

THOMSON REUTERS

2021  
INVESTOR DAY  
MARCH 16

# Corporates

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Investor Day 2021

# Corporates

## Key Highlights

### Attractive End Market Segments

- ✓ Est. \$10B global market segment
- ✓ Est. 6% - 10% market segment growth
- ✓ Historically stable, recession-resistant
- ✓ **Strong Prevailing Tailwinds in Our Market Segments Play to Our Strengths & Contribute to Growth**



### Leadership Position

- ✓ #1 provider of Corporate Legal & Corporate Tax solutions in the U.S.
- ✓ 84% recurring revenues
- ✓ 88% retention
- ✓ ALL Fortune 100 firms are TR customers
- ✓ ~115,000 customers

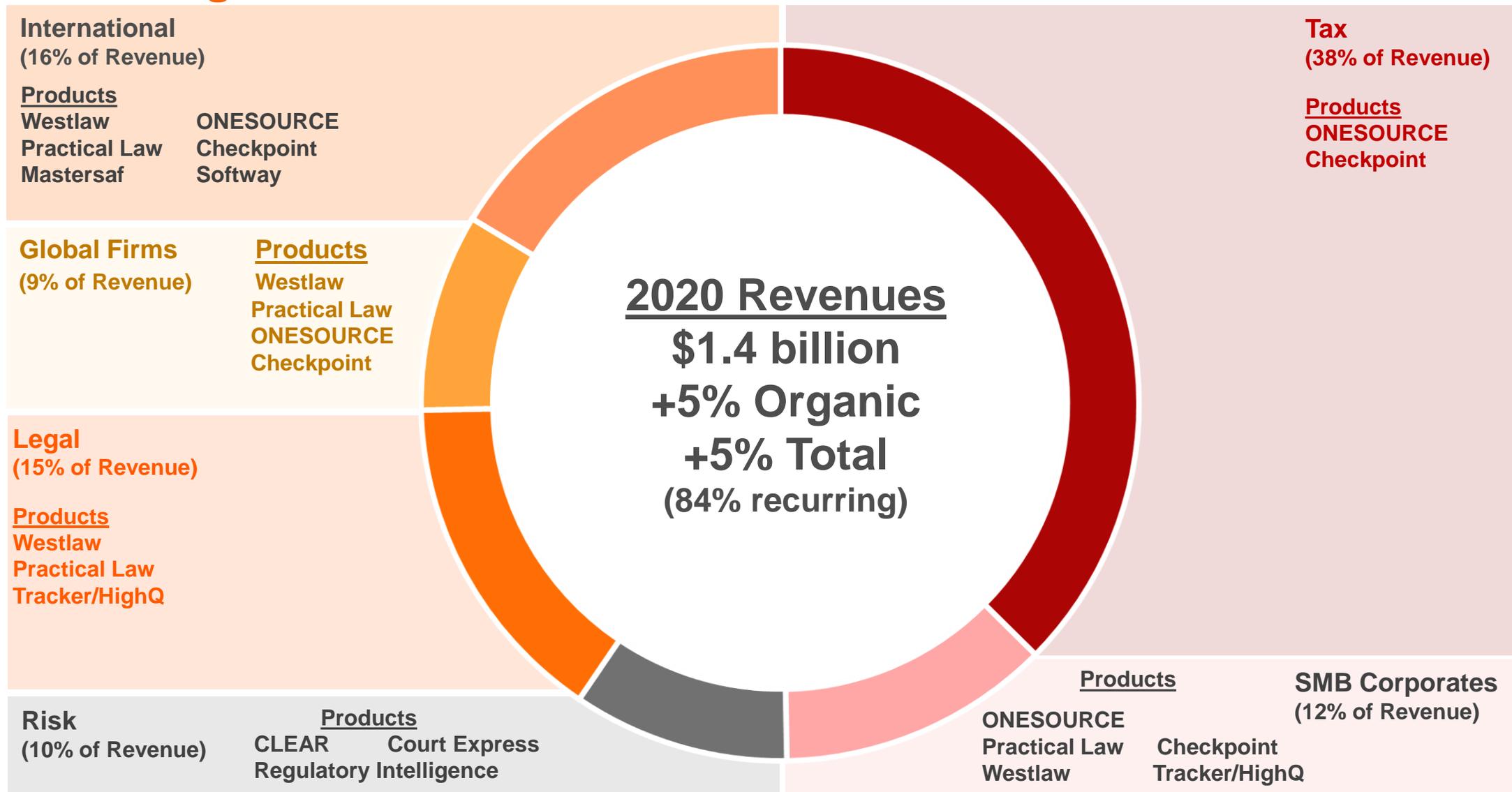


### Change Program Expected to Further Accelerate Growth

- ✓ FY 2020 5% organic growth
- ✓ **Direct & Indirect Tax are Strategic Investment Priorities**
- ✓ **Change Program digital investments will improve Customer Experience**
- ✓ **Change Program innovative product solutions will bring more value to customers across workflows**
- ✓ Extend reach through Partner and Digital channel

