Registered Number: 01507274

# MARSH LIMITED

## ANNUAL REPORT AND FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 DECEMBER 2022

## COMPANY INFORMATION

| | |
|---|---|
| **DIRECTORS** | J Boyce<br>M Chessher<br>A Coates<br>T Colraine<br>J Flahive (resigned 6 March 2023)<br>A Fraser-Hawkins<br>A Girling (resigned 31 December 2022)<br>R Harris (appointed 1 June 2022)<br>A King<br>C Lay<br>P Moody<br>C Read (appointed 1 April 2022)<br>D Samengo-Turner<br>D Weymouth (appointed 1 April 2022) |
| **COMPANY SECRETARY** | A Ramseyer |
| **REGISTERED NUMBER** | 01507274 |
| **REGISTERED OFFICE** | 1 Tower Place West<br>Tower Place<br>London<br>EC3R 5BU<br>United Kingdom |

**MARSH LIMITED**

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# STRATEGIC REPORT
# FOR THE YEAR ENDED 31 DECEMBER 2022

## INTRODUCTION

The Directors present their Strategic Report for Marsh Limited (‘the Company’) for the year ended 31 December 2022. The Company’s registration number is 01507274.

## PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The Company provides risk management, insurance and reinsurance broking services to clients through two principal businesses, Marsh and Guy Carpenter, and also receives revenue for services to insurance companies.

The Company is part of the Marsh & McLennan Companies, Inc. ('MMC' or 'the Group'). The Company utilises services, mainly in relation to staff and property, from other Group of companies for which it receives a recharge. The Company has no employees and does not own or lease any property itself. Any reference to employees or property in these financial statements relates to the staff and property provided by other Group companies.

There have not been any significant changes in the Company's principal activities during the period under review and the directors propose that the principal activities will continue during 2023.

During the year, the Company purchased business and assets of its subsidiary undertakings, Jelf Insurance Brokers Limited and Hamilton Bond Limited. In addition, the Company purchased insurance consulting business and sold healthcare portfolio to/from another Group undertaking.

The Company is regulated by the Financial Conduct Authority ('FCA').

## FINANCIAL KEY PERFORMANCE INDICATORS

The Company's key financial and other performance indicators during the year were as follows, compared to 2021:

| | **2022** | *2021* | Movement | Movement |
|---|---|---|---|---|
| | **£M** | *£M* | £M | % |
| Turnover - Client service revenue | **1,461** | *1,191* | 270 | 23 |
| Turnover - Investment income | **42** | *3* | 39 | 1,300 |
| Administration expenses | **(1,303)** | *(1,067)* | (236) | (22) |
| Profit before tax | **265** | *260* | 5 | 2 |
| Shareholders' funds | **1,907** | *1,919* | (12) | (1) |

The Company's profit before tax for the year was £265 million which is an increase of £5 million compared to 2021 (£260 million).

Turnover in relation to client service revenue increased by £270 million. This was the result of a combination of:

- The acquisition and integration from 1 April 2022 of the trade of Jelf Insurance Brokers Limited and Hamilton Bond Limited, and
- Organic growth on the existing client service revenue year on year.

Turnover in relation to investment income increased by £39 million in 2022 due to the impact of higher interest rates.

Administrative expenses increased by £236 million on the prior year 22% to £1,303 million mainly due to the acquisition of the business of Jelf Insurance Brokers Limited and Hamilton Bond Limited and an increase in management charges.

An impairment charge of £493 million was recognised during the year as a result of certain subsidiary companies selling their business and assets, ceasing to trade in the future and declaring dividends to parent entities. The impairment charge is offset by dividend income of £493 million. The sale of business and assets was part of a Group reorganisation and rationalisation of legal entities and distributions of their reserves after the disposals.

## FINANCIAL KEY PERFORMANCE INDICATORS (continued)

Other significant transactions that affected the change in the Company's profit year on year, but are not key performance indicators were:

- An increase in income from fixed asset investments of £242 million, mainly due to the declaration of dividends from subsidiary companies following the sale of their trade and assets.
- Offsetting the above, income from participating interests decreased by £25 million. This reduction resulted from the sale of network business to another group undertaking in the prior year, and was offset by the profit from the sale of the healthcare business in the current year.

