
CASCADE REGIONAL HOLDINGS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

CASCADE REGIONAL HOLDINGS LIMITED

COMPANY INFORMATION

DIRECTORS

J B Broad
J P D'Offay
K A Farrell
I R Hadley

COMPANY SECRETARY

C M Valentine

REGISTERED NUMBER

10284928

REGISTERED OFFICE

1 Tower Place West
Tower Place
London
United Kingdom
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CASCADE REGIONAL HOLDINGS LIMITED

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CASCADE REGIONAL HOLDINGS LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2019

INTRODUCTION

The directors present their Strategic Report for Cascade Regional Holdings Limited ('the Company') for the year ended 31 December 2019. The Company's registration number is 10284928.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The Company provides certain treasury activities on behalf of Marsh & McLennan Companies, Inc., enables foreign exchange management for the group and acts as an intermediate holding company of a group of companies engaged primarily in insurance broking, reinsurance broking and employee benefits.

FINANCIAL KEY PERFORMANCE INDICATORS

The Company's key performance indicators during the year were as follows:

	2019 \$000	2018 \$000	Movement \$000	Movement %
Dividend income	263,585	353,000	(89,415)	(25)
Profit on sale of subsidiaries	-	23,098	(23,098)	(100)
Amounts written back on investments	483,308	47,543	(435,765)	917
Amounts written off Investments	-	(38,308)	(38,308)	(100)
Interest payable and similar expenses	(64,023)	(64,196)	(173)	-
Profit before tax	683,966	321,695	362,271	113
Shareholders' funds	2,146,061	1,664,208	481,853	29

Lower dividends were received in 2019 compared to 2018 from subsidiary undertakings.

Following the annual impairment review of subsidiary undertakings, an impairment reversal of \$483,308,000 (2018 - \$47,543,000) has been applied against fixed asset investments that were impaired in the previous period. A further impairment charge of \$nil (2018 - £38,308,000) was provided against the carrying value of the remaining investments.

The Company paid interest on inter-company loans and upon its bonds which were listed on The International Stock Exchange in Guernsey in June 2017.

Shareholders funds increased by \$481,853,000 as a result of profit for the year of \$681,853,000 less dividends paid of \$200,000,000.

CASCADE REGIONAL HOLDINGS LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019**

SECTION 172 (1) OF THE COMPANIES ACT 2006 (THE "ACT") STATEMENT

This Statement is made pursuant to s. 414CZA of the Companies Act 2006.

The Company forms part of the Marsh & McLennan Companies, Inc. Group of Companies (the MMC Group), a global professional services provider, specialising in the areas of risk, strategy and people. It acts as a non-trading intermediate holding company and its activities are aligned to the strategy and risk management and control frameworks of the MMC Group.

The directors of the Company are committed to lead and direct the affairs of the Company in order to promote the long-term sustainable success of the Company, generating value for its shareholder and ensuring sound and prudent management of the firm.

The directors of the Company consider that, both individually and collectively, they have acted in a way, in good faith, that would most likely promote the success of the Company, for the benefit of its members (s. 172(1)), also having regard to the long-term consequences of any decisions taken (172(1)(a)). Distributions to the Company's shareholder are only considered after a full assessment of capital adequacy and the Company's ability to continue as a going concern into the foreseeable future to ensure investment in the future growth of the Company, balanced with stable and sustainable returns to the shareholder.

Sections 172(1)(b)-(e) do not apply to the Company in its capacity as a non-trading intermediate holding company for the MMC Group, as it does not have employees, clients or suppliers.

The Greater Good, which is the MMC Group's Code of Conduct, applies to all directors of the Company and it embodies the MMC Group's commitment to maintaining the highest ethical conduct and professional standards. These non-negotiable standards are outlined in the Greater Good, which emphasises the importance of building trust with colleagues, clients and the wider community.

CASCADE REGIONAL HOLDINGS LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

PRINCIPAL RISK AND UNCERTAINTIES

The principal risks and uncertainties facing the Company are those listed below:

Availability of IT systems

The Company has a number of Information Technology (IT) systems in order to carry out its day-to-day business. There is a risk that any of these systems as part of the overall IT infrastructure could fail, individually or collectively, with an adverse effect on the Company's operations. The company is part of the group's global IT structure and there are business continuity plans in place.

Competitive risks

The nature of the current market combined with some very aggressive strategies for competitors puts significant pressure on the Company's operating investments to retain existing business. These businesses mitigate risk by continuing to enhance their value proposition to clients.

Credit risk

Credit risk is the risk that a counterparty will be unable to pay amounts in full when due. The main areas where the Company is exposed to credit risk are amounts due from other group companies in respect of inter-company balances and cash; and deposits/investments with banks. The Company mitigates its credit risk in respect of inter-company balances by monitoring the debts created and ability to pay.

The Company mitigates its credit risk for cash by only depositing money in institutions with a sufficiently high credit rating. The credit rating required is that demanded by our ultimate parent company. In addition, the Company has investment guidelines that restrict the amount of the investments portfolio that can be placed with a single institution.

Emerging risk

Coronavirus: On March 11, 2020, the World Health Organization declared the Coronavirus (Covid-19) a pandemic. As this continues to spread through contagion, it is likely to further intensify the disruptive impact on the global and UK economy and could adversely impact the Company across a number of key financial and operational areas. The Company has taken a considered approach to minimising and managing the impact of the pandemic and has well formulated contingency plans, which continue to evolve as changes to circumstances occur.

Impairment risk

The Company's principal assets are shares in subsidiary undertakings. There is a risk of loss if the valuations of these subsidiary undertakings were to be impaired for any reason. Factors that may indicate the need for such impairment include changes in financial performance, the loss of business or the loss of key staff.

Interest rate risk

The interest rate risk of the Company is managed by treasury staff, in line with guidelines issued by its ultimate parent company.

In managing interest rate and currency risks the Company aims to reduce the impact of short-term fluctuations on the Company's earnings. Over the longer term, however, permanent changes in interest rates would have an impact on earnings.

CASCADE REGIONAL HOLDINGS LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019**

PRINCIPAL RISK AND UNCERTAINTIES (continued)

Liquidity/cash flow risk

Liquidity and cash flow risk is the risk that cash may not be available to pay obligations when they become due. The Company engages with central treasury and finance functions working for Marsh & McLennan Companies, Inc. Group to monitor and control its cash flows and working capital requirements.

Outsourcing risk

The Company outsources a number of its services to third party organisations. The ability of the Company to perform efficiently is directly impacted by the services of the third party providers. Outsourcing contracts and providers are respectively reviewed against performance expectations and key performance indicators.

Political risk

The Company is subject to local and international economic and political instability. The Company manages this risk through monitoring of the economic environment as part of its ongoing forecasting process.

Management has noted that the United Kingdom (UK) formally left the European Union ('EU') on 31 January 2020 and entered a "transition phase" which is expected to end on 31 December 2020. During this period, trade negotiations between the UK and EU are expected to take place but the final outcome of these negotiations is not yet known. As a result, the final impact of leaving the EU on the economy, regulation and political stability is highly uncertain.

The Company has considered the key risks and impact to its business and operations following the end of the transition period and the content of any potential trade agreement and, based on a balance of worst case versus likely scenario assumptions, is taking steps to mitigate these. A Brexit Operations Group has been established to collate activities within and across individual lines of business and across all functional areas to ensure that the Company is Brexit ready and responsive to client needs in the UK as well as risks and uncertainty around standards of data protection and the storing and transfer of data between the UK and EU after Brexit on employees who are EU citizens, and the potential impact on the Company's suppliers.

This report was approved by the board and signed on its behalf.



J P D'Offay
Director

Date: 26 November 2020

CASCADE REGIONAL HOLDINGS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2019

The directors present their report and the financial statements for the year ended 31 December 2019.

PRINCIPAL ACTIVITY

The principal activities of the Company are set out in the Strategic Report on page 1 as is the information that fulfils the Companies Act requirements of the business review. Details of the principle risks and uncertainties are also included in the Strategic Report.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to \$681,853,000 (2018 - \$333,259,000).

Dividends of \$200,000,000 were paid in the year (2018 - \$200,000,000).

The directors do not recommend a payment of a final dividend (31 December 2018 - \$nil).

