

THOMSON REUTERS

2021
INVESTOR DAY
MARCH 16

Legal Professionals

Paul Fischer
Interim President – Legal Professionals

Investor Day 2021

Legal Professionals

Key Highlights

Attractive End Market Segments

- ✓ Est. \$11B global market segment
- ✓ Est. 4% - 6% market segment growth
- ✓ Historically stable & recession-resistant
- ✓ **Strong Prevailing Tailwinds in Our Market Segments Play to Our Strengths & Contribute to Growth**



Leadership Position

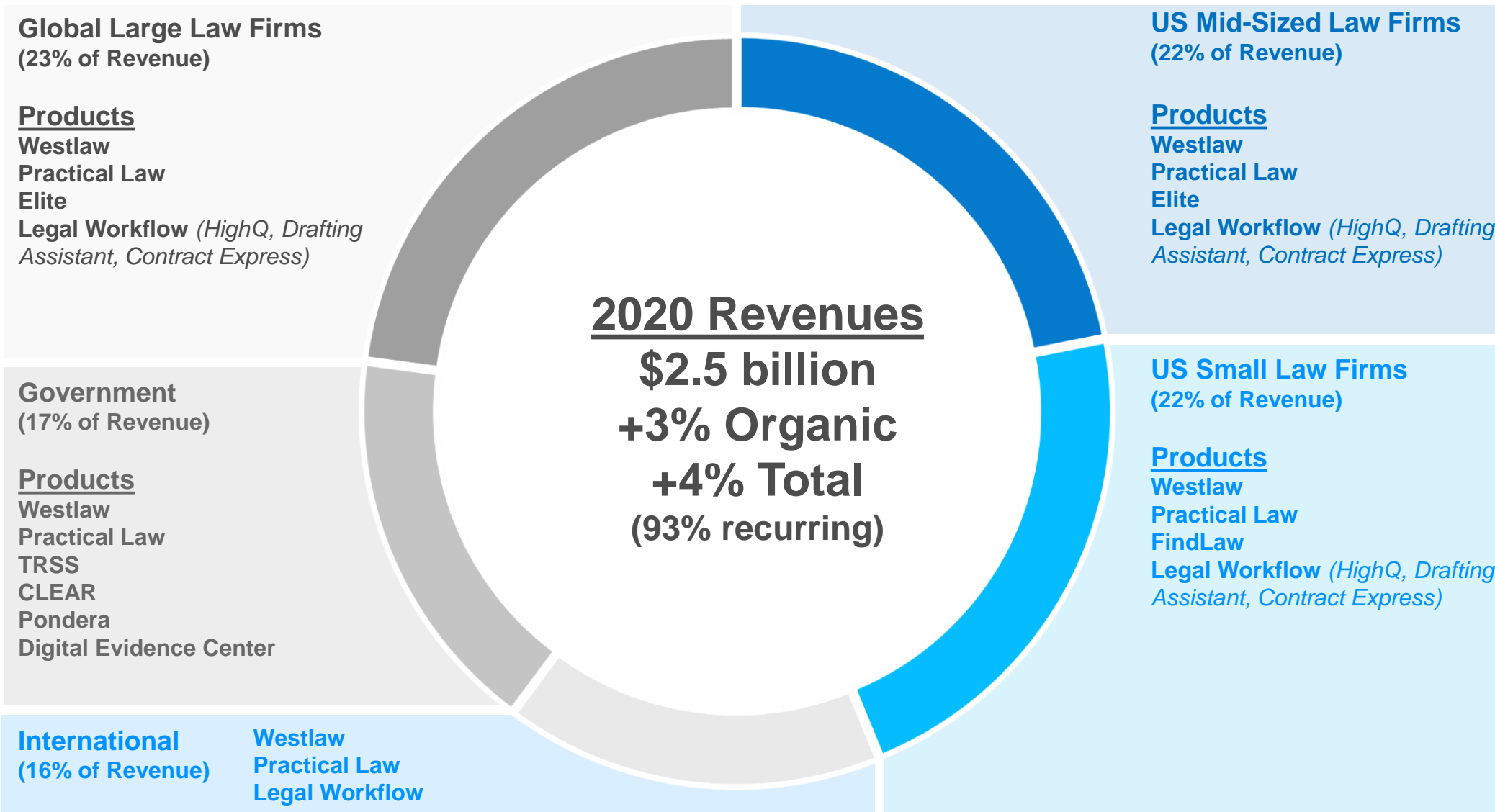
- ✓ #1 position in global legal market segment
- ✓ 93% recurring revenues
- ✓ 90% retention (94% US Westlaw)
- ✓ 99 of Am Law 100 firms use TR legal research
- ✓ All of the Global 100 firms are TR customers
- ✓ Strength in depth with ~235,000 customers