Shareholders' funds decreased by £12 million on the prior year to £1,907 million. The Company made a profit after tax of £188 million and paid dividends of £200 million to its shareholder, MMC UK Group Limited, during the year.

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

The Wates Corporate Governance Principles for Large Private Companies serves as the framework to demonstrate how Directors have had regard for the matters set out in section 172(1)(a) to (f) of the Act when performing their duties, including how Directors have engaged with and considered the interests of stakeholders including the Company's shareholder, employees, suppliers, customers; and other stakeholders such as the environment and local communities within which the Company operates. Reporting against the Wates Principles is included in the Corporate Governance Statement below.

### Corporate Governance Statement

For the year ended 31 December 2022, 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:

https://www.wates.co.uk/articles/insight/the-wates-principles-report/?hub=who-we-are--corporate-governance.

The Directors have set out below an explanation of how the Wates Principles have been applied during the 2022 year.

### Principle 1 - Purpose and leadership

"An effective board develops and promotes the purpose of the Company, and ensures that its values, strategy and culture align with that purpose."

Purpose

It is understood by the Board that purpose guides the Company's culture and provides a framework for consistent decision-making. As a subsidiary of Marsh & McLennan Companies Inc. Group, the Company shares the Group's purpose to protect and promote possibility for the benefit of clients, colleagues and the community. The Group is a global professional services provider specialising in the areas of risk, strategy and people.

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

The Company provides risk management, insurance broking services and reinsurance broking services to clients, which are part of the Marsh and Guy Carpenter businesses described above. It is a global leader in insurance broking and risk management. The business aims to help clients understand and manage risks, provide advice on emerging risks and help ensure clients have the resilience to withstand the unexpected. Services provided include risk management, risk consulting, insurance broking, alternative risk financing and insurance programme management services.

Values and Culture

The Board has a strong understanding of the Company's culture, as it guides strategy and helps drive long-term value for the Company's shareholder and wider stakeholders. The Company's culture unifies the firm and promotes ethical business conduct by all colleagues. All colleagues, including the Board, reaffirmed their commitment to the Group´s Code of Conduct (the Greater Good) during 2022. The Greater Good is the touchstone of the culture and value that unites colleagues within the Company, and within the wider Group. Management monitors culture through employee surveys, absenteeism rates and exit interviews, and reports to the Board periodically. Employees are encouraged to report concerns relating to business integrity and conduct through established whistleblowing processes, and anonymised concerns are reported to the Board periodically.

**Principle 2 – Composition**

"Effective board composition requires an effective chair and a balance of skills, backgrounds, experience and knowledge, with individual directors having sufficient capacity to make a valuable contribution. The size of a board should be guided by the scale and complexity of the Company."

Consideration is given to the size and structure of the Board to facilitate effective decision-making, and the Board believes that its size and structure provides a balance of skills, backgrounds, experience and knowledge necessary to oversee the Company's business.

During 2022, the Board comprised 14 directors, which included an independent Non-Executive Chair, three other independent Non-Executive directors, the Chief Executive Officer, the Chief Financial Officer and Executives representing key areas of the Company's business. Appointments to the Board promote diversity in line with the Equalities Act 2010 and the Company's Diversity and Inclusion aspirations. The Board has a range of skills, expertise and experience in, amongst other things, the fields of insurance and reinsurance broking, accountancy, operations and commercial management. Of the Board of 14, four directors are female.

The Company maintains separate Chair and UK CEO roles to ensure there is a balance of responsibilities, accountability and effective decision-making. The Chair leads the Board and is responsible for its overall effectiveness, promoting and facilitating open and constructive debate. The Chair ensures that all directors have appropriate information and sufficient time for meaningful discussion and is supported by the Company Secretary in the provision of timely information and the preservation of good communication flows between Management and the Board.

The Company values the contribution brought by independent Non-Executive Directors, particularly their contributions to the formulation of strategy, independent and objective judgment to Board deliberations, and constructive challenge of executive management in the areas of remuneration, risk, audit and internal controls.

The Company demonstrates a commitment to ongoing professional development of the Board through the delivery of annual training sessions for statutory directors and senior managers, at which, legal, regulatory and governance priorities are discussed with subject-matter experts.

