

Registered Number: 03053552

# **MARSH SERVICES LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2024**

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**MARSH SERVICES LIMITED**

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**COMPANY INFORMATION**

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**DIRECTORS**

A J Browne  
A J Croft  
N Fowler  
A C Herring  
A J King  
A P Knight  
P E Moody

**REGISTERED NUMBER**

03053552

**COMPANY SECRETARY**

A Ramseyer

**REGISTERED OFFICE**

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**MARSH SERVICES LIMITED**

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## MARSH SERVICES LIMITED

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### STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

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#### INTRODUCTION

The Directors present their Strategic Report for Marsh Services Limited ("the Company") for the year ended 31 December 2024. The Company's registration number is 03053552.

#### PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

Marsh Services Limited ('MSL') is a service company which is part of the NYSE listed Marsh & McLennan Companies, Inc. ('Marsh McLennan') group ('MMC' or 'the Group') and provides services mainly to UK group companies. Its turnover is made up of service charge revenue from Group companies which is based on the recovery of certain of its operating expenses plus a mark-up. Its major expenses are staff salaries and other costs of employment.

The Company is one of the principal employment companies within the Marsh & McLennan Companies Inc. Group of companies in the UK. Most staff employed by the Company are seconded to Marsh Limited, a sister company and a provider of insurance and reinsurance broking and risk management services.

#### FINANCIAL KEY PERFORMANCE INDICATORS

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

	<b>2024</b>	2023	Movement	Movement
	<b>£M</b>	£M	£M	%
Turnover	<b>1,023</b>	923	100	11
Administration expenses	<b>(981)</b>	(890)	(91)	(10)
Profit before tax	<b>57</b>	57	–	–
Pension assets	<b>933</b>	972	(39)	(4)
Net assets	<b>403</b>	388	15	4

Turnover increased by £100 million in 2024 to £1,023 million, mainly due to increased costs in 2024, which resulted in a subsequent increase in the amount recharged to other MMC companies, with an agreed mark-up on costs.

Total administration expenses increased by £91 million in 2024 to £981 million mainly driven by higher wages and salaries and associated costs.

The Company is a participating employer of the MMC UK Pension Fund ("Fund") and thus is responsible for funding the obligations. It therefore carries most of the Fund (along with associated unregistered pension obligations) on its balance sheet and its financial position is affected by actuarial valuations. The Fund is split into separate sections that are accounted for as separate plans. The Company carries the Marsh section, a small part of the Mercer section and most of the Sedgwick section, which arose from the acquisition of Sedgwick in 1998. In addition, since 29 July 2024, the Company also carries all of the JLT section of the Fund, which arose from the acquisition of JLT and subsequent transfer of the JLT Pension Scheme into the Fund.

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## MARSH SERVICES LIMITED

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### STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

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#### FINANCIAL KEY PERFORMANCE INDICATORS (continued)

The latest pension valuation for the overall fund has resulted in a net post-retirement asset at the end of 2024 of £933 million (2023: £972 million asset). Details of the change in net assets over the year are provided in note 20 to the financial statements.

On 30 March 2017 a guarantee was agreed between Marsh Limited (a fellow Group entity) and MMC UK Pension Fund Trustee Limited (as Trustee for the Fund) in relation to the Company's contributions to the Fund.

A statutory funding valuation was carried out during 2022 for the Fund. This valuation showed that the main sections of the Fund are in a surplus funding position and under the current agreement with the Trustee, no deficit funding is required until 2026. The funding level will be re-assessed during 2025 to determine if deficit contributions are required from 2026.

Marsh Services Limited has agreed to make deficit contributions to the JLT section of the Fund of up to £33 million per annum over the period from 1 January 2026 to 28 February 2030, subject to an annual assessment using financial assumptions agreed with the Trustee. Based on the annual assessment carried out at the end of 2024, Marsh Services Limited expects to pay no deficit contributions from 2025. This is subject to an annual review that will cause deficit contributions to resume if the JLT section has a funding deficit in the future. No further contributions are payable by Marsh Services Limited to the other defined benefit sections of the Fund, subject to review in 2025.

Information on non-financial key performance indicators is contained within 'The interests of the Company's employees' on page 3.

#### SECTION 172 (1) OF THE COMPANIES ACT 2006 (THE 'ACT') STATEMENT

Under section 172(1) of the Companies Act 2006 ("s172") the directors of the Company must act in the way that they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole. In doing so, the directors should have regards to the following factors:

- the likely consequences of any decision in the long-term;
- the interests of the Company's employees;
- the need to foster the Company's business relationships with suppliers, customers and others;
- the impact of the Company's operations on the community and environment;
- the desirability of the Company maintaining a reputation for high standards of business conduct; and
- the need to act fairly between members of the Company.

The below paragraphs provide an explanation as to how the Company's directors have had regard to the matters set out in s172 when performing their duties during the year ended 31 December 2024.

This includes how the directors have engaged with and considered the interests of various stakeholders including its shareholder, employees, suppliers, the community and those in a principal business relationship with the Company.

#### ***Long-term strategy and vision***

As a wholly owned subsidiary within the Group, the Board considers the views of its ultimate shareholder, and the interests of the wider Group, in considering the likely consequences of any decision in the long-term.

The directors of the Company are committed to lead and direct the affairs of the Company to promote the long-term sustainable success of the Company, generating value for its shareholder, ensuring the sound and prudent management of the Company, with consideration for the interests of other stakeholders.

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 while having consideration to all stakeholders.

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## MARSH SERVICES LIMITED

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### STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

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#### SECTION 172 (1) OF THE COMPANIES ACT 2006 (THE 'ACT') STATEMENT (CONTINUED)

##### ***The interests of the Company's employees***

The Board understands the importance of leadership visibility and colleagues are kept informed on matters affecting them, as well as on business performance through regular Townhalls, emails, digital tools and platforms designed to keep teams connected. Regular colleague engagement surveys are conducted with the results reviewed by Directors and Executive Management to identify areas for improvement.

The Company is committed to creating a culture where all colleagues feel welcome and included, which is evidenced through its various programmes such as its diversity and inclusion and social impact efforts. Several Colleague Resource Groups assist Directors and Executive Management to better understand and support the wide ranging and diverse constituents comprising the Company's workforce. These groups support efforts focused on disability, race and ethnicity, gender, LGBTQ+, mental health, military affiliation, neurodiversity, young professionals and parents and carers.

The Board monitors attrition rates and measures absenteeism levels to identify emerging people risks and trends and to ensure appropriate action is taken to address these. Emerging people risks and trends are highlighted to the Board by Executive Management, together with proposed action plans.

The Board and Executive Management remain committed to delivering the Company's diversity and inclusion strategic targets and to improve the Company's Gender and Ethnicity Pay Gap. Further information on this can be found in the latest published statutory report and accounts of Marsh Limited.

##### ***The need to foster the Company's business relationships with suppliers, customers and others***

###### Clients

The Company provides employment services to several group companies, predominantly Marsh Limited, which provides risk, insurance and reinsurance services to its clients. These arrangements are governed by intragroup agreements.

###### Suppliers

The Group's business with suppliers is managed through its Global Sourcing and Procurement department. The Group is committed to building strong relationships with suppliers and recognises that engaging with suppliers and subcontractors who provide a superior service on reasonable terms is critical to success. The Board is supportive of the principles included in the Group's Code of Conduct, the Greater Good, setting out the Group's commitment to engage with well qualified and financially responsible suppliers based on the quality of their products and services and the competitiveness of their prices and terms and conditions, and to avoid suppliers who have engaged in unlawful or unethical conduct, who do not meet the Group's data-protection standards or who could damage its reputation. Colleagues involved in the supplier selection process are also obliged to disclose any actual or potential conflict of interest or any personal relationship with a prospective supplier and the Group encourages suppliers from diverse backgrounds to compete for its business.

Marsh Corporate Services Limited reports on the Group's supplier payment practices on a biannual basis, and results are monitored within the governance framework of the UK Group. The latest results can be found at <https://check-payment-practices.service.gov.uk/report/94901>.

##### ***The impact of the Company's operations on the community and environment***

In an ever-changing world with geopolitical instability, economic uncertainty and ongoing conflicts, the Group recognises the importance of supporting the communities in which it operates. In alignment with the Group's ESG strategy, social impact activities are focused on disaster response, mentoring, and building resilient communities, which the Board recognises helps contribute to the Group's vibrant and inclusive culture, drives colleague engagement and elevates the Group's brand reputation. Further information about the Group's social impact programme can be found in the latest published statutory report and accounts of Marsh Limited.

The Company, as part of the Group, recognises its obligations to be good stewards of the environment and continues to look at ways to minimise its carbon footprint and impact on the environment. The Company shares the Group's ESG and climate-related ambitions and integrates the Group's environmental initiatives into strategy, decision-making and business processes, considering the local market. Further information can be found in the Greenhouse Gas Emissions, Energy Consumption and Energy Efficiency Action report on page 15. Further details of the Group's environmental initiatives can be found at <https://www.marshmclennan.com/about/esg.html>.

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## MARSH SERVICES LIMITED

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### STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

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#### SECTION 172 (1) OF THE COMPANIES ACT 2006 (THE 'ACT') STATEMENT (CONTINUED)

##### *The desirability of the Company maintaining a reputation for high standards of business conduct*

The Greater Good, which is the MMC Group's Code of Conduct, applies to all directors and employees 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.

##### *The need to act fairly between members of the Company*

As a wholly owned subsidiary, the Board considers the views of its ultimate shareholder, and the interests of the Group in all decisions and transactions undertaken by the Company. The Company's Directors provide the primary channel of communication between the Company, MMC and the Group.

