treasury shares as long as an adequate number of those shares is available.

Restricted Stock Units and Performance Stock Units: The Company currently grants RSU and PSU awards under the 2020 Plan. The Compensation Committee determines the restrictions on such units, when the restrictions lapse, when the units vest and are paid, and under what terms the units are forfeited. The cost of these awards is amortized over the vesting period, which is generally three years. Dividend equivalents are not paid out unless and until such time that the award vests and shares are

distributed. For PSU's granted prior to 2020, payout is based on the achievement of the Company's performance measures, based on adjusted EPS growth as modified for executive compensation purposes and measured on a three-year annualized growth basis, and paid out generally over the three-year performance period. The Company accounts for these awards as performance condition restricted stock units. The performance condition is not considered in the determination of grant date fair value of such awards. Compensation cost is recognized over the performance period based on management's estimate of the number of units expected to vest and shares to be paid and is adjusted to reflect the actual number of shares paid out at the end of the three-year performance period.

The payout for PSU awards granted in 2020 is based on the achievement of the Company's adjusted EPS growth as well as a relative total stockholder return ("TSR") modifier versus the S&P 500 companies. The TSR modifier is a market condition with the grant-date fair value determined using a Monte Carlo simulation model. The Monte Carlo model takes into account several factors and assumptions including the risk-free interest rate, historical volatility of and correlations between the stock prices of the Company and the S&P 500 companies, and the Company's relative TSR versus S&P 500 companies for the brief portion of the three-year performance period prior to the grant date. The number of shares actually earned at the end of the three-year period will vary, based on actual Company financial performance, and for 2020 PSU awards, relative TSR, from 0% to 200%% of the number of performance share units granted.

The assumptions used in the Monte Carlo simulation model for PSU's granted with the TSR modifier by the Company in 2020 include:

	2020
Risk-Free Interest Rate	1.39 %
Dividend Yield	1.8 %
Volatility	16.0 %
Initial TSR	7.9 %

A summary of the status of the Company's RSU and PSU awards as of December 31, 2020 and changes during the period then ended is presented below:

	Restricted Stock Units		Performance Stock Units	
	Shares	Weighted Average Grant Date Fair Value	Shares	Weighted Average Grant Date Fair Value
Non-vested balance at January 1, 2020	**5,957,737**	**$ 87.80**	**650,547**	**$ 82.75**
Granted	**2,156,602**	**$ 118.20**	**235,432**	**$ 127.71**
Vested	**(2,291,265)**	**$ 82.96**	**(210,950)**	**$ 73.20**
Forfeited	**(309,393)**	**$ 96.28**	**(18,347)**	**$ 97.02**
Non-vested balance at December 31, 2020	**5,513,681**	**$ 101.22**	**656,682**	**$ 101.54**

The weighted-average grant-date fair value of the Company's RSU awards granted during the years ended December 31, 2019 and 2018 was $92.50 and $83.05, respectively. The weighted average grant date fair value of the Company's PSU awards granted during the years ended December 31, 2019 and 2018 was $91.17 and $83.05, respectively. The total fair value of the shares distributed during the years ended December 31, 2020, 2019 and 2018 in connection with the Company's non-option equity awards was $290.0 million, $211.9 million and $170.3 million, respectively.

The payout of shares in 2020 with respect to the PSU awards granted in 2017 was 168% of target based on performance for the three-year performance period. In aggregate, 354,452 shares became distributable in respect to PSUs vested in 2020.

As of December 31, 2020, there was $347.7 million of unrecognized compensation cost related to the Company's RSU and PSU awards. The weighted-average period over which that cost is expected to be recognized is approximately 1 year.

Marsh & McLennan Companies Stock Purchase Plans

In May 1999, the Company's stockholders approved an employee stock purchase plan (the "1999 Plan") to replace the 1994 Employee Stock Purchase Plan (the "1994 Plan"), which terminated on September 30, 1999 following its fifth annual offering. Under the current terms of the Plan, shares are purchased four times during the plan year at a price that is 95% of the average market price on each quarterly purchase date. Under the 1999 Plan, after including the available remaining unused shares in the 1994 Plan and reducing the shares available by 10,000,000 consistent with the Company's Board of Directors' action in March 2007 and the addition of 4,750,000 shares due to a shareholder action in May 2018, no more than 40,350,000 shares of the Company's common stock may be sold. Employees purchased 394,419 shares during the year ended December 31, 2020 and at December 31, 2020, 4,878,288 shares were available for issuance under the 1999 Plan. Under the 1995 Company Stock Purchase Plan for International Employees (the "International Plan"), after reflecting the additional 5,000,000 shares of common stock for issuance approved by the Company's Board of Directors in July 2002, the addition of 4,000,000 shares due to a shareholder action in May 2007 and reducing the shares available by 1,000,000 consistent with the Company's Board of Directors' action in March 2018, no more than 11,000,000 shares of the Company's common stock may be sold. Employees purchased 115,199 shares during the year ended December 31, 2020 and there were 1,156,014 shares available for issuance at December 31, 2020 under the International Plan. The plans are considered non-compensatory.

10. Fair Value Measurements

Fair Value Hierarchy

The Company has categorized its assets and liabilities that are valued at fair value on a recurring basis into a three-level fair value hierarchy as defined by the FASB. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets and liabilities (Level 1) and lowest priority to unobservable inputs (Level 3). In some cases, the inputs used to measure fair value might fall into different levels of the fair value hierarchy. In such cases, the level in the fair value hierarchy, for disclosure purposes, is determined based on the lowest level input that is significant to the fair value measurement. Assets and liabilities recorded in the consolidated balance sheets at fair value are categorized based on the inputs in the valuation techniques as follows:

Level 1. Assets and liabilities whose values are based on unadjusted quoted prices for identical assets or liabilities in an active market (examples include active exchange-traded equity securities and exchange-traded money market mutual funds).

Assets and liabilities using Level 1 inputs include exchange-traded equity securities, exchange-traded mutual funds and money market funds.

Level 2. Assets and liabilities whose values are based on the following:

a) Quoted prices for similar assets or liabilities in active markets;

b) Quoted prices for identical or similar assets or liabilities in non-active markets (examples include corporate and municipal bonds, which trade infrequently);

c) Pricing models whose inputs are observable for substantially the full term of the asset or liability (examples include most over-the-counter derivatives, including interest rate and currency swaps); and

d) Pricing models whose inputs are derived principally from or corroborated by observable market data through correlation or other means for substantially the full asset or liability (for example, certain mortgage loans).

Assets and liabilities using Level 2 inputs are related to an equity security.

Level 3. Assets and liabilities whose values are based on prices, or valuation techniques that require inputs that are both unobservable and significant to the overall fair value

measurement. These inputs reflect management's own assumptions about the assumptions a market participant would use in pricing the asset or liability.

Assets and liabilities measured using Level 3 inputs relate to assets and liabilities for contingent purchase consideration.

Valuation Techniques

Equity Securities, Money Market Mutual Funds and Mutual Funds - Level 1

Investments for which market quotations are readily available are valued at the sale price on their principal exchange or, for certain markets, official closing bid price. Money market mutual funds are valued using a valuation technique that results in price per share at $1.00.

Contingent Purchase Consideration Assets and Liability - Level 3

Purchase consideration for some acquisitions and dispositions made by the Company include contingent consideration arrangements. Contingent consideration arrangements are based primarily on EBITDA or revenue targets over a period of two to four years. The fair value of contingent purchase consideration asset and liability is estimated as the present value of future cash flows to be paid, based on projections of revenue and earnings and related targets of the acquired and disposed entities.

The following fair value hierarchy table presents information about the Company's assets and liabilities measured at fair value on a recurring basis as of December 31, 2020 and 2019:

(In millions of dollars)	Identical Assets (Level 1)		Observable Inputs (Level 2)		Unobservable Inputs (Level 3)		Total	
	12/31/20	12/31/19	**12/31/20**	12/31/19	**12/31/20**	12/31/19	**12/31/20**	12/31/19
Assets:								
Financial instruments owned:								
Exchange traded equity securities [a]	**$ 59**	$ 4	**$ —**	$ —	**$ —**	$ —	**$ 59**	$ 4
Mutual funds[a]	**186**	166	**—**	—	**—**	—	**186**	166
Money market funds[b]	**587**	55	**—**	—	**—**	—	**587**	55
Other equity investment[a]	**—**	—	**8**	8	**—**	—	**8**	8
Contingent purchase consideration asset[c]	**—**	—	**—**	—	**68**	84	**68**	84
Total assets measured at fair value	**$ 832**	$ 225	**$ 8**	$ 8	**$ 68**	$ 84	**$ 908**	$ 317
Fiduciary Assets:								
Money market funds	**$ 173**	$ 360	**$ —**	$ —	**$ —**	$ —	**$ 173**	$ 360
U.S. Treasury Bills	**150**	40	**—**	—	**—**	—	**150**	40
Total fiduciary assets measured at fair value	**$ 323**	$ 400	**$ —**	$ —	**$ —**	$ —	**$ 323**	$ 400
Liabilities:								
Contingent purchase consideration liability[d]	**$ —**	$ —	**$ —**	$ —	**$ 243**	$ 225	**$ 243**	$ 225
Acquisition related derivative contracts	**—**	—	**—**	—	**—**	—	**—**	—
Total liabilities measured at fair value	**$ —**	$ —	**$ —**	$ —	**$ 243**	$ 225	**$ 243**	$ 225

[a] Included in other assets in the consolidated balance sheets.
[b] Included in cash and cash equivalents in the consolidated balance sheets.
[c] Included in other receivables at December 31, 2020 and other assets at December 31, 2019 in the consolidated balance sheets.
[d] Included in accounts payable and accrued liabilities and other liabilities in the consolidated balance sheets.

The Level 3 assets in the above chart reflect contingent purchase consideration from the sale of businesses during 2019. The change in the asset from December 31, 2019 is primarily due to the net impact of accretion and adjustments to the fair value of the acquisition related asset of approximately $15 million. A 5% increase or decrease in the projections used to estimate the contingent consideration would result in a corresponding increase or decrease of the asset of approximately $7 million.

During the year ended December 31, 2020, there were no assets or liabilities that were transferred between any of the levels.

The table below sets forth a summary of the changes in fair value of the Company's Level 3 liabilities for the years ended December 31, 2020 and December 31, 2019.

(In millions)	**2020**	2019
Balance at January 1,	**$ 225**	$ 508
Net additions	**107**	36
Payments	**(102)**	(63)
Revaluation impact	**11**	70
Change in fair value of the FX contract	**—**	(325)
Other [(a)]	**2**	(1)
Balance at December 31,	**$ 243**	$ 225

(a) Primarily reflects the impact of foreign exchange.

As set forth in the table above, based on the Company's ongoing assessment of the fair value of contingent consideration, the Company recorded a net increase in the estimated fair value of such liabilities for prior period acquisitions of $11 million for the year ended December 31, 2020. A 5% increase in the projections used to estimate the contingent consideration would increase the liability by approximately $12 million. A 5% decrease would decrease the liability by approximately $21 million.

Long-Term Investments

The Company holds investments in certain private equity investments and private companies that are accounted for using the equity method of accounting. The carrying value of these investments was $280 million and $434 million at December 31, 2020 and 2019, respectively.

Investments in Public and Private Companies

The Company has other investments in private insurance and consulting companies with a carrying value of $169 million and $183 million at December 31, 2020 and December 31, 2019, respectively. The Company's equity investment in insurance and consulting companies are accounted for using the equity method of accounting, the results of which are included in revenue in the consolidated statements of income and the carrying value of which is included in other assets in the consolidated balance sheets. The Company records its share of income or loss on its equity method investments, some of which are on a one quarter lag basis.

Private Equity Investments

The Company's investments in private equity funds were $111 million and $107 million at December 31, 2020 and December 31, 2019, respectively. The carrying values of these private equity investments approximates fair value. The underlying private equity funds follow investment company accounting, where investments within the fund are carried at fair value. The Company records in earnings its proportionate share of the change in fair value of the funds on the investment income (loss) line in the consolidated statement of income. These investments are included in other assets in the consolidated balance sheets. The Company recorded net investment income of $3 million and $13 million from these investments for the years ended December 31, 2020 and 2019, respectively.

Other Investments

At December 31, 2020 and December 31, 2019 the Company held certain equity investments with readily determinable market values of $72 million and $19 million, respectively. In 2020 and 2019, the Company recorded investment losses on these investments of $27 million and gains of $10 million, respectively. The Company also held investments without readily determinable market values of $33 million and $67 million at December 31, 2020 and 2019, respectively. The Company recorded a net gain of approximately $2 million in 2020 and a net loss of approximately $1 million in 2019 on these investments.

At December 31, 2019, the Company owned approximately 443 million shares of the common stock of AF, a South African company listed on the Johannesburg Stock Exchange, which was accounted for

under the equity method of accounting. In February 2020, the Company sold approximately 49 million shares of the common stock of AF, and in May 2020, sold an additional 193 million shares to third parties, leaving the Company with an investment of approximately 201 million shares of the common stock of AF at December 31, 2020. Upon completion of the May transaction, the investment in AF was accounted at fair value, with investment gains and losses recorded as investment income (loss) in the consolidated statement of income. The fair value of AF at December 31, 2020 was $54 million.

In March 2019, the Company disposed of its investment in BenefitFocus for total proceeds of approximately $132 million. The Company received $115 million in the first quarter of 2019 and $17 million in April 2019. During the second quarter of 2019, the Company disposed of its investment in Payscale and received approximately $47 million.

11. Derivatives

Net Investment Hedge

The Company has investments in various subsidiaries with Euro functional currencies. As a result, the Company is exposed to the risk of fluctuations between the Euro and U.S. dollar exchange rates. The Company designated its €1.1 billion senior note debt instruments ("euro notes") as a net investment hedge (the "hedge") of its Euro denominated subsidiaries. The hedge effectiveness is re-assessed each quarter to confirm that the designated equity balance at the beginning of each period continues to equal or exceed 80% of the outstanding balance of the Euro debt instrument and that all the critical terms of the hedging instrument and the hedged net investment continue to match. If the Company concludes that the hedge is highly effective, the change in the debt balance related to foreign exchange fluctuations is recorded in foreign currency translation gains (losses) in the consolidated balance sheet. The Company concluded that the hedge continues to be highly effective as of December 31, 2020. During 2020, the U.S. dollar value of the euro notes increased $124 million through December 31, 2020 due to the impact of foreign exchange rates, with a corresponding increase to accumulated other comprehensive loss.

JLT Acquisition Related Derivatives

On September 20, 2018, the Company entered into the FX contract to purchase £5.2 billion at a contracted exchange rate, to hedge the risk of appreciation of the GBP-denominated purchase price of JLT, which was settled on April 1, 2019 upon the closing of the JLT Transaction. The FX contract did not qualify for hedge accounting treatment under applicable accounting guidance, which required the Company to record the change in the fair value of the FX contract on each reporting date to the statement of income. The Company recorded a gain of $31 million in the consolidated statement of income for the year ended December 31, 2019, related to the settlement of the FX Contract. An unrealized loss of $325 million related to the change in fair value of the FX contract was recorded in the consolidated statement of income during 2018.

In connection with the JLT Transaction, to hedge the economic risk of changes in future interest rates prior to its issuance of fixed rate debt, in the fourth quarter of 2018, the Company entered into treasury locks related to $2 billion of senior notes issued in January 2019. The fair value of the treasury locks at December 31, 2018 was based on the published treasury rate plus the forward premium as of December 31, 2018 compared to the all in rate at the inception of the contract. The contracts were not designated as an accounting hedge. The Company recorded an unrealized loss of $116 million related to the change in the fair value of this derivative in the consolidated statement of income for the twelve months ended December 31, 2018. In January 2019, upon issuance of the $5 billion of senior notes, the Company settled the treasury lock derivatives and made a payment to its counter party for $122 million. A charge of $6 million was recorded in the first quarter of 2019 related to the settlement of the treasury lock derivatives.

In March 2019, the Company issued €1.1 billion of senior notes related to the JLT Transaction. See Note 13 for additional information related to the Euro senior note issuances. In connection with the senior note issuances, the Company entered into a forward exchange contract to hedge the economic risk of changes in foreign exchange rates from the issuance date to settlement date of the Euro senior notes. The Company recorded a charge of $7.3 million in the consolidated statement of income for the year ended December 31, 2019, related to the settlement of this contract.

JLT Derivatives and Hedging Activity

A significant portion of JLT's outstanding senior notes at the time of completion of the JLT Transaction were denominated in U.S. dollars. In order to hedge its exposure against the risk of fluctuations between the British pound and the U.S. dollar, JLT entered into foreign exchange contracts as well as interest rate swaps to protect against the risk of changes in interest rates, which were designated as fair value hedges. In June, 2019, the Company redeemed these U.S. dollar denominated senior notes and settled the related derivative contracts. The offsetting changes in fair value of the debt and the change in fair value of the derivative contracts were recorded in the consolidated statement of income for the year ended December 31, 2019.