The Nominations Committee oversees Board succession planning and appointments, assisting the Board in identifying individuals qualified to become Board members and making appropriate recommendations to the Board. The Nominations Committee oversees the delivery of induction programs to new members of the Board, ensuring that the program is tailored to specific experience and knowledge. On an ongoing basis, the Nominations Committee reviews the overall composition of the Board to ensure there is the diversity of thought, experience and expertise necessary to govern the Company.

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

### Principle 3 – Director Responsibilities

“The board and individual directors should have a clear understanding of their accountability and responsibilities. The board´s policies and procedures should support effective decision making and independent challenge.”

The Board is guided by its terms of reference, which provide a framework for governance practices and clearly set out the Board´s overall leadership responsibility and matters reserved for its consideration and approval; whilst delegating to the UK CEO and Management the day to day running of the operations of the Company. As corporate governance and business practices evolve over time, the Board reviews its terms of reference and other governance policies annually and approves or updates them as necessary.

In accordance with regulatory requirements applicable to the Company, all Directors and Senior Managers within the Company´s business and functional support departments have clearly documented statements of responsibility for the matters under their remit. These statements of responsibility are collated into a Management Responsibilities Map which is reviewed by Management and provides the Board with a clear view of individual responsibilities and accountability across the Company.

The Board has established Committees to assist it in providing oversight, challenge and guidance to the Executive Leadership Team in the areas of Risk, Audit and Remuneration. The responsibilities of the Committees, including decision-making authority and escalation processes, are outlined in terms of reference which are annually reviewed by the respective Committees and the Board. All Committees are chaired by Non-Executive Directors who are responsible for escalating and advising the Board on matters within their remit on a quarterly basis, or more frequently if required.

The Board operates a programme of four scheduled meetings a year, with ad hoc meetings held as and when required. In 2022, the Board met a total of six times.

The Board has established formal and robust processes to ensure systems and controls are operating effectively, and that the quality and integrity of information provided to it is reliable, enabling directors to monitor and challenge the performance of the Company and make informed decisions. The Board receives regular and timely information on all matters required to maintain oversight of the Company’s business, including reports on business and financial performance, key strategic risks and opportunities, operational matters, market conditions, human resources, legal, compliance, audit and regulatory matters. All information provided to the Board is prepared by subject matter experts with the relevant experience and skills necessary to ensure the integrity of information presented.

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

**Principle 4 - Opportunity and Risk**

“The Board should promote the long-term sustainable success of the Company by identifying opportunities to create and preserve value and establish oversight for identification and mitigation of risks.”

The Board promotes the long-term success of the Company by identifying opportunities to create and preserve value, while maintaining oversight of risk.

The Board considers the Company´s annual strategic plan, which includes long-term strategic opportunities. Other, short-term opportunities to improve business performance and achieve operational efficiencies are considered by the Board on an ad hoc basis.

The Board considers and assesses how the Company creates and preserves value over the long-term. This requires the Board to consider both tangible and intangible sources of value, and the stakeholders that contribute to it. The UK CEO provides an update at each meeting detailing key business initiatives, future plans for value creation, and business leaders present to the Board on a periodic basis. In 2022, the Board met with Management to review and discuss business strategy and plans for each line of business, including a consideration of short and longer-term strategic opportunities for the Company.

The Board has responsibility for the Company’s overall approach to risk management and has delegated this oversight responsibility to the Risk Committee. The Risk Committee recommends the Company´s risk appetite and tolerance to the Board annually and receives regular reports from the Chief Risk Officer on risk-taking relative to performance, material risks and mitigation actions. The Company’s key risks have been outlined in the Strategic Report on pages 8 and 9.

**Principle 5 - Remuneration**

“A Board should promote executive remuneration structures aligned to the long-term sustainable success of a company, taking into account pay and conditions elsewhere in the Company.”

The Board promotes executive remuneration structures that align to the long-term, sustainable success of the Company. The Company’s remuneration structures are subject to the Company’s Remuneration Policy, and the Board has delegated authority to the Remuneration Committee to review the Company’s Remuneration Policy and compensation practices with a view to ensuring they are consistent, promote effective risk management and align to the Company’s business strategy, values and long-term objectives.

The remuneration packages of all executive directors and members of the Executive Team, (including base salary, bonuses, performance related payments, long-term incentive awards and any changes to all employee benefit schemes and pension contributions) are reviewed and approved by the Remuneration Committee in order to ensure that executive performance is remunerated based on a balanced set of measures including financial performance as well as customer and conduct measures.