# Corporates

## Customer Segments



Note: Before currency

# Corporates – Tax Products

## Strong Positions, High Retention, High Recurring Revenues

Powerful Businesses Built with Proprietary Content & Experts = Competitive Advantage

	THOMSON REUTERS <b>ONESOURCE™</b>			
	THOMSON REUTERS <b>Direct Tax</b>	THOMSON REUTERS <b>Indirect Tax</b>	THOMSON REUTERS <b>Global Trade</b>	THOMSON REUTERS <b>Checkpoint</b>
Description	<ul style="list-style-type: none"> <li>Corporate Income tax solution:               <ul style="list-style-type: none"> <li>– Tax compliance</li> <li>– Tax provision</li> <li>– Workflow management</li> <li>– Statutory reporting</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Global software solution:               <ul style="list-style-type: none"> <li>– Indirect tax determination</li> <li>– Sales &amp; use tax compliance</li> <li>– VAT compliance</li> <li>– Digital reporting (e.g., SAF-T)</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Trade compliance workflow solution               <ul style="list-style-type: none"> <li>– Import &amp; export compliance</li> <li>– Free trade agreements</li> <li>– Country of origin rules</li> <li>– Verifying customer, supplier credentials (KYC/KYS)</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Integrated information solution               <ul style="list-style-type: none"> <li>– Checkpoint Edge</li> <li>– Checkpoint Learning</li> <li>– Confirmation for audit verification</li> </ul> </li> </ul>
Position	#1	#4	#3	#1
Target Customer	<ul style="list-style-type: none"> <li>Corporate Tax Departments</li> <li>Global Accounting Firms</li> </ul>	<ul style="list-style-type: none"> <li>Corporate Tax Departments</li> <li>Global Accounting Firms</li> </ul>	<ul style="list-style-type: none"> <li>Procurement / Supply Chain</li> <li>Corporate Compliance officers</li> </ul>	<ul style="list-style-type: none"> <li>Corporate Tax Departments</li> <li>Global Accounting Firms</li> </ul>
Pricing Model	Subscription	Subscription	Subscription	Subscription

# Corporates – Legal Products

## Strong Positions, High Retention, High Recurring Revenues

Powerful Businesses Built with Proprietary Content & Experts = Competitive Advantage

	THOMSON REUTERS <b>Westlaw &amp; Practical Law</b>	THOMSON REUTERS <b>Legal Software<sup>(1)</sup></b>	THOMSON REUTERS <b>Risk/CLEAR</b>
Description	<ul style="list-style-type: none"> <li>Legal know-how solution:               <ul style="list-style-type: none"> <li>– Practical guidance</li> <li>– Primary, secondary sources</li> <li>– Checklists</li> <li>– Practice areas: Antitrust, M&amp;A, Labor, Employment, IP, etc.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Solution for Corp Legal Ops:               <ul style="list-style-type: none"> <li>– External counsel spend, performance</li> <li>– Matter intake</li> <li>– Document storage, search, retrieval</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Due Diligence Solution<sup>(2)</sup> for               <ul style="list-style-type: none"> <li>– Fraud Prevention &amp; Investigation</li> <li>– BSA/AML Compliance</li> <li>– Commercial Lending</li> <li>– 3rd party Due Diligence</li> <li>– Corporate Security</li> </ul> </li> </ul>
Position	<b>#1</b>	<b>#2</b>	<b>#2</b>
Target Customer	<ul style="list-style-type: none"> <li>General Counsels</li> <li>Legal Operations</li> </ul>	<ul style="list-style-type: none"> <li>General Counsels</li> <li>Legal Operations</li> </ul>	<ul style="list-style-type: none"> <li>Risk &amp; Compliance Depts</li> <li>Corporate Security</li> </ul>
Pricing Model	Subscription	Subscription	Subscription