DIRECTORS

The directors who served during the year were:

J B Broad
J P D'Offay
K A Farrell
I R Hadley

FUTURE DEVELOPMENTS

The activities of the Company as an intermediate holding company are expected to continue for the foreseeable future.

GOING CONCERN

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for a period of twelve months from the date of the approval of the financial statements and, therefore, continue to adopt the going concern basis in preparing the annual report and financial statements.

The Company has modelled a range of potential future financial outcomes and continues to monitor the uncertainty in the current economic and business environment including the impact of the Covid-19 pandemic.

Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies in note 2 to the financial statements.

QUALIFYING THIRD PARTY INDEMNITY PROVISIONS

The Company has put in place an indemnity clause in its Articles of Association to indemnify directors and officers of the Company against losses or liabilities sustained in the execution of their duties of office. The indemnity is a qualifying third party indemnity provision under s232 and s234 of the Companies Act 2006.

CASCADE REGIONAL HOLDINGS LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019**

DISCLOSURE OF INFORMATION TO AUDITOR

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

POST BALANCE SHEET EVENTS

Covid-19

On March 11, 2020, the World Health Organization declared the Coronavirus (Covid-19) a pandemic. Developments during the first ten months of 2020 have created significant uncertainty about the impact on the global economy and has resulted in significant impacts to the financial markets and asset values around the world. The Company considers the emergence and spread of Covid-19 to be a non-adjusting post balance sheet event (i.e. an event that is indicative of a condition that arose after the end of the reporting period). Based on the most recent interim management information, there has not been a significant impact of Covid-19 on the net assets of the Company, however, due to the evolving nature of this situation, the Company continues to monitor the impact of Covid-19 on results. It has been able to produce estimates through stress testing of different scenarios that provide a reasonable expectation that the Company has adequate resources to continue in operational existence.

AUDITOR

The auditor, Deloitte LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on **26 November 2020** and signed on its behalf.



J P D'Offay
Director

CASCADE REGIONAL HOLDINGS LIMITED

**DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2019**

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing the Annual Report and the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

CASCADE REGIONAL HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CASCADE REGIONAL HOLDINGS LIMITED

Report on the audit of the financial statements

1. Opinion

In our opinion the financial statements of Cascade Regional Holdings Limited (CRH) (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the statement of comprehensive income;
- the statement of financial position;
- the statement of changes in equity; and
- the related notes 1 to 23.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

2. Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard as applied to public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

3. Summary of our audit approach

Key audit matters

The key audit matters that we identified in the current year were :

- Covid-19 subsequent event
- Valuation of Investments

Materiality

The materiality that we used in the current year was £64.4m, which was determined on the basis of 3% of net assets.

Scoping

Audit work to respond to the risks of material misstatement was performed directly by the audit engagement team.

Significant changes in our approach

There are no significant changes in our audit approach during the current year.

CASCADE REGIONAL HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CASCADE REGIONAL HOLDINGS LIMITED (CONTINUED)

4. Conclusions relating to going concern

We are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

5. Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

5.1 Covid-19 subsequent event

Key audit matter description

As disclosed in Note 22, subsequent to the balance sheet date a global pandemic of a new strain of Coronavirus ("COVID-19", "the virus") has emerged.

The virus, and responses taken by organizations and governments to manage its spread in markets to which the company is exposed, have led to increased volatility and economic disruption. The Directors judge the matter to be a non-adjusting event in accordance with accounting standards, since it is indicative of conditions that arose after the reporting period. It is therefore not reflected in the measurement of assets and liabilities at the balance sheet date.

In light of the potential future disruption to business operations and those of the Company's clients, suppliers and other third parties with whom the Company interacts the Directors considered it was appropriate to perform additional procedures and analysis, specific to COVID-19, to consider whether these events and uncertainties cast significant doubt upon the Company's ability to continue as a going concern. This analysis considered business resilience and continuity plans, financial modelling and stress testing of liquidity and financial resources. Specifically, the analysis considered a number of stress scenarios including significant loss of revenue and the impact of a worst case scenario of approximately 10% impairment on fixed asset investments. In all scenarios, the company has net current assets, positive bank balance and distributable reserves.

Having considered this analysis, the Directors have concluded that there are no conditions or events, considered in the aggregate, including those related to the COVID-19 pandemic, that raise substantial doubt about the company's ability to continue as a going concern for a period of not less than one year after the date of approval of these financial statements.

CASCADE REGIONAL HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CASCADE REGIONAL HOLDINGS LIMITED (CONTINUED)

Auditing the analysis involved subjective judgment and an increased extent of effort, including the need to make additional inquiries of operational management.

The Company has made disclosures to reflect the results of its assessment in the Directors' Report, the Strategic Report, the Basis of Presentation accounting policy note and Note 22 Events after the balance sheet date.

How the scope of our audit responded to the key audit matter

We evaluated management's approach to assessing the impact of Covid-19 on the company and its financial statement disclosures by performing the following procedures:

- Evaluated management's stress and scenario testing including reverse stress testing and challenged management's key assumptions, assessing its consistency with other available information and our understanding of the business;
- Evaluated management's assessment of the risks facing the company including liquidity risk, assets credit risk and operational matters;
- Made inquiries of senior management in relation to their assessment of the impacts of Covid-19 on the company, including further steps the company will take in case economic and other factors deteriorate further;
- Inspected correspondence between the company and its regulators related to the company's responses to the emergence of Covid-19; and
- Assessed the disclosures made by management in the financial statements against applicable accounting standards, assessed management's judgement that Covid-19 is a non-adjusting event and evaluated the consistency of the disclosures with our knowledge of the company.

Key observations

We agree with the management's conclusion in the judgement that Covid-19 is a non-adjusting subsequent event and consider the disclosure of the potential impact of COVID-19 in the financial statements to be appropriate.

5.2 Valuation of investments

Key audit matter description

The company has unlisted investments of \$4.1bn as at 31 December 2019, valued at cost less provision for impairment. These investments comprise investments in subsidiary companies and are highly material to the company as they account for 97.5% of total assets.

Judgement is required by the directors as to whether any of the investments should be impaired based on the financial position and future prospects of the investments. This takes into consideration a range of factors such as the trading performance, the expected revenue and EBITDA growth and discount rates.

Further details are included within the strategic report on pages 1 to 4, critical accounting estimates and judgements note in note 3 and note 12 to the financial statements.

CASCADE REGIONAL HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CASCADE REGIONAL HOLDINGS LIMITED (CONTINUED)

How the scope of our audit responded to the key audit matter

We critically assessed the assumptions underpinning the valuation of the investments including revenue and EBITDA growth rates, discount rates and forecast future cash flows. We evaluated management's valuation methodology against the requirements of FRS 102 and engaged internal valuation specialists to challenge the valuation assumptions. We also reviewed the historical accuracy of management's forecasts by comparing the actual results to forecasts.

We tested the mathematical accuracy of the cash flow projections and performed sensitivity analysis in consideration of the potential impact of reasonably possible upside or downside changes in these key assumptions.

Key observations

Based on work performed we concluded that the valuation of investments is appropriate.

6. Our application of materiality

6.1 Materiality

We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

Materiality

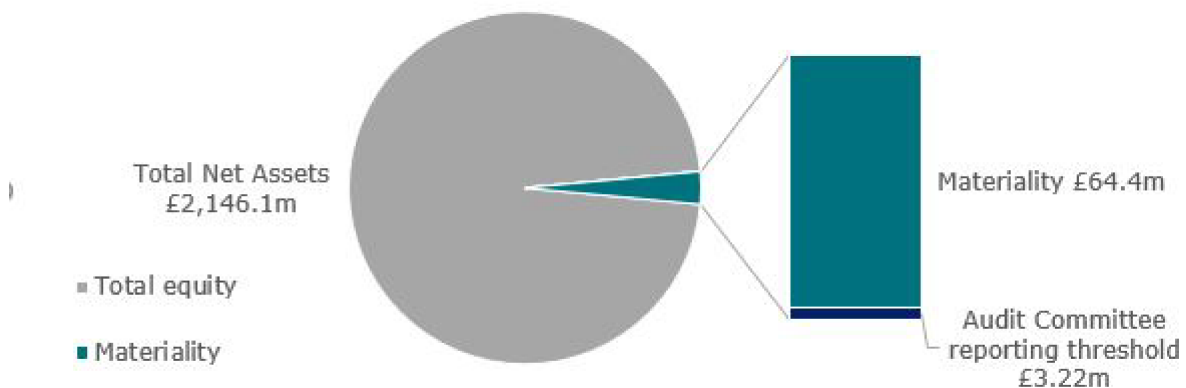
£64.4m

Basis for determining materiality

3.0% of Net Assets

Rationale for the benchmark applied

Cascade's principle activity is providing and receiving loans from other group companies and making investments to increase its asset base. We determined materiality based on net assets as the most appropriate basis as this is the key metric used by management for its capital investment activities.