As part of the Company´s annual compensation process, the Remuneration Committee reviews and challenges management on total remuneration and performance data for all colleagues, and in particular reviews the remuneration packages of colleagues falling within the top 50 highest remunerated employees, with a view to ensuring that remuneration proposals for the workforce as a whole are balanced, proportionate and aligned with the Company´s commitment to building a diverse and inclusive workforce.

The Board is committed to improving the Company´s Gender and Ethnicity Pay Gap and this is reported by a fellow Group company, Marsh Services Limited. Marsh Services Limited latest Gender Pay Gap Report and Ethnicity Pay Gap Report, which was reviewed by the Board prior to publication is available at https://www.marsh.com/uk/about/about-marsh/diversity-and-inclusion-marsh.html.

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

### Principle 6 – Stakeholder Relationships and Engagement

“Directors should foster effective stakeholder relationships aligned to the Company´s purpose. The board is responsible for overseeing meaningful engagement with stakeholders, including the workforce, and having regard to their views when taking decisions.”

Shareholder

As a wholly owned subsidiary, the Board considers the views of its ultimate shareholder Marsh McLennan Companies. Inc, and the interests of the Group in any decisions and transactions undertaken by the Company. The Company´s Executive Directors provide the primary channel of communication between the Company, its ultimate shareholder and the Group.

Distributions to the Company´s shareholder are considered after a full assessment of the Company’s capital adequacy and ability to continue as a going concern into the foreseeable future. The Board also balances the ability to invest in future growth, with stable and sustainable returns for the shareholder. Further information on dividends is set out in the Notes to the Financial Statements in page 43.

Clients

The Company is committed to ensuring that all clients are treated fairly, that positive client outcomes are achieved, and that client interests are considered as part of decision making at every level within the Company, including decisions to launch any new product or service.

The Company has in place an annual client engagement programme, tailored for different client segments. The Chief Executive Officer, members of the Executive Team and other senior managers in the business meet regularly to review client feedback, address any concerns and to enhance service delivery.

Colleagues

As a professional services firm, it is understood by the Board that colleagues are at the heart of the Company’s business.

Regular colleague engagement surveys were conducted and the results reviews by Management and the Board. The Board monitors attrition rates and measures absenteeism levels in an effort 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 Management, together with proposed action plans.

The Company is committed to reinforcing a wholly inclusive culture across a truly diverse workforce. One aspect of this is demonstrated through our commitment to the Women in Finance Charter to increase the number of females in senior grades to 25% by the end of 2023. The Company’s Women in Finance Charter is published annually and the Charter for 2022 can be found at https://www.marsh.com/uk/about/about-marsh/women-in-finance.html.

The Company has established a number of Colleague Resource Groups to help the Company better understand and support a wide range of inclusive constituents of our workforce. These groups include AccessABILITIES, Balance, Mental Health, Military, Multi-Cultural, Pride and Young Professionals groups.

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

**Principle 6 – Stakeholder Relationships and Engagement (Continued)**

Suppliers

The Company's business with suppliers is managed through the Group's Global Sourcing and Procurement department. The relationships with suppliers are governed either by a specific contractual agreement or a standard terms and conditions agreement with the supplier, both of which oblige all suppliers to uphold and comply with the Group’s corporate code of conduct: 'The Greater Good'. The Greater Good includes standards related to anti-fraud, anti-slavery, bribery and corruption policy, diversity and inclusion practices, hiring practices, and more. Suppliers and supplier personnel are required to comply with the relevant provisions of such as part of our contractual agreements.

The Company is committed to ensuring that slavery and human trafficking is not taking place in any of the Company’s supply chains or any part of its business and has in place a Modern Slavery Policy which has been rolled out to all colleagues and incorporated into the Company’s induction programme.

All suppliers are required to comply with modern slavery legislation under the standard terms and conditions of our contracting agreements; the Group’s Global Sourcing and Procurement team issue an annual modern slavery supplier questionnaire to certain suppliers (selected on a risk-based approach) to monitor compliance. The Board is updated on response rates and the outcome of questionnaires on an annual basis. The Company’s Modern Slavery Statement is published annually and can be found at https://www.marsh.com/uk/modern-slavery-statement.html.