JLT also had a number of foreign exchange contracts to hedge the risk of foreign exchange movements between the U.S. dollar and the British pound, related to JLT's U.S. dollar denominated revenue in the U.K. Prior to the acquisition, these derivative contracts were designated as cash flow hedges. Upon completion of the JLT Transaction, these derivative contracts were not re-designated as cash flow hedges by the Company. The contracts were settled in June 2019. The change in fair value between the acquisition date and the settlement date resulted in a charge of $26 million for the year ended December 31, 2019. The charge is recorded as a change in fair value of acquisition related derivative contracts in the consolidated statement of income.

12. Leases

Effective January 1, 2019 (the "implementation date"), the Company adopted new guidance intended to improve financial reporting for leases. A lease is defined as a party obtaining the right to use an asset legally owned by another party. The Company determines if an arrangement is a lease at inception. For operating leases entered into prior to January 1, 2019, the Right-of-Use ("ROU") assets and operating lease liabilities were recognized in the balance sheet on the implementation date based on the present value of the remaining future minimum payments over the lease term from the implementation date. This ROU asset was adjusted for unamortized lease incentives and restructuring liabilities that existed on the implementation date. For leases entered into subsequent to January 1, 2019, the operating lease ROU asset and operating lease liabilities are based on the present value of minimum payments over the lease term at the commencement date of the lease.

The Company uses discount rates to determine the present value of future lease payments. The Company primarily uses its incremental borrowing rate adjusted to reflect a secured rate, based on the information available for leases, including the lease term and interest rate environment in the country in which the lease exists. The lease terms used to calculate the ROU asset and lease liability may include options to extend or terminate when it is reasonably certain that the Company will exercise that option.

The Company leases office facilities under non-cancelable operating leases with terms generally ranging between 10 and 25 years. The Company utilizes these leased office facilities for use by its employees in countries in which the Company conducts its business. Leases are negotiated with third-parties and, in some instances contain renewal, expansion and termination options. The Company also subleases certain office facilities to third-parties when the Company no longer utilizes the space. None of the Company's leases restrict the payment of dividends or the incurrence of debt or additional lease obligations, or contain significant purchase options. In addition to the base rental costs, the Company's lease agreements generally provide for rent escalations resulting from increased assessments for real estate taxes and other charges. A portion of our real estate lease portfolio contains base rents subject to annual changes in the Consumer Price Index ("CPI") as well as charges for operating expenses which are reimbursable to the landlord based on actual usage. Changes to the CPI and payments for such reimbursable operating expenses are considered variable and are recognized as variable lease costs in the period in which the obligation for those payments was incurred. Approximately 99% of the Company's lease obligations are for the use of office space. All of the Company's material leases are operating leases.

As a practical expedient, the Company has elected an accounting policy not to separate non-lease components from lease components and instead account as a single lease component. The Company

has also elected not to recognize ROU assets and lease liabilities for leases that, at the commencement date, are for 12 months or less.

The Company determined that $28 million and $9 million of its ROU assets were impaired, and therefore, recorded a charge to the consolidated statement of income for the year ended December 31, 2020 and 2019, respectively, with an offsetting reduction to ROU assets.

The following chart provides additional information about the Company's property leases:

For the Year Ended December 31, *(In millions)*		**2020**		2019
Lease Cost:				
Operating lease cost (a)	**$**	**396**	$	371
Short-term lease cost		**3**		8
Variable lease cost		**138**		150
Sublease income		**(19)**		(18)
Net lease cost	**$**	**518**	$	511
Other information:				
Operating cash outflows from operating leases	**$**	**420**	$	392
Right of use assets obtained in exchange for new operating lease liabilities	**$**	**261**	$	140
Weighted-average remaining lease term – real estate		**8.42 years**		8.78 years
Weighted-average discount rate – real estate leases		**2.94 %**		3.10 %

(a) Excludes ROU asset impairment charges.

Future minimum lease payments for the Company's operating leases as of December 31, 2020 are as follows:

Payment Dates *(In millions)*		Real Estate Leases
2021	**$**	**410**
2022		**380**
2023		**331**
2024		**288**
2025		**256**
Subsequent years		**905**
Total future lease payments		**2,570**
Less: Imputed interest		**(304)**
Total		**2,266**
Current lease liabilities		**342**
Long-term lease liabilities		**1,924**
Total lease liabilities	**$**	**2,266**

Note: Table excludes obligations for leases with original terms of 12 months or less which have not been recognized as a right to use asset or liability in the consolidated balance sheets.

As of December 31, 2020, the Company had additional operating real estate leases that had not yet commenced of $3 million. These operating leases will commence over the next 12 months.

The consolidated statement of income in 2018 included operating lease costs of $383 million, net of subleases.

13. Debt

The Company's outstanding debt is as follows:

December 31, *(In millions)*		**2020**		2019
Short-term:				
Current portion of long-term debt	**$**	**517**	$	1,215
		517		1,215
Long-term:				
Senior notes – 2.35% due 2020		**—**		500
Senior notes – 3.50% due 2020		**—**		698
Senior notes – 4.80% due 2021		**500**		499
Senior notes – Floating rate due 2021		**—**		298
Senior notes – 2.75% due 2022		**499**		498
Senior notes – 3.30% due 2023		**349**		349
Senior notes – 4.05% due 2023		**249**		249
Senior notes – 3.50% due 2024		**598**		597
Senior notes – 3.875% due 2024		**995**		994
Senior notes – 3.50% due 2025		**498**		497
Senior notes – 1.349% due 2026		**677**		609
Senior notes – 3.75% due 2026		**597**		597
Senior notes – 4.375% due 2029		**1,499**		1,499
Senior notes – 1.979% due 2030		**664**		607
Senior notes – 2.25% due 2030		**737**		**—**
Senior notes – 5.875% due 2033		**298**		298
Senior notes – 4.75% due 2039		**495**		494
Senior notes – 4.35% due 2047		**493**		492
Senior notes – 4.20% due 2048		**592**		592
Senior notes – 4.90% due 2049		**1,237**		1,237
Mortgage – 5.70% due 2035		**331**		345
Other		**5**		7
		11,313		11,956
Less current portion		**517**		1,215
	$	**10,796**	$	10,741

The senior notes in the table above are registered by the Company with the Securities and Exchange Commission, and are not guaranteed.

The Company has established a short-term debt financing program of up to $1.5 billion through the issuance of commercial paper. The proceeds from the issuance of commercial paper are used for general corporate purposes. The Company had no commercial paper outstanding at December 31, 2020.

Senior Notes

In December 2020, the Company repaid $700 million of maturing Senior Notes. The Company also prepaid $300 million of floating rate notes with an original maturity of December 2021.

In May 2020, the Company issued $750 million of 2.250% Senior Notes due 2030. The Company used the net proceeds from this offering to pay outstanding borrowings under the revolving credit facility discussed above.

In March 2020, the Company repaid $500 million of maturing Senior Notes.

In September 2019, the Company repaid $300 million of maturing senior notes.

During 2019, the Company issued approximately $6.5 billion of Senior Notes to primarily fund the acquisition of JLT, including the payment of related fees and expenses, and to repay certain JLT indebtedness, as well as for general corporate purposes.

In connection with the closing of the JLT Transaction, the Company assumed approximately $1 billion of historical JLT indebtedness, which it repaid during 2019. The Company incurred debt extinguishment costs of $32 million in regard to the repayment of this debt.

Other Credit Facilities

In January 2020, the Company closed on $500 million one-year and $500 million two-year term loan facilities. In the first quarter of 2020 the Company borrowed $1 billion against these facilities. During the third quarter of 2020, the Company repaid $500 million of borrowings from its one-year facility. In December 2020, the Company repaid $500 million of borrowings from the two year facility. These two facilities were terminated as of December 31, 2020 after repayment of the initial draw down.

In October 2018, the Company and certain of its foreign subsidiaries increased its multi-currency five-year unsecured revolving credit facility from $1.5 billion to $1.8 billion. The interest rate on this facility is based on LIBOR plus a fixed margin which varies with the Company's credit ratings. This facility expires in October 2023 and requires the Company to maintain certain coverage and leverage ratios which are tested quarterly. There were no borrowings outstanding under this facility at December 31, 2020. The facility includes a provision for determining a LIBOR successor rate in the event LIBOR reference rates are no longer available. In such case, the rate would be determined using an alternate reference rate that has been broadly accepted by the syndicated loan market in the United States in lieu of LIBOR (the “LIBOR successor rate”). If no LIBOR successor rate has been determined, the rate will be based on the higher of the rate announced publicly by Citibank, New York, NY, as its base rate or the fed funds rate plus a fixed margin.

In April 2020, the Company entered into a new 364 day $1 billion unsecured revolving credit facility with a term out option after one year. The facility has similar coverage and leverage ratios as the multi-currency five-year unsecured revolving credit facility. The Company had no borrowings outstanding under these facilities at December 31, 2020.

Additional credit facilities, guarantees and letters of credit are maintained with various banks, primarily related to operations located outside the United States, aggregating $573 million at December 31, 2020 and $598 million at December 31, 2019. There were no outstanding borrowings under these facilities at December 31, 2020 and December 31, 2019.

Scheduled repayments of long-term debt in 2021 and in the four succeeding years are $517 million, $516 million, $619 million, $1.6 billion and $518 million, respectively.

Fair value of Short-term and Long-term Debt

The estimated fair value of the Company’s short-term and long-term debt is provided below. Certain estimates and judgments were required to develop the fair value amounts. The fair value amounts shown below are not necessarily indicative of the amounts that the Company would realize upon disposition, nor do they indicate the Company’s intent or need to dispose of the financial instrument.

	December 31, 2020		December 31, 2019	
(In millions of dollars)	**Carrying Amount**	**Fair Value**	Carrying Amount	Fair Value
Short-term debt	**$ 517**	**$ 523**	$ 1,215	$ 1,229
Long-term debt	**$ 10,796**	**$ 12,858**	$ 10,741	$ 11,953

The fair value of the Company's short-term debt consists primarily of term debt maturing within the next year and its fair value approximates its carrying value. The estimated fair value of a primary portion of the Company's long-term debt is based on discounted future cash flows using current interest rates available for debt with similar terms and remaining maturities. Short- and long-term debt would be classified as Level 2 in the fair value hierarchy.

14. Integration and Restructuring Costs

JLT Related Integration and Restructuring

The Company is completing its integration of JLT, which involves combining business practices and co-locating colleagues in most geographies, rationalization of real estate leases around the world, realization of synergies and migration of legacy JLT systems onto the Company's information technology environment and security protocols. The Company also incurred costs for consulting fees related to integration management processes and legal fees related to the rationalizing legal entity structures to reduce costs, mitigate risks and improve operational transparency.

Costs recognized are based on applicable accounting guidance which includes accounting for disposal or exit activities, guidance related to impairment of long lived assets (for right of use assets related to real estate leases), as well as other costs resulting from accelerated depreciation or amortization of leasehold improvements and other property and equipment. The Company has incurred $251 million in 2020 and $335 million in 2019.

In connection with the JLT integration and restructuring, for the year ended December 31, 2020, the Company incurred costs of $251 million: $171 million in RIS, $51 million in Consulting, $29 million in Corporate. The severance and related costs were included in compensation and benefits and the other costs were included in other operating expenses in the consolidated statement of income.

Details of the JLT integration and restructuring activity from January 1, 2019 through December 31, 2020, are as follows:

(In millions)	Severance	Real Estate Related Costs (a)	Information Technology (a)	Consulting and Other Outside Services (b)	Total
Liability at 1/1/19	$ —	$ —	$ —	$ —	$ —
2019 charges	154	38	45	98	335
Cash payments	(112)	(14)	(45)	(94)	(265)
Non-cash charges	—	(19)	—	(4)	(23)
Liability at 12/31/19	$ 42	$ 5	$ —	$ —	$ 47
2020 charges	43	69	62	77	251
Cash payments	**(69)**	**(25)**	**(55)**	**(77)**	**(226)**
Non-cash charges	**—**	**(42)**	**(5)**	**—**	**(47)**
Liability at 12/31/20	**$ 16**	**$ 7**	**$ 2**	**$ —**	**$ 25**

(a) Includes ROU asset impairments, data center contract termination costs and temporary infrastructure leasing costs.

(b) Includes consulting fees related to the management of the integration processes and legal fees related to the rationalization of legal entity structures.

Other Restructuring

During the fourth quarter of 2018, Mercer initiated a program to restructure its business to further optimize the way Mercer operates, setting up the Company for a more fluid and nimble structure and operating model for the future. The Company completed this initiative and incurred restructuring severance and consulting costs of $54 million for the year ended December 31, 2020 related to this initiative.

In addition to the changes discussed above, the Company incurred costs of $32 million at Corporate for the year ended December 31, 2020 that reflects costs to modernize the Company's information

technology systems and security protocols, consulting costs related to the restructure of the Global HR function and adjustments to restructuring liabilities for future rent under non-cancellable leases.

The following details the other restructuring liabilities for actions initiated during 2020 and prior:

(In millions)	Liability at 1/1/19	Amounts Accrued	Cash Paid	Non-Cash/Other	Liability at 12/31/19	**Amounts Accrued**	**Cash Paid**	**Non-Cash/Other**	**Liability at 12/31/20**
Severance	$ 73	$ 73	$ (91)	$ (4)	$ 51	**$ 39**	**$ (54)**	**$ —**	**$ 36**
Future rent under non-cancelable leases and other costs	39	39	(21)	(6)	51	**50**	**(46)**	**(10)**	**45**
Total	$ 112	$ 112	$ (112)	$ (10)	$ 102	**$ 89**	**$ (100)**	**$ (10)**	**$ 81**

The expenses associated with the above initiatives are included in compensation and benefits and other operating expenses in the consolidated statements of income. The liabilities associated with these initiatives are classified on the consolidated balance sheets as accounts payable and accrued liabilities, other liabilities or accrued compensation and employee benefits, depending on the nature of the items.

15. Common Stock

The Company did not repurchase any of its common stock during 2020. During 2019, the Company repurchased 4.8 million shares of its common stock for total consideration of $485 million. In November 2019, the Board of Directors of the Company authorized the Company to repurchase up to $2.5 billion of the Company's common stock, which superseded any prior authorizations. The Company remains authorized to purchase additional shares of its common stock up to a value of approximately $2.4 billion. There is no time limit on the authorization.

The Company issued approximately 4.1 million and 4.6 million shares related to stock compensation and employee stock purchase plans during the years ended December 31, 2020 and 2019, respectively.

16. Claims, Lawsuits and Other Contingencies

Acquisition of Jardine Lloyd Thompson Group plc

On April 1, 2019, the Company completed its previously announced acquisition of all of the outstanding shares of JLT. See Note 5 to the consolidated financial statements for additional information. Upon the consummation of the acquisition of JLT, the Company assumed the legal liabilities and became responsible for JLT’s litigation and regulatory exposures as of April 1, 2019.

Legal Matters

The Company and its subsidiaries are subject to a significant number of claims, lawsuits and proceedings in the ordinary course of business. Such claims and lawsuits consist principally of alleged errors and omissions in connection with the performance of professional services, including the placement of insurance, the provision of actuarial services for corporate and public sector clients, the provision of investment advice and investment management services to pension plans, the provision of advice relating to pension buy-out transactions and the provision of consulting services relating to the drafting and interpretation of trust deeds and other documentation governing pension plans. These claims may seek damages, including punitive and treble damages, in amounts that could be significant. In establishing liabilities for errors and omissions claims in accordance with FASB guidance on Contingencies - Loss Contingencies, the Company uses case level reviews by inside and outside counsel, and internal actuarial analysis by Oliver Wyman, a subsidiary of the Company, and other methods to estimate potential losses. A liability is established when a loss is both probable and reasonably estimable. The liability is reviewed quarterly and adjusted as developments warrant. In many cases, the Company has not recorded a liability, other than for legal fees to defend the claim, because we are unable, at the present time, to make a determination that a loss is both probable and reasonably estimable. To the extent that expected losses exceed our deductible in any policy year, the Company also records an asset for the amount that we expect to recover under any available third-party insurance programs. The Company has varying levels of third-party insurance coverage, with policy limits and coverage terms varying significantly by policy year.

Governmental Inquiries and Enforcement Matters

Our activities are regulated under the laws of the United States and its various states, the European Union and its member states, and the other jurisdictions in which the Company operates.

Risk and Insurance Services Segment

- In April 2017, the Financial Conduct Authority in the United Kingdom (the "FCA") commenced a civil competition investigation into the aviation insurance and reinsurance sector. In connection with that investigation, the FCA carried out an on-site inspection at the London offices of Marsh Limited, our Marsh and Guy Carpenter operating subsidiary in the United Kingdom, and JLT Specialty Ltd., JLT's U.K. operating subsidiary. The FCA indicated that it had reasonable grounds for suspecting that Marsh Limited, JLT Specialty Ltd. and other participants in the market had been sharing competitively sensitive information within the aviation insurance and reinsurance broking sector.

  In October 2017, the Company received a notice that the Directorate-General for Competition of the European Commission had commenced a civil investigation of a number of insurance brokers, including both Marsh and JLT, regarding "the exchange of commercially sensitive information between competitors in relation to aviation and aerospace insurance and reinsurance broking products and services in the European Economic Area ("EEA"), as well as possible coordination between competitors." In light of the action taken by the European Commission, the FCA informed Marsh Limited and JLT Specialty Ltd. that it had discontinued its investigation under U.K. competition law. In May 2018, the FCA advised that it would not be taking any further action with Marsh Limited or JLT Specialty Ltd. in connection with this matter.