#### CORPORATE GOVERNANCE STATEMENT

The Board of the Company has adopted formal terms of reference which clearly set out its responsibilities and remit to lead and direct the affairs of the Company. Whilst it meets on at least a quarterly basis to consider matters under its remit and discharge its responsibilities, the Board recognises that the Company operates within a broader well-established and robust governance framework embedded across the Group in the UK which includes forums and committees providing oversight in the areas of risk, audit, and remuneration.

Given the nature of the Company's activities as an internal service provider to the Group and the broader governance framework in place at Group level, the Company has elected not to apply a recognised formal corporate governance code for the financial year ended 31 December 2024.

#### PRINCIPAL RISKS AND UNCERTAINTIES

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

##### **People Risk**

Talent Attraction, Retention & Development

The risk that the failure to attract, retain and develop the right talent to support the business, leading to a loss of productivity, decreased morale, potential client impact and reduced financial performance. The key tools to ensure that we are still able to retain and attract talent include competitive remuneration, training and development, competency policy and performance and compensation reviews.

Conduct & Culture

The risk that poor firm culture and behaviours result in poor client outcomes, reputational harm for the Firm and / or reduced colleague morale. This includes a shortfall in the behaviours of our colleagues below the standards laid out in our code of conduct, 'The Greater Good'.

This risk is mitigated though, among other practices, training, the implementation of appropriate governance frameworks, the promotion of a positive culture to reflect ethical behaviour and accountability as demonstrated within the Company's code of conduct. This is reinforced by ongoing reward and performance management processes for all employees. Conduct is monitored through key indicators that track compliance, employee engagement, and incident reporting, ensuring ongoing assessment and improvement of the organisational culture. The business model is determined by the senior leadership team, driven by the Company's purpose and strategy and managed by a combination of risk appetite, governance, policies and controls.

##### **Financial Risk**

Liquidity and cash flow risk is the risk that cash may not be available to pay obligations when due. The Company has access to funds under pooling arrangements with the UK group treasury company. The Company makes use of forecasts and budgets to monitor and control its cash flows and working capital requirements and has access to other group liquid funds managed through a central treasury function.

STRATEGIC REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2024

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**PRINCIPAL RISKS AND UNCERTAINTIES (CONTINUED)**

**Systems & Technology**

Cyber Security

The risk that the Company is the victim of a cyber-attack on the firm resulting in business disruption, loss of data, client harm, adverse operational, reputational and / or financial impacts to the business. The changing cyber threat landscape coupled with the world's ongoing use and reliance on technology means the industry is more vulnerable to a cyber-attack.

In mitigation, the Company continuously monitors external threat vectors, maintains a robust information technology and cyber security infrastructure, regularly updates security and patching, and provides comprehensive colleague awareness and training campaigns. In the event of a heightened cyber threat, the Group has established incident management procedures which are invoked to mitigate any adverse impacts.

Data Governance, Privacy & Security

The risk of unauthorized access or disclosure of sensitive information causing potential reputational damage, regulatory non-compliance and financial losses. The Company is aware of the potential risks arising from ineffective handling of data, and a number of policies and controls are in place. Some examples of these controls include: an embedded data security policy, an incident management process, secure management of information and a number of encryption / access controls and monitoring of user access.

**External**

Environmental, Social and Governance

The risk that Marsh Services Limited is impacted by an ESG event, or condition, which adversely impacts our brand, value and / or operations of the business. In March 2025, Marsh McLennan published the Group's annual ESG strategy and climate ambition. The strategic objectives and climate ambitions outlined in the report are integrated into the Company's strategy, decision-making and business processes, considering the UK market within which the Company operates.

Geopolitical & Macroeconomic Environment

The risk that changes in the macroeconomic and geopolitical environment adversely impacting the firm, adversely impacting strategy, reputation and/or achievement of business plans. This includes market downturn, for example, a deterioration in asset values.

The business continuously monitors and responds to any material external environmental factors, such as: fiscal changes (including fluctuating levels of inflation and GDP growth), geopolitical influences and market-wide activity.

**Operational Processes**

Third Parties, Outsourcing & Other External Suppliers

The risk that reliance on and poor performance of outsourced, third parties, and external suppliers, leads to operational performance / resiliency issues for the Company, client detriment, regulatory scrutiny, reputational damage and/or adverse financial impact. A range of controls are in place, including a rigorous vendor risk framework, review of performance/SLAs and operational resilience related controls.

Operational Resilience

The risk that the business fails to have the processes and framework in place to respond to, recover and learn from operational disruption resulting in client detriment, breach of legal and regulatory obligations, and/or adverse commercial impacts. Examples of such business interruption events could include supply chain disruptions, a failure of outsourcing / intragroup arrangements, technological outages and a breakdown of national infrastructure.

Marsh Services Limited has robust processes and controls in place for monitoring and responding to operational disruptions (including a well-established crisis management team). The Company's Operational Resilience Programme continues to address the regulatory requirements arising from the FCA's guidance in this area.

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**STRATEGIC REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2024**

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**PRINCIPAL RISKS AND UNCERTAINTIES (CONTINUED)**

**Pension asset risk**

The Company's defined benefit pension plan is closed to new members. The pension plan valuations are subject to inherent risks from factors beyond the management's direct control such as the investment returns, inflation rates, mortality rates, regulatory changes, legal changes and underlying custodianship risk relating to investments. There are controls in place monitored by the Company and the Trustee to mitigate these as much as possible.

The Company is exposed to financial risks from its defined benefit pension plans. These risks are mitigated by a guarantee from Marsh Limited.

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## MARSH SERVICES LIMITED

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### STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

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#### ON-FINANCIAL AND SUSTAINABILITY INFORMATION STATEMENT

##### Climate-Related Financial Disclosures

The climate-related financial disclosures are made by the Company to comply with the requirements of the Companies Act 2006 as amended by the Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022.

Marsh Services Limited as part of the Marsh & McLennan Companies, Inc. group of companies, continues to look at ways to minimise its carbon footprint and impact on the environment. For the purposes of these climate-related financial disclosures, the Marsh UK Group refers to the Company, and its affiliates, Marsh Limited and Marsh Corporate Services Limited (a procuring entity for the Group in the UK). Given the nature of the Company's activities as an employing entity, primarily for Marsh Limited, governance, strategy and risk management in relation to ESG and climate-related risks and opportunities is applied at a Marsh UK Group level.

##### Governance

The Company operates within the robust governance framework embedded across the Marsh UK Group which includes forums and committees that ensure that climate-related risks and opportunities are integrated into the Company's decision-making processes.

##### *Board oversight*

The Marsh Services Limited Board provides leadership of the Company within a framework of prudent and effective controls established by the Marsh UK Group which enables risks and opportunities, including ESG and climate risks and opportunities, to be assessed and managed. Climate-related ambitions pertinent to the Marsh UK Group, including the Company, are considered by the Directors when reviewing strategy, risk management policies, annual budgets, and performance objectives for the Marsh UK Group.

##### *Marsh UK Group Risk Committee*

The Marsh UK Risk Committee provides oversight of the Marsh UK Group's risk management framework. The Marsh UK Risk Committee is responsible for overseeing the Marsh UK Group's top and emerging risks and matters are escalated to the Board of the Company as appropriate.

##### *Executive Oversight*

The Marsh UK Group has established appropriate management forums to provide recommendations and advice as required by the Marsh UK Group's Chief Executive Officer to assist them in the day-to-day running of the Marsh UK Group.

These forums agree ESG initiatives and review relevant business responsibility-related risk and performance metrics for Marsh UK Group, which incorporate, amongst other things, the Group's climate and carbon strategy into the Marsh UK Group's overall strategy as deemed appropriate for the UK market.

Responsibility for the delivery of climate-related plans is integrated into the roles and responsibilities of senior managers across the Marsh UK Group's key business areas and functions.

##### *The overarching global approach*

A multi-layered governance framework ensures high standards are consistently applied across MMC's global organisation. As an indirect subsidiary of Marsh McLennan Companies, Inc, the Company shares the Group's climate-related ambitions, and the Company's business responsibility and climate governance framework and processes should be understood in the context of the Group's governance framework. The Group's global climate and business responsibility governance framework and processes are summarised below.

The Marsh & McLennan Companies, Inc. Board of directors ('Marsh McLennan Board') is supported by a Board Business Responsibility Committee and Management Business Responsibility Committee to formulate, oversee and deliver, amongst other things, the Group's climate ambitions.

The Board Business Responsibility Committee oversees and supports the Group's commitment to social, environmental, and other public policy initiatives. The Board Business Responsibility Committee reports to the Marsh McLennan Board on a regular basis.

The Management Business Responsibility Committee supports the Marsh McLennan Board and the Board Business Responsibility Committee in identifying and advancing, amongst other things, climate priorities. Members are drawn from senior management across the Group's global businesses and corporate departments, with the Group General Counsel serving as Chair.

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## MARSH SERVICES LIMITED

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### STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

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#### NON-FINANCIAL AND SUSTAINABILITY INFORMATION STATEMENT (continued)

##### **Governance (continued)**

*The overarching global approach (continued)*

In March 2025, Marsh McLennan published the Group's annual business responsibility strategy and climate ambition. The strategic objectives and climate ambitions outlined in the report are integrated into the Marsh UK Group's strategy, decision-making and business processes, considering the UK market within which the Marsh UK Group operates.

The Group's 2024 Business Responsibility Report (the 'MMC Business Responsibility Report') is available on the following link:

<https://www.marshmclennan.com/web-assets/files-for-download/pdf-2024-marsh-mclennan-business-responsibility-report.pdf>

##### **Strategy**

Climate-related risks and opportunities, both transition and physical, are integrated into the Marsh UK Group's operations.