The Company reports on its supplier payment practices on a bi-annual basis, and results are monitored by the Marsh Audit Committee at its quarterly meetings. The Company´s latest results can be found at https://check-payment- practices.service.gov.uk/report/67196.

Community

The Group recognises that in a world facing increasing risk and uncertainty, supporting our communities is more important than ever before. To this end, the Group has established a committee, comprised of representatives from across its businesses in the UK, including a representative of the Company, to focus on our Social Impact efforts in the UK. Given the Group´s expertise in risk, strategy and people, our social impact efforts are focused on ‘building resilient communities through mentoring and disaster response and rebuilding.’

The Group partners with select strategic global non-profit organisations including; the Cherie Blair Foundation for Women, Junior Achievement, Missing Maps and the British Red Cross in the UK. The Group also encourages colleagues to volunteer with its non-profit partners supporting local causes that are important to them and their clients. The Group’s current charity partner is Ambitious About Autism.

The Group has developed climate initiatives which represent a tangible step towards building a more sustainable environment for colleagues, clients, shareholders and future generations. More information on the initiatives may be found in the Streamline Energy and Carbon Report on page 12 to 16.

## PRINCIPAL RISKS AND UNCERTAINTIES

The Company's Risk Committee meets frequently throughout the year to monitor risks across the business.

The Committee reviews and challenges risk management activity and reports to the Board of Directors.

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

Conduct & Culture

The risk that the actions and behaviours of colleagues fall short of the expectations of the regulator in terms of client outcomes, market stability and effective competition, and/or the standards set by ourselves in our code of conduct, ‘The Greater Good’.

A Company’s business model and culture represent the biggest potential root causes of conduct risk. 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.

Cybersecurity

The risk that the Company is the victim of a cyber-attack resulting in the prolonged inability to provide services, suffering regulatory sanctions and/or damage to its reputation. The continuously changing cyber threat landscape coupled with the world’s ongoing use and reliance on technology has made the Company more vulnerable to a cyber-attack. The overall risk trend is an increasing one, driven by global connectivity as we increasingly store our sensitive and personal information in digital assets.

In mitigation, the Company continuously monitors external threat vectors, maintains a robust information technology and cyber 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. Attendance at the FCA hosted Cyber Co-ordination Group ensures the business has sight of threats and vulnerabilities affecting the UK.

Data & Digital

The risk that the Company fails to embrace the transformational potential of data and digital across all dimensions of our client proposition, inclusive of a full client digital experience, driving efficiencies through digital trading, and driving better client outcomes through the capture and use of our placement and trading data. Failure of this would result in loss of competitiveness, erosion of the relevance and engagement of London as a market, growing levels of client attrition, and potential disintermediation.

In mitigation, Marsh Limited continues to develop its digital capabilities, leveraging significant global investment and platforms, and tailoring to specific UK segment requirements.

Geopolitical & Macroeconomic Environment

The risk that changes within the geopolitical and macroeconomic environment adversely impacts the Company’s strategy, reputation and/or growth targets. The business continuously monitors and responds to any material external environmental factors, such as: fiscal changes (including inflation and GDP growth), environmental influences (including the impact of Covid-19 on any clients / industries and the Russia/Ukraine conflict) and market-wide activity (e.g. insurer consolidations).

Errors and Omissions

The risk of losses and associated costs arising from Errors and Omissions (‘E&O’) claims against the Company. The Company is subject to claims and litigation in the ordinary course of its business, principally in connection with its insurance broking business. In mitigation, the Company requires a governance and escalation structure, regular review of the adequacy and effectiveness of supporting processes and appropriate insurance cover to ensure its operations and stakeholders are not adversely impacted in the event of a claim.

## PRINCIPAL RISKS AND UNCERTAINTIES (CONTINUED)

Environmental, Social and Governance

The risk that Marsh Limited is impact by an environmental, social or governance (ESG) event, or condition, which adversely impacts our brand, value and/or operations of the business.

MMC has proactively promoted the need to 'advance good in the world', noting in its latest ESG Report, that ESG considerations have been a formal part of our Executive decision making since 2008. MMC has also pledged to become net-zero across its operations by 2050 and reduce emissions by 50% by 2030. The Company is also monitoring the regulatory requirements in this area.