  In November 2020, the Company received a notice that the European Commission adopted a decision to close this investigation without taking any action.

  In January 2019, the Company received a notice that the Administrative Council for Economic Defense anti-trust agency in Brazil had commenced an administrative proceeding against a number of insurance brokers, including both Marsh and JLT, and insurers “to investigate an alleged sharing of sensitive commercial and competitive confidential information" in the aviation insurance and reinsurance sector.
- In 2017, JLT identified payments to a third-party introducer that had been directed to unapproved bank accounts. These payments related to reinsurance placements made on behalf of an Ecuadorian state-owned insurer between 2014 and 2017. In early 2018, JLT voluntarily reported this matter to law enforcement authorities. In February and March 2020, money laundering charges were filed in the United States against a former employee of JLT, the principals of the third-party introducer and a former official of the state-owned insurer. Three of these individuals, including the former JLT employee, have since pleaded guilty to criminal charges. We are cooperating with all ongoing investigations related to this matter.

At this time, we are unable to predict the likely timing, outcome or ultimate impact of the foregoing investigations or any related matters. Adverse determinations in one or more of these matters could have a material impact on the Company's consolidated results of operations, financial condition or cash flows in a future period.

Consulting Segment

In 2014, the FCA conducted an industry-wide review of the suitability of financial advice provided to individuals by a number of companies, including JLT, relating to enhanced transfer value ("ETV") defined benefit pension transfers. In January 2015, the FCA notified JLT that it was commissioning a Skilled Person review of ETV pension transfer advice given by JLT and a business acquired by JLT in 2012. Following the Skilled Person review which took place between 2015 and 2018, JLT engaged a compliance consulting firm to conduct an analysis of approximately 14,000 individual files to assess the suitability of the advice provided and, where appropriate, the amount of redress to be paid. In February 2019, prior to the completion of its acquisition by the Company, JLT recorded a gross liability of £59 million (or $77 million). This preliminary estimate by JLT, which reflected the projected redress amounts

contained in the Skilled Person report, was based on a review of a limited number of files. Thereafter, the FCA expanded the scope of the thematic review. As of December 31, 2020, the updated redress liability, including the projected costs of completing the review, increased to £155 million (or $210 million) resulting from the expansion in the scope of the review, and the significant progress made in completing the individual suitability reviews. We expect to finalize the suitability review of the limited number of files that remain outstanding and calculate all redress amounts by the end of the second quarter of 2021. We anticipate this gross liability will be partially offset by a contractual indemnity and insurance recoveries from third-party E&O insurers.

Other Contingencies-Guarantees

In connection with its acquisition of U.K.-based Sedgwick Group in 1998, the Company acquired several insurance underwriting businesses that were already in run-off, including River Thames Insurance Company Limited ("River Thames"), which the Company sold in 2001. Sedgwick guaranteed payment of claims on certain policies underwritten through the Institute of London Underwriters (the "ILU") by River Thames. The policies covered by this guarantee were reinsured up to £40 million by a related party of River Thames. Payment of claims under the reinsurance agreement is collateralized by segregated assets held in a trust. As of December 31, 2020, the reinsurance coverage exceeded the best estimate of the projected liability of the policies covered by the guarantee. To the extent River Thames or the reinsurer is unable to meet its obligations under those policies, a claimant may seek to recover from the Company under the guarantee.

From 1980 to 1983, the Company owned indirectly the English & American Insurance Company ("E&A"), which was a member of the ILU. The ILU required the Company to guarantee a portion of E&A's obligations. After E&A became insolvent in 1993, the ILU agreed to discharge the guarantee in exchange for the Company's agreement to post an evergreen letter of credit that is available to pay claims by policyholders on certain E&A policies issued through the ILU and incepting between July 3, 1980 and October 6, 1983. Certain claims have been paid under the letter of credit and the Company anticipates that additional claimants may seek to recover against the letter of credit.

* * * *

The pending proceedings described above and other matters not explicitly described in this Note 16 on Claims, Lawsuits and Other Contingencies may expose the Company or its subsidiaries to liability for significant monetary damages, fines, penalties or other forms of relief. Where a loss is both probable and reasonably estimable, the Company establishes liabilities in accordance with FASB guidance on Contingencies - Loss Contingencies. Except as described above, the Company is not able at this time to provide a reasonable estimate of the range of possible loss attributable to these matters or the impact they may have on the Company's consolidated results of operations, financial position or cash flows. This is primarily because these matters are still developing and involve complex issues subject to inherent uncertainty. Adverse determinations in one or more of these matters could have a material impact on the Company's consolidated results of operations, financial condition or cash flows in a future period.

17. Segment Information

The Company is organized based on the types of services provided. Under this structure, the Company’s segments are:

- **Risk and Insurance Services**, comprising insurance services (Marsh) and reinsurance services (Guy Carpenter); and
- **Consulting**, comprising Mercer and Oliver Wyman Group

The accounting policies of the segments are the same as those used for the consolidated financial statements described in Note 1. Segment performance is evaluated based on segment operating income, which includes directly related expenses, and charges or credits related to integration and restructuring but not the Company’s corporate-level expenses. Revenues are attributed to geographic areas on the basis of where the services are performed.

Prior to being acquired by the Company, JLT operated in three segments: Specialty, Reinsurance and Employee Benefits. JLT operated in 41 countries, with significant revenue in the United Kingdom, Pacific, Asia and the United States. As of April 1, 2019, the historical JLT businesses were combined into MMC

operations as follows: JLT Specialty is included by geography within Marsh, JLT Reinsurance is included in Guy Carpenter and the majority of JLT's Employee Benefits business was included in Mercer Health and Wealth.

Selected information about the Company's segments and geographic areas of operation are as follows:

For the Year Ended December 31, *(In millions of dollars)*	Revenue	Operating Income (Loss)	Total Assets	Depreciation and Amortization	Capital Expenditures
2020 –					
Risk and Insurance Services	**$ 10,337 (a)**	**$ 2,346**	**$ 20,612 (d)**	**$ 500**	**$ 170**
Consulting	**6,976 (b)**	**994**	**9,571 (e)**	**174**	**107**
Total Segments	**17,313**	**3,340**	**30,183**	**674**	**277**
Corporate/Eliminations	**(89)**	**(274)**	**2,866 (c)**	**67**	**71**
Total Consolidated	**$ 17,224**	**$ 3,066**	**$ 33,049**	**$ 741**	**$ 348**
2019 –					
Risk and Insurance Services	$ 9,599 (a)	$ 1,833	$ 26,098 (d)	$ 416	$ 184
Consulting	7,143 (b)	1,210	9,722 (e)	156	150
Total Segments	16,742	3,043	35,820	572	334
Corporate/Eliminations	(90)	(366)	(4,463) (c)	75	87
Total Consolidated	$ 16,652	$ 2,677	$ 31,357	$ 647	$ 421
2018 –					
Risk and Insurance Services	$ 8,228 (a)	$ 1,864	$ 15,868 (d)	$ 290	$ 158
Consulting	6,779 (b)	1,099	8,003 (e)	130	97
Total Segments	15,007	2,963	23,871	420	255
Corporate/Eliminations	(57)	(202)	(2,293) (c)	74	59
Total Consolidated	$ 14,950	$ 2,761	$ 21,578	$ 494	$ 314

(a) Includes inter-segment revenue of $5 million, $8 million and $6 million in 2020, 2019 and 2018, respectively, interest income on fiduciary funds of $46 million, $105 million and $65 million in 2020, 2019 and 2018, respectively, and equity method income of $27 million, $25 million and $13 million in 2020, 2019 and 2018 and $40 million related to the sale of business in 2018.

(b) Includes inter-segment revenue of $84 million, $82 million and $51 million in 2020, 2019 and 2018, respectively, interest income on fiduciary funds of $1 million, $4 million and $3 million in 2020, 2019 and 2018, respectively, and equity method income of $5 million, $16 million and $8 million in 2020, 2019 and 2018, respectively.

(c) Corporate assets primarily include insurance recoverables, pension related assets, the owned portion of the Company headquarters building and intercompany eliminations.

(d) Includes equity method investments of $165 million, $179 million and $57 million at December 31, 2020, 2019 and 2018, respectively.

(e) Includes equity method investments of $5 million, $149 million and $148 million at December 31, 2020, 2019 and 2018, respectively.

Details of operating segment revenue are as follows:

For the Years Ended December 31, *(In millions of dollars)*	**2020**	2019	2018
Risk and Insurance Services			
Marsh	**$ 8,628**	$ 8,085	$ 6,923
Guy Carpenter	**1,709**	1,514	1,305
Total Risk and Insurance Services	**10,337**	9,599	8,228
Consulting			
Mercer	**4,928**	5,021	4,732
Oliver Wyman Group	**2,048**	2,122	2,047
Total Consulting	**6,976**	7,143	6,779
Total Segments	**17,313**	16,742	15,007
Corporate/Eliminations	**(89)**	(90)	(57)
Total	**$ 17,224**	$ 16,652	$ 14,950

Information by geographic area is as follows:

For the Years Ended December 31, *(In millions of dollars)*	**2020**	2019	2018
Revenue			
United States	**$ 8,168**	$ 7,840	$ 7,219
United Kingdom	**2,818**	2,679	2,243
Continental Europe	**2,881**	2,837	2,694
Asia Pacific	**2,093**	2,001	1,616
Other	**1,353**	1,385	1,235
	17,313	16,742	15,007
Corporate/Eliminations	**(89)**	(90)	(57)
Total	**$ 17,224**	$ 16,652	$ 14,950

For the Years Ended December 31, *(In millions of dollars)*	**2020**	2019	2018
Fixed Assets, Net			
United States	**$ 492**	$ 462	$ 403
United Kingdom	**115**	149	91
Continental Europe	**74**	68	59
Asia Pacific	**105**	101	74
Other	**70**	78	74
Total	**$ 856**	$ 858	$ 701

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and the Board of Directors of Marsh & McLennan Companies, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Marsh & McLennan Companies, Inc. and subsidiaries (the "Company") as of December 31, 2020 and 2019, the related consolidated statements of income, comprehensive income, cash flows, and equity for each of the three years in the period ended December 31, 2020, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2020 and 2019, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2020, in conformity with accounting principles generally accepted in the United States of America.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2020, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated February 17, 2021, expressed an unqualified opinion on the Company's internal control over financial reporting.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current-period audit of the financial statements that was communicated or required to be communicated to the audit committee and that (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Liability for Errors and Omissions — Refer to Notes 1 and 16 to the financial statements

Critical Audit Matter Description

The Company is subject to a significant number of claims, lawsuits and proceedings in the ordinary course of business. Such claims and lawsuits consist principally of alleged errors and omissions (“E&O”) in connection with the performance of professional services. These claims may seek damages, including punitive and treble damages, in amounts that could be significant. The Company uses case level reviews performed by inside and outside counsel, internal actuarial analysis and other methods to estimate potential losses resulting from reported and unreported claims.

Given that the determination of the liability for E&O requires management to make significant estimates and assumptions in projecting ultimate settlement values of reported and unreported claims, performing audit procedures to evaluate the reasonableness of such estimates and assumptions required a high degree of auditor judgment, including the need to involve our actuarial specialists.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the determination of the liability for E&O included the following, among others:

- We tested the effectiveness of internal controls related to the determination of the liability for E&O, including controls over the projection of ultimate settlement values of reported and unreported claims determined through internal actuarial analyses, management's review of the appropriateness of the assumptions used and calculation of case loss estimates, and management's independent review of case level estimates provided by inside and outside counsel, as applicable.
- For selected E&O matters, we evaluated the reasonableness of management's case loss estimates and, as applicable, made inquiries of the Company's inside and outside counsel regarding the status of these matters and likelihood of settlement.
- We compared total incurred losses and current case estimates as of the balance sheet date to amounts reported in prior periods to evaluate trends and developments in reported cases.
- With the assistance of our actuarial specialists, we evaluated the reasonableness of the assumptions and methodologies involved in the development of the liability for E&O by:
  - Testing the underlying data that served as the basis for the actuarial analysis, including historical claims and case loss estimates, to evaluate whether the inputs to the actuarial estimate were reasonable.
  - Comparing management's prior-year assumptions of expected development and ultimate loss to actual amounts incurred during the current year to identify potential bias in the determination of the liability for E&O.
  - Developing a range of independent estimates and comparing those to the liability for E&O recorded by the Company.

/s/ Deloitte & Touche LLP

New York, New York
February 17, 2021

We have served as the Company's auditor since 1989.

Marsh & McLennan Companies, Inc. and Subsidiaries
SELECTED QUARTERLY FINANCIAL DATA AND
SUPPLEMENTAL INFORMATION (UNAUDITED)

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
(In millions, except per share figures)				
2020:				
Revenue	**$ 4,651**	**$ 4,189**	**$ 3,968**	**$ 4,416**
Operating income	**$ 1,070**	**$ 885**	**$ 540**	**$ 571**
Net income before non-controlling interests	**$ 767**	**$ 580**	**$ 320**	**$ 379**
Net income attributable to the Company	**$ 754**	**$ 572**	**$ 316**	**$ 374**
Basic Per Share Data:				
Net income attributable to the Company	**$ 1.49**	**$ 1.13**	**$ 0.62**	**$ 0.74**
Diluted Per Share Data:				
Net income attributable to the Company	**$ 1.48**	**$ 1.12**	**$ 0.62**	**$ 0.73**
Dividends Paid Per Share	**$ 0.455**	**$ 0.455**	**$ 0.465**	**$ 0.465**
2019:				
Revenue	$ 4,071	$ 4,349	$ 3,968	$ 4,264
Operating income	$ 938	$ 680	$ 467	$ 592
Net income before non-controlling interests	$ 727	$ 344	$ 306	$ 396
Net income attributable to the Company	$ 716	$ 332	$ 303	$ 391
Basic Per Share Data:				
Net income attributable to the Company	$ 1.42	$ 0.66	$ 0.60	$ 0.77
Diluted Per Share Data:				
Net income attributable to the Company	$ 1.40	$ 0.65	$ 0.59	$ 0.76
Dividends Paid Per Share	$ 0.415	$ 0.415	$ 0.455	$ 0.455

As of February 12, 2021, there were 4,602 stockholders of record.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure.

None.

Item 9A. Controls and Procedures.

Disclosure Controls and Procedures. Based on their evaluation, as of the end of the period covered by this annual report on Form 10-K, the Company's chief executive officer and chief financial officer have concluded that the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) or 15d-15(e) under the Securities Exchange Act of 1934) are effective.

Internal Control over Financial Reporting.

(a) *Management's Annual Report on Internal Control Over Financial Reporting*

MANAGEMENT'S ANNUAL REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

The management of Marsh & McLennan Companies, Inc. is responsible for establishing and maintaining adequate internal control over financial reporting for the Company. The Company's internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

The Company's internal control over financial reporting includes those policies and procedures relating to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; the recording of all necessary transactions to permit the preparation of the Company's consolidated financial statements in accordance with generally accepted accounting principles; the proper authorization of receipts and expenditures in accordance with authorizations of the Company's management and directors; and the prevention or timely detection of the unauthorized acquisition, use or disposition of assets that could have a material effect on the Company's consolidated financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Management evaluated the effectiveness of the Company's internal control over financial reporting as of December 31, 2020 under the supervision and with the participation of the Company's principal executive and principal financial officers. In making this evaluation, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in Internal Control—Integrated Framework issued in 2013. Based on its evaluation, management determined that the Company maintained effective internal control over financial reporting as of December 31, 2020.

Deloitte & Touche LLP, the Independent Registered Public Accounting Firm that audited and reported on the Company's consolidated financial statements included in this annual report on Form 10-K, also issued an audit report on the effectiveness of the Company's internal control over financial reporting as of December 31, 2020.

(b) *Audit Report of the Registered Public Accounting Firm.*

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and the Board of Directors of Marsh & McLennan Companies, Inc.

Opinion on Internal Control over Financial Reporting

We have audited the internal control over financial reporting of Marsh & McLennan Companies, Inc. and subsidiaries (the "Company") as of December 31, 2020, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2020, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by COSO.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated financial statements as of and for the year ended December 31, 2020, of the Company and our report dated February 17, 2021, expressed an unqualified opinion on those financial statements.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Annual Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Deloitte & Touche LLP

New York, New York
February 17, 2021

(c) *Changes in Internal Control Over Financial Reporting*

There were no changes in the Company's internal control over financial reporting identified in connection with the evaluation required by Rules 13a-15(d) or 15d-15(d) under the Securities Exchange Act of 1934 that occurred during the quarter ended December 31, 2020 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

Item 9B. Other Information.

None.

PART III

Item 10. Directors, Executive Officers and Corporate Governance.

Information as to the directors and nominees for the board of directors of the Company is incorporated herein by reference to the material set forth under the heading "Item 1: Election of Directors" in the 2021 Proxy Statement.

The executive officers and executive officer appointees of the Company are Peter J. Beshar, Paul Beswick, Dominic Burke, John Q. Doyle, Martine Ferland, Carmen Fernandez, Daniel S. Glaser, Peter Hearn, Scott McDonald and Mark C. McGivney. Information with respect to these individuals is provided in Part I, Item 1 above under the heading "Executive Officers of the Company".