CASCADE REGIONAL HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CASCADE REGIONAL HOLDINGS LIMITED (CONTINUED)

6.2 Performance materiality

We set performance materiality at a level lower than materiality to reduce the probability that, in aggregate, uncorrected and undetected misstatements exceed the materiality for the financial statements as a whole. Performance materiality was set at 70% of materiality for the 2019 audit. In determining performance materiality, we considered the following factors:

- a. Our past experience with the audit, which has indicated a low number of uncorrected misstatements in prior periods.
- b. Our risk assessment, including our assessment of the company's overall control environment and that we consider it to be efficient to take a non-control reliance approach. As such, our performance materiality is set at the lower level of 70% of materiality.
- c. Key management personnel have remained the same as previous years.
- d. No prior period errors found in the current year.

6.3 Error reporting threshold

We agreed with the Audit Committee that we would report to the Committee all audit differences in excess of £3.22m, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also report to the Audit Committee on disclosure matters that we identified when assessing the overall presentation of the financial statements.

7. An overview of the scope of our audit

7.1 Scoping

- The scope of the audit was determined by obtaining an understanding of the company, its environment and its internal controls and assessing the risks of material misstatement.
- Audit work to respond to risks of material misstatement was performed directly by the engagement team.

7.2 Our consideration of the control environment

Due to the nature of the company, a non-controls reliance approach was adopted.

8. Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact..

We have nothing to report in respect of these matters.

CASCADE REGIONAL HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CASCADE REGIONAL HOLDINGS LIMITED (CONTINUED)

9. Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

10. Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Report on other legal and regulatory requirements

11. Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and;
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

12. Matters on which we are required to report by exception

12.1 Adequacy of explanations received and accounting records

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns.

We have nothing to report in respect of these matters.

12.2 Directors' remuneration

Under the Companies Act 2006 we are also required to report if in our opinion certain disclosures of directors' remuneration have not been made.

CASCADE REGIONAL HOLDINGS LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CASCADE REGIONAL HOLDINGS LIMITED
(CONTINUED)**

We have nothing to report in respect of these matters.

13. Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Paul Stephenson BA, FCA (Senior statutory auditor)

for and on behalf of

Deloitte LLP

Statutory Auditor

London

United Kingdom

Date: 26 November 2020

CASCADE REGIONAL HOLDINGS LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2019

	Note	2019 \$000	2018 \$000
Dividend income	4	263,585	353,000
Gross profit		263,585	353,000
Administrative expenses		(14)	(13)
Other operating income	5	-	23,098
Operating profit		263,571	376,085
Amounts written back on investments	12	483,308	47,543
Amounts written off investments		-	(38,308)
Interest receivable and similar income	8	1,110	571
Interest payable and similar expenses	9	(64,023)	(64,196)
Profit before tax		683,966	321,695
Tax on profit	10	(2,113)	11,564
Profit for the financial year		681,853	333,259

There were no recognised gains and losses for 2019 or 2018 other than those included in the statement of comprehensive income.

The notes on pages 19 to 48 form part of these financial statements.

All transaction derive from continuing operations.

CASCADE REGIONAL HOLDINGS LIMITED
REGISTERED NUMBER: 10284928

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2019

	Note	2019 \$000	2018 \$000
Fixed assets			
Investments	12	4,070,038	3,586,735
		4,070,038	3,586,735
Current assets			
Debtors: amounts falling due within one year	13	9,921	79,565
Cash at bank and in hand	14	94,611	38,837
		104,532	118,402
Creditors: amounts falling due within one year	15	(28,509)	(40,929)
		76,023	77,473
Net current assets		76,023	77,473
Total assets less current liabilities		4,146,061	3,664,208
Creditors: amounts falling due after more than one year	16	(2,000,000)	(2,000,000)
		2,146,061	1,664,208
Net assets		2,146,061	1,664,208
Capital and reserves			
Called up share capital	17	1,658	1,658
Share premium account	18	1,154,983	1,154,983
Profit and loss account	18	989,420	507,567
		2,146,061	1,664,208

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 26 November 2020



J P D'Offay
Director

The notes on pages 19 to 48 form part of these financial statements.

CASCADE REGIONAL HOLDINGS LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019

	Called up share capital	Share premium account	Profit and loss account	Total equity
	\$000	\$000	\$000	\$000
At 1 January 2019	1,658	1,154,983	507,567	1,664,208
Comprehensive income for the year				
Profit for the year	-	-	681,853	681,853
Total comprehensive income for the year	-	-	681,853	681,853
Dividends: equity capital	-	-	(200,000)	(200,000)
Total transactions with owners	-	-	(200,000)	(200,000)
At 31 December 2019	1,658	1,154,983	989,420	2,146,061

The notes on pages 19 to 48 form part of these financial statements.

CASCADE REGIONAL HOLDINGS LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2018

	Called up share capital	Share premium account	Profit and loss account	Total equity
	\$000	\$000	\$000	\$000
At 1 January 2018	1,658	1,654,983	(125,692)	1,530,949
Comprehensive income for the year				
Profit for the year	-	-	333,259	333,259
Total comprehensive income for the year	-	-	333,259	333,259
Dividends: Equity capital	-	-	(200,000)	(200,000)
Shares issued during the year	500,000	(500,000)	-	-
Shares cancelled during the year	(500,000)	-	500,000	-
Total transactions with owners	-	(500,000)	300,000	(200,000)
At 31 December 2018	1,658	1,154,983	507,567	1,664,208

The notes on pages 19 to 48 form part of these financial statements.

CASCADE REGIONAL HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

1. GENERAL INFORMATION

Cascade Regional Holdings Limited is a company incorporated in the United Kingdom under the Companies Act and registered in England and Wales. The address of the registered office is given on the Company Information page. Cascade Regional Holdings Limited is a private company limited by shares. The nature of the Company's operations and its principal activities are set out in the Strategic Report on pages 1 to 4.

The description of "Turnover" has been changed to "Dividend Income" in the income statement for the current and prior year as this reflects the nature of the income received by the Company and complies with the s474 of the Companies Act. There has been no impact on results of the Company as a result of this change.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

2.2 FINANCIAL REPORTING STANDARD 102 - REDUCED DISCLOSURE EXEMPTIONS

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 26 Share-based Payment paragraphs 26.18(b), 26.19 to 26.21 and 26.23;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Marsh & McLennan Companies, Inc. as at 31 December 2019 and these financial statements may be obtained from Companies House, Crown Way, Cardiff CF14 3UZ.

Shareholders have been notified in writing and do not object to the disclosure exemptions.

CASCADE REGIONAL HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2. ACCOUNTING POLICIES (CONTINUED)

2.3 GOING CONCERN

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the business review, which forms part of the Strategic Report. The Strategic Report also describes the financial position of the Company; its cash flows and liquidity risk; the Company's objectives, policies and processes for managing its capital; its financial risk management objectives; and its exposure to credit risk and liquidity risk.

The Company meets its day-to-day working capital requirements from corporate cash balances. The current economic conditions create uncertainty particularly over the exchange rate between sterling and foreign currencies. The Company continues to monitor the uncertainty in the current economic and business environment including the impact of the Covid-19 pandemic. The Directors considered it was appropriate for the Company to perform additional procedures and analysis, specific to COVID-19, to consider whether these events and uncertainties cast significant doubt upon the Company's ability to continue as a going concern. This monitoring and analysis considered our business resilience and continuity plans of the Company's subsidiaries and stress testing of liquidity and financial resources. The analysis modelled the financial impact assuming an increasing severity of impact in relation to revenue and certain costs, for a 12-month period so that the potential impact on profitability and liquidity could be assessed.

Having assessed the responses to their enquiries, including those related to COVID-19, the Directors have no reason to believe that a material uncertainty exists that may cast significant doubt upon the ability of the Company to continue as a going concern.