Operational Resilience

This risk relates to the failure of the firm to prevent, respond to, recover and/or learn from operational disruptions resulting in client detriment, regulatory intervention and/or adverse commercial impacts. Examples of such business interruption events could include supply chain disruptions, a failure of outsourcing / intragroup arrangements, technological outages, a breakdown of national infrastructure, etc. Marsh 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.

People

The risk that the Company fails to employ sufficient leaders, managers or colleagues with the relevant skills, experience and engagement to deliver its products and services to the required standards and maintain a high level of conduct. The key drivers to this risk continue to be the increasingly competitive skills marketplace, resulting in colleagues and teams being 'acquisition' targets, and the firm's ability to retain and attract people.

Marsh is a people business that relies on its culture, the skills, knowledge and experience of its leaders, managers and colleagues to deliver excellent client outcomes and sustainable growth. To maintain and grow a core colleague base Marsh must be able to: provide a healthy, diverse and inclusive culture; attract the right talent; recruit and on-board effectively and efficiently; manage colleague performance; deliver a training and competence process to ensure the right levels of skills are available for all our business units and teams; retain the right colleagues by nurturing talent; provide opportunities for learning and development and career development; and provide adequate support for colleague wellbeing. These activities take place alongside the development of a strong ethical culture and inclusive management within The Greater Good.

Regulatory Environment

This risk relates to the Company's ability to adequately monitor the firm's regulatory environment and/or identify, assess and manage its regulatory exposure. Regulatory risk can arise when either: there are changes to the external regulatory environment within which a firm exists and those changes are not assessed and managed effectively; or there are changes within the firm's own internal environment or business model which impacts the controls in place to mitigate regulatory risk, or requires a new assessment of regulatory risk and risk management approach. Areas of focus include: adherence to the FCA's Consumer Duty requirements, compliance with sanctions controls and the maintenance of a robust framework for the management of risks related to the wider financial crime environment, governance arrangements around Brexit, maintaining adequate controls around data privacy, and the adherence to the Senior Managers & Certification Regime.

## STRATEGIC REPORT
## FOR THE YEAR ENDED 31 DECEMBER 2022

This report was approved by the board and signed on its behalf on 20 July 2023.

Mark Chessher

M Chessher

Director

## DIRECTORS' REPORT
## FOR THE YEAR ENDED 31 DECEMBER 2022

The directors present their report and the financial statements for the year ended 31 December 2022.

### 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 10. 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 £188 million (2021: £216 million).

The Company paid an interim dividend of £200 million in the year (2021: £1,141 million). The directors do not recommend the payment of a final dividend.

Donation to charitable organisations in the United Kingdom totalled £105,402 (2021: £470,025).

### DIRECTORS

The directors who served during the year were:

J Boyce
M Chessher
A Coates
T Colraine
J Flahive (resigned 6 March 2023)
A Fraser-Hawkins
A Girling (resigned 31 December 2022)
R Harris (appointed 1 June 2022)
A King
C Lay
P Moody
C Read (appointed 1 April 2022)
D Samengo-Turner
D Weymouth (appointed 1 April 2022)

### GOING CONCERN

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

The Company continues to monitor the uncertainty in the current economic and business environment including the conflict in Eastern Europe and the directors are satisfied that the Company's services will continue to be attractive to clients.

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.

## FUTURE DEVELOPMENTS

The Company continues to be a market leader in the provision of risk management, insurance and reinsurance broking services in the United Kingdom and overseas. These activities are expected to continue and expand.

## MODERN SLAVERY ACT

The Company has a long-standing commitment to conducting business in a responsible and ethical way, in accordance with its Code of Conduct, 'The Greater Good'. The Company is also committed to fulfilling its obligations under the Modern Slavery Act 2015. In support of this the Company has a communications programme to raise awareness amongst all UK Colleagues to ensure that they are mindful of the risks of modern day slavery.

Global Procurement has implemented specific vetting checks, in addition to existing processes, to support this initiative. The Modern Slavery statement can be found on the Company website (https://www.marsh.com/uk/modern-slavery-statement.html). The statement is reviewed by the Directors annually.

## 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 Company, as part of the Marsh McLennan (MMC) group of companies, 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 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 © company, initially achieved in 2021 across all of its global operations. The Group has committed to set and execute low-carbon strategies across its global business operations which collectively chart a path to net-zero by 2050, with an emissions reduction target of 50% by 2030.