The information set forth in the 2021 Proxy Statement in the sections "Corporate Governance—Codes of Conduct", "Board of Directors and Committees—Committees—Audit Committee" and "Additional Information—Transactions with Management and Others" is incorporated herein by reference.

Item 11. Executive Compensation.

The information set forth in the sections "Additional Information—Director Compensation" and "Executive Compensation—Compensation of Executive Officers" in the 2021 Proxy Statement is incorporated herein by reference.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.

The information set forth in the sections "Additional Information—Stock Ownership of Directors, Management and Certain Beneficial Owners" and "Additional Information—Equity Compensation Plan Information" in the 2021 Proxy Statement is incorporated herein by reference.

Item 13. Certain Relationships and Related Transactions, and Director Independence.

The information set forth in the sections "Corporate Governance—Director Independence", "Corporate Governance—Review of Related-Person Transactions" and "Additional Information—Transactions with Management and Others" in the 2021 Proxy Statement is incorporated herein by reference.

Item 14. Principal Accountant Fees and Services.

The information set forth under the heading "Item 3: Ratification of Selection of Independent Registered Public Accounting Firm—Fees of Independent Registered Public Accounting Firm" in the 2021 Proxy Statement is incorporated herein by reference.

PART IV

Item 15. Exhibits and Financial Statement Schedules. †

The following documents are filed as a part of this report:

(1) Consolidated Financial Statements:

Consolidated Statements of Income for each of the three years in the period ended December 31, 2020

Consolidated Statements of Comprehensive Income for each of the three years in the period ended December 31, 2020

Consolidated Balance Sheets as of December 31, 2020 and 2019

Consolidated Statements of Cash Flows for each of the three years in the period ended December 31, 2020

Consolidated Statements of Shareholders Equity for each of the three years in the period ended December 31, 2020

Notes to Consolidated Financial Statements

Report of Independent Registered Public Accounting Firm

Other:

Selected Quarterly Financial Data and Supplemental Information (Unaudited) for fiscal years 2020 and 2019

Five-Year Statistical Summary of Operations

(2) All required Financial Statement Schedules are included in the Consolidated Financial Statements or the Notes to Consolidated Financial Statements.

(3) The following exhibits are filed as a part of this report:

(2.1) Stock Purchase Agreement, dated as of June 6, 2010, by and between Marsh & McLennan Companies, Inc. and Altegrity, Inc. (incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2010)

(2.2) Rule 2.7 Announcement, dated as of September 18, 2018 (incorporated by reference to the Company's Current Report on Form 8-K dated September 18, 2018)

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rmitted by Item 601(b)(4)(iii)(A) of Regulation S-K, the Company has not filed with this Form 10-K certain instruments defining the rights of holders of long-term debt of the Company and its subsidiaries becauce the total amount of securities authorized under any of such instruments does not exceed 10% of the total assets of the Company and its subsidiaries on a consolidated basis. The Company agrees to furnish a copy of any such agreement to the Commission upon request.

(2.3) Co-operation Agreement, dated as of September 18, 2018, by and among Marsh & McLennan Companies, Inc., MMC Treasury Holdings (UK) Limited and Jardine Lloyd Thompson Group plc. (incorporated by reference to the Company's Current Report on Form 8-K dated September 18, 2018)

(3.1) Restated Certificate of Incorporation of Marsh & McLennan Companies, Inc. (incorporated by reference to the Company's Current Report on Form 8-K dated July 17, 2008)

(3.2) Amended and Restated By-Laws of Marsh & McLennan Companies, Inc. (incorporated by reference to the Company's Current Report on Form 8-K dated January 12, 2017)

(4.1) Indenture dated as of June 14, 1999 between Marsh & McLennan Companies, Inc. and State Street Bank and Trust Company, as trustee (incorporated by reference to the Company's Registration Statement on Form S-3, Registration No. 333-108566)

(4.2) Third Supplemental Indenture dated as of July 30, 2003 between Marsh & McLennan Companies, Inc. and U.S. Bank National Association (as successor to State Street Bank and Trust Company), as trustee (incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2003)

(4.3) Indenture dated as of March 19, 2002 between Marsh & McLennan Companies, Inc. and State Street Bank and Trust Company, as trustee (incorporated by reference to the Company's Registration Statement on Form S-4, Registration No. 333-87510)

(4.4) Indenture, dated as of July 15, 2011, between Marsh & McLennan Companies, Inc. and The Bank of New York Mellon, as trustee (incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2011)

(4.5) First Supplemental Indenture, dated as of July 15, 2011, between Marsh & McLennan Companies, Inc. and The Bank of New York Mellon, as trustee (incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2011)

(4.6) Form of Third Supplemental Indenture between Marsh & McLennan Companies, Inc. and The Bank of New York Mellon, as trustee (incorporated by reference to the Company's Current Report on Form 8-K dated September 24, 2013)

(4.7) Form of Fourth Supplemental Indenture between Marsh & McLennan Companies, Inc. and The Bank of New York Mellon, as trustee (incorporated by reference to the Company's Current Report on Form 8-K dated May 27, 2014)

(4.8) Form of Fifth Supplemental Indenture between Marsh & McLennan Companies, Inc. and The Bank of New York Mellon, as trustee (incorporated by reference to the Company's Current Report on Form 8-K dated September 10, 2014)

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*Management contract or compensatory plan or arrangement required to be filed as an exhibit pursuant to Item 15(b) of Form 10-K.

(4.9) Sixth Supplemental Indenture, dated as of March 6, 2015, between Marsh & McLennan Companies, Inc. and The Bank of New York Mellon, as trustee (incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2015)

(4.10) Seventh Supplemental Indenture, dated as of September 14, 2015, between Marsh & McLennan Companies, Inc. and The Bank of New York Mellon, as trustee (incorporated by reference to the Company's Current Report on Form 8-K filed on September 14, 2015)

(4.11) Eighth Supplemental Indenture, dated as of March 14, 2016, between Marsh & McLennan Companies, Inc. and The Bank of New York Mellon, as trustee (incorporated by reference to the Company's Quarterly Report on Form 10-Q filed on May 2, 2016)

(4.12) Ninth Supplemental Indenture, dated as of January 12, 2017, between Marsh & McLennan Companies, Inc. and The Bank of New York Mellon, as trustee (incorporated by reference to the Company's Annual Report on Form 10-K filed on February 24, 2017)

(4.13) Tenth Supplemental Indenture, dated as of March 1, 2018, between Marsh & McLennan Companies, Inc. and The Bank of New York Mellon, as trustee (incorporated by reference to the Company's Current Report on Form 8-K filed on March 1, 2018)

(4.14) Eleventh Supplemental Indenture, dated January 15, 2019, between Marsh & McLennan Companies, Inc. and The Bank of New York Mellon, as trustee (incorporated by reference to the Company's Current Report on Form 8-K filed on January 15, 2019)

(4.15) Twelfth Supplemental Indenture, dated March 21, 2019, between Marsh & McLennan Companies, Inc. and The Bank of New York Mellon, as trustee (incorporated by reference to the Company's Current Report on Form 8-K filed on March 21, 2019)

(4.16) Thirteenth Supplemental Indenture, dated May 7, 2020, between Marsh & McLennan Companies, Inc. and The Bank of New York Mellon, as trustee (incorporated by reference to Company's Current Report on Form 8-K dated May 7, 2020)

(4.17) Description of Marsh & McLennan Companies, Inc.'s Securities Registered Pursuant to Section 12 of the Securities Exchange Act of 1934 (incorporated by reference to the Company's Annual Report on Form 10-K for the year ended December 31, 2019)

(10.1) *Marsh & McLennan Companies, Inc. U.S. Employee 1996 Cash Bonus Award Voluntary Deferral Plan (incorporated by reference to the Company's Annual Report on Form 10-K for the year ended December 31, 1996

*Management contract or compensatory plan or arrangement required to be filed as an exhibit pursuant to Item 15(b) of Form 10-K.

(10.2) *Marsh & McLennan Companies, Inc. U.S. Employee 1997 Cash Bonus Award Voluntary Deferral Plan (incorporated by reference to the Company's Annual Report on Form 10-K for the year ended December 31, 1997)

(10.3) *Marsh & McLennan Companies, Inc. U.S. Employee 1998 Cash Bonus Award Voluntary Deferral Plan (incorporated by reference to the Company's Annual Report on Form 10-K for the year ended December 31, 1998)

(10.4) *Marsh & McLennan Companies, Inc. 2000 Senior Executive Incentive and Stock Award Plan (incorporated by reference to the Company's Annual Report on Form 10-K for the year ended December 31, 1999)

(10.5) *Amendments to Marsh & McLennan Companies, Inc. 2000 Senior Executive Incentive and Stock Award Plan and the Marsh & McLennan Companies, Inc. 2000 Employee Incentive and Stock Award Plan (incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2005)

(10.6) *Form of Awards under the Marsh & McLennan Companies, Inc. 2000 Senior Executive Incentive and Stock Award Plan (incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2004)

(10.7) *Additional Forms of Awards under the Marsh & McLennan Companies, Inc. 2000 Senior Executive Incentive and Stock Award Plan (incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2005)

(10.8) *Marsh & McLennan Companies, Inc. 2000 Employee Incentive and Stock Award Plan (incorporated by reference to the Company's Annual Report on Form 10-K for the year ended December 31, 2001)

(10.9) *Form of Awards under the Marsh & McLennan Companies, Inc. 2000 Employee Incentive and Stock Award Plan (incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2004)

(10.10) *Additional Forms of Awards under the Marsh & McLennan Companies, Inc. 2000 Employee Incentive and Stock Award Plan (incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2005)

(10.11) *Form of Long-term Incentive Award under the Marsh & McLennan Companies, Inc. 2000 Senior Executive Incentive and Stock Award Plan and the Marsh & McLennan Companies, Inc. 2000 Employee Incentive and Stock Award Plan (incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2006)

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*Management contract or compensatory plan or arrangement required to be filed as an exhibit pursuant to Item 15(b) of Form 10-K.

(10.12) *Form of 2007 Long-term Incentive Award under the Marsh & McLennan Companies, Inc. 2000 Senior Executive Incentive and Stock Award Plan and the Marsh & McLennan Companies, Inc. 2000 Employee Incentive and Stock Award Plan (incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2007)

(10.13) *Form of 2008 Long-term Incentive Award under the Marsh & McLennan Companies, Inc. 2000 Senior Executive Incentive and Stock Award Plan and the Marsh & McLennan Companies, Inc. 2000 Employee Incentive and Stock Award Plan (incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2008)

(10.14) *Form of 2009 Long-term Incentive Award under the Marsh & McLennan Companies, Inc. 2000 Senior Executive Incentive and Stock Award Plan and the Marsh & McLennan Companies, Inc. 2000 Employee Incentive and Stock Award Plan (incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2009)

(10.15) *Form of 2010 Long-term Incentive Award under the Marsh & McLennan Companies, Inc. 2000 Senior Executive Incentive and Stock Award Plan and the Marsh & McLennan Companies, Inc. 2000 Employee Incentive and Stock Award Plan (incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2010)

(10.16) *Form of 2011 Long-term Incentive Award under the Marsh & McLennan Companies, Inc. 2000 Senior Executive Incentive and Stock Award Plan and the Marsh & McLennan Companies, Inc. 2000 Employee Incentive and Stock Award Plan (incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2011)

(10.17) *Form of 2011 Long-term Incentive Award dated as of June 1, 2011 under the Marsh & McLennan Companies, Inc. 2011 Incentive and Stock Award Plan (incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2011)

(10.18) *Form of 2012 Long-term Incentive Award under the Marsh & McLennan Companies, Inc. 2011 Incentive and Stock Award Plan (incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2012)

(10.19) *Form of 2013 Long-term Incentive Award under the Marsh & McLennan Companies, Inc. 2011 Incentive and Stock Award Plan (incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2013)

(10.20) *Form of 2014 Long-term Incentive Award under the Marsh & McLennan Companies, Inc. 2011 Incentive and Stock Award Plan (incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2014)

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*Management contract or compensatory plan or arrangement required to be filed as an exhibit pursuant to Item 15(b) of Form 10-K.

(10.21) *Form of 2015 Long-term Incentive Award under the Marsh & McLennan Companies, Inc. 2011 Incentive and Stock Award Plan (incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2015)

(10.22) *Form of 2016 Long-term Incentive Award under the Marsh & McLennan Companies, Inc. 2011 Incentive and Stock Award Plan (incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2016)

(10.23) *Form of Deferred Stock Unit Award, dated as of February 24, 2012, under the Marsh & McLennan Companies, Inc. 2011 Incentive and Stock Award Plan (incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2012)

(10.24) *Form of Deferred Stock Unit Award, dated as of March 1, 2013, under the Marsh & McLennan Companies, Inc. 2011 Incentive and Stock Award Plan (incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2013)

(10.25) *Form of Deferred Stock Unit Award, dated as of March 1, 2014, under the Marsh & McLennan Companies, Inc. 2011 Incentive and Stock Award Plan (incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2014)

(10.26) *Form of Deferred Stock Unit Award, dated as of March 1, 2015, under the Marsh & McLennan Companies, Inc. 2011 Incentive and Stock Award Plan (incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2015)

(10.27) *Form of Deferred Stock Unit Award, dated as of March 1, 2016 under the Marsh & McLennan Companies, Inc. 2011 Incentive and Stock Award Plan (incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2016)

(10.28) *Form of Deferred Stock Unit Award, with grant dates from March 1, 2017 through February 1, 2018, under the Marsh & McLennan Companies, Inc. 2011 Incentive and Stock Award Plan (incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2017)

(10.29) *Form of Deferred Stock Unit Award, with grant dates from March 1, 2018 through February 1, 2019, under the Marsh & McLennan Companies, Inc. 2011 Incentive and Stock Award Plan (incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2018)

(10.30) *Form of Deferred Stock Unit Award, with grant dates from March 1, 2019 through February 1, 2020, under the Marsh & McLennan Companies, Inc. 2011 Incentive and Stock Award Plan (incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2019)

*Management contract or compensatory plan or arrangement required to be filed as an exhibit pursuant to Item 15(b) of Form 10-K.

(10.31) *Form of Deferred Stock Unit Award, with grant dates from May 1, 2019 through February 1, 2020, under the Marsh & McLennan Companies, Inc. 2011 Incentive and Stock Award Plan - Form A (incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2019)

(10.32) *Form of Deferred Stock Unit Award, with grant dates from May 1, 2019 through February 1, 2020, under the Marsh & McLennan Companies, Inc. 2011 Incentive and Stock Award Plan - Form B (incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2019)

(10.33) Form of Deferred Stock Unit Award, with grant dates from March 1, 2020 through February 1, 2021, under the Marsh & McLennan Companies, Inc. 2011 Incentive and Stock Award Plan (incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2020)

(10.34) *Form of Restricted Stock Unit Award, dated as of April 1, 2016 under the Marsh & McLennan Companies, Inc. 2011 Incentive and Stock Award Plan (incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2016)

(10.35) *Form of Restricted Stock Unit Award, dated as of February 22, 2017 under the Marsh & McLennan Companies, Inc. 2011 Incentive and Stock Award Plan (incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2017)

(10.36) *Form of Restricted Stock Unit Award, dated as of February 21, 2018 under the Marsh & McLennan Companies, Inc. 2011 Incentive and Stock Award Plan (incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2018)

(10.37) *Form of Restricted Stock Unit Award, dated as of February 19, 2019, under the Marsh & McLennan Companies, Inc. 2011 Incentive and Stock Award Plan (incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2019)

(10.38) *Form of Restricted Stock Unit Award, dated as of May 1, 2019, under the Marsh & McLennan Companies, Inc. 2011 Incentive and Stock Award Plan - Form A (incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2019)

(10.39) *Form of Restricted Stock Unit Award, dated as of May 1, 2019, under the Marsh & McLennan Companies, Inc. 2011 Incentive and Stock Award Plan - Form B (incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2019)

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*Management contract or compensatory plan or arrangement required to be filed as an exhibit pursuant to Item 15(b) of Form 10-K.

(10.40) *Form of Restricted Stock Unit Award, dated as of May 1, 2019, under the Marsh & McLennan Companies, Inc. 2011 Incentive and Stock Award Plan - Form C (incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2019)

(10.41) *Form of Restricted Stock Unit Award, dated as of February 19, 2020, under the Marsh & McLennan Companies, Inc. 2011 Incentive and Stock Award Plan (incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2020)

(10.42) *Form of Performance Stock Unit Award, dated as of February 22, 2017, under the Marsh & McLennan Companies, Inc. 2011 Incentive and Stock Award Plan (incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2017)

(10.43) *Form of Performance Stock Unit Award, dated as of February 21, 2018, under the Marsh & McLennan Companies, Inc. 2011 Incentive and Stock Award Plan (incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2018)

(10.44) *Form of Performance Stock Unit Award, dated as of February 19, 2019, under the Marsh & McLennan Companies, Inc. 2011 Incentive and Stock Award Plan (incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2019)

(10.45) *Form of Performance Stock Unit Award, dated as of May 1, 2019, under the Marsh & McLennan Companies, Inc. 2011 Incentive and Stock Award Plan (incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2019)

(10.46) *Form of Performance Stock Unit Award, dated as of February 19, 2020, under the Marsh & McLennan Companies, Inc. 2011 Incentive and Stock Award Plan (incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2020)

(10.47) *Form of Stock Option Award, dated as of February 22, 2017, under the Marsh & McLennan Companies, Inc. 2011 Incentive and Stock Award Plan (incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2017)

(10.48) *Form of Stock Option Award, dated as of February 21, 2018, under the Marsh & McLennan Companies, Inc. 2011 Incentive and Stock Award Plan (incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2018)

(10.49) *Form of Stock Option Award, dated as of February 19, 2019, under the Marsh & McLennan Companies, Inc. 2011 Incentive and Stock Award Plan (incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2019)

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*Management contract or compensatory plan or arrangement required to be filed as an exhibit pursuant to Item 15(b) of Form 10-K.