Climate risks are considered in two categories:

- Transition Risks: Risks related to the transition to a lower-carbon economy (e.g. risks related to policy and regulatory changes and shifts in consumer preferences/expectations); and
- Physical Risks: Risks related to the physical impacts of climate change (e.g. extreme weather events). These can be split between Acute and Chronic Physical Risks:
  - Acute physical risks refer to those that are event driven, including increased severity of extreme weather events, such as cyclones, hurricanes or floods; and
  - Chronic physical risks refer to longer-term shifts in climate patterns (e.g. sustained higher temperatures) that may cause sea level rise or chronic heat waves.

Each of these present both risks and opportunities to the Marsh UK Group and are considered in identification and assessment of risks. The identified risks are assessed based on their likelihood of occurrence and impact, taking into account financial and qualitative impact factors, in line with Marsh UK Group's overall risk management approach.

It is recognised that this is an evolving landscape and so flexibility has been built in to allow for its medium (3 – 10 years) to long term (10+ years) risks to change, and equally, the short-term (1 – 3 years) risks and opportunities may expand into the medium and long term.

**MARSH SERVICES LIMITED**

**STRATEGIC REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**NON-FINANCIAL AND SUSTAINABILITY INFORMATION STATEMENT (continued)**

The following table summarises the Marsh UK Group's Risk Taxonomy, highlighting some of those risks that have a climate-related component. This demonstrates that climate-related risks, both transition and physical, are integrated into a number of individual risk categories.

<b>Level 1 Risk</b>	<b>Level 2 Risk</b>	<b>Transition vs Physical</b>	<b>Time horizon</b>	<b>Climate risks</b>	<b>Climate opportunities</b>
Strategic Risk	Environmental, Social and Governance ('ESG')	Transition Acute Physical	S / M / L	The risk that Marsh Limited is impacted by an Environmental or Climate event (or Social or Governance event) which could result in an adverse impact to the Marsh brand, value and/or operations of the business.  This includes the potential impact of Physical Climate Risk events and Transition Risks.	Ability to assist the Marsh UK Group's clients with navigating climate-related risks as a result of policy, legal and market developments  Increased demand to provide consulting and advisory services to Marsh UK Group clients on climate-related strategies and initiatives.
Regulatory Risk	Non-compliance with relevant regulatory expectations / requirements	Transition	S / M	Risks relating to evolving regulation or stakeholder expectations, including costs of compliance and fine or reputational impact of non-compliance.	Ability to implement new and improved processes to meet an increase in disclosure reporting requirements.
Operational Processes	Third Parties, Outsourcing and Other External Suppliers	Transition Acute Physical Chronic Physical	M / L	Climate-related events such as extreme weather events or transition risks impacting the supply chain, including internal service providers and third parties, resulting in disruption to the Marsh UK Group's and clients' operations.  Physical risks such as extreme weather events impacting the Marsh UK Group's operations (including buildings, staff and technology infrastructure), and any resultant impacts on the Marsh UK Group's clients.	Improvement of the Marsh UK Group's Business Resiliency Management to respond to increased severity of extreme weather events, most likely impacting affiliate companies and clients outside the UK (and anticipating the consequent impact to the Marsh UK Group's business).  The Marsh UK Group regularly assesses and takes steps to improve its existing business continuity, disaster recovery and data recovery plans and key management succession in the case of a climate-related business disruption event.  Increased use of recycling and move to efficient buildings.  Incorporation of new energy sources and shift towards decentralised energy.

Management has continued to assess the impact of climate-related issues on the Marsh UK Group. The categories on the following page set out the areas identified that are expected to be expanded on in the future:

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## MARSH SERVICES LIMITED

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### STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

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#### NON-FINANCIAL AND SUSTAINABILITY INFORMATION STATEMENT (continued)

##### *Policy and Legal*

The regulatory landscape impacting climate changes is evolving. Marsh Limited places business from global clients in multiple geographical locations into the London market and regional markets across the UK. This presents challenges and opportunities in how its business is strategically managed and clients and stakeholders supported. In turn, Marsh Services Limited needs to react to the requirements of Marsh Limited in terms of ensuring employees with the correct experience are available in the appropriate locations.

Change typically requires an investment of time and increased operational costs including collaboration from legal, compliance, product and marketing teams.

Regulatory developments that may impact reporting in 2025 and beyond, and the Marsh UK Group's overall climate-related plan, include:

- Green Taxonomy by the UK Government to define which economic activities count as environmentally sustainable. The reporting detail will be determined following a consultation;
- FCA's anti-greenwashing rule, which came into force from 31 May 2024, and requires regulated entities to ensure communication about products and services is fair and not misleading when talking about sustainability;
- Taskforce for Nature-related Financial Disclosure ('TNFD') enabling organisations to report and act upon evolving nature-related risks and opportunities ; and
- International Sustainability Standards Board ('ISSB') which aims to set out a global baseline for sustainability-related financial disclosure requirements.

Broadly, legal implications with global application are relevant to the strategy at Group level. The review of ongoing legal and compliance matters and disclosure requirements impact strategic planning on how new requirements are expanded and implemented. For instance, the majority of office properties are leased in multi-tenant buildings, the Company typically has little to no control of the infrastructure.

##### *Real Estate*

The Group has continued its journey with its real estate programs through creating smart office environments, building on its Green Pantry Initiative, and is implementing centralised waste solutions in offices which will increase recycling rates and reduce emissions.

To reduce waste from food service, the Group has partnered with a vendor to provide more sustainable 'to go' containers at its London headquarters. To roll out the Green Pantry Initiative, colleagues have been educated and engaged on the changes, and a loyalty and rewards program is being provided which discounts coffee when a reusable container is used.

Composting is provided, which allows colleagues who choose compostable containers to responsibly dispose of them. The ultimate goal is to replace all disposables with reuseables.

##### *Operational*

As part of the Group's waste-management focus, responsible end-of-life solutions for office equipment and furniture is prioritized. Where possible, the Group seeks to repurpose furniture and equipment. It also minimizes the amount sent to landfill by donating or recycling what cannot be repurposed.

With hundreds of thousands of technology components and devices needed to support the Group's environment, technology is a major component of its operations. The Global Technology Group at Marsh McLennan focuses on reducing its energy requirements and associated greenhouse gas ('GHG') emissions. At Group level, there is a focus on IT asset disposal/recycling; personal computing; technology purchasing; and server virtualization, by recycling electronic waste, decreasing the impact of personal computing, maintaining energy-efficient data centres and partnering with strategic suppliers.

The Group has adopted Software as a Service ('SaaS') applications which leverage high efficiency public cloud infrastructure and reduce physical infrastructure and its strategic suppliers are asked to dispose of obsolete IT assets in an environmentally responsible manner.

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FOR THE YEAR ENDED 31 DECEMBER 2024

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**NON-FINANCIAL AND SUSTAINABILITY INFORMATION STATEMENT (continued)**

*Operational (continued)*

The Global Technology Group is under the leadership of the Chief Information Officer, a role that also oversees Business Resiliency and Security. The Business Resiliency Management ('BRM') team provides business continuity guidance and overall program management, including compliance monitoring, to all of the Group's businesses. The BRM team coordinates business resiliency activities as part of the preparedness lifecycle and crisis response activities in situations where the Group has been impacted by a significant event.

The Group's critical business and corporate functions maintain BRM plans with specific provisions for colleague mobilisation, alternate workspaces, and communication with clients and critical third parties. These plans are created based on business impact analysis which identifies business recovery requirements and priorities; and include: (a) office facilities and personnel; (b) critical applications; (c) mission-critical functions & processes; and (d) key third-party providers.

The Group has implemented a new BRM platform to support its activities and programs. The BRM team maintains a robust business resiliency program which includes:

- conducting business impact analyses;
- establishing and maintaining business resiliency;
- disaster recovery;
- crisis management, and incident response plans;
- performing periodic assessments of key third-party dependencies;
- periodic testing of recovery capabilities; and
- exercising response plans to validate the Group's ability to serve and support its clients in the event of a business disruption event.

*Reputational*

The Marsh UK Group is conscious of reputational risks impacting its clients and the third parties it works with.

In 2023, the Group published Client Engagement Principles to help navigate an evolving risk landscape, to make responsible decisions and better service the long-term interests of its clients and the communities in which they operate. The Group's reputation management approach therefore involves keeping abreast of climate risks and opportunities before they arise, as it works to align to the recommendations of the Financial Stability Board's Task Force on Climate-related Financial Disclosures, the Sustainability Accounting Standards Board ('SASB') other emerging regulations, and its own related assessments and priorities.

**Consideration of different climate-related scenarios**

Marsh McLennan conducted a scenario analysis which considered the physical and transition risks and opportunities arising from climate change. The physical scenario analysis considers various emissions scenarios across an 80 year time horizon (2020 – 2100) to determine the severity of physical climate damage, considering both low emissions (RCP2.6) and high emissions (RCP8.5) scenarios. As part of the assessment, climate-related impacts were considered. The analysis includes the potential financial losses associated with asset damage but excludes the losses associated with business interruption or productivity loss. The physical climate risk analysis identified and geolocated all MMC office locations and data centres to facilitate the assessment of climate-related risks and hazards to their specific location. The replacement value of all office locations and accompanying assets (including data centres, building, contents and technology) was estimated to allow quantification of the physical climate risk driven from expected financial loss for each location.