The directors acknowledge the latest guidance on going concern. The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for a period of twelve months from the date of the approval of the financial statements and, therefore, they continue to adopt the going concern basis in preparing the annual financial statements.

CASCADE REGIONAL HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2. ACCOUNTING POLICIES (CONTINUED)

2.4 FOREIGN CURRENCY TRANSLATION

Functional and presentation currency

The Company's functional and presentational currency is USD.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to tax balances are presented in the Statement of Comprehensive Income within 'tax on profit/loss'. All other foreign exchange gains and losses are presented in the Statement of Comprehensive Income within 'interest receivable and similar income' or 'interest payable and similar expenses'.

2.5 DIVIDEND INCOME

Represents dividends received from subsidiaries.

2.6 INTEREST INCOME

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

2.7 FINANCE COSTS

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

CASCADE REGIONAL HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2. ACCOUNTING POLICIES (CONTINUED)

2.8 TAXATION

Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.9 VALUATION OF INVESTMENTS

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Statement of Comprehensive Income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

Investments in listed company shares are remeasured to market value at each Statement of Financial Position date. Gains and losses on remeasurement are recognised in profit or loss for the period.

CASCADE REGIONAL HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2. ACCOUNTING POLICIES (CONTINUED)

2.10 IMPAIRMENT

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in the Statement of Comprehensive Income as described below.

(i) Financial assets

For the Company's assets carried at amortised cost, the amount of an impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For the Company's assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

(ii) Non-Financial assets

At each statement of financial position date, the Company reviews the carrying amounts of its tangible and intangible assets acquired separately to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. An intangible asset with an indefinite useful life is tested for impairment at least annually and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and the value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in Statement of Comprehensive Income, unless the relevant asset is carried at a re-valued amount, in which case the impairment loss is treated as a revaluation decrease. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in Statement of Comprehensive Income, unless the relevant asset is carried at a re-valued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

CASCADE REGIONAL HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2. ACCOUNTING POLICIES (CONTINUED)

2.10 IMPAIRMENT (CONTINUED)

Internally generated intangible assets arising from the Company's internal system development projects are considered for impairment on a regular basis and those projects that no longer have a useful purpose either by the result of obsolescence or the Company's decision to migrate to other products, will be recognised in the statement of income in the quarter the asset is no longer in a condition useable by the Company in any capacity.

2.11 DEBTORS

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.12 CASH AND CASH EQUIVALENTS

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.13 CREDITORS

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.14 FINANCIAL INSTRUMENTS

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Investments in non-derivative instruments that are equity to the issuer are measured:

- at fair value with changes recognised in the Statement of Comprehensive Income if the shares are publicly traded or their fair value can otherwise be measured reliably;
- at cost less impairment for all other investments.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found,

CASCADE REGIONAL HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2. ACCOUNTING POLICIES (CONTINUED)

2.14 FINANCIAL INSTRUMENTS (CONTINUED)

an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.15 DIVIDENDS

Dividends are the way that the Company makes distributions from the Company's profits to its shareholder. The dividend is determined in US dollar, the economic currency of the Company. The Directors may choose to declare dividends in any currency provided that a US dollar equivalent is announced.

The Board decides the level of dividend in consultation with and consideration of various stakeholders, including the management and delegation advisers of the Company's ultimate parent company, Marsh & McLennan Companies, Inc. The amount and timing of a dividend may be changed at any time, and influenced by factors such as:

- the Company's working capital requirements to sustain its business plans,
- the Company's future capital investment needs, and
- the Company's excess financial resources.

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

CASCADE REGIONAL HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

3. JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Critical accounting judgements and key source of estimation uncertainty

In the application of the Company's accounting policies, which are described above, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying the Company's accounting policies

The following is the critical judgement that the directors have made in the process of applying the Company's accounting policies and that has the most significant effect on the amounts recognised in the financial statements:

Impairment review of fixed asset investments

The Company has an annual process of reviewing its fixed asset investments for indicators of impairment. Areas of critical judgement include estimates of future discount rates, future earnings and consideration of whether there is a willing buyer in the market for these investments.

Impairment and impairment reversals are measured by comparing the carrying values of the asset with its future discounted cash flow. Any impairments that have subsequently been reversed are capped to their historical acquisition cost.

Key sources of estimation uncertainty

Management have considered key sources of estimation uncertainty. There are no key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

CASCADE REGIONAL HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

4. DIVIDEND INCOME

	2019	<i>2018</i>
	\$000	<i>\$000</i>
Dividends receivable	263,585	<i>353,000</i>
	7,100	<i>97,000</i>
United Kingdom	7,100	<i>97,000</i>
Netherlands	124,485	<i>188,000</i>
Rest of World	132,000	<i>68,000</i>
	263,585	<i>353,000</i>

5. OTHER OPERATING INCOME

	2019	<i>2018</i>
	\$000	<i>\$000</i>
Profit on sale of subsidiaries	-	<i>23,098</i>

In January 2018, the Company transferred the shares of Mercer (Polska) Sp.z.o.o. to MMC Regional Europe Holdings BV, at fair market value for consideration of \$40,434,000. The gain on this transaction was \$23,098,000.

6. AUDITOR'S REMUNERATION

	2019	<i>2018</i>
	\$000	<i>\$000</i>
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	36	<i>27</i>

The audit fee and annual filing fees were borne by a fellow subsidiary undertaking during the year.

The Company has not engaged its auditor for any non audit services.

7. EMPLOYEES

The Company has no employees other than the directors, who did not receive any remuneration (*2018 - \$NIL*).

CASCADE REGIONAL HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

8. INTEREST RECEIVABLE AND SIMILAR INCOME

	2019 \$000	<i>2018 \$000</i>
Interest receivable from group companies	-	317
Foreign exchange gains	-	1
Other interest receivable	1,110	253
	<u>1,110</u>	<u>571</u>

9. INTEREST PAYABLE AND SIMILAR EXPENSES

	2019 \$000	<i>2018 \$000</i>
Interest payable to group undertakings	64,023	64,196
	<u>64,023</u>	<u>64,196</u>

10. TAX ON PROFIT

	2019 \$000	<i>2018 \$000</i>
CORPORATION TAX		
Current tax on profits for the year	571	<i>(11,564)</i>
Adjustments in respect of previous periods	1,542	-
	<u>2,113</u>	<u><i>(11,564)</i></u>
TOTAL CURRENT TAX	<u>2,113</u>	<u><i>(11,564)</i></u>
DEFERRED TAX		
TOTAL DEFERRED TAX	<u>-</u>	<u>-</u>
TAX ON PROFIT	<u>2,113</u>	<u><i>(11,564)</i></u>

CASCADE REGIONAL HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

10. TAX ON PROFIT (CONTINUED)

FACTORS AFFECTING TAX CHARGE/(CREDIT) FOR THE YEAR

The tax assessed for the year is lower than (2018 - lower than) the standard rate of corporation tax in the UK of 19% (2018 - 19%). The differences are explained below:

	2019	<i>2018</i>
	\$000	<i>\$000</i>
Profit before tax	683,966	<i>321,695</i>
Profit before tax multiplied by standard rate of corporation tax in the UK of 19.0% (2018 - 19.0%)	129,954	<i>61,122</i>
EFFECTS OF:		
Non taxable reversal of impairment of investments	(91,828)	<i>(1,755)</i>
Adjustments to tax charge in respect of prior periods	1,541	<i>-</i>
Non-taxable income	(48,732)	<i>(58,539)</i>
Dividends from UK companies	(1,349)	<i>(12,920)</i>
Other differences leading to an increase (decrease) in the tax charge	571	<i>528</i>
Deferred tax not recognised	11,956	<i>-</i>
TOTAL TAX CHARGE/(CREDIT) FOR THE YEAR	2,113	<i>(11,564)</i>

FACTORS THAT MAY AFFECT FUTURE TAX CHARGES

Following the Budget announcement on 11 March 2020 the UK Corporation Tax rate (from 1 April 2020) will be maintained at 19% and no longer reduced to 17% as previously legislated.

A deferred tax asset of \$20.1m (2018 - \$9.4m) representing interest expense restricted under the rules from 1 April 2017 has not been recognised due to the uncertainty of when the asset will be realised.