Change Program Expected to Further Accelerate Growth

- ✓ Q4 2020 organic growth 4%
FY 2020 organic growth 3%
- ✓ **Westlaw & Legal Workflow Solutions are Strategic Investment Priorities**
- ✓ **Change Program digital investments will reach broader customer base (long tail)**
- ✓ **Change Program innovative product solutions & AI/ML enhancements will bring more value to customers across workflows**
- ✓ Targeted & selective inorganic investments to fill product gaps & supplement growth

Legal Professionals Customer Segments



Note: Before currency

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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 4% - 6%

Est. \$11B

\$4B
Online Legal Information

\$7B
Software and Solutions

Pressure on law firms



Greater demands on GCs for value



Push to reduce costs & drive productivity



Intensified competition including from new entrants

Technology advances



AI bringing more legal work within scope



Online collaboration as the new normal



Blurring of product and service

Access to justice challenges



85% of civil legal need unmet



Shift to online courts & dispute resolution



Increase in consumer use of DIY tools

Competitive dynamics



Numerous large & small competitors



Growing legal tech consolidation



Distinguished from horizontal providers

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Strong Positions, High Retention, High Recurring Revenues

Powerful Businesses Built with Proprietary Content, AI/ML & Experts = Competitive Advantage

	Westlaw	Practical Law	FindLaw®	THOMSON REUTERS ELITE
Description	<ul style="list-style-type: none"> Primary online legal research delivery platform Offers authoritative content, search, research organization & team collaboration Finds & shares specific points of law & analytical commentary 	<ul style="list-style-type: none"> Practice notes, standard documents, checklists & What's Market tools Areas include commercial, corporate, labor, employment, IP, finance & litigation 	<ul style="list-style-type: none"> Online legal directory, website creation & hosting services Law firm marketing solutions & peer rating services 	<ul style="list-style-type: none"> Integrated software applications that assist with business management Covers financial, practice, matter, document & email, accounting, billing, timekeeping & records
Strong Positions	#1	#1	#1	#1
Target Customer	Law firms, students, law librarians, government agencies, trademark professionals	Law firms, government agencies	Law firm professionals, marketers & consumers	Law firm & professional services, legal, finance & technology professionals
Pricing Model	Subscription	Subscription	Subscription	Software License + Maint. Subscription for Cloud

We Have the Broadest & Most Complete Set of Solutions for Legal Professionals
Unparalleled legal content - access to law firms - at the forefront of rolling out new generation technologies

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Strong Positions, High Retention, High Recurring Revenues

Powerful Software Businesses Powered by Proprietary Content AI/ML & Experts

	HighQ	Contract Express	Drafting Assistant
Description	<ul style="list-style-type: none"> Integrated digital workspace where lawyers can get work done Enables seamless collaboration w/others, sharing of valuable insights and engagement w/clients & colleagues to deliver legal services 	<ul style="list-style-type: none"> End-to-end document automation workflow solution Enables legal professionals to create their own templates via intelligent rules engine Integrated with model documents from Practical Law de-risking legal contract creation 	<ul style="list-style-type: none"> Streamline the creation of documents from scratch Format documents making sure authorities are highlighted, citations are valid & formatted correctly Directly linked to Authorities on Westlaw & integrated the leading Legal AI solution - QuickCheck
Strong Positions	#1	#1	#1
Target Customer	Law firms & Corporate Legal departments	Law firms, Corporate Legal departments and Government Agencies	Law firms, Corporate Legal departments and Government Agencies
Pricing Model	Subscription	Subscription	Subscription

