

Carbon Reduction Plan

Supplier name: Marsh Limited

Publication date: December 2024

Commitment to achieving Net Zero

Marsh McLennan has committed to setting and executing low-carbon transition strategies throughout its global business that collectively chart a path to net-zero across its core operations by 2050, including Marsh UK (Marsh Limited).

Baseline Emissions Footprint

Baseline emissions are a record of the greenhouse gases that have been produced in the past and were produced prior to the introduction of any strategies to reduce emissions. Baseline emissions are the reference point against which emissions reduction can be measured.

Baseline Year: 2019 – Marsh Limited	
Additional Details relating to the Baseline Emissions calculations.	
Baseline year emissions:	
EMISSIONS	TOTAL (tCO ₂ e)
Scope 1	1,023.08
Scope 2	3,417.03
Scope 3 (Included Sources)	Category 1 – Purchased Goods and Services: 9,640.94 Category 2 – Capital Expenses: 1,002.99 Category 3 – Fuel & Energy-related Activities: 1,030.05 Category 4 – Upstream Transportation and Distribution: 364.18 Category 5 – Waste: 426.90 Category 6 – Business Travel (Air): 3,685.40 Category 7 – Employee Commuting: 2,577.67 Category 8 – Upstream Leased Assets: 54.66 Category 9 – Downstream Transportation and Distribution: 0

Total Emissions	23,222.90
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Current Emissions Reporting

Reporting Year: 2023 – Marsh Limited	
EMISSIONS	TOTAL (tCO ₂ e)
Scope 1	976.76
Scope 2	.50
Scope 3 (Included Sources)	Category 1 – Purchased Goods and Services: 11,241.89 Category 2 – Capital Expenses: 707.50 Category 3 – Fuel & Energy-related Activities: 1,113.58 Category 4 – Upstream Transportation and Distribution: 288.51 Category 5 – Waste: 606.52 Category 6 – Business Travel (Air): 5,867.83 Category 7 – Employee Commuting: 2,711.12 Category 8 – Upstream Leased Assets: 50.89 Category 9 – Downstream Transportation and Distribution: 0
Total Emissions	23,565.10

Calculation Methodology

The emissions reported above are drawn from the global Marsh McLennan Greenhouse Gas Inventory which includes all legal entities under Marsh & McLennan Companies, Inc.

The Scope 1 and 2 emissions figures are taken directly from the global inventory for sites within the United Kingdom and are allocated to Marsh based on the amount of office space square footage assigned to it.

Marsh McLennan is unable to directly tie specific Scope 3 emissions categories to its UK sites given the structure of our internal systems; however, an allocation method based on the percentage of UK square footage allotted to each operating company has been devised.

For Scope 3 Categories 1, 2, 3, 4, and 8, the percentage of square footage that our UK sites represent against the total Marsh McLennan square footage was calculated. Marsh McLennan's UK office square footage is 8.92% of MMC's office square footage. Across the Marsh McLennan's UK office square footage, each operating company occupies the following square footage:

- Marsh: 46.34%
- Mercer: 25.65%
- Guy Carpenter: 8.65%
- Oliver Wyman: 7.05%
- Marsh McLennan (Corporate): 12.31%

These figures were used to allocate emissions to each Operating Company relative to the total emissions associated with Marsh McLennan's operations in the United Kingdom for Scope 3 Categories 1, 2, 3, 4 and 8.

Scope 3 Categories 5, 6, and 7 relied on a slightly different allocation method. For emissions from waste, all Part-time, full-time, Work from Home, and non-Work from Home employees were determined, resulting in 11,442 employees in for 2023. Using the assumption of 200 kg of waste per person and the relevant emissions factor, the total waste emissions were calculation. This figure was then allocated to each Operating Company using the square footage method described above.

For Category 6, reporting from Marsh McLennan's travel management platform, BCD, was used to derive the emissions from air travel for each entity. Air travel is by far the largest emissions component of Scope 3 Category 6 emissions. Marsh McLennan's global GHG inventory includes the other relevant Scope 3 Category 6 components; however, these are a comparatively small component of Marsh McLennan's business travel emissions. Currently, there is not a workable method for allocating those emissions to the UK specific entities.

The results for Category 7 – Employee Commuting are calculated using UK specific commuting assumptions for all MMC employees in the United Kingdom. After deriving the UK total emissions associated with Employee Commuting, the emissions for each operating company are allocated using the square footage method described above.