The transition risk analysis was designed to understand the risks and opportunities from societal changes undertaken to mitigate climate change. Five decarbonization pathways were analysed, ranging from no policy SSP-85 pathway which would see an average of greater than 4 degrees Celsius of warming to Paris aligned SSP1-19 pathway where warming was kept to 1.5 degrees Celsius. The shared socioeconomic pathways go beyond the physical drivers of climate change and focus on the societal changes that are projected to limit the increase in the world's average temperature. Pathways where the average warming was 2 C, 2.5 C, and 3 C above pre-industrial temperatures were also analysed. The time horizon used for these pathways was 10 years from 2024 – 2035. This approach aligns to industry best practice.

Following the completion of the scenario analysis, it was concluded that the Company has high resilience to climate related impacts.

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FOR THE YEAR ENDED 31 DECEMBER 2024

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**NON-FINANCIAL AND SUSTAINABILITY INFORMATION STATEMENT (continued)**

**Risk Management**

Marsh UK Group's Enterprise Risk Management ('ERM') framework advocates for and facilitates strong risk management processes across its businesses and functions. Through its risk management processes, awareness is raised of key risks, a framework for managing risks is implemented, discussion about risks is integrated into decision-making processes and alignment is fostered between senior management and the relevant Boards. The Marsh UK Group works with a wide group of internal and external stakeholders to understand its impact on, as well as the impact of, climate risks and in doing so, works with and draws insights from the wider Group. The MMC Business Responsibility Report provides an overview of the Group's approach to enterprise risk management and the integration of climate risks into overall risk management.

This section sets out the processes the Marsh UK Group has in place to identify, assess, and manage climate-related risks, including how these processes are integrated into the Marsh UK Group's overall risk management framework. The Marsh UK Group has updated its Risk Taxonomy and added an business responsibility risk. It has continued to provide briefings to its Risk Committees on the evolving climate-related regulatory and risk landscape as appropriate.

The Marsh UK Group recognises that effective management of climate-related risks remains an ongoing journey and will continue to work with its wider stakeholders to review and evolve its practices where necessary.

***Management of Climate-Related Risks***

Climate-related risks are identified, assessed, and managed through ongoing and dedicated processes, depending on the risk type. This ultimately feeds into the Marsh UK Group's Risk and Control Self-Assessment ('RCSA') process (the RCSA is an internal process by which the Marsh UK Group identifies, assesses and manages its risks and assesses the effectiveness of controls). The second line Risk team facilitates this process and meets with senior Risk Owners, who are responsible for the identification, assessment and management of their respective risks. This is performed on a quarterly basis. In particular, the following high-level approach is followed in respect of climate-related risks:

- Marsh UK Group's Risk team performs its own research into climate-related risks, utilising Marsh McLennan's publications, and external publications, such as those relevant to the industries in which it operates;
- The Risk team performs benchmarking against Marsh McLennan's risk insights; and
- Risk Owners are senior leaders who are ultimately accountable for the risks under their ownership. They will consider, with input from other subject matter experts, whether exposure to each risk is within appetite and the cost / benefit trade-off of implementing additional controls. They have a key role in identifying and assessing climate-related risks relevant to the Marsh UK Group. Workshops are held with Risk Owners and other senior subject matter experts from across the Marsh UK Group on a quarterly basis, following a risk based approach.

As noted earlier, the Marsh UK Group considers climate risk in two categories:

- Transition Risks: Risks related to the transition to a lower-carbon economy (e.g. risks related to policy and regulatory changes and shifts in consumer preferences/ expectations); and
- Physical Risks: Risks related to the physical impacts of climate change (e.g. extreme weather events).

Each of these present both risks and opportunities to the Marsh UK Group and the Marsh UK Group's clients and are considered in the identification and assessment of risks on pages 4 and 5. The identified risks are assessed based on their likelihood of occurrence and impact, considering financial and qualitative impact factors, in line with the overall risk management approach.

The next section provides further information on how climate-related risk management is integrated into the Marsh UK Group's overall risk management.

STRATEGIC REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2024

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**NON-FINANCIAL AND SUSTAINABILITY INFORMATION STATEMENT (continued)**

***Risk identification, assessment and management processes***

The Marsh UK Group's ERM framework includes formal processes to identify, assess, manage, report on and monitor risks to which it is exposed. A key process in this risk life cycle includes the RCSA process, providing further insights on the risk exposure before controls, the effectiveness of controls/mitigants and therefore the residual risk exposure.

Various sources of insight are utilised to help inform the identification of new risks, including climate-related risks, covering both top-down and bottom-up processes. This includes a feedback loop with other risk management activities and data, drawing on insights from:

- Errors & Omissions ('E&O') / breaches / incidents / near misses;
- Review of Emerging Risks;
- Key Risk Indicators ('KRI') and reverse stress testing;
- External publications and insights; and
- Top-down and bottom-up views from the second line Risk team, Risk Committees, Risk Owners and other subject matter experts.

The following high-level processes and approaches are in place for assessing the potential size, impact and scope of identified climate risks:

- Impact and Likelihood assessment – to help determine the relative significance of risks, including climate-related risks in relation to other risks, a scoring matrix is used to assess each risk, covering both quantitative criteria and qualitative factors to consider the impact and likelihood of the risks occurring.
- Identification of appropriate Risk Owners – Risk Owners, of appropriate seniority, are agreed and can provide a forward-looking view and assessment of the risks they own.
- Expert judgement – reflecting the Risk Owner's prior experience and insights on how the risk could develop going forward, Risk Owners provide their judgement on possible risk drivers, risk consequences and financial impacts to the Marsh UK Group, the market and clients.
- Key Risk Indicators – KRI metrics are monitored and used to help provide a view on the expected risk exposure.

Risk and Control owners are responsible for identifying and monitoring risk mitigation plans, including climate-related risks. Appropriate controls are agreed in respect of each risk.

***Representation on the Risk Taxonomy***

As noted earlier, climate-related risks are represented on the Risk Taxonomy in one of two ways:

- Vertically: i.e. as distinct risks.
- Horizontally: within one of the other risks, where climate-related risks are integrated into existing risks, e.g. third party risk and regulatory risk.

***The three lines of defence and risk management***

The three lines of defence model (the 'Three Lines of Defence') is an industry-recognised model which helps articulate the roles and responsibilities for managing risk across the organisation. It therefore helps clarify responsibilities for the management of all risk types across the Marsh UK Group and mitigates the risk of gaps or duplications in risk management and assurance activities. The first line is ultimately responsible for owning and managing their risks, including climate-related risks. The second line Risk team provides the necessary framework, guidance, advice and challenge. The third line Internal Audit provides assurance through internal audit reviews.

The MMC Business Responsibility Report sets out examples of opportunities the Group has identified to help clients, and the wider industry, navigate climate risks and associated opportunities.

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**MARSH SERVICES LIMITED**

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**STRATEGIC REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2024**

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**NON-FINANCIAL AND SUSTAINABILITY INFORMATION STATEMENT (continued)**

**Metrics & Targets**

***The Overall Global Approach***

The approach to the environment and environmental reporting is managed at a Group level. In March 2022, the Group announced goals to achieve net-zero carbon emissions across its global business operations by 2050, with an emissions reduction target of 50% by 2030.

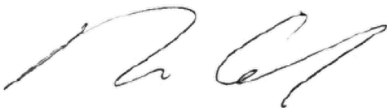
The Company's employees operate from offices that are owned or leased and managed centrally. The majority of staff employed by the Company are seconded to other MMC Group UK companies and energy utilisation and carbon emissions of the staff provided by the Company are attributed to these entities. As part of the Marsh UK Group's contribution to achieving these targets, Marsh Limited has reduced its total Scope 1 and 2 emissions from 3,949 TCO<sub>2</sub>e on a location basis in 2023 to 2,884 TCO<sub>2</sub>e in 2024 on the same basis. It also reduced the same emissions from 1,905 TCO<sub>2</sub>e on a market basis in 2023 to 1,355 TCO<sub>2</sub>e on the same basis in 2024.

The MMC Business Responsibility Report (<https://www.marshmclennan.com/web-assets/files-for-download/pdf-2024-marsh-mclennan-business-responsibility-report.pdf>) details the Group's approach to environmental, social and governance priorities, setting out the metrics and targets used by the Group to assess and manage relevant climate-related risks and opportunities. Please refer to the follow sections of the report for further details:

- a. page 9 of the MMC Business Responsibility Report sets out the Group's commitment to net-zero; and
- b. page 49 of the MMC Business Responsibility Report sets out the Group's 2024 emissions inventory, including scope 1, 2 and 3 greenhouse gas emissions.

The Company's own greenhouse gas emissions disclosure can be found on page 15 of these financial statements.

This report was approved by the board and signed on its behalf on the 16th of July 2025.



**A J Croft**  
**Director**

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## MARSH SERVICES LIMITED

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### DIRECTORS REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

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The directors present their report and the financial statements for the year ended 31 December 2024.

#### PRINCIPAL ACTIVITIES

The principal activities of the Company are set out in the Strategic Report on page 1. The information that fulfils the Companies Act requirements of the business review is included in the Strategic Report on pages 1 to 14. This includes a review of the development of the business of the Company during the year and of likely future developments in its business. Details of the principal risks and uncertainties are included in the Strategic Report.

#### RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £51 million (2023 - profit £40 million).

The directors do not recommend the payment of a final dividend (2023: *£nil*).

#### DIRECTORS

The directors who served during the year were:

A J Browne  
A J Croft  
N Fowler  
A C Herring  
A J King  
A P Knight  
P E Moody

#### FUTURE DEVELOPMENTS

The activities of the Company are expected to continue along similar lines for the foreseeable future.