(10.50) *Form of Stock Option Award, dated as of May 1, 2019, under the Marsh & McLennan Companies, Inc. 2011 Incentive and Stock Award Plan (incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2019)

(10.51) *Form of Stock Option Award, dated as of February 19, 2020, under the Marsh & McLennan Companies, Inc. 2011 Incentive and Stock Award Plan (incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2020)

(10.52) *Marsh & McLennan Companies, Inc. 2011 Incentive and Stock Award Plan (incorporated by reference to the Company's Registration Statement on Form S-8 dated August 5, 2011, Registration No. 333-176084)

(10.53) *Amendment to the Marsh & McLennan Companies, Inc. 2011 Incentive and Stock Award Plan (incorporated by reference to the Company's Annual Report on Form 10-K for the year ended December 31, 2018)

(10.54) *Marsh & McLennan Companies, Inc. 2020 Incentive and Stock Award Plan (incorporated by reference from Exhibit C to the Company's Definitive Proxy Statement on Schedule 14A filed on April 3, 2020)

(10.55) *Amendments to Certain Marsh & McLennan Companies Equity-Based Awards Due to U.S. Tax Law Changes Affecting Equity-Based Awards granted under the Marsh & McLennan Companies, Inc. 2000 Senior Executive Incentive and Stock Award Plan and the Marsh & McLennan Companies, Inc. 2000 Employee Incentive and Stock Award Plan, effective January 1, 2009 (incorporated by reference to the Company's Annual Report on Form 10-K for the year ended December 31, 2008)

(10.56) *Section 409A Amendment Document, effective as of January 1, 2009 (incorporated by reference to the Company's Annual Report on Form 10-K for the year ended December 31, 2008)

(10.57) *Section 409A Amendment Regarding Payments Conditioned Upon Employment-Related Action to Any and All Plans or Arrangements Entered into by the Marsh & McLennan Companies, Inc., or any of its Direct or Indirect Subsidiaries, that Provide for the Payment of Section 409A Nonqualified Deferred Compensation, effective December 21, 2012 (incorporated by reference to the Company's Annual Report on Form 10-K for the year ended December 31, 2012)

*Management contract or compensatory plan or arrangement required to be filed as an exhibit pursuant to Item 15(b) of Form 10-K.

(10.58) *Marsh & McLennan Companies Supplemental Savings & Investment Plan (formerly the Marsh & McLennan Companies Stock Investment Supplemental Plan) Restatement, effective January 1, 2012 (incorporated by reference to the Company's Annual Report on Form 10-K for the year ended December 31, 2012)

(10.59) *First Amendment to the Marsh & McLennan Companies Supplemental Savings & Investment Plan Restatement effective January 1, 2012 (incorporated by reference to the Company's Annual Report on Form 10-K for the year ended December 31, 2016)

(10.60) *Second Amendment to the Marsh & McLennan Companies Supplemental Savings & Investment Plan Restatement effective January 1, 2012 (incorporated by reference to the Company's Annual Report on Form 10-K for the year ended December 31, 2017)

(10.61) *Third Amendment to the Marsh & McLennan Companies Supplemental Savings & Investment Plan Restatement effective January 1, 2012 (incorporated by reference to the Company's Annual Report on Form 10-K for the year ended December 31, 2018)

(10.62) Fourth Amendment to the Marsh & McLennan Companies Supplemental Savings & Investment Plan Restatement effective January 1, 2012

(10.63) *Marsh & McLennan Companies Benefit Equalization Plan and Marsh & McLennan Companies Supplemental Retirement Plan as Restated, effective January 1, 2012 (incorporated by reference to the Company's Annual Report on Form 10-K for the year ended December 31, 2012)

(10.64) *First Amendment to the Marsh & McLennan Companies Benefit Equalization Plan and Marsh & McLennan Companies Supplemental Retirement Plan as Restated effective January 1, 2012 (incorporated by reference to the Company's Annual Report on Form 10-K for the year ended December 31, 2016)

(10.65) *Second Amendment to the Marsh & McLennan Companies Benefit Equalization Plan and Marsh & McLennan Companies Supplemental Retirement Plan as Restated effective January 1, 2012 (incorporated by reference to the Company's Annual Report on Form 10-K for the year ended December 31, 2016)

*Management contract or compensatory plan or arrangement required to be filed as an exhibit pursuant to Item 15(b) of Form 10-K.

(10.66) *Marsh & McLennan Companies, Inc. Senior Executive Severance Pay Plan (incorporated by reference to the Company's Quarterly Report on Form 10-Q for the Quarter ended March 31, 2008)

(10.67) *Amendment to the Marsh & McLennan Companies, Inc. Senior Executive Severance Pay Plan, effective December 31, 2009 (incorporated by reference to the Company's Annual Report on Form 10-K for the year ended December 31, 2009)

(10.68) *Marsh & McLennan Companies, Inc. Senior Management Incentive Compensation Plan (incorporated by reference to the Company's Annual Report on Form 10-K for the year ended December 31, 1994)

(10.69) *Marsh & McLennan Companies, Inc. Directors' Stock Compensation Plan - May 31, 2009 Restatement (incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2009)

(10.70) *Marsh & McLennan Companies International Retirement Plan As Amended and Restated Effective January 1, 2009 (incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2014)

(10.71) *Description of compensation arrangements for independent directors of Marsh & McLennan Companies, Inc. effective June 1, 2016 (incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2016)

(10.72) *Letter Agreement, effective as of March 20, 2013, between Marsh & McLennan Companies, Inc. and Daniel S. Glaser (incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2013)

(10.73) *Non-Competition and Non-Solicitation Agreement, effective as of September 18, 2013, between Marsh & McLennan Companies, Inc. and Daniel S. Glaser (incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2013)

(10.74) *Letter Agreement, effective as of May 14, 2014, between Marsh & McLennan Companies, Inc. and Daniel S. Glaser (incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2014)

*Management contract or compensatory plan or arrangement required to be filed as an exhibit pursuant to Item 15(b) of Form 10-K.

(10.75) *Letter Agreement, effective as of February 22, 2016, between Marsh & McLennan Companies, Inc. and Daniel S. Glaser (incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2016)

(10.76) *Letter Agreement, effective as of February 22, 2017, between Marsh & McLennan Companies, Inc. and Daniel S. Glaser (incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2017)

(10.77) *Letter Agreement, dated as of September 18, 2019, between Marsh & McLennan Companies, Inc. and Daniel S. Glaser (incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2019)

(10.78) *Letter Agreement, effective as of January 1, 2016, between Marsh & McLennan Companies, Inc. and Mark C. McGivney (incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2015)

(10.79) *Non-Competition and Non-Solicitation Agreement, effective as of January 1, 2016, between Marsh & McLennan Companies, Inc. and Mark C. McGivney (incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2015)

(10.80) *Letter Agreement, effective as of January 17, 2018, between Marsh & McLennan Companies, Inc. and Mark C. McGivney (incorporated by reference to the Company's Annual Report on Form 10-K for the year ended December 31, 2017)

(10.81) Letter Agreement, effective as of January 16, 2019, between Marsh & McLennan, Inc. and Mark C. McGivney (incorporated by reference to the Company's Annual Report on Form 10-K for the year ended December 31, 2018)

(10.82) *Letter Agreement, effective as of July 5, 2017, between Marsh & McLennan Companies, Inc. and John Q. Doyle (incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2018)

(10.83) *Non-Competition and Non-Solicitation Agreement, dated as of February 25, 2016, between Marsh & McLennan Companies, Inc. and John Q. Doyle (incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2018)

*Management contract or compensatory plan or arrangement required to be filed as an exhibit pursuant to Item 15(b) of Form 10-K.

(10.84) *Letter Agreement, effective as of January 15, 2020, between Marsh & McLennan Companies, Inc. and John Q. Doyle (incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2020)

(10.85) *Letter Agreement, effective as of March 1, 2019, between Marsh & McLennan Companies, Inc. and Martine Ferland (incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2020)

(10.86) *Non-Competition and Non-Solicitation Agreement, effective as of March 1, 2016, between Marsh & McLennan Companies, Inc. and Martine Ferland (incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2020)

(10.87) *Letter Agreement, effective as of July 1, 2019, between Marsh & McLennan Companies, Inc. and Dominic J. Burke (incorporated by reference to the Company's Current Report on Form 8-K filed on April 29, 2020)

(10.88) *Non-Competition and Non-Solicitation Agreement, effective as of April 1, 2019, between Marsh & McLennan Companies, Inc. and Dominic J. Burke (incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2020)

(10.89) *Letter Agreement, effective as of April 29, 2020, between Marsh & McLennan Companies, Inc. and Dominic J. Burke (incorporated by reference to the Company's Current Report on Form 8-K filed on April 29, 2020)

(10.90) Calculation Agency Agreement, dated as of January 15, 2019, between Marsh & McLennan Companies, Inc. and The Bank of New York Mellon, as calculation agent (incorporated by reference to the Company's Current Report on Form 8-K filed on January 15, 2019)

(10.91) Paying Agency Agreement, dated as of March 21, 2019, between Marsh & McLennan Companies, Inc. and The Bank of New York Mellon, London Branch, as paying agent (incorporated by reference to the Company's Current Report on Form 8-K filed on March 21, 2019)

(10.92) Shareholder Undertaking, dated as of September 18, 2018 (incorporated by reference to the Company's Current Report on Form 8-K dated September 18, 2018)

(10.93) Form of Director Undertaking, dated as of September 18, 2018 (incorporated by reference to the Company's Current Report on Form 8-K dated September 18, 2018)

*Management contract or compensatory plan or arrangement required to be filed as an exhibit pursuant to Item 15(b) of Form 10-K.

(10.94)	Bridge Loan Agreement, dated as of September 18, 2018 by and between Marsh & McLennan Companies, Inc., the lenders party thereto and Goldman Sachs Bank USA, as administrative agent (incorporated by reference to the Company's Current Report on Form 8-K dated September 18, 2018)
(10.95)	Calculation Agency Agreement, dated as of January 15, 2019, between Marsh & McLennan Companies, Inc. and The Bank of New York Mellon, as calculation agent (incorporated by reference to the Company's Current Report on Form 8-K filed on January 15, 2019)
(14.1)	Code of Ethics for Chief Executive and Senior Financial Officers (incorporated by reference to the Company's Annual Report on Form 10-K for the year ended December 31, 2002)
(21.1)	List of Subsidiaries of Marsh & McLennan Companies, Inc.
(23.1)	Consent of Independent Registered Public Accounting Firm
(24.1)	Power of Attorney (included on signature page)
(31.1)	Rule 13a-14(a)/15d-14(a) Certification of Chief Executive Officer
(31.2)	Rule 13a-14(a)/15d-14(a) Certification of Chief Financial Officer
(32.1)	Section 1350 Certifications
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema
101.CAL	XBRL Taxonomy Extension Calculation Linkbase
101.DEF	XBRL Taxonomy Extension Definition Linkbase
101.LAB	XBRL Taxonomy Extension Label Linkbase
101.PRE	XBRL Taxonomy Extension Presentation Linkbase
104.	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101)

*Management contract or compensatory plan or arrangement required to be filed as an exhibit pursuant to Item 15(b) of Form 10-K.

Item 16. Form 10-K Summary

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

MARSH & McLENNAN COMPANIES, INC.

Dated: February 17, 2021

By /S/ DANIEL S. GLASER
Daniel S. Glaser
President and Chief Executive Officer

Each person whose signature appears below hereby constitutes and appoints Katherine J. Brennan and Connor Kuratek, and each of them singly, such person's lawful attorneys-in-fact and agents, with full power to them and each of them to sign for such person, in the capacity indicated below, any and all amendments to this Annual Report on Form 10-K filed with the Securities and Exchange Commission.

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities indicated this 17th day of February, 2021.

Name	Title	Date
/S/ DANIEL S. GLASER Daniel S. Glaser	Director, President & Chief Executive Officer	February 17, 2021
/S/ MARK C. MCGIVNEY Mark C. McGivney	Chief Financial Officer	February 17, 2021
/S/ STACY M. MILLS Stacy M. Mills	Vice President & Controller (Chief Accounting Officer)	February 17, 2021
/S/ ANTHONY K. ANDERSON Anthony K. Anderson	Director	February 17, 2021
/S/ OSCAR FANJUL Oscar Fanjul	Director	February 17, 2021
/S/ H. EDWARD HANWAY H. Edward Hanway	Director	February 17, 2021
/S/ DEBORAH C. HOPKINS Deborah C. Hopkins	Director	February 17, 2021
/S/ TAMARA INGRAM Tamara Ingram	Director	February 17, 2021
/S/ Jane H. Lute Jane H. Lute	Director	February 17, 2021
/S/ STEVEN A. MILLS Steven A. Mills	Director	February 17, 2021
/S/ BRUCE P. NOLOP Bruce P. Nolop	Director	February 17, 2021
/S/ MARC D. OKEN Marc D. Oken	Director	February 17, 2021
/S/ MORTON O. SCHAPIRO Morton O. Schapiro	Director	February 17, 2021
/S/ LLOYD M. YATES Lloyd M. Yates	Director	February 17, 2021
/S/ R. DAVID YOST R. David Yost	Director	February 17, 2021

FOURTH AMENDMENT
TO THE
MARSH & MCLENNAN COMPANIES
SUPPLEMENTAL SAVINGS & INVESTMENT PLAN

WHEREAS, Marsh & McLennan Companies, Inc. (the "Company") amended and restated the Marsh & McLennan Companies Supplemental Savings & Investment Plan, effective January 1, 2012 (the "Plan");

WHEREAS, the First Amendment to the Plan was adopted by the Company on December 7, 2016;

WHEREAS, the Second Amendment to the Plan was adopted by the Company on December 21, 2017;

WHEREAS, the Third Amendment to the Plan was adopted by the Company on December 19, 2018;

WHEREAS, pursuant to the Employee Benefit Plan Guidelines adopted by the Board of Directors on September 18, 2003 (the "Guidelines") and Section 8.1 of the Plan, the Company acting through its Chief Executive Officer ("CEO") or any officer appointed directly or indirectly by the CEO, has the authority to adopt or amend the Plan if the amendment (a) is required pursuant to law or other requirement having the effect of law or (b) would reasonably be expected to have no more than a *de minimis* effect on the Company;

WHEREAS, the Company desires to amend the Plan, effective as of September 1, 2020, to provide that Eligible Employees of Dovetail Insurance Corporation who otherwise satisfy the Plan's applicable requirements shall be eligible to receive MMC Fixed Company Credits under the Plan; and

WHEREAS, it has been determined that the proposed changes to the Plan would be reasonably expected to have no more than a *de minimis* effect on the Company.

NOW, THEREFORE, effective as of September 1, 2020, the Company acting through Laurie Ledford, Senior Vice President, Chief Human Resources Officer of the Company who, in turn, is acting pursuant to authority granted by the CEO (consistent with the Guidelines), hereby amends the Plan as follows:

1. Effective as of September 1, 2020, Section 1.25 of the Plan is hereby amended to read as follows:

"1.25 Participating Company means the Company and any subsidiary or affiliate thereof whose Eligible Employees are eligible to participate in the Basic Plan; provided, however, that for the period commencing on January 1, 2017 and ending on August 31, 2020, Dovetail Insurance Corporation shall not be a Participating Company with respect to the MMC Fixed Company Credits portion of the Plan (as described in Section 4.3A)."

2. Effective as of September 1, 2020, the last sentence of Section 2.1(b) of the Plan shall be amended to read as follows:

"Notwithstanding the foregoing, (i) no MMC Fixed Company Credits shall be credited with respect to periods prior to the Eligible Employee's attainment of one (1) Year of Service and (ii) for the period commencing on January 1, 2017 and ending on August 31, 2020, any employee of Dovetail Insurance Corporation shall not be an Eligible Employee with respect to the MMC Fixed Company Credits portion of the Plan."

3. Effective as of September 1, 2020, Section 4.3A(a) of the Plan shall be amended to read as follows:

"(a) Provided that an Eligible Employee has completed at least one (1) Year of Service and is employed by a Participating Company (other than Dovetail Insurance Corporation for the period commencing on January 1, 2017 and ending on August 31, 2020), and subject to the provisions of Section 2.2, beginning with the first payroll period of a Plan Year in which the Eligible

Employee's Compensation first exceeds the Compensation Limit, such Participant shall be credited with fixed amounts under this Plan based on the formula applicable to MMC Fixed Company Contributions under Section 3.9 of the Basic Plan ('MMC Fixed Company Credits')."