(1) Includes HighQ, Legal Tracker, Contract Express

(2) Use case defined for investigative & corporate due diligence in the US

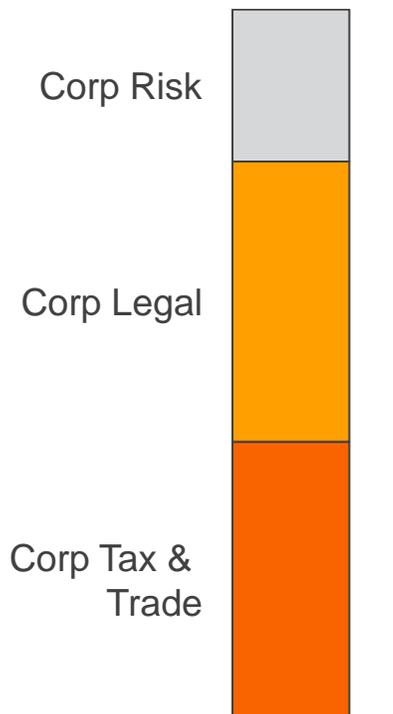
# Corporates

## Market Trends - Prevailing Tailwinds Provide New Growth Opportunities

*Demand for TR's advanced, trusted & branded "how-to" products is increasing  
Deep, long-term customer relationships provide advantaged position*

**Global Addressable Market Segment Growing 6% - 10%**

Est. \$10B



**Increasing regulatory complexity**



Tax admins mandating transaction-level data



Increased govt cooperation to close tax loopholes



Demand for greater KYC<sup>(1)</sup> & KYS information

**Emphasis on efficiency**



Tax departments doing more with less



General Counsels bringing more work in-house



Minimize audit & compliance risks

**Technology-led transformation**



Tech adoption accelerating as data volumes explode



Shift to cloud & digital delivery



AI & analytics driving actionable insights

**Competitive dynamics**



Active entry of startups



PE & VC driving new investments



Provider consolidation in select workflows

# Corporates

## Change Program Will Improve Customer Experience & Accelerate Growth

### Organic Revenue Growth Drivers

#### ONESOURCE

**Make ONESOURCE the preferred end-to-end solution at global accounting firms and corporations**

- Evolve offering by providing best in class cloud platform; expand content & reporting capabilities

#### Practical Law

**Scale Practical Law**

- Leverage AI & global content to drive up-sells & retention while expanding into compliance use cases

#### HighQ & Legal Tracker

**Best-in-class Client spend & matter management solution to control costs**

- Address contract & doc management use case
- Drive effectiveness & mitigate risks in corporate legal departments

#### Risk

**Enhance APIs & CLEAR data & features**

- To address Investigative, Fraud Protection and Risk Management workflows

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### Benefits of Transition to Operating Company

**Digital as a significant contributor to sales & renewals & Improved Customer Experience**

**More targeted, integrated set of products, modular entitlement & single customer ID that drive valuable outcomes for customers**

**Secure, modernized & simplified technology architecture & operations**

**Self-replenishing pipeline of world-class internal talent**

**Targeting Revenue Growth of 7% - 9% by 2023 with Significant Margin Expansion**

# Corporates

## Strong Growth Verticals Accelerating Organic Growth

### Strategic Priorities

### Key Focus Areas

Legal <sup>(1)</sup>	1		<i>Unique content – Fast growing Legal &amp; Corporates “How-To” product</i>
	2		<i>Firms investing in productivity &amp; efficiency solutions</i>
	3		<i>Trusted, proprietary, unique content - strong market presence WL Edge 2.0 in development</i>
Government <sup>(2)</sup> (Incl. Risk, Fraud & Compliance)	4		<i>Strong position &amp; unique content Expert backed AI in rapidly growing market</i>
Tax & Accounting	5		<i>Strong market presence Migrating to next generation cloud-based suite</i>
	6 <sup>(3)</sup>		<i>Strong content combined with global scale &amp; comprehensive cloud-based AI &amp; software (incl. Confirmation)</i>
Corporate Tax & Trade	7		<p><i>Direct Tax - Large footprint, very reliable solution, loyal customer base</i></p> <p><i>Indirect Tax – Fast-growing scalable solution &amp; market</i></p>
+ SMB Opportunity			<i>Access to new customer groups</i>

(1) Products reported in Legal Professionals and Corporates Segments

(2) Government reported in Legal Professionals Segment

(3) Products reported in Tax & Accounting Professionals and Corporates Segments