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

- The Smart Office workplace initiative which incorporates creative space design, energy-efficient lighting and HVAC (heating, ventilation and air conditioning) systems and construction practices focused on waste reduction. Since 2016 the Group have opened 79 Smart Offices in 26 countries, which house over 27,000 colleagues.

- Sourcing 100% renewable energy for our largest offices in the UK and Ireland, with a plan to expand this sourcing further.

- A drive to preserve resources and minimise emissions through recycling electronic waste, decreasing the impact of personal computing, maintaining energy-efficient data centres and partnering with our strategic suppliers. The Group has adopted many Software as a Service (SaaS) applications, which leverage high-efficiency public cloud infrastructure and reduce physical infrastructure.

  Our global IT asset disposal program works with our strategic suppliers to securely dispose of obsolete IT assets in an environmentally responsible manner. Over the last nine years, nearly 4.4 million pounds of electronic waste was either recycled or remarketed. In 2022 1,644 servers were disposed of and nearly 18,000 older laptops and 5,400 desktops were retired and replaced with modern, energy efficient laptops.

- A commitment made in January 2021 to eliminate single-use waste in our office catering facilities has been achieved and 100% of offices, representing over 1,000 catering facilities across the global group, have eliminated single-use plastics.

**GREENHOUSE GAS EMISSIONS, ENERGY CONSUMPTION AND ENERGY EFFICIENT ACTION (continued)**

**STREAMLINED ENERGY AND CARBON REPORTING**

The Company is required to report on energy consumption and greenhouse gas emissions under the Streamlined Energy and Carbon Reporting (SECR) regulations. The information below sets out the Company's emissions from gas, electricity and transport fuel, analysed by Scope 1 and 2. In line with the requirements of the SECR Regulations, energy use and related emissions from business travel in rental cars and employee-owned vehicles where the Company is responsible for purchasing the fuel are disclosed below as Scope 3 emissions.

**Methodology**

The Group has taken guidance from the UK Governmental Reporting Guidelines, Greenhouse Gas Protocol reporting standard and UK Government Greenhouse Gas (GHG) Conversion Factors for calculating carbon emissions.

Utility energy consumption information (natural gas and electricity) has been obtained directly from the Group's energy suppliers along with half hourly automated meter reading (HH / AMR) data where available. Where data was not available for a full 12 months, an intensity metric estimation methodology (kilowatt hours (kWh) per square metre floor area) was used to calculate consumption for the full period.

Fuel energy consumption (company-controlled vehicles) has been obtained from mileage information provided by Group travel management services and employee expenses and converted using fuel type and vehicle size information. Where fuel type or vehicle size information is not available, average vehicle size and unknown fuel type emission factors were used.

All GHG emissions are shown as carbon dioxide equivalent (CO2e).

The total emissions have been divided by an intensity ratio, in order to disclose information which is comparable with other businesses and periods. The Company has chosen as its intensity measurement Tonnes of CO2e (TCO2e) per employee working in the business.

Emissions data is disclosed with location based metrics which present the consumption of energy in kWh into equivalent carbon emissions using UK electricity grid average emission factors. Market based data is also disclosed and follows the same conversion methodology using supplier specific generation emission factors, but also accounts for the Company's use of renewable energy, resulting in a lower emissions value.

| **Total emissions - Scope summary** | **2022 (Tonnes of CO2e)** | **2022 (Tonnes of CO2e)** | 2021 (Tonnes of CO2e) | 2021 (Tonnes of CO2e) |
|---|---|---|---|---|
| | **Location Based** | **Market Based** | Location Based | Market Based |
| Scope 1 – Direct | **505** | **505** | 697 | 697 |
| Scope 2 – Indirect | **3,117** | **1,071** | 3,369 | 787 |
| **Total** | **3,622** | **1,576** | 4,066 | 1,484 |
| Headcount as at 31 December | | 6,705 | | 7,050 |
| Intensity measurement (TCO2e per employee) | **0.54** | **0.24** | 0.58 | 0.21 |
| *NOTE* | **Electricity (Kwh)** | **Gas (Kwh)** | Electricity (Kwh) | Gas (Kwh) |
| Energy consumption used to calculate emissions (Kwh) | 16,118,341 | 1,979,589 | 15,864,985 | 3,193,930 |
| | **Total** | **18,097,930** | Total | 19,058,915 |

**GREENHOUSE GAS EMISSIONS, ENERGY CONSUMPTION AND ENERGY EFFICIENT ACTION (continued)**

For both Scope 1 and Scope 2 emissions the tonnes of CO2e reported as market based have increased from the prior year as the Group focuses on the utilisation of renewable energy where procurement is under its control.