CASCADE REGIONAL HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

11. DIVIDENDS

	2019 \$000	2018 \$000
Amounts recognised as distributions to equity holders in the year: Interim dividends for the year ended 31 December	<u>200,000</u>	<u>200,000</u>

12. FIXED ASSET INVESTMENTS

	Investments in subsidiary companies \$000
COST OR VALUATION	
At 1 January 2019	4,070,043
Amounts written off	(5)
At 31 December 2019	<u>4,070,038</u>
IMPAIRMENT	
At 1 January 2019	483,308
Reversal of impairment losses	(483,308)
At 31 December 2019	<u>-</u>
NET BOOK VALUE	
At 31 December 2019	<u>4,070,038</u>
At 31 December 2018	<u>3,586,735</u>

An investment in Greece has been written down during the year to reflect the true value of shares purchased in the previous year.

An impairment review has been carried out and as a result a \$483,308,000 impairment reversal has been applied against fixed asset investments that were impaired in the previous period. A further impairment charge of \$nil (2018 - \$38,308,000) was provided against the carrying value of the remaining investments.

In the opinion of the directors the aggregate value of investments in the Company's subsidiaries are not less than the amount at which they are included in the statement of financial position.

Details of the shares in subsidiary, associate and significant undertakings are shown in appendix 1 which forms part of these financial statements.

CASCADE REGIONAL HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

13. DEBTORS

	2019	<i>2018</i>
	\$000	<i>\$000</i>
Amounts owed by group undertakings	1	<i>68,103</i>
Amounts recoverable from group companies in respect of taxation	9,920	<i>11,462</i>
	9,921	<i>79,565</i>

Amounts owed by group undertakings are unsecured, interest free and repayable on demand.

14. CASH AT BANK AND IN HAND

	2019	<i>2018</i>
	\$000	<i>\$000</i>
Cash at bank and in hand	94,611	<i>38,837</i>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	<i>2018</i>
	\$000	<i>\$000</i>
Amounts owed to group undertakings	28,509	<i>40,929</i>

Included within amounts owed to group undertakings is accrued interest of \$28,000,000 relating to the \$2,000,000,000 loan note at a rate of 3.15%. The interest is repayable 25 January 2020.

16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2019	<i>2018</i>
	\$000	<i>\$000</i>
Amounts owed to group undertakings	2,000,000	<i>2,000,000</i>
	2,000,000	<i>2,000,000</i>

The \$2,000,000,000 (2018 - \$2,000,000,000) loan note has an interest rate of 3.15% and is repayable on 11 November 2021. The loan note is listed on The International Stock Exchange in Guernsey.

CASCADE REGIONAL HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

17. SHARE CAPITAL

	2019	<i>2018</i>
	\$000	<i>\$000</i>
ALLOTTED, CALLED UP AND FULLY PAID		
1,641,247 (2018 - 1,641,247) Ordinary shares of \$1.00 each	1,641.2	<i>1,641.2</i>
16,393 (2018 - 16,393) Ordinary A shares of \$1.00 each	16.4	<i>16.4</i>
	<hr/> 1,657.6 <hr/>	<hr/> <i>1,657.6</i> <hr/>

The share capital of the Company consists of fully paid ordinary shares and ordinary A shares, each with a par value of \$1 per share.

All shares are equally eligible to receive dividends and the repayment of capital and represent one vote at shareholders' meetings of the Company.

18. RESERVES

Share premium account

The share premium reserve represents the additional consideration received for the issue of shares during the prior period.

Profit and loss account

The profit and loss reserve represents cumulative profit and losses, net of any dividends paid and other adjustments.

19. RELATED PARTY TRANSACTIONS

Advantage has been taken of the exemption under FRS 102 s33.1A not to disclose transactions between entities within the Marsh Group, where no less than 100% of voting rights are controlled within the Marsh & McLennan Companies, Inc. Group, whose consolidated financial statements are publicly available. There are no other transactions requiring disclosure.

CASCADE REGIONAL HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

20. CONTINGENT LIABILITIES

1. The Company participates in a notional cash pooling agreements with banks. Each member of the pool indemnifies against all losses incurred as a result of the failure of any other pool member, limited to any net cash balance held in the pool. As at 31 December 2019 the Company had a total balance of \$94.6 million (2018 - \$38.8 million) in the pool. The other members of the pooling arrangements are companies owned by Marsh & McLennan Companies, Inc.

2. As disclosed in Note 16 of the financial statements the Company has a loan from a related party. The interest expense in relation to this loan is included in the Company's tax returns that are currently being examined by the tax authority. Tax returns contain matters that could be subject to differing interpretations of applicable tax laws and regulations including the tax deductibility of interest on intercompany financing. The resolution of tax positions through discussions with relevant tax authorities, or through litigation, can take several years to complete and the amount could be significant and could be material to the Company's financial position. While it is difficult to predict the ultimate outcome in some cases, the Company does not expect there to be any material impact on the Company's financial position.

21. GROUP FINANCIAL STATEMENTS

Group financial statements are not prepared in line with s401 of the Companies Act 2006 as the Company is itself a wholly-owned subsidiary and is included in the consolidated financial statements of Marsh & McLennan Companies, Inc., its ultimate parent company. Accordingly, these financial statements present information about the Company as an individual undertaking and not about its Group.

22. POST BALANCE SHEET EVENT

Covid-19

On March 11, 2020, the World Health Organization declared the Coronavirus (Covid-19) a pandemic. Developments during the first ten months of 2020 have created significant uncertainty about the impact on the global economy and has resulted in significant impacts to the financial markets and asset values around the world. The Company considers the emergence and spread of Covid-19 to be a non-adjusting post balance sheet event (i.e. an event that is indicative of a condition that arose after the end of the reporting period). Based on the most recent interim management information, there has not been a significant impact of Covid-19 on the net assets of the Company, however, due to the evolving nature of this situation, the Company continues to monitor the impact of Covid-19 on results. It has been able to produce estimates through stress testing of different scenarios that provide a reasonable expectation that the Company has adequate resources to continue in operational existence.

CASCADE REGIONAL HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

23. CONTROLLING PARTY

The immediate parent company is MMC Cascade Regional Holdings LLC, registered in the state of Delaware, USA. The Company's ultimate parent company and controlling entity is Marsh & McLennan Companies, Inc., incorporated in Delaware, USA.

The smallest and largest Group in which the results of Cascade Regional Holdings Limited are consolidated is that headed by Marsh & McLennan Companies, Inc. The consolidated financial statements of Marsh & McLennan Companies, Inc. are available to the public and may be obtained from:

Companies House
Crown Way
Cardiff
CF14 3UZ

and also from:

The Company Secretary
MMC Treasury Holdings (UK) Limited
1 Tower Place West
Tower Place
London
EC3R 5BU
United Kingdom

CASCADE REGIONAL HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

Details of the Company's subsidiary undertakings at 31 December 2019 are shown below:

Name	Country of Incorporation	Description of Shares	% of Issued shares held by the Company	Registered Office Address
A. Constantinidi & CIA. S.C.	Uruguay	Common	96.79	Plaza Independencia 721 p.7, Montevideo, 11100, Uruguay
Amal Insurance Brokers Limited	Saudi Arabia	Common	59.4	SABB PO BOX 9084, Dabbab Street, Riyadh 11413, Saudi Arabia
Bowring (Bermuda) Investments Ltd	Bermuda	Common	100	Victoria Hall, 11 Victoria Street, Hamilton HM 11, Bermuda
Bowring Marsh (Bermuda) Ltd	Bermuda	Common	100	Victoria Hall, 11 Victoria Street, Hamilton HM 11, Bermuda
Bowring Marsh (Hong Kong) Limited	Hong Kong	Common	100	Suite 3402-3406, & 44/F, One Taikoo Place, 979 King's Road, Quarry Bay, Hong Kong
Bowring Marsh Corretora de Resseguros Ltda	Brazil	Common	72.9485	Av. Maria Coelho Aquiar 215, Building F-1, Jardim Sao Luiz, Sao Paulo, SP, 05804-900, Brazil
Consultores 2020 C.A.	Venezuela	Ordinary	100	Av. Francisco de Miranda C/2DA, Avenida Edificio Torre Parque Avila Piso 14, 14-B, Urbanizacion los Palos Grandes, Caracas, Miranda, ZONA POSTAL 1060, Venezuela
Delima Marsh S.A- Los Corredores de Seguros SA	Colombia	Common	62.128	Calle 67, Norte No. 6N- 85, Cali., Colombia
Gama Consultores Associados Ltda	Brazil	Common	100	Torre Norte, DF, Brasil, SALA 118, Brazil