#### GOING CONCERN

The directors have no plans for a change in the principal activities of the Company or any intention to liquidate the Company in the foreseeable future. The directors acknowledge the Company's net current liability position of £80 million (2023: £329 million) and have evaluated funding options available to the Company. Following this evaluation they are comfortable that any obligations can be met. The Company had an overall net asset position of £403 million (2023: £388 million). These financial statements are therefore presented on a going concern basis.

The Company continues to monitor the uncertainty in the current economic and business environment and the directors are satisfied that the Company's services will continue to be required from the MMC Group of companies.

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.

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## MARSH SERVICES LIMITED

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### DIRECTORS REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

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#### DIVERSITY AND INCLUSION

The Company embraces a diverse and inclusive culture. The directors believe that, in order to deliver the best solutions to clients, the Company's workforce should reflect the local community in which it operates.

#### EMPLOYMENT POLICY

The Company is committed to equal opportunities for both existing employees and applicants seeking employment. It is the Company's policy to give appropriate consideration to applications for employment from disabled persons, having regards to their particular aptitudes and abilities. For the purpose of training, career development and promotion, disabled employees, including any who become disabled in the course of their employment, are treated on equal terms with other employees.

#### QUALIFYING THIRD PARTY INDEMNITY PROVISIONS

The Company has put in place an indemnity 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.

#### GREENHOUSE GAS EMISSIONS, ENERGY CONSUMPTION AND ENERGY EFFICIENT ACTION

The approach to the environment and environmental reporting is managed at a Group level and constantly under review. The Group maintained its certification as a CarbonNeutral<sup>®</sup> company, initially achieved in 2021, across all of its global operations. In March 2022, MMC announced goals to achieve net-zero carbon emissions across our global business operations by 2050, with a 50% emissions reduction by 2030. The Group also signed a commitment letter to submit these targets to the Science Based Targets initiative for validation. In 2023, MMC successfully completed this step.

Across many parts of our global businesses, including in the UK, there are initiatives underway which are focused on improving the efficiency of our operations as those relate to greenhouse gas emissions, energy consumption and the impact our business has on the environment. Examples of these initiatives include:

- Increasing the usage of renewable electricity to represent 76% of overall usage;
- Reducing square footage per full-time colleague by 39% since 2019 and opening 167 smart offices across 50 countries. Smart offices incorporate energy saving lighting and HVAC (heating, ventilation and air conditioning), water-conserving fixtures, and practices designed to reduce construction and operational waste;
- Maintenance of six world-class data centres, home to more than 17,000 physical and virtual servers that host thousands of applications and systems, with a focus on energy efficiency; and
- Utilisation of an End of Life Electronic Recycling Program, allowing the expansion of the Group's recycling footprint to include all regions in which it operates.

A summary of the energy utilisation and carbon emissions of the staff provided by the Company is included in the Streamline Energy and Carbon Report ('SECR') reporting of Marsh Limited and Marsh Corporate Services Limited. The Company does not disclose this information in its financial statements as the staff energy costs and carbon emissions are borne by Marsh Limited and Marsh Corporate Services Limited.

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## MARSH SERVICES LIMITED

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### DIRECTORS REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

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#### MATTERS COVERED IN THE STRATEGIC REPORT

The information that fulfils the Companies Act requirements of the business review is included in the Strategic Report on pages 1 to 13. This includes a review of the development of the business of the Company during the year and of likely future developments in its business. Details of the principal risks and uncertainties are included in the Strategic Report.

#### STATEMENT OF CORPORATE GOVERNANCE ARRANGEMENTS

As noted in the Company's Strategic Report, for the year ended 31 December 2024, under The Companies (Miscellaneous Reporting) Regulations 2018, the Company has applied the Wates Corporate Governance Principles for Large Private Companies which can be found at [www.wates.co.uk/insights/wates-group/culture/the-wates-principles-report/](http://www.wates.co.uk/insights/wates-group/culture/the-wates-principles-report/). The Directors have set out on pages 2 to 4, an explanation of how the Wates Principles have been applied during the 2024 year.

#### 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.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

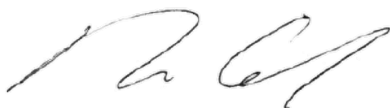
#### POST BALANCE SHEET EVENTS

There have been no significant events affecting the Company since the year end.

#### AUDITOR

The auditor, Deloitte LLP, have expressed their willingness to continue in office as auditors and appropriate arrangements have been put in place for them to be deemed reappointed as auditors in the absence of an Annual General Meeting. The auditor is deemed to be reappointed under section 487(2) of the Companies Act 2006).

This report was approved by the board and signed on its behalf on the 16th of July 2025.



**A J Croft**

**Director**

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## MARSH SERVICES LIMITED

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### DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2024

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The directors are responsible for preparing the Annual 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), 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 these 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; and
- 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 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MARSH SERVICES LIMITED

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**Report on the audit of the financial statements**

**Opinion**

In our opinion the financial statements of Marsh Services Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2024 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).

**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, 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.

**Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our evaluation of the directors' assessment of the Company's ability to continue to adopt the going concern basis of accounting included:

- assessing other market altering factors by looking at the operational impact and business continuity plans;
- evaluating future profit forecasts, management's method in producing these, and the consistency with current year results;
- assessing management's sensitivity analysis of key assumptions underpinning liquidity; and
- assessing the going concern disclosures included within the financial statements.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

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## MARSH SERVICES LIMITED

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### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MARSH SERVICES LIMITED

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#### Other information

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

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 this regard.

#### 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.

#### 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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the Company's industry and its control environment, and reviewed the Company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management, internal audit and the directors about their own identification and assessment of the risks of irregularities, including those that are specific to the Company's business sector.

We obtained an understanding of the legal and regulatory framework that the Company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act, tax legislation and pension legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the Company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team including relevant internal specialists such as tax, pensions, IT specialists regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

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## MARSH SERVICES LIMITED

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### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MARSH SERVICES LIMITED

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In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management, internal audit and in-house legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations;
- reading minutes of meetings of those charged with governance and reviewing internal audit reports.

#### **Report on other legal and regulatory requirements**

#### **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 has 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.

#### **Matters on which we are required to report by exception**

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

- 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; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

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**MARSH SERVICES LIMITED**

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MARSH SERVICES LIMITED**

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**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.

Malav Bhagdev, FCA (Senior statutory auditor)

for and on behalf of

Deloitte LLP

London

United Kingdom

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**MARSH SERVICES LIMITED**

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**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2024**

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	Note	2024 £M	2023 £M
Turnover	4	1,023	923
<b>Gross profit</b>		<b>1,023</b>	<b>923</b>
Administrative expenses		(981)	(890)
<b>Operating Profit</b>		<b>42</b>	<b>33</b>
Interest payable and similar expenses	8	(31)	(26)
Other finance income	9	46	50
<b>Profit before tax</b>		<b>57</b>	<b>57</b>
Tax on Profit	10	(6)	(17)
<b>Profit for the financial year</b>		<b>51</b>	<b>40</b>
<b>Other comprehensive expense for the year</b>			
Actuarial losses on defined benefit pension scheme	20	(96)	(98)
Movement of deferred tax relating to pension (deficit)/surplus	15	27	22
Actuarial gains on other retirement benefits		-	(1)
<b>Other comprehensive expense for the year</b>		<b>(69)</b>	<b>(77)</b>
<b>Total comprehensive expense for the year</b>		<b>(18)</b>	<b>(37)</b>

All transactions derive from continuing operations.

There were no recognised gains and losses for 2024 or 2023 other than those included in the statement of comprehensive income.

The notes on pages 27 to 45 form part of these financial statements.

**MARSH SERVICES LIMITED**  
**REGISTERED NUMBER: 03053552**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2024**

	Note		2024 £M	2023 £M
<b>Current assets</b>				
Debtors: amounts falling due after more than one year	11	8	8	
Debtors: amounts falling due within one year	11	156	159	
Cash at bank and in hand	12	–	–	
		<u>164</u>	<u>167</u>	
Creditors: amounts falling due within one year	13	<u>(244)</u>	<u>(496)</u>	
<b>Net current liabilities</b>			<u>(80)</u>	<u>(329)</u>
<b>Total assets less current liabilities</b>			<b>(80)</b>	<b>(329)</b>
Creditors: amounts falling due after more than one year	14		<b>(200)</b>	–
<b>Provisions for liabilities</b>				
Deferred tax	15	<b>(228)</b>	<b>(237)</b>	
Other provisions	16	<u>(22)</u>	<u>(18)</u>	
			<b>(250)</b>	<b>(255)</b>
Pension asset	20		<u>933</u>	<u>972</u>
<b>Net assets</b>			<u><b>403</b></u>	<u><b>388</b></u>
<b>Capital and reserves</b>				
Called up share capital	17		–	–
Share premium account	18		<b>350</b>	<b>350</b>
Profit and loss account	18		<u>53</u>	<u>38</u>
			<u><b>403</b></u>	<u><b>388</b></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on the 16th of July 2025.



**A J Croft**  
**Director**

The notes on pages 27 to 45 form part of these financial statements.

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**MARSH SERVICES LIMITED**

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**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2024**

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	Called up share capital £M	Share premium account £M	Profit and loss account £M	Total equity £M
<b>At 1 January 2024</b>	–	350	38	388
Comprehensive expense for the year:				
Profit for the year	–	–	51	51
	–	–	51	51
Actuarial losses on defined benefit pension scheme	–	–	(96)	(96)
Deferred tax movements	–	–	27	27
Actuarial losses on other retirement benefits	–	–	–	–
Total other comprehensive expense for the year	–	–	(69)	(69)
<b>Total comprehensive expense for the year</b>	–	–	(18)	(18)
Credit to equity for equity settled share based payments	–	–	33	33
<b>Total transactions with owners</b>	–	–	33	33
<b>At 31 December 2024</b>	–	350	53	403

The notes on pages 27 to 45 form part of these financial statements.