IN WITNESS WHEREOF, MARSH & McLENNAN COMPANIES, INC. has caused this Fourth Amendment to the Plan to be executed by its duly authorized officer on the 22nd day of December, 2020.

MARSH & MCLENNAN COMPANIES, INC.

By: /s/ Laurie Ledford
Laurie Ledford
Senior Vice President and Chief Human Resources Officer

Exhibit 21.1

Marsh & McLennan Companies, Inc. List of Subsidiaries
as of February 17, 2021

	Company Name	Country
1	8WORKS INC.	United States
2	8WORKS LTD	United Kingdom
3	A. Constantinidi & CIA. S.C.	Uruguay
4	A.C.N. 000 951 146 Pty Limited	Australia
5	A.C.N. 001 572 961 Pty Limited	Australia
6	A.C.N. 076 935 683 Pty Limited	Australia
7	A.C.N. 102 322 574 Pty Limited	Australia
8	Access Equity Enhanced Fund GP, LLC	United States
9	Admiral Holdings Limited	United Kingdom
10	AFCO Premium Acceptance, Inc.	United States
11	AFCO Premium Credit LLC	United States
12	Agnew Higgins Pickering & Co. (Bermuda) Ltd	Bermuda
13	Aldgate Investments Limited	Bermuda
14	Aldgate Trustees Ltd	United Kingdom
15	Alpha Consultants Limited	New Zealand
16	Alta SA	Chile
17	Altius Real Assets (GP) LLC	United States
18	Amal Insurance Brokers Limited (in liquidation)	Saudi Arabia
19	Anda Insurance Agencies Pte Ltd	Singapore
20	AssetVal Pty Ltd	Australia
21	Assur Conseils Marsh S.A.	Senegal
22	Assurance Capital Corporation	United States
23	Assurance Services Corporation	United States
24	Australian Insurance Brokers Pty Ltd	Australia
25	Australian World Underwriters Pty Ltd.	Australia
26	Barney & Barney Orange County, LLC	United States
27	BBPS Limited	United Kingdom
28	Beaumonts Insurance Services Limited	United Kingdom
29	Beneficios Integrales Oportunos SA	Colombia
30	Benefitfocus, Inc.	United States
31	Blue Marble Micro Limited	United Kingdom
32	Blue Marble Microinsurance, Inc.	United States
33	Bluefin Insurance Group Limited	United Kingdom
34	Bluefin Insurance Services Limited	United Kingdom
35	Boulder Claims, LLC	United States
36	Bowring (Bermuda) Investments Ltd.	Bermuda
37	Bowring Marsh (Bermuda) Ltd.	Bermuda
38	Bowring Marsh (Hong Kong) Limited	Hong Kong
39	Broderick Piller Pty Ltd	Australia
40	BuildPay, LLC	United States
41	Burke Ford Trustees (Leicester) Limited	United Kingdom
42	Carpenter Marsh Fac Argentina Corredores de Reaseguros SA	Argentina
43	Carpenter Marsh Fac Chile Corredores de Reaseguros Limitada	Chile

44	Carpenter Marsh Fac Colombia Corredores de Reaseguros S.A.	Colombia
45	Carpenter Marsh Fac Peru Corredores de Reaseguros S.A.C.	Peru
46	Carpenter Marsh Fac Re Corretora de Ressguros Ltda	Brazil
47	Carpenter Marsh Fac Re LLC	United States
48	Carpenter Turner Cyprus Ltd	Cyprus
49	Carpenter Turner S.A.	Greece
50	Cascade International Holdings C.V.	Netherlands
51	Cascade Regional Holdings Limited	United Kingdom
52	Central Insurance Services Limited	United Kingdom
53	Charter Risk Management Services LLC	United States
54	Chartwell Healthcare Limited	United Kingdom
55	Chronos Insurance Brokers Pty Limited	Australia
56	Claims and Recovery Management (Australia) Pty Limited	Australia
57	Clark Thomson Insurance Brokers Limited	United Kingdom
58	Client Provide Limited	New Zealand
59	Colombian Insurance Broking Wholesale Limited	Cayman Islands
60	Consultores 2020 C.A.	Venezuela, Bolivarian Republic of
61	CPRM Limited	United Kingdom
62	CPSG Partners, LLC	United States
63	Cronin & Co Insurance Services Limited	United Kingdom
64	Darwin Technologies Holdings Limited	United Kingdom
65	Darwin Technologies Limited	United Kingdom
66	Darwin Technologies S.R.L.	Romania
67	Darwin Technologies SG Pte. Ltd	Singapore
68	Deasterra Partners, S.L.	Spain
69	DeLima Marsh S.A. - Los Corredores de Seguros S.A.	Colombia
70	Dovetail Insurance Corp.	United States
71	Dovetail Managing General Agency Corporation	United States
72	Draw Create Limited	United Kingdom
73	Draw Group London Limited	United Kingdom
74	DVA - Deutsche Verkehrs-Assekuranz-Vermittlungs GmbH	Germany
75	Echelon Australia Pty Limited	Australia
76	Echelon Claims Consultants Sdn Bhd	Malaysia
77	Echelon New Zealand Limited	New Zealand
78	EnBW Versicherungs Vermittlung GmbH	Germany
79	Encompass Insurance Agency Pty Ltd.	Australia
80	English Pension Trustees Limited	United Kingdom
81	Epsilon (US) Insurance Company	United States
82	Epsilon Insurance Company, Ltd.	Cayman Islands
83	everBe SAS	France
84	Evolution Management Ltd	Bermuda
85	Exmoor Management Company Limited	Bermuda
86	Faulkner & Flynn, LLC	United States
87	Freedom Trust Services Limited	Ireland
88	Gama Consultores Associados Ltda.	Brazil
89	GC Genesis LLC	United States

90	Gem Insurance Company Limited	Bermuda
91	Global Premium Finance Company	United States
92	Gracechurch Trustees Limited	United Kingdom
93	Gresham Pension Trustees Limited	United Kingdom
94	Group Promoters Pty Limited	Australia
95	Guy Carpenter & Cia., S.A.	Spain
96	Guy Carpenter & Co. Labuan Ltd.	Malaysia
97	Guy Carpenter & Company AB	Sweden
98	Guy Carpenter & Company Corredores de Reaseguros Limitada	Chile
99	Guy Carpenter & Company Corretora de Resseguros Ltda.	Brazil
100	Guy Carpenter & Company GmbH	Germany
101	Guy Carpenter & Company GmbH (UK Branch)	
102	Guy Carpenter & Company Limited	United Kingdom
103	Guy Carpenter & Company Limited	New Zealand
104	Guy Carpenter & Company Participacoes Ltda.	Brazil
105	Guy Carpenter & Company Peru Corredores de Reaseguros S.A.	Peru
106	Guy Carpenter & Company Private Limited	Singapore
107	Guy Carpenter & Company Proprietary Limited	South Africa
108	Guy Carpenter & Company Pty. Ltd.	Australia
109	Guy Carpenter & Company S.A. (Netherlands Branch)	
110	Guy Carpenter & Company S.r.l.	Italy
111	Guy Carpenter & Company, Limited	Hong Kong
112	Guy Carpenter & Company, LLC	United States
113	Guy Carpenter & Company, LLC, Taiwan Branch	
114	Guy Carpenter & Company, Ltd./Guy Carpenter & Compagnie, Ltee	Canada
115	Guy Carpenter & Company, S.A.	Belgium
116	Guy Carpenter & Company, S.A.	Argentina
117	Guy Carpenter & Company, S.A.S.	France
118	Guy Carpenter (Middle East) Limited	United Arab Emirates
119	Guy Carpenter Bermuda Ltd.	Bermuda
120	Guy Carpenter Broking, Inc.	United States
121	Guy Carpenter Colombia Corredores de Reaseguros Ltda.	Colombia
122	Guy Carpenter Insurance Brokers (Beijing) Co. Ltd.	China
123	Guy Carpenter Japan, Inc.	Japan
124	Guy Carpenter Mexico Intermediario de Reaseguro, S.A. de C.V.	Mexico
125	Guy Carpenter Reasurans Brokerligi Anonim Sirketi	Turkey
126	Guy Carpenter Reinsurance Broker Philippines, Inc.	Philippines
127	Hamilton Bond Limited	United Kingdom
128	Hansen International Limited	United States
129	HAPIP GP 2009, LLC	United States
130	HAPIP GP, LLC	United States

131	Hayward Aviation Limited	United Kingdom
132	Hoken Soken Inc.	Japan
133	HSBC Insurance Brokers International (Abu Dhabi) LLC (in liquidation)	United Arab Emirates
134	India Life Capital Private Limited	India
135	Industrial Risks Protection Consultants	Nigeria
136	Ingeseg S.A.	Argentina
137	Insbrokers Ltda.	Uruguay
138	INSIA a.s.	Czech Republic
139	INSIA a.s. Praga – Sucursala Bucuresti (Romania branch)	
140	INSIA SK s.r.o. (Slovakia branch)	
141	InSolutions Limited	United Kingdom
142	Insurance Brokers of Nigeria Limited	Nigeria
143	Insure Direct - Jardine Lloyd Thompson Limited	United Arab Emirates
144	Insure Direct (Brokers) LLC	United Arab Emirates
145	Insure Direct (Brokers) LLC (BAHRAIN BRANCH)	
146	InsurTech Alliance, LLC	United States
147	International Catastrophe Insurance Managers, LLC	United States
148	International Loss Control Services Limited	Ireland
149	International Risk Consultants (Asia) Limited	Hong Kong
150	Invercol Limited	Bermuda
151	IRC Asia Insurance Brokers Limited	Hong Kong
152	Irish Pensions Trust Limited	Ireland
153	Isosceles Insurance (Barbados) Limited	Barbados
154	Isosceles Insurance Company Limited	United States
155	Isosceles Insurance Ltd	Bermuda
156	Isosceles PCC Limited	Guernsey
157	J&H Marsh & McLennan Limited	Hong Kong
158	J.W. Terrill Benefit Administrators, Inc.	United States
159	Japan Affinity Marketing, Inc.	Japan
160	Jardine Lloyd Thompson Australia Pty Limited	Australia
161	Jardine Lloyd Thompson Limited	Vietnam
162	Jardine Lloyd Thompson Limited	New Zealand
163	Jardine Lloyd Thompson Limited	Thailand
164	Jardine Lloyd Thompson Limited (Macao Branch)	Macao
165	Jardine Lloyd Thompson Pty Limited	Australia
166	Jardine ShunTak Insurance Brokers Limited (Macao Branch)	Macao
167	Jardines PF- Consultoria Em Gestao De Risco, Limitada	Angola
168	Jelf Commercial Finance Limited	United Kingdom
169	Jelf Financial Planning Limited	United Kingdom
170	Jelf Insurance Brokers Limited	United Kingdom
171	Jelf Limited	United Kingdom

172	Jelf Risk Management Limited	United Kingdom
173	JI Holdings Limited	Mauritius
174	JIB Group Holdings Limited	United Kingdom
175	JIB Group Limited	United Kingdom
176	JIB Holdings (Pacific) Limited	Virgin Islands, British
177	JIB Overseas Holdings Limited	United Kingdom
178	JIB UK Holdings Limited	United Kingdom
179	JL Marine Insurance-Brokers GmbH & Co. KG	Germany
180	JLM Verwaltungs GmbH	Germany
181	JLT Actuaries and Consultants Limited	United Kingdom
182	JLT Advisory Limited	United Kingdom
183	JLT Advisory Services Limited	India
184	JLT Agencies Limited	Hong Kong
185	JLT Asesorias Ltda	Chile
186	JLT Asia (Singapore) Pte. Ltd.	Singapore
187	JLT Asia Holdings BV	Netherlands
188	JLT Benefit Consultants Limited	United Kingdom
189	JLT Benefit Solutions Limited	United Kingdom
190	JLT Benefit Solutions SA Proprietary Limited	South Africa
191	JLT Chile Holdings SpA	Chile
192	JLT Colombia Retail Limited	United Kingdom
193	JLT Colombia Wholesale Limited	United Kingdom
194	JLT Consultants & Actuaries Limited	United Kingdom
195	JLT EB Holdings Limited	United Kingdom
196	JLT EB Services Limited	United Kingdom
197	JLT Employee Benefits Holding Company (PTY) LTD	South Africa
198	JLT Employee Benefits SA (Pty) Ltd	South Africa
199	JLT Financial Planning Limited	Ireland
200	JLT Group Holdings Limited	United Kingdom
201	JLT Group Services Pty Limited	Australia
202	JLT Holdings (Barbados) Ltd	Barbados
203	JLT Holdings (Bermuda) Ltd.	Bermuda
204	JLT Holdings (NZ) Limited	New Zealand
205	JLT Independent Consultancy Services Private Limited	India
206	JLT Insurance Brokers Ireland Limited	Ireland
207	JLT Insurance Brokers Limited	Hong Kong
208	JLT Insurance Brokers SA	Argentina
209	JLT Insurance Group Holdings Ltd	United Kingdom
210	JLT Intellectual Property (UK Branch)	United Kingdom
211	JLT Intellectual Property Limited	Ireland
212	JLT Interactive Pte. Ltd.	Singapore

213	JLT Investment Management Limited	United Kingdom
214	JLT LATAM (Southern Cone) Wholesale Limited	United Kingdom
215	JLT Latin American Holdings Limited	United Kingdom
216	JLT Life Assurance Brokers Limited	Thailand
217	JLT Management Pte. Ltd.	Singapore
218	JLT Management Services Limited	United Kingdom
219	JLT Mexico Holdings Limited	United Kingdom
220	JLT Mexico, Intermediario de Reaseguro, S.A. de C.V.	Mexico
221	JLT Pension Trustees Ireland Limited	Ireland
222	JLT Pension Trustees Limited	United Kingdom
223	JLT Pensions Administration Holdings Limited	United Kingdom
224	JLT Pensions Administration Limited	United Kingdom
225	JLT Peru Reinsurance Solutions Limited	United Kingdom
226	JLT Peru Retail Limited	United Kingdom
227	JLT Peru Wholesale Limited	United Kingdom
228	JLT QFM Services Limited	Ireland
229	JLT Re Argentina Corredores de Reaseguros S.A.U.	Argentina
230	JLT Re Labuan Limited	Malaysia
231	JLT Re Limited	United Kingdom
232	JLT Re Pty Ltd	Australia
233	JLT Reinsurance Brokers GmbH	Germany
234	JLT Reinsurance Brokers Limited	United Kingdom
235	JLT Risk Management Limited	Ireland
236	JLT SA IB Holdings Company Proprietary Limited	South Africa
237	JLT Singapore Holdings Pte. Ltd.	Singapore
238	JLT Specialty Limited	United Kingdom
239	JLT Specialty Limited (HONG KONG Branch)	
240	JLT Specialty Limited (DUBAI Branch)	
241	JLT Specialty Pte. Ltd (Hong Kong branch)	
242	JLT Specialty Pte. Ltd.	Singapore
243	JLT Towner Insurance Management (Anguilla) Limited	Anguilla
244	JLT Trust Services (Barbados) Ltd	Barbados
245	JLT Trustees (Southern) Limited	United Kingdom
246	JLT Trustees Limited	United Kingdom
247	JLT UK Investment Holdings Limited	United Kingdom
248	JLT Vantage Risk and Benefit Consulting Private Limited	India
249	JLT Wealth Management Limited	United Kingdom
250	JMIB Holdings BV	Netherlands
251	Johnson & Higgins (Bermuda) Limited	Bermuda
252	JSC "Marsh - consulting services"	Russian Federation
253	JSL Securities, Inc.	United States

254	Kepler Associates Limited	United Kingdom
255	Kessler & Co AG	Switzerland
256	Kessler & Co Inc.	Liechtenstein
257	Kessler Consulting Inc.	Switzerland
258	Kessler Prevoyance Inc.	Switzerland
259	Key Underwriting Pty Limited	Australia
260	Lambert Brothers Holdings Limited	Hong Kong
261	Lambert Brothers Insurance Brokers (Employee Benefits) Limited	Hong Kong
262	Lambert Brothers Insurance Brokers (Hong Kong) Ltd	Hong Kong
263	Lavaretus Underwriting AB	Sweden
264	Lavaretus Underwriting AB (BRANCH - Denmark)	Denmark
265	Local Government Insurance Brokers Pty Limited	Australia
266	Lynch Insurance Brokers Limited	Barbados
267	M&M Vehicle, L.P.	United States
268	MAG JLT SpA	Italy
269	Mangrove Insurance Europe PCC Limited	Malta
270	Mangrove Insurance Guernsey PCC Limited	Guernsey
271	Mangrove Insurance Solutions PCC Limited	Isle of Man
272	Mangrove Insurance Solutions, PCC	United States
273	Marine, Aviation & General (London) Limited	United Kingdom
274	Marsh & McLennan (PNG) Limited	Papua New Guinea
275	Marsh & McLennan Agencies AS	Norway
276	Marsh & McLennan Agencies Limited	Hong Kong
277	Marsh & McLennan Agency A/S	Denmark
278	Marsh & McLennan Agency Limited	New Zealand
279	Marsh & McLennan Agency LLC	United States
280	Marsh & McLennan Agency Pty Ltd.	Australia
281	Marsh & McLennan Asia Business Services Sdn. Bhd.	Malaysia
282	Marsh & McLennan Colombia S.A.	Colombia
283	Marsh & McLennan Companies Asia Pacific Treasury Center Limited	Hong Kong
284	Marsh & McLennan Companies BVBA/SPRL	Belgium
285	Marsh & McLennan Companies Finance Center (Luxembourg) S.a.r.l.	Luxembourg
286	Marsh & McLennan Companies France S.A.S.	France
287	Marsh & McLennan Companies Holdings (Luxembourg) S.a.r.l.	Luxembourg
288	Marsh & McLennan Companies Regional Holdings S.a.r.l.	Luxembourg
289	Marsh & McLennan Companies Services B.V.	Netherlands
290	Marsh & McLennan Companies UK Limited	United Kingdom
291	Marsh & McLennan Companies, Inc.	United States
292	Marsh & McLennan Europe S.a.r.l.	Luxembourg
293	Marsh & McLennan Finance Unlimited Company	Ireland
294	Marsh & McLennan Global Broking (Bermuda) Ltd.	Bermuda