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Guy Carpenter & Co. Labuan Ltd	Malaysia	Common	100	Level 14A, Main Office Tower, Financial Park Labuan, Jalan Merdeka, 87000 Labuan F.T., Malaysia
Guy Carpenter & Company Proprietary Limited	South Africa	Ordinary	100	Corner 5th Street and Fredman Drive, Entrance 1, Building 1, Alice Lane, Sandton, 2196, South Africa
Guy Carpenter & Company, Limited	Hong Kong	Common	100	Suite 3402-3406, & 44/F, One Taikoo Place, 979 King's Road, Quarry Bay, Hong Kong
Guy Carpenter & Company, S.A.	Argentina	Common	99.9685	Leandro N. Alem 855, Torre Alem Plaza, floor 12, Buenos Aires, Argentina
Guy Carpenter Colombia Corredores de Reasegueros Ltda.	Colombia	Common	62.1283	Avenida El Dorado No 69B-45 Piso 9, Edificio Bogota Corporate Center, Bogota, Colombia
Guy Carpenter Japan, Inc	Japan	Ordinary	100	Midtown Tower, 9-7-1 Akasaka, Minato-Ku, Toyko, Japan
Guy Carpenter Mexico Intermediario de Reaseguro, S.A. de C.V.	Mexico	Series A and B	100	Torre Siglum, Av. Insurgentes Sur 1898 - Floors 9, Entre Encanto y Olivo, Col. FI, Delegacion Alvaro Obrego, 01030, Mexico, D.F.
Hoken Soken Inc.	Japan	Ordinary	100	2-12, Shijoohji 2-Chrome, Nara, Nara, Japan
HSBC Insurance Brokers International (Abu Dhabi) LLC	United Arab Emirates	Ordinary	49	PO Box 44183, Abu Dhabi, United Arab Emirates
Ingeseg S.A	Argentina	Common	95.8102	Florida 234, 2 Floor, Cap. Fed., C1005AAF, Argentina
Insbrokers Ltda	Uruguay	Common	96.7878	Plaza Independencia 721 p. 7, Montevideo, 11100, Uruguay

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Invercol Limited	Bermuda	Common	100	Canon's Court, 22 Victoria Street, Hamilton HM EX, Bermuda
Isosceles Insurance (Barbados) Limited	Barbados	Ordinary	100	1st Floor Lime Grove Centre, St James House, Second Street, Holetown, St James, Barbados
Isosceles Insurance Ltd	Bermuda	Ordinary	100	Power House, 7 Par-la-Ville Road, Hamilton HM11, Bermuda
J&H Marsh & McLennan Limited	Hong Kong	Ordinary	100	Suite 3402-3406, & 44/F, One Taikoo Place, 979 King's Road, Quarry Bay, Hong Kong
Japan Affinity Marketing, Inc	Japan	Ordinary	50.0104	7-1, Akasaka 9-Chome, Minato-Ku, Tokyo, Japan
Lorant Martinez Salas y Compania Agente de Seguros y de Fianzas, S.A de C.V.	Mexico	Common	100	Avenida Parque Chapultepec Numero 56, Piso 4 Colonia El Parque Naucalpan de Juarez Estado de Mexico CP. 53398 Mexico
Mangrove Insurance Europe PCC Limited	Malta	Ordinary	100	The Hedge Business Centre Level 3, Triq ir-Rampa Ta' San Giljan, Balluta Bay, St Julians, STJ 1062, Malta
Marsh & McLennan Agencies Limited	Hong Kong	Ordinary	100	5/F, 12 Taikoo Wan Road, Taikoo Shing, Island Rast, Hong Kong, Hong Kong
Marsh & McLennan Agency A/S	Denmark	Ordinary	100	Teknikerbyen 1, DK-2830 Virum, Denmark
Marsh & McLennan Argentina SA Corredores de Reaseguros	Argentina	Ordinary	97.7967	Florida 234, 2 Floor, Cap. Fed., C1005AAF, Argentina
Marsh & McLennan Colombia S.A.	Colombia	Common	60.8056	Calle 67, Norte No. 6N-85, Cali., Colombia

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Marsh & McLennan Companies Asia Pacific Treasury Centre Limited	Hong Kong	Ordinary	100	Suite 3402-3406, & 44/F, One Taikoo Place, 979 King's Road, Quarry Bay, Hong Kong
Marsh & McLennan Global Broking (Bermuda) Ltd	Bermuda	Common	100	Victoria Hall, 11 Victoria Street, Hamilton HM 11, Bermuda
Marsh & McLennan Insurance Services Limited	Hong Kong	Ordinary	100	Suite 3402-3406, & 44/F, One Taikoo Place, 979 King's Road, Quarry Bay, Hong Kong
Marsh & McLennan Management Services (Bermuda) Limited	Bermuda	Common	100	Victoria Hall, 11 Victoria Street, Hamilton HM 11, Bermuda
Marsh & McLennan Servicios, S.A. De C.V	Mexico	Common Class B	99.9992	Liverpool No. 80, Piso 4, Col. Juarez, C.P., 06600, Mexico
Marsh (Bahrain) Company SPC	Bahrain	Ordinary	100	PO Box 3237, Unitag House, 6th Floor, 150 Government Avenue, Manama, Bahrain
Marsh (Hong Kong) Limited	Hong Kong	Common	99.8571	Suite 3402-3406, & 44/F, One Taikoo Place, 979 King's Road, Quarry Bay, Hong Kong
Marsh (Middle East) Limited	United Kingdom	Ordinary	100	1 Tower Place West, Tower Place, London, EC3R 5BU, United Kingdom
Marsh (Namibia) (Proprietary) Limited	Namibia	Ordinary	100	Deloitte & Touche, Namdeb Centre, 10 Bulow Street, Windhoek, Namibia
Marsh (Pty) Ltd	South Africa	Ordinary	74.9998	Corner 5th Street and Fredman Drive, Entrance 1, Building 1, Alice Lane, Sandton, 2196, South Africa
Marsh A/S	Denmark	Ordinary A and B	100	Teknikerbyen 1, DK-2830 Virum, Denmark

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Marsh AB	Sweden	Ordinary	75	Kiara Norra Kyrkogata 29, S - 111 22 Stockholm, Sweden
Marsh AG	Switzerland	Ordinary	100	Tessinerplatz 5, 8000 Zurich, Switzerland
Marsh Argentina S.R.L.	Argentina	Common	97.7655	Florida 234, 2 Floor, Cap. Fed., C1005AAF, Argentina
Marsh Associates (Pty) Ltd	South Africa	Ordinary	100	Corner 5th Street and Fredman Drive, Entrance 1, Building 1, Alice Lane, Sandton, 2196, South Africa
Marsh Brockman y Schuh Agente de Seguros y de Fianzas, S.A. de C.V.	Mexico	Class I and II Series B	99.9999	Avenida, Paseo de la Reforma 505, Piso 13, Col. Cuauhtemoc, C.P. 06500, Mexico D.F.
Marsh Broker Japan, Inc	Japan	Ordinary	100	7-1, Akasaka 9-Chome, Minato-Ku, Tokyo, Japan
Marsh Brokers (Hong Kong) Limited	Hong Kong	Ordinary	100	Suite 3402-3406, & 44/F, One Taikoo Place, 979 King's Road, Quarry Bay, Hong Kong
Marsh Company Management Services Cayman Limited	Cayman Islands	Ordinary	100	23 Lime Tree Bay Avenue, P.O. Box 10051, Grand Cayman, KY1-1102, Cayman Islands
Marsh Compensation Technologies Administration (Pty) Ltd	South Africa	Ordinary	100	Corner 5th Street and Fredman Drive, Entrance 1, Building 1, Alice Lane, Sandton, 2196, South Africa
Marsh Corporate Services (Barbados) Limited	Barbados	Common	100	Whitepark House, White Park Road, St. Michael, Barbados
Marsh Corretora de Seguros Ltda.	Brazil	Common	72.9510	Av. Maria Coelho Aquiar215, Building F-1, Jardim Sao Luiz, Sao Paulo, SP, 05804-900, Brazil