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**MARSH SERVICES LIMITED**

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**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2023**

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	Called up share capital £M	Share premium account £M	Profit and loss account £M	Total equity £M
<b><i>At 1 January 2023</i></b>	–	350	43	393
Comprehensive expense for the year:				
Profit for the year	–	–	40	40
	–	–	40	40
Actuarial losses on defined benefit pension scheme	–	–	(98)	(98)
Deferred tax movements	–	–	22	22
Actuarial losses on other retirement benefits	–	–	(1)	(1)
<b>Total other comprehensive expense for the year</b>	–	–	(77)	(77)
<b>Total comprehensive expense for the year</b>	–	–	(37)	(37)
Capital contribution from the parent	–	–	–	–
Credit to equity for equity settled share based payments	–	–	32	32
<b>Total transactions with owners</b>	–	–	32	32
<b><i>At 31 December 2023</i></b>	–	350	38	388

The notes on pages 27 to 45 form part of these financial statements.

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## MARSH SERVICES LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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#### 1 GENERAL INFORMATION

Marsh Services Limited is a private company limited by shares incorporated in the United Kingdom under the Companies Act and is registered in England and Wales. The address of the registered office is given on the Company information page at the beginning of these financial statements. The nature of the Company's operations and its principal activities are set out in the strategic report and the directors' report on pages 1 to 18.

#### 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 29 Income Tax related to Pillar Two paragraphs 29.28(b) and 29.29.
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

Where applicable, this information is included in the consolidated financial statements of Marsh & McLennan Companies Inc. as at 31 December 2024 and these financial statements may be obtained from the address in note 23.

##### 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, and its exposure to credit risk.

The Company meets its day-to-day working capital requirements from a revolving loan facility. The current economic conditions create uncertainty particularly over (a) the level of demand for the Company's services; and (b) the Company's cost base.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024

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**2 ACCOUNTING POLICIES (CONTINUED)**

**2.3 GOING CONCERN (continued)**

The Company continues to monitor the uncertainty in the current economic and business environment. The directors acknowledge the Company's net current liability position of £80 million (2023: £329 million) and have evaluated funding options available to the Company. Following this evaluation they are comfortable that any obligations can be met.

The Directors acknowledge the latest guidance on going concern. The directors are satisfied through the review of forecast and analyses that the services of Marsh Limited, for whom the Company ultimately provides most of its services, will continue to be attractive to the clients.

Having assessed the responses to their enquiries the Directors have no reason to believe that a material uncertainty exists that may cast significant doubt on the ability of the Company to continue as a going concern. Accordingly, the directors continue to adopt going concern basis in preparing the annual report and financial statements.

**2.4 FOREIGN CURRENCY TRANSLATION**

**Functional and presentation currency**

The Company's functional and presentational currency is GBP.

**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 profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'interest payable and similar expense'.

**2.5 TURNOVER**

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Turnover represents fees receivable from other MMC Group companies for services provided and is recognised in the year to which it relates. All turnover arises in the United Kingdom.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024

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**2 ACCOUNTING POLICIES (CONTINUED)**

**2.6 INTEREST INCOME**

Interest income is recognised in profit or loss using the effective interest method.

**2.7 BORROWING COSTS**

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

Finance cost comprises interest payable on funds borrowed. Interest payable is recognised in the income statement as it accrues.

The difference between interest payable in the year and interest actually paid is shown as an accrual in the statement of financial position.

**2.8 PENSIONS AND OTHER POST-RETIREMENT BENEFITS**

**Defined benefit pension plan**

For the defined benefit pension plan the amounts charged to operating profit are the service costs and gains and losses on settlements and curtailments. They are included as part of staff costs.

The net interest cost on the net defined benefit liability is shown within finance costs.

Remeasurement compromising actuarial gains and losses, the effect of the asset ceiling (if applicable) and the return on scheme assets (excluding interest) are recognised immediately in other comprehensive income.

The defined benefit plan is predominately funded with assets held separately from those of the Company, in a separate trustee administered fund. Pension plan assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method. The actuarial valuations are prepared annually by a professionally qualified actuary employed within the Marsh & McLennan Companies Group.

The Company participates in a defined benefit plans that share risks between entities under common control. The policy for charging the defined benefit costs is determined for each section of the defined benefit plan based on an allocation of accounting liabilities for each member between the employers participating in the plan. The share of each plan's assets attributable to the Company is determined based on the Company's share of the accounting liabilities in the plan.

The difference between the market value of assets and the present value of accrued pension liabilities is shown as an asset or liability in the balance sheet to the extent that it able to recover the surplus in the future.

**Defined contribution pension plan**

For the defined contribution section of the pension plan the amount charged to the profit and loss account in respect of pension costs and other post-retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the Statement of Financial Position.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024

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**2 ACCOUNTING POLICIES (CONTINUED)**

**2.9 SHARE BASED PAYMENTS**

The Company's ultimate parent company, Marsh & McLennan Companies, Inc., maintains multiple equity-settled share-based payment arrangements in the UK, under which employees are awarded grants of Stock Options, Save As You Earn (SAYE) awards, Stock Awards and Share Purchase Plans.

Share-based payments are measured at the fair value at grant, expensed over the vesting period, based on the Company's estimate of shares that will eventually vest and adjusted for the effect of non-market based vesting conditions.

Stock Options vest at 25% per annum beginning one year from the date of grant, and have a maximum contractual term of 10 years.

Fair value is measured using either the Black-Scholes pricing model (no market-based triggering event) or the Binomial valuation model (market based triggering event). The expected life used in the models is estimated using the contractual term of the option and the effects of employees' expected exercise and post-vesting employment termination behaviour.

SAYE awards vest over a period of either 3 or 5 years. Options must be exercised within 6 months of vesting.

Stock Awards vest over a period of up to 5 years, after taking into account the estimated effect of forfeitures. Members are entitled to receive dividend payments during the vesting period.

The Company also provides employees with the ability to purchase MMC's ordinary shares at 95% of the current market value. The Company records an expense, based on the 5% discount, on the date the shares are purchased.

**2.10 CURRENT AND DEFERRED TAXATION**

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss 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.

**2.11 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.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024

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**2 ACCOUNTING POLICIES (CONTINUED)**

**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 PROVISIONS FOR LIABILITIES**

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of Financial Position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are made, they are charged to the provision carried in the Statement of Financial Position.

**2.15 INCAPACITY AND MEDICAL BENEFIT PROVISION**

**Incapacity provision**

The incapacity provision comprises the current value of expected future amounts payable to or on behalf of staff on the long-term disability scheme, net of amounts covered by insurance. Payments are expected to be made over a number of years in the future. The interest cost is charged to the profit and loss account, and included within other finance charges. Payments made to beneficiaries are charged to the provision, and actuarial adjustments to the provision are taken to other comprehensive income.

**Post-retirement medical benefits**

The Company also operates an unfunded non-contributory scheme for medical benefits, whereby defined medical benefits are provided to current and retired UK members who started their services with the Company on or prior to 1 December 1988 and completed five years of service with the Company at retirement.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024

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**2 ACCOUNTING POLICIES (CONTINUED)**

**2.16 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, 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.

**2.17 DIVIDENDS**

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

The Board decides the level of dividend in consultation with, or consideration of, various stakeholders, including the management of the Company's ultimate parent company, Marsh & McLennan Companies, Inc.. The amount and timing of a dividend is influenced by factors such as:

- the Company's working capital requirements to sustain its business plans;
- consideration of future employer contributions required for the closed defined benefit pension plan, should the fund be in deficit;
- the Company's future capital investment needs; and
- the Company's excess financial resources.

Equity dividends are recognised when they become legally payable.

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## MARSH SERVICES LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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#### 3 JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES 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 on-going 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 Company has no critical judgements, apart from those involving estimations (which are dealt with separately below), that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

##### Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date, that have significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

##### Pension and other post-retirement benefits

The cost of defined benefit pension plan and other post-employment benefits are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and the long term nature of the plan, such estimates are subject to significant uncertainty. Further details are provided in notes 19 and 20.

#### 4 TURNOVER

Turnover represents fees receivable from other Group companies for services provided

	2024	2023
	£M	£M
United Kingdom	1,023	923
	<u>1,023</u>	<u>923</u>

All turnover arose within the United Kingdom.

#### 5 AUDITOR'S REMUNERATION

In 2024 the Company paid £0.2 million in audit fees (2023: £0.2 million) to the Company's auditor relating to the auditing of the financial statements.

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

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**MARSH SERVICES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

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**6 EMPLOYEES**

Staff costs, including directors' remuneration, were as follows:

	<b>2024</b>	2023
	<b>£M</b>	£M
Wages and salaries	<b>788</b>	717
Social security costs	<b>110</b>	99
Cost of defined benefit scheme	<b>6</b>	6
Cost of defined contribution scheme	<b>51</b>	48
	<b>955</b>	870

The average monthly number of employees, including the directors, during the year was as follows:

	<b>2024</b>	2023
	<b>No.</b>	No.
Employees recharged for Insurance, support and management related services	<b>7,844</b>	8,028

**7 DIRECTORS' REMUNERATION**

	<b>2024</b>	2023
	<b>£M</b>	£M
Directors' emoluments	<b>1</b>	1
	<b>1</b>	1

During the year there were retirement benefits accruing to two directors (2023: *one*) in respect to defined contribution pension schemes.