As a professional services firm, Marsh McLennan and its operating companies do not produce any physical goods. For this reason, Scope 3 Categories 9, 10, 11, and 12 are not relevant. Any downstream leased assets that are included within Category 13 are included in the Marsh McLennan Global GHG Inventory, but not included within UK entity-specific reporting. Category 14 is not included as Marsh McLennan does not operate through a franchise model, so it is not relevant. Category 15 Investments is also not included within this reporting as all investments are held at the Parent company level rather than any UK-specific entity.

Emissions reduction targets

In March 2022, we announced goals set and execute low-carbon transition strategies throughout its global business that collectively chart a path to net-zero across its core

operations by 2050, with a 50% emissions reduction by 2030. Due to the structure and nature of Marsh McLennan, the majority of our sustainability reporting is conducted at the group level globally. Therefore, Marsh McLennan disclosures and targets are applicable to all businesses, including Marsh UK.

In addition, Marsh McLennan also signed a commitment letter to submit these targets to the Science Based Targets initiative (SBTi) for validation. We received [validation](#) of our targets by the SBTi in 2024. As we work toward our goals, we will focus on reducing our emissions through technological advances, including renewables; internal policies that empower colleagues to make more sustainable choices; and partnerships with key stakeholders, such as our suppliers

For further information please see Marsh McLennan's 2023 ESG report which is publicly available.

Completed Carbon Reduction Projects

Achieving certification as a CarbonNeutral® company

Marsh McLennan first became certified as a CarbonNeutral® company in 2021 and we have maintained that certification annually, including in 2024. This certification is in accordance with The CarbonNeutral Protocol — the leading global standard for carbon neutral programs. To achieve this status, we calculated and offset emissions associated with the operations of our business, including Scope 1, Scope 2 and select Scope 3 including business travel. When selecting offset projects, we consider several key factors, including project quality, project location and alignment with the sustainable development goals. Our offsets portfolio includes projects focused on carbon avoidance, reduction and removal. Our carbon removals portfolio consists of the following projects:

- Afforestation: restoration of degraded lands in South America into forests that will sequester carbon, provide habitats and promote livelihoods
- Concrete injection: injection of captured carbon into fresh concrete, which permanently stores the carbon dioxide and strengthens concrete
- Bio-oil: collection of agricultural wastes for pyrolysis into bio-oil, which is then injected underground, where it solidifies in place

Making our offices smarter

In 2016, Marsh McLennan's Real Estate Services group launched our Smart Office workplace initiative. We have opened 115 smart offices since 2016. Smart offices incorporate energy-saving lighting and HVAC, water-conserving fixtures, and practices designed to reduce construction and operational waste. Working together, these decrease our overall real estate footprint (reduced our square footage per full-time colleague by 31% since 2019), use fewer resources, reduce our carbon footprint and increase the utilization of the spaces we provide.

We are tenants in many of our offices, which means partnering with building owners is essential for reducing our emissions. In Belgium, our Real Estate Services team facilitated the installation of solar panels onto our office premises in Brussels by bringing together a Marsh client and solar panel supplier and the new building owner. Through this partnership,

a 90-kW array of 222 solar panels was installed, producing approximately 48,000 kWh of electricity since June 2023. The building owner was able to enhance the value of its building, and we will receive renewable electricity to address a portion of our energy needs for this office. The greenhouse gas savings from this array are equivalent to the carbon sequestered by 24.8 acres of US forests in one year

Greening our pantries

In January 2021, Marsh McLennan committed to eliminating single-use plastics and reducing single-use waste in all office pantries globally and we are proud to announce we have achieved this goal. As of year-end 2022, 100% of our offices, representing more than 1,000 pantries, have eliminated single-use plastics in office pantries. In addition to conserving resources and reducing waste, our green pantries provide colleagues an opportunity to take part in our sustainability efforts.

A sustainable approach to travel

The COVID-19 pandemic decreased Marsh McLennan's reliance on business travel. During 2021, we enhanced our Green Traveler program to include new resources focused on sustainability for colleagues to use when considering business travel. Our three-minute video educates colleagues on the effect of travel on our environment, and our Purposeful Travel Guide takes colleagues through a series of questions to help them make an informed decision regarding travel. When colleagues must travel, our Tips for Greener Travel guides colleagues on how to make sustainable choices while flying, staying in a hotel, and renting a car.

Managing technology sustainably

Marsh McLennan's technology team works to deliver sustainable IT solutions that support our global business. We strive to preserve resources and minimize emissions through recycling electronic waste, lessening the impact of personal computing, maintaining energy-efficient data centres and partnering on this effort with our strategic suppliers. Our Global IT Asset Disposal (ITAD) program works with our strategic partners to securely dispose of obsolete IT assets in an environmentally responsible manner.