295	Marsh & McLennan Global Services India Pvt. Ltd.	India
296	Marsh & McLennan GP I, Inc.	United States
297	Marsh & McLennan Holding GmbH	Germany
298	Marsh & McLennan Holdings (Canada) ULC	Canada
299	Marsh & McLennan Holdings, Inc.	United States
300	Marsh & McLennan Innovation Centre Holdings II	Bermuda
301	Marsh & McLennan Innovation Centre Holdings S.a.r.l.	Luxembourg
302	Marsh & McLennan Innovation Centre Limited	Ireland
303	Marsh & McLennan Insurance Services Limited	Hong Kong
304	Marsh & McLennan Ireland Limited	Ireland
305	Marsh & McLennan Management Services (Bermuda) Limited	Bermuda
306	Marsh & McLennan Risk Capital Holdings, Ltd.	United States
307	Marsh & McLennan Servicios, S.A. De C.V.	Mexico
308	Marsh & McLennan Shared Services Canada Limited	Canada
309	Marsh & McLennan Shared Services Corporation	United States
310	Marsh & McLennan, Incorporated (for dissolution)	United States
311	Marsh (Bahrain) Company SPC	Bahrain
312	Marsh (Beijing) Risk Management Consulting Co., Ltd.	China
313	Marsh (China) Insurance Brokers Co., Ltd.	China
314	Marsh (China) Insurance Brokers Co., Ltd. Anhui Branch	
315	Marsh (China) Insurance Brokers Co., Ltd. Chengdu Branch	
316	Marsh (China) Insurance Brokers Co., Ltd. Fujian Branch	
317	Marsh (China) Insurance Brokers Co., Ltd. Guangdong Branch	
318	Marsh (China) Insurance Brokers Co., Ltd. Hebei Branch	
319	Marsh (China) Insurance Brokers Co., Ltd. Jiangsu Branch	
320	Marsh (China) Insurance Brokers Co., Ltd. Liaoning Branch	
321	Marsh (China) Insurance Brokers Co., Ltd. Shandong Branch	
322	Marsh (China) Insurance Brokers Co., Ltd. Shanghai Branch	
323	Marsh (China) insurance Brokers Co., Ltd. Shenzhen Branch	
324	Marsh (China) Insurance Brokers Co., Ltd. Tianjin Branch	
325	Marsh (Hong Kong) Limited	Hong Kong
326	Marsh (Insurance Brokers) LLP	Kazakhstan
327	Marsh (Malawi) Limited	Malawi
328	Marsh (Middle East) Limited	United Kingdom
329	Marsh (Middle East) Limited (Iraq Branch)	
330	Marsh (Namibia) Proprietary Limited	Namibia
331	Marsh (Pty) Ltd	South Africa
332	Marsh (Risk Consulting) LLP	Kazakhstan
333	Marsh (Singapore) Pte. Ltd.	Singapore
334	Marsh A/S	Denmark
335	Marsh AB	Sweden

336	Marsh Advantage Insurance Holdings Pty Ltd	Australia
337	Marsh Advantage Insurance Pty Ltd.	Australia
338	Marsh Africa (Pty) Ltd	South Africa
339	Marsh AG	Switzerland
340	Marsh Argentina S.R.L.	Argentina
341	Marsh AS	Norway
342	Marsh Associates Proprietary Limited	South Africa
343	Marsh Austria G.m.b.H.	Austria
344	Marsh Aviation Insurance Broking Pty Ltd	Australia
345	Marsh B.V.	Netherlands
346	Marsh Botswana (Proprietary) Limited	Botswana
347	Marsh Brockman y Schuh Agente de Seguros y de Fianzas, S.A. de C.V.	Mexico
348	Marsh Broker de Asigurare-Reasigurare S.R.L.	Romania
349	Marsh Broker Japan, Inc.	Japan
350	Marsh Brokers (Hong Kong) Limited	Hong Kong
351	Marsh Brokers Limited	United Kingdom
352	Marsh Canada Limited/Marsh Canada Limitee	Canada
353	Marsh Company Management Services Cayman Ltd.	Cayman Islands
354	Marsh Corporate Services (Barbados) Limited	Barbados
355	Marsh Corporate Services Isle of Man Ltd	Isle of Man
356	Marsh Corporate Services Limited	United Kingdom
357	Marsh Corporate Services Malta Limited	Malta
358	Marsh Corretora de Seguros Ltda.	Brazil
359	Marsh d.o.o. Beograd	Serbia
360	Marsh d.o.o. za posredovanje u osiguranju	Croatia
361	Marsh Egypt LLC	Egypt
362	Marsh Emirates Consultancy LLC	United Arab Emirates
363	Marsh Emirates Insurance Brokerage LLC	United Arab Emirates
364	Marsh Employee Benefits Limited	Ireland
365	Marsh Engineering Consulting (Shanghai) Co., Ltd.	China
366	Marsh EOOD	Bulgaria
367	Marsh Eurofinance B.V.	Netherlands
368	Marsh Europe S.A.	Belgium
369	Marsh FJC International Insurance Brokers Limited	Nigeria
370	Marsh for Insurance Services - Jordan	Jordan
371	Marsh For Insurance Services S.A.E.	Egypt
372	Marsh Franco Acra, S.A.	Dominican Republic
373	Marsh GmbH	Germany
374	Marsh GSC Servicos e Administracao de Seguros Ltda.	Brazil
375	Marsh Holding AB	Sweden
376	Marsh Holdings (Pty) Ltd	South Africa

377	Marsh India Insurance Brokers Private Limited	India
378	Marsh Insurance & Investments LLC	United States
379	Marsh Insurance Agencies Limited	Hong Kong
380	Marsh Insurance and Reinsurance Brokers LLC	Azerbaijan
381	Marsh Insurance Brokers	United Kingdom
382	Marsh Insurance Brokers (Macao) Limited	Macao
383	Marsh Insurance Brokers (Malaysia) Sdn Bhd	Malaysia
384	Marsh Insurance Brokers AO	Russian Federation
385	Marsh Insurance Brokers Limited	Cyprus
386	Marsh Insurance Consulting Saudi Arabia (in liquidation)	Saudi Arabia
387	Marsh Intermediaries Inc.	United States
388	Marsh International Broking Holdings Limited	United Kingdom
389	Marsh International Holdings II, Inc.	United States
390	Marsh International Holdings, Inc.	United States
391	Marsh Investment B.V.	Netherlands
392	Marsh Ireland Brokers Limited	Ireland
393	Marsh Ireland Brokers Limited (UK Branch)	
394	Marsh Ireland Holdings Limited	Ireland
395	Marsh Israel (1999) Ltd.	Israel
396	Marsh Israel (Holdings) Ltd.	Israel
397	Marsh Israel Consultants Ltd.	Israel
398	Marsh Israel Insurance Agency Ltd.	Israel
399	Marsh Israel International Brokers Ltd. (in liquidation)	Israel
400	Marsh Japan, Inc.	Japan
401	Marsh JCS Inc.	United States
402	Marsh JLT Ireland Holdings Limited	Ireland
403	Marsh JLT Proprietary Limited	South Africa
404	Marsh Kft.	Hungary
405	Marsh Kindlustusmaakler AS	Estonia
406	Marsh Korea, Inc.	Korea, Republic of
407	Marsh Limited	United Kingdom
408	Marsh Limited (Fiji)	Fiji
409	Marsh Limited (New Zealand)	New Zealand
410	Marsh Limited (PNG)	Papua New Guinea
411	Marsh LLC	United States
412	Marsh LLC (Ukraine)	Ukraine
413	Marsh LLC Insurance Brokers	Greece
414	Marsh Lorant Agente de Seguros y de Fianzas, S.A. de C.V.	Mexico
415	Marsh Ltd. (Wisconsin)	United States
416	Marsh Management Services (Bahamas) Ltd.	Bahamas
417	Marsh Management Services (Barbados) Limited	Barbados

418	Marsh Management Services (Bermuda) Ltd.	Bermuda
419	Marsh Management Services (Dublin) Limited	Ireland
420	Marsh Management Services (Labuan) Limited	Malaysia
421	Marsh Management Services (MENA) Limited	United Arab Emirates
422	Marsh Management Services (USVI) Ltd.	United States
423	Marsh Management Services Cayman Ltd.	Cayman Islands
424	Marsh Management Services Guernsey Limited	Guernsey
425	Marsh Management Services Inc.	United States
426	Marsh Management Services Isle of Man Limited	Isle of Man
427	Marsh Management Services Luxembourg S.a.r.l.	Luxembourg
428	Marsh Management Services Malta Limited	Malta
429	Marsh Management Services Singapore Pte. Ltd.	Singapore
430	Marsh Management Services Sweden AB	Sweden
431	Marsh Marine & Energy AB	Sweden
432	Marsh Marine (Pty) Ltd	South Africa
433	Marsh Marine Nederland B.V.	Netherlands
434	Marsh McLennan Global Services India Private Limited (UK Branch Office)	United Kingdom
435	Marsh Medical Consulting GmbH	Germany
436	Marsh Mercer Holdings (Australia) Pty Ltd	Australia
437	Marsh Nest Inc.	United States
438	Marsh NV/SA (UK Branch)	
439	Marsh Oman LLC	Oman
440	Marsh Oy	Finland
441	Marsh PB Co., Ltd.	Thailand
442	Marsh Philippines, Inc.	Philippines
443	Marsh Privat, A.I.E.	Spain
444	Marsh Private Client Life Insurance Services	United States
445	Marsh Pty. Ltd.	Australia
446	Marsh Qatar LLC	Qatar
447	Marsh Rehder Consultoria S.A. (MRC)	Peru
448	Marsh Rehder S.A. Corredores de Seguros	Peru
449	Marsh Resolutions Pty Limited	Australia
450	Marsh Risk and Consulting Services (Pty) Ltd	Namibia
451	Marsh Risk Consulting B.V.	Netherlands
452	Marsh Risk Consulting Limitada	Chile
453	Marsh Risk Consulting Ltda.	Colombia
454	Marsh Risk Consulting Services S.r.L.	Italy
455	Marsh Risk Consulting, S.L.	Spain
456	Marsh S.A. Corredores De Seguros	Chile
457	Marsh S.A.S.	France
458	Marsh S.p.A.	Italy

459	Marsh s.r.o.	Czech Republic
460	Marsh s.r.o.	Slovakia
461	Marsh SA (Argentina)	Argentina
462	Marsh SA (Belgium)	Belgium
463	Marsh SA (Luxembourg)	Luxembourg
464	Marsh SA (Uruguay)	Uruguay
465	Marsh Saldana Inc.	Puerto Rico
466	Marsh Saudi Arabia Insurance & Reinsurance Brokers	Saudi Arabia
467	Marsh Secretarial Services Limited	United Kingdom
468	Marsh Semusa, S.A.	Panama
469	Marsh Services Limited	United Kingdom
470	Marsh Services Spolka z.o.o.	Poland
471	Marsh SIA	Latvia
472	Marsh Sigorta ve Reasurans Brokerligi Anonim Sirketi	Turkey
473	Marsh Spolka z.o.o.	Poland
474	Marsh Szolgaltato Kft.	Hungary
475	Marsh Takaful Brokers (Malaysia) Sdn Bhd	Malaysia
476	Marsh Treasury Services Limited	United Kingdom
477	Marsh Tunisia S.a.r.l.	Tunisia
478	Marsh Uganda Limited	Uganda
479	Marsh USA (India) Inc.	United States
480	Marsh USA Borrower LLC	United States
481	Marsh USA Inc.	United States
482	Marsh Venezuela C.A. Sociedad de Corretaje de Seguros	Venezuela, Bolivarian Republic of
483	Marsh Vietnam Insurance Broking Company Ltd	Vietnam
484	Marsh Zambia Limited	Zambia
485	Marsh, Lda.	Portugal
486	Marsh, S.A. Mediadores de Seguros	Spain
487	Matthiessen Assurans AB	Sweden
488	Mercer (Argentina) S.A.	Argentina
489	Mercer (Australia) Pty Ltd	Australia
490	Mercer (Austria) GmbH	Austria
491	Mercer (Belgium) SA-NV	Belgium
492	Mercer (Canada) Limited Mercer (Canada) limitee	Canada
493	Mercer (China) Limited, Mercer (China) Limited	China
494	Mercer (Colombia) Ltda.	Colombia
495	Mercer (Danmark) A/S	Denmark
496	Mercer (Finland) OY	Finland
497	Mercer (France) SAS	France
498	Mercer (Hong Kong) Limited	Hong Kong
499	Mercer (Ireland) Limited	Ireland

500	Mercer (Malaysia) Sdn. Bhd.	Malaysia
501	Mercer (N.Z.) Limited	New Zealand
502	Mercer (Nederland) B.V.	Netherlands
503	Mercer (Norge) AS	Norway
504	Mercer (Polska) Sp.z o.o.	Poland
505	Mercer (Portugal) Lda	Portugal
506	Mercer (Singapore) Pte. Ltd.	Singapore
507	Mercer (Sweden) AB	Sweden
508	Mercer (Taiwan) Ltd.	Taiwan
509	Mercer (Thailand) Ltd.	Thailand
510	Mercer (US) Inc.	United States
511	Mercer Administration Services (Australia) Pty Limited	Australia
512	Mercer Africa Limited	United Kingdom
513	Mercer Alternatives AG	Switzerland
514	MERCER ALTERNATIVES LIMITED	United Kingdom
515	Mercer Asesores de Seguros S.A.	Argentina
516	Mercer Asesores es Inversion Independientes S.A. de C.V.	Mexico
517	Mercer Broking Ltd.	Taiwan
518	Mercer Consultation (Quebec) Ltee.	Canada
519	Mercer Consulting (Australia) Pty Ltd	Australia
520	Mercer Consulting (Chile) Limitada	Chile
521	Mercer Consulting (France) SAS	France
522	Mercer Consulting (India) Private Limited	India
523	Mercer Consulting B.V.	Netherlands
524	Mercer Consulting Group, Inc.	United States
525	Mercer Consulting Limited	United Kingdom
526	Mercer Consulting Middle East Limited	United Arab Emirates
527	Mercer Consulting Venezuela, C.A.	Venezuela, Bolivarian Republic of
528	Mercer Consulting, S.L.U.	Spain
529	Mercer Corredores de Seguros Limitada	Chile
530	Mercer Corretora de Seguros Ltda	Brazil
531	Mercer Danismanlik Anonim Sirketi	Turkey
532	Mercer Deutschland GmbH	Germany
533	Mercer Employee Benefits - Medicacao de Seguros Unipessoal Lda.	Portugal
534	Mercer Employee Benefits Limited	United Kingdom
535	Mercer Financial Advice (Australia) Pty Ltd	Australia
536	Mercer Financial Services Limited	Ireland
537	Mercer Financial Services Limited liability company	Morocco
538	Mercer Financial Services Middle East Limited	United Arab Emirates
539	Mercer Global Investments Canada Limited Mercer Gestion mondiale d'investissements Canada limitee	Canada
540	Mercer Global Investments Europe Limited	Ireland