**Built to Meet the Challenges of Customers in Current Market Environment
Drives Efficiency & Online Collaboration**

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Strong Positions, High Retention, High Recurring Revenues

Powerful Businesses Built with Proprietary Content, AI/ML & Experts = Competitive Advantage

TRSS

CLEAR

Pondera

Digital Evidence Center

(formerly CaseLines)

Description	<ul style="list-style-type: none"> Analyst backed data fusion, technology & professional services 3rd party risk, enhanced due diligence, global situational awareness, risk mitigation, & insider threat detection 	<ul style="list-style-type: none"> Public & proprietary records about individuals & companies Web-based & API enabled investigative, identity & risk assessment tools 	<ul style="list-style-type: none"> Fraud detection software & analytics Integrated case management & reporting 	<ul style="list-style-type: none"> Integrated court exhibit & evidence sharing platform Organize, present, and annotate evidence Facilitates virtual, in-court, and hybrid hearings
Strong Positions	#1	#2	#2	#1
Target Customer	Defense & intelligence agencies, Federal law enforcement, & global corporations	Government agencies & law enforcement	Government agencies & program integrity offices, healthcare programs	Courts, prosecutors, public defenders, & law firms
Pricing Model	Subscription, services	Subscription, transactional	Subscription, transactional	Subscription

We have the broadest & most complete set of solutions for targeted government professionals
Unparalleled content – deep domain expertise – at the forefront of rolling out new generation technologies

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Change Program Will Improve Customer Experience & Accelerate Growth

Organic Revenue Growth Drivers

Westlaw

Drive penetration of Westlaw Edge & launch Edge extensions to reinforce competitive differentiation

Practical Law

Scale Practical Law, leveraging AI & global content to drive up-sells & retention while expanding into compliance use cases

Legal Workflow

Deliver next phase of legal workflow solutions to unify customer experience, maximize new sales opportunities & increase retention & upsell with existing clients

Government

Build on strong position with CLEAR, TRSS & Pondera in a rapidly growing market

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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 5% - 6% by 2023 with Significant Margin Expansion

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Strong Growth Verticals Accelerating Organic Growth

Strategic Priorities

Key Focus Areas

Legal ⁽¹⁾	<p>1  THOMSON REUTERS® Practical Law™ ~\$400M</p>	<i>Unique content – Fast growing Legal & Corporates “How-To” product</i>
	<p>2  THOMSON REUTERS® HighQ  THOMSON REUTERS CONTRACT EXPRESS™ ~\$200M</p>	<i>Firms investing in productivity & efficiency solutions</i>
	<p>3 THOMSON REUTERS WESTLAW™ ~\$1,500M</p>	<i>Trusted, proprietary, unique content - strong market presence WL Edge 2.0 in development</i>
Government ⁽²⁾	<p>4 THOMSON REUTERS CLEAR TRSS  PONDERA PART OF THOMSON REUTERS ~\$400M</p>	<i>Strong position in the sector & unique content Expert backed AI in rapidly growing market</i>
Tax & Accounting	<p>5  THOMSON REUTERS® ONVIO™</p>	<i>Strong market presence Migrating to next generation cloud-based suite</i>
	<p>6⁽³⁾ THOMSON REUTERS Cloud Audit Suite  CONFIRMATION Part of Thomson Reuters</p>	<i>Strong content combined with global scale & comprehensive cloud-based AI & software (incl. Confirmation)</i>
Corporate Tax & Trade	<p>7 THOMSON REUTERS Direct Tax THOMSON REUTERS Indirect Tax</p>	<i>Direct Tax - Large footprint, very reliable solution, loyal customer base Indirect Tax – Fast-growing scalable solution & market</i>
+ 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