In 2022, nearly 18,000 older laptops and 5,400 desktops were retired and replaced with modern energy-efficient laptops. Over the past 9 years, nearly 4.4 million pounds of electronic waste was either recycled or remarketed. Marsh McLennan has adopted many Software as a Service (SaaS) applications, which leverage high-efficiency public cloud infrastructure and reduce our physical infrastructure. In 2022, we completed migration to the Microsoft 365 suite of tools, which is now used by 100% of colleagues. We disposed of 1,644 servers in 2022 and retired additional servers in 2023 as we continue to move data to the cloud.

Creating a sustainable supply chain

Our commitments to reduce our environmental impacts extend beyond our own workforce and operations to our suppliers. Our purchasing provides a significant opportunity to drive positive environmental impact and reduce emissions.

We are focused on several key areas.

Supplier engagement

Building on our supplier surveys, we held meetings with key suppliers across the technology, IT, office furniture and office supplies categories. We used these conversations to learn more about our suppliers' sustainability activities and, where we found alignment, to share best practices and identify opportunities for collaboration.

Scope 3 emissions

As they are for many companies, purchased goods and services are a large part of our Scope 3 footprint. As we look to the future, we will continue to engage our suppliers in our sustainability efforts plan to calculate our Scope 3 emissions from purchased goods and services.

Environmentally preferred purchasing

We provide our colleagues with guidance on how to make environmentally preferred purchasing decisions. This guidance includes energy efficiency guidelines, recommended sustainability certifications and suggestions for more sustainable alternatives to commonly purchased goods and services.

Facilitating the adoption of climate and sustainability solutions for our clients

Climate resilience will involve understanding what climate risks are on the horizon and developing innovative solutions to address those risks. We support clients with a portfolio of solutions to address these challenges.

Encouraging the transition to a low-carbon economy

Global decarbonization efforts need to accelerate if we are to avoid the most catastrophic consequences of climate change. Current actions and commitments fall short of reaching the 2015 Paris Agreement goal of limiting global warming to well below 1.5°C. As the industry leader in risk management solutions, Marsh McLennan is working to accelerate renewable energy initiatives.

Marsh establishes new insurance facilities dedicated to renewable energy

As investment in renewable energy accelerates at pace, stringent lender requirements needed to secure financing can significantly affect the total cost of insurance and viability of projects. To address this, Marsh Specialty's Energy & Power practice developed new products that secure insurance capacity from top-rated insurers globally.

In 2022, dedicated insurance facilities were established for four types of renewable energy projects – offshore wind, solar, battery energy storage systems, and hydrogen (the first of its kind). These facilities provide coverage for projects in operation or under construction, and typically include engineering advisory services during project feasibility, design, and operation. This comprehensive risk management package is an important step to ensuring that developers can access adequate, cost-effective insurance coverage, in some instances significantly reducing the total cost of insurance.

Likely / proposed future carbon reduction projects

In the future we hope to implement further measures such as:

Looking ahead, we plan to build on our successes to further decrease emissions with a focus on these key areas:

Our operations: Travel, technology, real estate and fleet are the largest emissions drivers from our operations. We will work to reduce emissions from each area through levers such as sustainable aviation fuels, energy efficiency, space optimisation and renewable electricity.

Our supply chain: Partner with our suppliers on shared climate goals and set sustainability standards on the products we purchase.

Data and innovation: Increase the amount of primary data used to calculate our emissions and use these insights to identify and pilot innovative new technologies to reduce emissions.

Our people: Engage our colleagues to act on climate by increasing awareness of our Green Traveler programme, harnessing the power of Green Teams and enabling sustainable behaviour changes.

Declaration and Sign Off

This Carbon Reduction Plan has been completed in accordance with PPN 06/21 and associated guidance and reporting standard for Carbon Reduction Plans.

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard¹ and uses the appropriate Government emission conversion factors for greenhouse gas company reporting².

Scope 1 and Scope 2 emissions have been reported in accordance with SECR requirements, and the required subset of Scope 3 emissions have been reported in accordance with the published reporting standard for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard³.

This Carbon Reduction Plan has been reviewed and signed off by the board of directors (or equivalent management body).

Signed on behalf of the Supplier:

Name:



Christopher Lay, Chief Executive Officer, Marsh Ltd

Date: December 2024

¹<https://ghgprotocol.org/corporate-standard>

²<https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting>

³<https://ghgprotocol.org/standards/scope-3-standard>