The highest paid director received remuneration of £0.4 million (2023 :£0.5 million).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £nil (2023 : £nil).

During the year no directors were granted shares under the Group's long term incentive schemes (2023: *two*)

During the year no directors exercised shares under the Group's long term incentive schemes (2023: *nil*)

**8 INTEREST PAYABLE AND SIMILAR EXPENSES**

	<b>2024</b>	2023
	<b>£M</b>	£M
Loan interest payable to group undertakings	<b>30</b>	25
Foreign exchange losses	<b>1</b>	1
	<b>31</b>	26

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MARSH SERVICES LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024

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9 OTHER FINANCE INCOME

	2024	2023
	£M	£M
Interest income on pension scheme assets	46	50
	<u>46</u>	<u>50</u>

10 TAXATION

	2024	2023
	£M	£M
<b>Corporation tax</b>		
Current tax on profits for the year	(10)	(7)
Adjustments in respect of previous periods	(3)	2
	<u>(13)</u>	<u>(5)</u>
<b>Total Current tax</b>	<u>(13)</u>	<u>(5)</u>

**Deferred tax**

Origination and reversal of timing differences	18	22
Adjustments in respect of previous periods	1	–
Changes to tax rates	–	–
	<u>19</u>	<u>22</u>
<b>Total Deferred tax</b>	<u>19</u>	<u>22</u>
<b>Taxation on profit</b>	<u>6</u>	<u>17</u>

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**MARSH SERVICES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

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**10 TAXATION (CONTINUED)****FACTORS AFFECTING TAX CHARGE FOR THE YEAR**

The tax assessed for the year is lower than (2023 - *higher than*) the standard rate of corporation tax in the UK of 25.0% (2023 - 23.5%). The differences are explained below:

	<b>2024</b>	2023
	<b>£M</b>	£M
Profit before tax	<u><b>57</b></u>	<u>57</u>
Profit multiplied by standard rate of corporation tax in the UK of 25% (2023 - 23.5%)	<b>14</b>	13
<b>EFFECTS OF:</b>		
Adjustments to tax charge in respect of prior periods	<b>(3)</b>	2
Tax deduction arising from exercise of employee options	<b>(6)</b>	1
Other differences leading to an increase (decrease) in the tax charge	<u>-</u>	<u>1</u>
<b>Total tax charge for the year</b>	<u><b>6</b></u>	<u>17</u>

**FACTORS THAT MAY AFFECT FUTURE TAX CHARGES**

The UK Corporation Tax rate increased from 19% to 25% with effect from 1 April 2023.

The Company is within the scope of Pillar Two, which is a framework released by the Organisation for Economic Cooperation and Development (OECD) for the introduction of a global minimum effective tax rate of 15%, applicable to large multinational groups. The UK legislation, which also includes provisions for a domestic top-up tax, was enacted by Finance (No. 2) Act 2023 on 20 June 2023 and was effective from 01 January 2024. The rules permit the use of transitional safe-harbours, which apply on a country-by-country basis, and allow groups to avoid detailed calculations for a jurisdiction if they meet certain criteria. Having considered these safe harbours, together with information contained in recent Country-by-Country Reports and an understanding of the UK's effective tax rate, the Pillar Two legislation is not expected to have an effect on the Company's financial statements for the period and, therefore, no provision for a domestic top-up tax has been made.

**11 DEBTORS**

	<b>2024</b>	2023
	<b>£M</b>	£M
<b>DUE AFTER MORE THAN ONE YEAR</b>		
Deferred taxation	<u>8</u>	<u>8</u>
	<u><b>8</b></u>	<u>8</u>

**MARSH SERVICES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**11 DEBTORS (CONTINUED)**

	<b>2024</b>	<i>2023</i>
	<b>£M</b>	<i>£M</i>
<b>DUE WITHIN ONE YEAR</b>		
Amounts owed by group undertakings	<b>125</b>	<i>116</i>
Other debtors	<b>4</b>	<i>9</i>
Amounts recoverable from a group undertakings - Tax	<b>21</b>	<i>27</i>
Deferred taxation	<b>6</b>	<i>7</i>
	<b>156</b>	<i>159</i>

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

**12 BANK AND CASH BALANCES**

	<b>2024</b>	<i>2023</i>
	<b>£M</b>	<i>£M</i>
Cash at bank and in hand	<b>–</b>	<i>–</i>
	<b>–</b>	<i>–</i>

The Company has a cash pooling arrangement whereby some of the balances are returned to zero each day as funds are transferred to a central account held by MMC International Treasury Centre Limited, a fellow UK Group subsidiary. Balances held in this pool arrangement are disclosed as amounts owed to group undertakings in note 13.

**13 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2024</b>	<i>2023</i>
	<b>£M</b>	<i>£M</i>
Amounts owed to group undertakings	<b>207</b>	<i>456</i>
Accruals and deferred income	<b>37</b>	<i>40</i>
	<b>244</b>	<i>496</i>

Included in amounts owed to group undertakings due within one year is a loan payable of £207 million (2023: £253 million) which is repayable on demand and had variable interest rates of between 4.8713% and 5.4056% (2023: between 0% and 4.87%). An additional loan of £200 million included within amounts owed to group undertaking in the prior year has been renewed in December 2024 and is disclosed in the note below. The remaining balance is unsecured, interest free and repayable on demand.

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**MARSH SERVICES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

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**14 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<b>2024</b>	<i>2023</i>
	<b>£M</b>	<i>£M</i>
Amounts owed to group undertakings	<b>200</b>	–
	<b>200</b>	–

Amounts owed to group undertakings consists of a loan of £200 million which attracts interest rate SONIA+1.6739% and is repayable in December 2027.

**15 DEFERRED TAXATION**

	<b>2024</b>	<i>2023</i>
	<b>£M</b>	<i>£M</i>
At beginning of year	<b>(222)</b>	<i>(222)</i>
Charged to profit or loss	<b>(18)</b>	<i>(22)</i>
Charged to other comprehensive income	<b>27</b>	<i>22</i>
<b>At end of year</b>	<b>(214)</b>	<i>(222)</i>

The deferred tax balance is made up as follows:

	<b>2024</b>	<i>2023</i>
	<b>£M</b>	<i>£M</i>
Other timing differences	<b>14</b>	<i>15</i>
Pension and other post retirement benefit obligations	<b>(228)</b>	<i>(237)</i>
	<b>(214)</b>	<i>(222)</i>

**Comprising**

Asset - due after one year	8	8
Asset - due within one year	6	7
Liability	<b>(228)</b>	<i>(237)</i>
	<b>(214)</b>	<i>(222)</i>

Deferred tax timing differences have been provided for at the rate of 25%, being the rate enacted at the balance sheet date.

On 11 July 2023, the Financial Reporting Council (FRC) published amendments to section 29 of FRS102 entitled 'International Tax Reform - Pillar Two Model Rules' to clarify the application of section 29 Income Tax to income tax arising from tax law enacted or substantively enacted to implement Pillar Two model rules. The amendments became effective immediately. The amendments introduce a mandatory temporary exception to the accounting requirement of deferred taxes in section 29, so that an entity would neither recognise or disclose information about deferred tax assets and liabilities related to Pillar Two income taxes. The Company has applied this exception and not provided for deferred tax in respect of these reforms.

There is an unrecognised deferred tax asset of £112,536 (FY23 £112,536) relating to gross losses of £450,144 (FY23 £450,144) arising before April 2017, which are not expected to be utilised.

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**MARSH SERVICES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

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**16 OTHER PROVISIONS**

	<b>Incapacity and medical benefits</b>	<b>Payroll tax provision</b>	<b>Total</b>
	<b>£M</b>	<b>£M</b>	<b>£M</b>
<b>At 1 January 2024</b>	<b>8</b>	<b>10</b>	<b>18</b>
Charged to profit or loss	–	5	5
Utilised in year	(1)	–	(1)
<b>At 31 December 2024</b>	<b>7</b>	<b>15</b>	<b>22</b>

The incapacity and medical benefit includes an incapacity provision and post retirement medical benefit scheme. The incapacity provision comprises the current value of expected future amounts payable to or on behalf of staff on long-term disability scheme, net of amounts covered by insurance. Payments are expected to be made over a number of years in the future. The post retirement medical scheme provides defined medical benefits to certain retired UK members who started their service with the Company on or prior to 1 December 1988 and completed five years of service with the Company at retirement. The group of pensioners is entitled to fully insured benefits in retirement for themselves, their spouses and eligible dependants. On a pensioner's death the benefit continues for the widow or widower until their death. As at 31 December 2024 there were 198 (2023: 209) pensioners and 1 (2023:1) active members in receipt of these benefits.

The payroll tax provision relates to National Insurance Contributions (NIC) which will become payable on the exercise of employee share-based remuneration. The amount payable is dependent on Marsh & McLennan Companies, Inc.'s share price at the date of vesting. The provision has been calculated based on the number of shares expected to vest and the share price at the balance sheet date of \$212.41 (2023: \$189.47).

**17 SHARE CAPITAL**

	<b>2023</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
<b>Allotted, called up and fully paid</b>		
2,000 (2023- 2,000) Ordinary shares of £1.00 each	<b>2,000</b>	<b>2,000</b>

The share capital of the Company consists of fully paid ordinary shares 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**

Share premium represents the premium received above the par value on ordinary share capital transactions.

**Profit and loss account**

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

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## MARSH SERVICES LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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#### 19 SHARE BASED PAYMENTS

The Company's ultimate parent company, Marsh & McLennan Companies, Inc., maintains multiple equity-settled share-based payment arrangements in the UK, under which employees are awarded grants of stock options and Save As You Earn (SAYE) awards, Shares Awards and Share Purchase arrangements (Share Purchase Plan and Share Incentive Plan).