541	Mercer Global Investments Europe Limited (UK Branch)	
542	Mercer Global Investments Management Limited	Ireland
543	Mercer Health & Benefits (Singapore) Pte. Ltd.	Singapore
544	Mercer Health & Benefits Administration LLC	United States
545	Mercer Health & Benefits LLC	United States
546	Mercer Holdings, Inc.	United States
547	Mercer Holdings, Inc. (Philippines)	Philippines
548	Mercer HR Consulting Borrower LLC	United States
549	Mercer HR Services, LLC	United States
550	Mercer Human Resource Consulting Ltda	Brazil
551	Mercer Human Resource Consulting S.A. de C.V.	Mexico
552	Mercer ICC Limited	Guernsey
553	Mercer Investment Consulting Limited	Ireland
554	Mercer Investment Management (Shanghai) Co., Ltd	China
555	Mercer Investment Solutions (Singapore) Pte. Ltd.	Singapore
556	Mercer Investments (Australia) Limited	Australia
557	Mercer Investments (HK) Limited	Hong Kong
558	Mercer Investments (Japan), Ltd	Japan
559	Mercer Investments (New Zealand) Limited	New Zealand
560	Mercer Investments LLC	United States
561	Mercer Ireland Holdings Limited	Ireland
562	Mercer Italia Srl Socio Unico	Italy
563	Mercer Japan Ltd.	Japan
564	Mercer Korea Co. Ltd.	Korea, Republic of
565	Mercer Limited	United Kingdom
566	Mercer LLC	United States
567	Mercer Master Trustees Limited	Ireland
568	Mercer Mauritius Ltd.	Mauritius
569	Mercer MC Consulting Borrower LLC	United States
570	Mercer Oliver Wyman Holding B.V.	Netherlands
571	Mercer Outsourcing (Australia) Pty Ltd	Australia
572	Mercer Outsourcing, S.L.U.	Spain
573	MERCER PE FUND II SCOTLAND LP	United Kingdom
574	Mercer Pensionsfonds AG	Germany
575	Mercer Pensionsraadgivning A/S	Denmark
576	Mercer Philippines, Inc.	Philippines
577	Mercer Private Investment Partners IV General Partner S.a.r.l.	Luxembourg
578	Mercer Private Markets Advisers (US) AG	Switzerland
579	Mercer Services Poland Sp. z.o.o.	Poland
580	Mercer Sigorta Brokerligi Anonim Sirketi	Turkey
581	Mercer South Africa Proprietary Limited	South Africa

582	Mercer Superannuation (Australia) Limited	Australia
583	Mercer Switzerland Inc.	Switzerland
584	Mercer System Services LLC	United States
585	Mercer Technology Acquisitions Limited	United Kingdom
586	Mercer Treuhand GmbH	Germany
587	Mercer Trust Company LLC	United States
588	Mercer Trustees Limited	Ireland
589	Mercer Trustees Limited	United Kingdom
590	Mercer WorkforcePro LLC	United States
591	Mercer, Agente de Seguros, S.A. de C.V.	Mexico
592	Mercury Insurance Services Pty Ltd	Australia
593	MM Risk Services Pty Ltd	Australia
594	MMA Mid-Atlantic Employee LLC	United States
595	MMA Securities LLC	United States
596	MMB Consultores S.A.	Argentina
597	MMC (Singapore) Holdings Pte. Ltd.	Singapore
598	MMC 28 State Street Holdings Inc.	United States
599	MMC Borrower LLC	United States
600	MMC Brazilian Holdings B.V.	Netherlands
601	MMC CAPITAL SOLUTIONS LP	United Kingdom
602	MMC Capital Solutions UK Limited	United Kingdom
603	MMC Capital Solutions US LLC	United States
604	MMC Cascade Regional Holdings, LLC	United States
605	MMC Finance (Australia) Limited	United Kingdom
606	MMC FINANCE (EUROPE) LIMITED	United Kingdom
607	MMC Finance (Singapore) Limited	United Kingdom
608	MMC Finance (US) Limited	United Kingdom
609	MMC Finance Holdings (US) Limited	United Kingdom
610	MMC FINANCE HOLDINGS LTD	United Kingdom
611	MMC FINANCE UK LIMITED	United Kingdom
612	MMC France Holdings (Luxembourg) S.a.r.l.	Luxembourg
613	MMC Funding (US) Limited	United Kingdom
614	MMC GP III, Inc.	United States
615	MMC Group Services sp. z o.o.	Poland
616	MMC Holdings (Australia) Pty Ltd	Australia
617	MMC Holdings (New Zealand) ULC	New Zealand
618	MMC Holdings (UK) Limited	United Kingdom
619	MMC International Finance (Barbados) SRL	Barbados
620	MMC International Holdings LLC	United States
621	MMC International Limited	United Kingdom
622	MMC International Treasury Centre Limited	United Kingdom

623	MMC Management Services Proprietary Limited	South Africa
624	MMC Middle East Holdings Limited	United Kingdom
625	MMC Poland Holdings B.V.	Netherlands
626	MMC Realty, Inc.	United States
627	MMC Regional Asia Holdings B.V.	Netherlands
628	MMC Regional Caribbean Holdings, Ltd.	Bermuda
629	MMC Regional Europe Holdings B.V.	Netherlands
630	MMC Regional LATAM Holdings B.V.	Netherlands
631	MMC Securities (Europe) Limited	United Kingdom
632	MMC Securities LLC	United States
633	MMC ShunTak Insurance Brokers Limited	Hong Kong
634	MMC Treasury Holdings (UK) Limited	United Kingdom
635	MMC UK Group Limited	United Kingdom
636	MMC UK Pension Fund Trustee Limited	United Kingdom
637	MMOW Limited	United Kingdom
638	Moola Systems Limited	United Kingdom
639	Mountlodge Limited	United Kingdom
640	MOW Holding LLC	United States
641	MPIP III GP LLC	United States
642	MPIP IV GP LLC	United States
643	MPIP V GP, LLC	United States
644	MPIP VI GP, LLC	United States
645	Muir Beddal (Zimbabwe) Limited	Zimbabwe
646	National Economic Research Associates, Inc.	United States
647	National Economic Research Associates, Inc.	United States
648	NERA Australia Pty. Ltd.	Australia
649	NERA do Brasil Ltda.	Brazil
650	NERA Economic Consulting GmbH	Germany
651	NERA Economic Consulting Limited	New Zealand
652	NERA S.R.L.	Italy
653	NERA SAS	France
654	NERA UK Limited	United Kingdom
655	NetComp Insurance Corp.	United States
656	Neuburger Noble Lowndes GmbH	Germany
657	Normandy Reinsurance Company Limited	Bermuda
658	Oliver Wyman (Bermuda) Limited	Bermuda
659	Oliver Wyman (Hong Kong) Limited	Hong Kong
660	Oliver Wyman (Pty) Ltd	South Africa
661	Oliver Wyman AB	Sweden
662	Oliver Wyman Actuarial Consulting, Inc.	United States
663	Oliver Wyman AG	Switzerland

664	Oliver Wyman B.V.	Netherlands
665	Oliver Wyman Consulting (Shanghai) Ltd	China
666	Oliver Wyman Consultoria em Estrategia de Negocios Ltda.	Brazil
667	Oliver Wyman Energy Consulting Limited	United Kingdom
668	Oliver Wyman FZ-LLC	United Arab Emirates
669	Oliver Wyman GmbH	Germany
670	Oliver Wyman Group KK	Japan
671	Oliver Wyman Limited	United Kingdom
672	Oliver Wyman Limited (Abu Dhabi branch)	
673	Oliver Wyman Limited Liability Company	Greece
674	Oliver Wyman LLC	Qatar
675	Oliver Wyman LLC	Russian Federation
676	Oliver Wyman Ltd.	Korea, Republic of
677	Oliver Wyman Pte. Ltd.	Singapore
678	Oliver Wyman Pty. Ltd.	Australia
679	Oliver Wyman S.A.S.	Colombia
680	Oliver Wyman S.L.	Spain
681	Oliver Wyman S.r.l.	Italy
682	Oliver Wyman Sdn. Bhd.	Malaysia
683	Oliver Wyman Services Limited	United Kingdom
684	Oliver Wyman Servicios, S. de R.L. de C.V.	Mexico
685	Oliver Wyman SNC	France
686	Oliver Wyman sp. z o.o.	Poland
687	Oliver Wyman SPRL/BVBA	Belgium
688	Oliver Wyman, Inc.	United States
689	Oliver Wyman, S. de R.L. de C.V.	Mexico
690	Oliver, Wyman Limited/Oliver, Wyman limitee	Canada
691	Oliver, Wyman Limited/Oliver, Wyman limitee (Barbados Branch)	
692	Omega Indemnity (Bermuda) Limited	Bermuda
693	Organizacion Brockman y Schuh S.A. de C.V.	Mexico
694	OWL Marine Insurance-Brokers GmbH & Co.KG	Germany
695	OWL Marine Verwaltungs GmbH	Germany
696	Pallas Marsh Servicos Ltda.	Brazil
697	Pavilion Advisory ULC	Canada
698	Pavilion Alternatives Group (Singapore) PTE. Ltd	Singapore
699	Pavilion Financial Corporation Holdings UK Limited	United Kingdom
700	Pavilion U.S. Investments Holdco LLC	United States
701	Pension Trustees Limited	United Kingdom
702	Pensionsservice Benefit Network Sverige AB	Sweden
703	Perils AG	Switzerland
704	Personal Pension Trustees Limited	United Kingdom

705	Pet Animal Welfare Scheme Limited	United Kingdom
706	PFT Limited	United Kingdom
707	PI Indemnity Company, Designated Activity Company	Ireland
708	Portsoken Trustees (No. 2) Limited	United Kingdom
709	Portsoken Trustees Limited	United Kingdom
710	Potomac Insurance Managers, Inc.	United States
711	Premier Pension Trustees Limited	United Kingdom
712	Premium Services Australia Pty Limited	Australia
713	Private Client Services by Mercer (Dubai) Limited	United Arab Emirates
714	Private Client Services by Mercer China Limited	China
715	Private Client Services by Mercer China Limited Beijing Branch	
716	Private Client Services by Mercer China Limited Guangzhou Branch	
717	Private Client Services by Mercer China Limited Shanghai Branch	
718	Private Client Services by Mercer Holdings Pte. Ltd.	Singapore
719	Private Client Services by Mercer Limited	Hong Kong
720	Private Client Services by Mercer Pte. Ltd.	Singapore
721	Private Client Services by Mercer SA	Switzerland
722	Profund Solutions Limited	United Kingdom
723	Promerit AG	Germany
724	Promerit Hungary Kft	Hungary
725	Promerit Schweiz AG	Switzerland
726	PT Marsh Indonesia	Indonesia
727	PT Marsh Reinsurance Brokers Indonesia	Indonesia
728	PT Mercer Indonesia	Indonesia
729	PT Nexus Asia Pacific	Indonesia
730	PT Oliver Wyman Indonesia	Indonesia
731	PT Quantum Computing Services	Indonesia
732	PT Quantum Investments	Indonesia
733	PT Quantum Support Services	Indonesia
734	Pymetrics, Inc.	United States
735	R R B Beratungsgesellschaft fuer Altersversorgung mbh	Germany
736	R. Mees & Zoonen Holdings B.V.	Netherlands
737	realright GmbH	Germany
738	Resource Benefit Associates	Nigeria
739	Rightpath Reinsurance SPC, Ltd.	Cayman Islands
740	Risk Management Australia Pty Limited	Australia
741	Rivers Group Limited	United Kingdom
742	Rockefeller Risk Advisors, Inc.	United States
743	Rutherfoord International, Inc.	United States
744	Sail Insurance Company Limited	Bermuda
745	SCIB (Bermuda) Limited	Bermuda

746	SCM Global Real Estate Select GP LLC	United States
747	SCM Infrastructure General Partner S.a r.l.	Luxembourg
748	SCM International Private Equity Select III GP LLC	United States
749	SCM LT General Partner S.a.r.l.	Luxembourg
750	SCM PE General Partner S.a.r.l.	Luxembourg
751	SCM PE II GP Ltd.	Guernsey
752	SCM Strategic Capital Management (Luxembourg) S.a.r.l.	Luxembourg
753	Seabury & Smith Borrower LLC	United States
754	Seabury & Smith LLC	United States
755	Sedgwick (Holdings) Pty. Limited	Australia
756	Sedgwick Dineen Group Limited	Ireland
757	Sedgwick Financial Services Limited	United Kingdom
758	Sedgwick Forbes Middle East Limited	Jersey
759	Sedgwick Group (Australia) Pty. Limited	Australia
760	Sedgwick Group (Bermuda) Limited	Bermuda
761	Sedgwick Group (Zimbabwe) Limited	Zimbabwe
762	Sedgwick Group Limited	United Kingdom
763	Sedgwick Internationaal B.V.	Netherlands
764	Sedgwick Management Services (Barbados) Limited	Barbados
765	Sedgwick Management Services (Singapore) Pte Limited	Singapore
766	Sedgwick Noble Lowndes (UK) Limited	United Kingdom
767	Sedgwick Noble Lowndes Group Limited	United Kingdom
768	Sedgwick Noble Lowndes Limited	United Kingdom
769	Sedgwick Overseas Investments Limited	United Kingdom
770	Sedgwick Private Limited	Singapore
771	Sedgwick Re Asia Pacific (Consultants) Pte Ltd (for dissolution)	Singapore
772	Sedgwick Trustees Limited	United Kingdom
773	Sedgwick Ulster Pension Trustees Limited	United Kingdom
774	Settlement Trustees Limited	United Kingdom
775	Shanghai Mercer Insurance Brokers Company Ltd.	China
776	Shorewest Insurance Associates, LLC	United States
777	Sirota Consulting UK Limited	United Kingdom
778	SME Insurance Services Limited	United Kingdom
779	Smith Long Term Disability Management Group, Inc.	United States
780	Societe d'Assurances et de Participation Guian SA	France
781	Southern Marine & Aviation Underwriters, Inc.	United States
782	Southern Marine & Aviation, Inc.	United States
783	Sudzucker Versicherungs-Vermittlungs GmbH	Germany
784	Talent Tech Labs, LLC	United States
785	The Benefit Express Holdings Limited	United Kingdom
786	The Carpenter Management Corporation	United States

787	The Insurance Partnership Holdings Limited	United Kingdom
788	The Insurance Partnership Services Limited	United Kingdom
789	The Positive Ageing Company Limited	United Kingdom
790	The Purple Partnership Limited	United Kingdom
791	The Recovre Group Pty Ltd	Australia
792	Thomsons Online Benefits Inc.	United States
793	Torrent Government Contracting Services, LLC	United States
794	Torrent Insurance Services, LLC	United States
795	Torrent Technologies, Inc.	United States
796	Tower Hill Limited	United Kingdom
797	Tower Place Developments (West) Limited	United Kingdom
798	Tower Place Developments Limited	United Kingdom
799	U.T.E. AMG	Spain
800	U.T.E. Marsh - Caja Castilla La Mancha Junta de Comunidades	Spain
801	U.T.E. Marsh - Salvado Reus (in liquidation)	Spain
802	UAD BB Marsh Lietuva	Lithuania
803	Vezina & Associes Inc.	Canada
804	Vezina Assurances Inc.	Canada
805	Victor Insurance Bermuda Ltd.	Bermuda
806	Victor Insurance Europe B.V.	Netherlands
807	Victor Insurance Holdings Inc.	United States
808	Victor Insurance Italia S.r.l.	Italy
809	Victor Insurance Managers Inc.	United States
810	Victor Insurance Managers Inc./Gestionnaires d'assurance Victor inc.	Canada
811	Victor O. Schinnerer & Company Limited	United Kingdom
812	Victoria Hall Company Limited	Bermuda
813	Wellnz Limited	New Zealand
814	William M. Mercer (Canada) Limited/William M. Mercer (Canada) Limitee	Canada
815	William M. Mercer AB	Sweden
816	William M. Mercer Comercio, Consultoria e Servicos Ltda.	Brazil

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Registration Statements on Form S-8 (Registration File Nos. 2-58660, 33-48807, 33-59603, 333-176084, 333-146400, 333-229776, 333-209684, 333-226429, and 333-226431), Registration Statement on Form S-3 (Registration File No. 333-226427), Registration Statement on Form S-4 (Registration File No. 333-163405), and Registration Statement on Form S-4 (Registration File No. 333-163405) of our reports dated February 17, 2021, relating to the consolidated financial statements of Marsh & McLennan Companies, Inc. and subsidiaries (the "Company"), and the effectiveness of the Company's internal control over financial reporting, appearing in this Annual Report on Form 10-K of Marsh & McLennan Companies, Inc. for the year ended December 31, 2020.

/s/ Deloitte & Touche LLP

New York, New York
February 17, 2021

Exhibit 31.1

CERTIFICATIONS

I, Daniel S. Glaser, certify that:

1. I have reviewed this Annual Report on Form 10-K of Marsh & McLennan Companies, Inc. (the "registrant");

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 17, 2021

/s/ Daniel S. Glaser
Daniel S. Glaser
President and Chief Executive Officer

Exhibit 31.2

CERTIFICATIONS

I, Mark C. McGivney, certify that:

1. I have reviewed this Annual Report on Form 10-K of Marsh & McLennan Companies, Inc. (the "registrant");

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 17, 2021

/s/ Mark C. McGivney
Mark C. McGivney
Chief Financial Officer

Exhibit 32.1

Certification of Chief Executive Officer and Chief Financial Officer

The certification set forth below is being submitted in connection with the Annual Report on Form 10-K for the year ended December 31, 2020 of Marsh & McLennan Companies, Inc. (the "Report") for the purpose of complying with Rule 13a-14(b) or Rule 15d-14(b) under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and Section 1350 of Chapter 63 of Title 18 of the United States Code.

Daniel S. Glaser, the President and Chief Executive Officer, and Mark C. McGivney, the Chief Financial Officer, of Marsh & McLennan Companies, Inc. each certifies that, to the best of his knowledge:

1. the Report fully complies with the requirements of Section 13(a) or 15(d) of the Exchange Act; and
2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Marsh & McLennan Companies, Inc.

Date: February 17, 2021

/s/ Daniel S. Glaser
Daniel S. Glaser
President and Chief Executive Officer

Date: February 17, 2021

/s/ Mark C. McGivney
Mark C. McGivney
Chief Financial Officer