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Marsh d.o.o. Beograd	Serbia	Ordinary	100	Omladinskih brigada88b, 11070, Belgrade, Servia
Marsh d.o.o. za posredovanje u osiguranju	Croatia	Ordinary	100	UI Grada Vukovara 271,10000 Zagreb, Croatia
Marsh Egypt LLC	Egypt	Quotas	100	Nile City, North Tower, Level 17, 2005 C, Cornich El Nile, Cairo, 11221, Egypt
Marsh Emirates Consultancy LLC	United Arab Emirates	Ordinary	49	Al Gurg Tower 3, Mezzanine Floor, Riggat Al Buteen, Deira, Dubai, 64057, United Arab Emirates
Marsh Emirates Insurance Brokerage LLC	United Arab Emirates	Ordinary	49	Al Gurg Tower 3, Mezzanine Floor, Riggat Al Buteen, Deira, Dubai, 64057, United Arab Emirates
Marsh EOOD	Bulgaria	Ordinary	100	Capital Fort, Body A, Floor 11, 90 Tsarigradsko Shouse Boulevard, Sofia, 1784, Bulgaria
Marsh for Insurance Services - Jordan	Jordan	Ordinary	100	Office No.1, Fourth Floor, South Tower, JIC Building, Third Dawar, Gabal Amman, Jordan
Marsh For Insurance Services S.A.E	Egypt	Ordinary	99.9	Nile City, North Tower, Level 17, 2005 C, Cornich El Nile, Cairo, 11221, Egypt
Marsh GSC Servicos e Administracao de Seguros Ltda.	Brazil	Common	72.951	Av. Maria Coelho Aquiar 215, Buidling F-1, Jardim Sao Luiz, Sao Paolo, SP, 05804-900, Brazil
Marsh Holdings AB	Sweden	Ordinary	75	Kiara Norra, Kyrkogata29, S-111 22 Stockholm, Sweden
Marsh Holdings (Pty) Limited	South Africa	Ordinary	100	Corner 5th Street and Fredman Drive, Entrance 1, Building 1, Alice Lane, Sandton, 2196, South Africa

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Marsh i-Connect (Pty) Ltd	South Africa	Ordinary	100	Corner 5th Street and Fredman Drive, Entrance 1, Building 1, Alice Lane, Sandton, 2196, South Africa
Marsh Insurance Brokers (Macao) Limited	Macau	Ordinary	95.8628	Alm. Dr. Carlos D'Assumpcao, No. 398, Edf. CNAC, 20 Andar D, Macau
Marsh Insurance Brokers (Malaysia) Sdn Bhd	Malaysia	Common	40	16A (1st Floor) Jalan Tun Sambanthan 3, 50470 Brickfields, Kuala Lumpur, Malaysia
Marsh Insurance Consulting Saudi Arabia	Saudi Arabia	Ordinary	60	Morouj Tower, 7th Floor, PO Box 53303, Riyadh 11583, Saudi Arabia
Marsh Japan, Inc	Japan	Common	100	7-1, Akasaka 9-Chome, Minato-Ku, Tokyo, Japan
Marsh Kft.	Hungary	Ordinary	100	Futo u. 47-53, Budapest, H-1082, Hungary
Marsh Kindlustusmaakler As	Estonia	Ordinary	100	Tartu mnt, 118, Tallinn, 10115, Estoni
Marsh LLC Insurance Brokers	Greece	Ordinary	96.875	8-10 Sorou & Dimitsanas 15125 Maroussi, Athens, Greece
Marsh Management Services (Bahamas) Ltd	Bahamas	Common	29.9964	M B & H, Corporate Services Ltd., Mareva House, 4 George Street, Nassau, Bahamas
Marsh Management Services (Barbados) Limited	Barbados	Common	100	Whitepark House, White Park Road, St. Michael, Barbados
Marsh Management Services (Bermuda) Ltd	Bermuda	Common	29.9964	Victoria Hall, 11 Victoria Street, Hamilton HM 11, Bermuda

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Marsh Management Services (Labuan) Limited	Malaysia	Common	100	Whitepark House, White Park Road, St. Michael, Barbados
Marsh Management Services Cayman Ltd	Cayman Islands	Common	100	Corporate Services Limited, Queensgate House, South Church Street, P.O. Box 1051, George Town, Grand Cayman, Cayman Islands
Marsh Management Services Sweden AB	Sweden	Ordinary	75	Kiara Norra Kyrkogata 29, S - 11122 Stockholm, Sweden
Marsh Oman LLC	Oman	Ordinary	70	Post Box 197, Suite No. 220, Hatat House, Mina Al Fahal, Postal Code 116, Oman
Marsh Oy	Finland	Ordinary	100	Ahventie 4B, 02170 Espoo, Finland
Marsh Philippines, Inc	Philippines	Ordinary	99.982	Net Lima Building, 5th Avenue/Corner 26th Street, Bonifacio Global City, Taguig City, Philippines
Marsh Qatar LLC	Qatar	Ordinary	100	The Gate, Tower-2, 9th Floor, Suite 1, West Bay, Doha, PO Box No 22074, Qatar
Marsh Risk and Consulting Services (Pty) Ltd	Namibia	Ordinary	100	Suite 200, Alexander Forbes House, Fidel Castro Ruz, WHK, Namibia
Marsh Risk Consulting Ltda.	Colombia	Common	62.1284	Avenida El Dorado, No. 69A-51 Int. 1, Bogota-Cundinamarca, Colombia
Marsh SA	Argentina	Common	98.2044	Florida 234, Piso 2, Buenos Aires, C1005AAF, Argentina
Marsh SA	Uruguay	Common	97.76558	Plaza Independencia 721 p. 7, Montevideo, 11100, Uruguay

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**NOTES TO THE FINANCIAL STATEMENTS
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Marsh Saldana Inc.	Puerto Rico	Common Class A	100	701 Ponce de Leon Avenue, Centro de Seguros Building, Suite303, San Juan Puerto Rico 00907, United States of America
Marsh Saudi Arabia Insurance & Reinsurance Brokers	Saudi Arabia	Ordinary	60	Morouj Tower, 7thFloor, PO Box53303, Riyadh 11583, Saudi Arabia
Marsh ServicesPolka z.o.o.	Poland	Ordinary	100	Al Jerozolimskie 98, 00-807 Warszawa, Poland
Marsh SIA	Latvia	Ordinary	100	Dzirnavu Street 37-13, LV-1010Riga, Latvia
Marsh Spolka z.o.o.	Poland	Ordinary	100	Al Jerozolimskie 98, 00-807 Warszawa, Poland
Marsh Szolgaltato Kft	Hungary	Ordinary	96.6667	Futo u. 47-53, Budapest, H-1082, Hungary
Marsh Takaful Brokers (Malaysia) Sdn Bhd	Malaysia	Ordinary	40	16A (1st Floor) JalanTunSambanthan 3, 50470 Brickfields, Kuala Lumpur, Malaysia
Matthiessen Assurans AB	Sweden	Ordinary	100	Kiara Norra Kyrkogata 29, S - 11122 Stockholm, Sweden
Mercer (Argentina) S.A	Argentina	Ordinary	100	Leandro N. Alem 855, Torre AlemPlaza, floor12, Buenos Aires, Argentina
Mercer (Austria) GmbH	Austria	Common	100	Millennium Tower, Handelskai 94-96, 1200 Vienna, Vienna, Austria
Mercer (Belgium) SA-NV	Belgium	Common	100	Avenue Hermann-Debrouxlaan 2, 1160, Brussels, Belgium
Mercer (Colombia) Ltda	Colombia	Common	62.1281	Carrera 69 No. 25b-44, Piso 2, Edificio World Business Port, Bogota-Cundinamarca, Colombia