As no benefit is granted by the Company under the Share Incentive Plan, this plan does not fall under the scope of FRS 102.

#### 20 PENSION COMMITMENTS

The Company is a participating employer in a defined benefit pension plan in the UK (the Fund).

The existing sections of the Fund closed to all future benefit accrual with effect from 1 August 2014. Pension benefits accrued prior to that date retain the link to future salary growth or career revaluation, as applicable. In addition, the JLT section's obligations and assets (arising from the transfer of the JLT Pension Scheme to the Fund in 2021) are attributable to the Company.

A comprehensive actuarial valuation of the defined benefit sections was carried out at 31 December 2024 by a qualified actuary (who is employed within the Marsh & McLennan Companies Group), based on membership data at 31 December 2023 in respect of the Fund and as at 31 December 2024 for the unapproved plan pensioners. The valuation made an approximate allowance since the date of the membership data for known cashflows, inflation experience and the estimated effect of changes in assumptions.

The statutory funding objective is for the defined benefit plan to have sufficient and appropriate assets to pay its benefits as they fall due (the technical provisions). The general funding principles are that the technical provision assumptions taken as a whole will be sufficiently prudent, including appropriate margins to allow for the possibility of events turning out worse than expected. However, the funding method and assumptions do not completely remove the risk that the technical provisions could be insufficient to provide benefits in the future.

A statutory funding valuation as at 31 December 2021 was carried out during 2022 for the Fund. This valuation showed that the main sections of the Fund are in a surplus funding position and under the current agreement with the Trustee, no deficit funding is required until 2026. The funding level will be re-assessed during 2025 to determine if deficit contributions are required from 2026.

The JLT section of the Fund has a funding deficit based on the statutory funding valuation that concluded in 2022. As a result, the Company paid deficit contributions until June 2024; subsequently no deficit contributions have been payable as the JLT section is estimated to have a funding surplus. The Company expects to pay contributions to meet levies.

The Company participates in a defined benefit plan that shares risks between entities under common control. The policy for charging the defined benefit costs is determined for each section of the defined benefit plan based on an allocation of accounting liabilities for each member between the employers participating in the plan. The share of each plan's assets attributable to the Company is determined based on the Company's share of the accounting liabilities in the plan.

The Company also operates unfunded unapproved pension benefits that cannot be provided through the fund.

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**MARSH SERVICES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

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**20 PENSION COMMITMENTS (CONTINUED)**

Reconciliation of present value of plan liabilities:

	<b>2024</b>	<i>2023</i>
	<b>£M</b>	<i>£M</i>
<b>Reconciliation of present value of plan liabilities</b>		
At the beginning of the year	<b>3,098</b>	<i>3,062</i>
Interest cost	<b>144</b>	<i>150</i>
Benefits paid	<b>(167)</b>	<i>(170)</i>
Effects of changes in assumptions/experience adjustments	<b>(251)</b>	<i>56</i>
<b>AT THE END OF YEAR</b>	<b><u>2,824</u></b>	<i><u>3,098</u></i>

Composition of plan liabilities:

	<b>2024</b>	<i>2023</i>
	<b>£M</b>	<i>£M</i>
Funded	<b>2,815</b>	<i>3,087</i>
Unfunded	<b>9</b>	<i>11</i>
<b>TOTAL PLAN LIABILITIES</b>	<b><u>2,824</u></b>	<i><u>3,098</u></i>

Reconciliation of present value of plan assets:

	<b>2024</b>	<i>2023</i>
	<b>£M</b>	<i>£M</i>
At the beginning of the year	<b>4,070</b>	<i>4,054</i>
Interest income	<b>191</b>	<i>200</i>
Administration expenses	<b>(6)</b>	<i>(6)</i>
Contributions	<b>16</b>	<i>34</i>
Benefits paid	<b>(167)</b>	<i>(170)</i>
Return on plan assets (excluding interest income)	<b>(347)</b>	<i>(42)</i>
<b>AT THE END OF YEAR</b>	<b><u>3,757</u></b>	<i><u>4,070</u></i>

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**MARSH SERVICES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

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**20 PENSION COMMITMENTS (CONTINUED)**

Composition of plan assets:

	<b>2024</b>	<b>2023</b>
	<b>£M</b>	<b>£M</b>
Cash and cash equivalents	37	86
Equity instruments	478	376
Government bonds/liability driven instruments	2,232	2,324
Other debt instruments	961	1,230
Other	49	54
<b>TOTAL PLAN ASSETS</b>	<b>3,757</b>	<b>4,070</b>

	<b>2024</b>	<b>2023</b>
	<b>£M</b>	<b>£M</b>
Fair value of plan assets	3,757	4,070
Present value of plan liabilities	(2,824)	(3,098)
<b>NET PENSION SCHEME ASSET</b>	<b>933</b>	<b>972</b>

The amounts recognised in the statement of comprehensive income are as follows:

	<b>2024</b>	<b>2023</b>
	<b>£M</b>	<b>£M</b>
Administrative expenses	(6)	(6)
Net interest income	47	50
<b>TOTAL</b>	<b>41</b>	<b>44</b>
Effects of changes in assumptions	251	(24)
Effect of experience adjustments	–	(32)
Return on plan assets (excluding interest income)	(347)	(42)
	<b>(96)</b>	<b>(98)</b>

The net pension asset consists of the following:

	<b>2024</b>	<b>2023</b>
	<b>£M</b>	<b>£M</b>
Defined benefit plans in surplus	942	983
Defined benefit plans in deficit	(9)	(11)
	<b>933</b>	<b>972</b>

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**MARSH SERVICES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

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**20 PENSION COMMITMENTS (CONTINUED)**

All defined benefit pension sections of the Fund are now in surplus, with the deficit relating to the unfunded unapproved pension benefits.

Reconciliation of net pension scheme asset is as follows:

	<b>2024</b>	<i>2023</i>
	<b>£M</b>	<i>£M</i>
Opening net defined benefit asset	<b>972</b>	992
Net interest income	<b>47</b>	50
Administration expenses	<b>(6)</b>	(6)
Contributions by employer	<b>16</b>	34
Actuarial (losses)/gains	<b>(96)</b>	(98)
	<b>933</b>	972

The Company expects to contribute £0.6 million to its defined benefit pension plan in the UK in 2025.

If future life expectancy for all members were to increase by an additional year then this would increase the liabilities for FRS 102 purposes by about £91 million, 3.2% (2023: £104 million, 3.4%). A change in the life expectancy assumption at the year end balance sheet date also leads to an increase in the following year's interest cost charges to the profit and loss account. This would be largely mitigated by a longevity swaps that cover most of the benefit obligations and would create an asset gain if life expectancy increases by one year.

Principal actuarial assumptions at the Statement of Financial Position date (expressed as weighted averages):

	<b>2024</b>	<i>2023</i>
	<b>%</b>	<i>%</i>
Discount rate	5.52	4.78
Future salary increases	3.40	3.30
Future RPI inflation assumption	2.96	2.90
CPI inflation assumption	2.65	2.55
Mortality rates	<b>Years</b>	<i>Years</i>
- for a male aged 65 now	22.8	22.9
- at 65 for a male aged 45 now	23.8	23.9
- for a female aged 65 now	24.8	24.7
- at 65 for a female member aged 45 now	25.8	25.7

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024

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**20 PENSION COMMITMENTS (CONTINUED)**

A High Court ruling in June 2023, along with a subsequent appeal in July 2024, considered the implications of section 37 of the Pension Schemes Act 1993 on the validity of certain pension scheme rule amendments and represents a material development in the pensions industry. The Company is working with the Trustee and its legal advisers to identify the potentially relevant rule amendments between 6 April 1997 and 5 April 2016. Based on the initial documentation review carried out, the Company does not expect there will be grounds to conclude that any significant rule amendments were invalid such as to give rise to additional liabilities. However the Company and Trustee are continuing to undertake further documentation reviews and are monitoring further developments in case law and regulation.

**Defined contribution plan**

Prior to 1 August 2014, the Group also operated a defined contribution plan for employees who were not eligible or chose not to join the defined benefit plan.

From 1 August 2014, the Company's defined benefit section of the pension plan and the existing defined contribution plan were both closed to future benefit accrual. All future benefits from 1 August 2014 are provided under a new defined contribution section of the pension plan. The Company made defined contribution payments of £51 million during 2024 (2023: £48 million).

**21 RELATED PARTY TRANSACTIONS**

Advantage has been taken of the exemption under FRS 102 Section 33.1A not to disclose transactions between entities within the Marsh & McLennan Companies, Inc. Group (the "Group"), where no less than 100% of voting rights are controlled within the Group, whose consolidated financial statements are publicly available. There are no other transactions requiring disclosure.

**22 POST BALANCE SHEET EVENTS**

There have been no significant events affecting the Company since the year end.

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**MARSH SERVICES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

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**23 CONTROLLING PARTY**

The Company's immediate parent company is MMC UK Group Limited, registered in England and Wales. The Company's ultimate parent company and controlling entity is Marsh & McLennan Companies, Inc., incorporated in the state of Delaware, United States of America.

The smallest and largest group in which the results of Marsh Services Limited are consolidated is that headed by Marsh & McLennan Companies, Inc. whose registered address is 1166 Avenue Of The Americas, New York, Ny 10036, United States. 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  
Marsh & McLennan Companies UK Limited  
1 Tower Place West  
Tower Place  
London  
EC3R 5BU  
United Kingdom