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Mercer (Danmark) A/S	Denmark	Common	100	Teknikerbyen 25, DK - 2830 Virum,Denmark
Mercer (Finland) OY	Finland	Ordinary	100	Keilaranta 10, 02150 ESPOO,Finland
Mercer (Malaysia) Sdn. Bhd.	Malaysia	Ordinary	100	Suite 17.06, Kenanga International,Jalan Sultan Ismail, 50250 KualaLumpur, Malaysia
Mercer (Norge) AS	Norway	Ordinary	100	AS Karenslyst Alle, 200278 Oslo,Norge, Norway
Mercer (Polska) Sp.z o.o. *	Poland	Ordinary	100	Al. Jerozolimskie 98, 00-807,Warsaw, Poland
Mercer (Sweden) AB	Sweden	Ordinary	100	Kiara Norra Kyrkogata29, S - 11122 Stockholm, Sweden
Mercer Asesores de Seguros S.A.	Argentina	Common	99.9667	Leandro N. Alem 855, Torre AlemPlaza, floor12, Buenos Aires,Argentina
Mercer Asesores esInversion Independientes S.A. de C.V.	Mexico	Ordinary	99.99	Avenida Paseo de la Reforma 505Piso 11 Cuauhtemoc, Ciuda deMexico 06500 Mexico
Mercer Consulting Holdings Sdn. Bhd.	Malaysia	Ordinary	100	Level 11, 1 Sentral , 50470 JalanRakyat, Kuala Lumpur, Malaysia
Mercer Consulting Middle East Limited	United Arab Emirates	Ordinary	100	Office 01B, Level 5, Gate PrecinctBuilding 2, P O Box 215306, DubaiInternational Finance Centre,Dubai, United Arab Emirates
Mercer Corretora de Seguros Ltda	Brazil	Common	100	Av. Dr. Chucuri Zaidan, 920, 4thfloor (part), 10th floor (part), 11thfloor, Jardin Morumbi , Sao Paulo,SP, 05655, Brazil

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Mercer Financial Services Limited Liability Company	Morocco	Ordinary	100	Angle Bd Yaacoub El Mansour etrue Socrate, lot n05, residenceMasurel, etage-Casablanca,Morocco
Mercer Financial Services Middle East Limited	United Arab Emirates	Ordinary	100	Office 01B, Level 5, Gate PrecinctBuilding 2, P O Box 215306, DubaiInternational Finance Centre,Dubai, United Arab Emirates
Mercer Holdings, Inc.	Philippines	Class A and B	99.96	20th Floor Net Lima Building, 5thAvenue corner 26th StreetBonifacio, Global City, Taguig City,Philippines
Mercer Human Resource Consulting Ltda	Brazil	Common	100	Av. Dr. Chucri Zaidan, 920, 4thfloor (part), 10th floor (part), 11thfloor, Jardin Morumbi , Sao Paulo,SP, 05655, Brazil
Mercer Human Resource Consulting S.A. de C.V.	Mexico	Common	99.9999	Avenida, Paseo de laReforma 505,Pisos 10 al 14, Col. Cuauhtemoc,C.P. 06500, Mexico D.F.
Mercer Investments (Japan), Ltd	Japan	Common	100	9-7-1 Akasaka Minoto-Ku, Tokyo,107-6216, Japan
Mercer Japan Ltd	Japan	Ordinary	100	33rd Floor, Tokyo Opera CityTower, 3-20-2, Nishi-Shinjuku,Shinjuku-Ku, Tokyo, 163-1433,Japan
Mercer Korea Co.Ltd	South Korea	Common	100	358 Gangnam, -daero,826-14,Yeoksam-dong, Gangnam-gu,Seoul,135-769, Korea
Mercer Pensionsraadgiving A/S	Denmark	Ordinary	100	Teknikerbyen 25, DK-2830 Virum, Copenhagen, Denmark

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Mercer Philippines, Inc.	Philippines	Common and Preferred	99.9396	19F, Citibank Center, Paseo de Roxas cor. Villar St, Makati City, Metro Manila, Philippines
Mercer South Africa (Pty) Limited	South Africa	Ordinary	100	Cnr 5th Street & Fredman Drive, Entrance 1, Building 1, Alice Lane, Sandton, 2196, South Africa
Mercer Switzerland Inc	Switzerland	Ordinary	100	Tessinerplatz 5, 8002 Zurich, Switzerland
Mercer, Agente de Seguros, S.A. de C.V	Mexico	Series B	99.9833	Avenida, Paseo de la Reforma 505, Pisos 10 al 14, Col. Cuauhtemoc, C.P. 06500, Mexico D.F.
MMB Consultores S.A.	Argentina	Common	98.1907	Florida 234, 2 Floor, Cap. Fed. C1005AAF. Argentina
MMC Brazilian Holdings B.V.	Netherlands	Ordinary	100	Conradstraat 18, 3013AP Rotterdam, Netherlands
MMC Group Services sp. z o.o.	Poland	Ordinary	100	Prosta 68 Street, 00-838 Warsaw, Poland
MMC Middle East Holdings Limited *	United Kingdom	Ordinary	100	1 Tower Place West, Tower Place, London, EC3R 5BU, United Kingdom
MMC Poland Holdings B.V	Netherlands	Ordinary	100	Conradstraat 18, 3013 AP Rotterdam, Netherlands
MMC Regional Asia Holdings B.V. *	Netherlands	Common	100	Conradstraat 18, 3013 APRotterdam, Netherlands
MMC Regional Caribbean Holdings, Ltd. *	Bermuda	Common	100%	Codan Services Limited, Clarendon House, 2 Church Street, Hamilton, HM11, Bermuda
MMC Regional Europe Holdings B.V. *	Netherlands	Ordinary	100	Conradstraat 18, 3013 AP Rotterdam, Netherlands

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MMC Regional LATAM Holdings B.V.*	Netherlands	Ordinary	100	Conradstraat 18, 3013 AP Rotterdam, Netherlands
Oliver Wyman Consultoria em Estrategia de Negocios Ltda	Brazil	Common	72.2594	Av. Das Nacoes Unidas, 12901, Torre Norte -33rd Andar, SaoPaulo, SP, 04578-903, Brazil
Oliver WymanGroup KK	Japan	Common	100	The Imperial Hotel Tower 13F, 1-1-1 Uchisaiwai-cho, Chiyoda-ku ,Tokyo ,100-0011, Japan
Oliver Wyman Limited Liability Company*	Greece	Ordinary	100	56 Ermou St, Athens, 10563, Greece
Oliver Wyman LLC	Qatar	Ordinary	100	100 Al Fardan Office Tower, WestBay, Floor 14, Offices 1443, 1445,1442, 1441, 1439, 1446, 1447,Doha, Qatar
Oliver Wyman S.A.S.	Colombia	Common	62.1284	AV. El Dorado, No. 69B- 45, piso10, Bogota, Colombia, Colombia
Organizacion Brockman y Schuh S.A. de C.V	Mexico	Class I and II Series B	100	Avenida, Paseo de la Reforma505, Pisos 10al 14, Col.Cuauhtemoc, C.P. 06500, MexicoD.F.
Pallas Marsh Servicos Ltda	Brazil	Common	100	Av. Maria Coelho Aquiar 215,Building F-1, Jardim Sao Luiz, SaoPaulo, SP, 05804-900, Brazil
Pensionservice Benefit Network Sverige AB	Sweden	Ordinary	100	Kiara Norra Kyrkogata 29,Stockholm, Sweden
Rightpath Reinsurance SPC, Ltd	Cayman Islands	Ordinary	100	Governors Square Building 4, 2nd Floor 23 Lime Tree Bay Avenue, PO Box 1051 Grand Cayman KY1-1102 Cayman Islands
Scalene Re Ltd	Cayman Islands	Ordinary	100	Crawford House, 50 CedarAvenue, Hamilton, HM11,Bermuda

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SCIB (Bermuda) Limited	Bermuda	Common	100	Power House, 7 Par-la-Ville Road, Hamilton HM11, Bermuda
Sedgwick Forbes Middle East Limited	Jersey	Ordinary	100	Fifth Floor, 37 Esplanade, StHelier, JE1 2TR, Jersey
Sedgwick Private Limited	Singapore	Ordinary	100	8 Marina View #09-05, Asia Square Tower 1, Singapore, 018960, Singapore
Sedgwick Re Asia Pacific (Consultants) Pte Ltd	Singapore	Ordinary	100	8 Marina View #09-02, Asia Square Tower 1, Singapore, 018960, Singapore
UAD BB Marsh Lietuva	Lituania	Common	100	Olimpieciu 1-56, LT -09235 Vilnius, Lithuania
Victoria Hall Company Limited	Bermuda	Common	20	30 Parliament Street, Hamilton HMHX, Bermuda
William M. Mercer AB * Directly	Sweden	Ordinary	100	Kiara Norra Kyrkogata 29, S - 11122 Stockholm, Sweden