Further analysis of emissions by Scope can be found on the following pages.

**Review by Scope**

**Scope 1**

Scope 1 emissions are direct emissions stemming from business operations, primarily emissions generated by on-site combustion and fleet vehicles. These emissions are related to activities owned or controlled by the Group which release emissions into the atmosphere, examples of Scope 1 emissions are combustion from owned or controlled boilers and company vehicles.

**Natural Gas**

Natural gas data relates to consumption at sites where gas is sourced by the Group and by third-party landlords who have confirmed natural gas supplies attributable to the Group. The inclusion of third-party landlord consumption provides a more complete view across the UK portfolio of consumption attributed to the Group's business operations.

The data comprises actual metered consumption for sites where the Group sources the supply, and estimates of consumption for the landlord supplied sites using an intensity metric of kWh/m2 taken from the metered sites.

**Company Vehicles & Fleet**

The data for company vehicles captures the emissions from fuel consumed for business use in company cars, and fleet where employees are reimbursed for business mileage.

Vehicle fuel emissions arising from business travel from company-controlled fleet or company cars are allocated to each Company within the Group. This is an alteration to the method applied previously following increased date availability around business travel and allows for greater performance tracking moving forward.

Scope 1 emissions for location and market data are identical and summarised in the table below:

| | 2022 (excluding offshore) | 2021 (excluding offshore) | Variance (%) |
|---|---|---|---|
| Emissions from combustion of gas (Scope 1 - tonnes of CO2e) | 361 | 585 | (38) |
| Emissions from combustion of fuel for transport purposes (Scope 1 - tonnes of CO2e) | 144 | 112 | 29 |

A 38% reduction in emissions from combustion of gas has been seen as a result of the continued rationalisation of the office estate to remove less energy efficient offices.

In the previous year emissions from the combustion of fuel for transport purposes was allocated between Group companies on a different basis, the allocation process was revised for 2022 and for future years. Reported vehicle fuel emissions associated with business travel have increased 29% compared to 2021 due to this change.

## GREENHOUSE GAS EMISSIONS, ENERGY CONSUMPTION AND ENERGY EFFICIENT ACTION (continued)

### Scope 2

Scope 2 relates to emissions that are released into the atmosphere associated with consumption of purchased electricity, heat and cooling and are indirect emissions that are a consequence of the Group's activities, but which occur at a source the Group does not own or control. These emissions are defined as purchased emissions.

### Office Electricity

Office electricity emissions relate to energy consumption and usage which is purchased from a utility and used to power buildings or other assets owned or utilised by the Company.

### Vehicle Electricity

Vehicle emissions from the use of fully electric (EV) and Plug-in Hybrids (PHEV) arising from business travel from company-controlled fleet or company cars are allocated based on headcount to each business within the Group.

| | 2022 Location Based | 2021 Location Based | Variance (%) |
|---|---|---|---|
| Emissions from electricity purchased for own use, including for the purpose of transport (Scope 2 - tonnes of CO2e) | 3,117 | 3,369 | (7) |

| | 2022 Market Based | 2021 Market Based | Variance (%) |
|---|---|---|---|
| Emissions from electricity purchased for own use, including for the purpose of transport (Scope 2 - tonnes of CO2e) | 1,071 | 787 | 36 |

Overall Scope 2 emissions have increased slightly year on year, reflecting a return to the office and increased travel following the lifting of Covid-19 travel restrictions. The Group has focused on the procurement of Renewable Energy Obligation Certification (REGO / GO) electricity across sites where the Group are responsible for procurement. This has resulted in an increase of 36% in the volume of electricity from renewable sources (market based data), and a slight reduction in the volume of CO2e on a location based measure.

Offices added to the portfolio during 2022 are classified as non-renewable until they can be added to the Group's REGO procurement or confirmation can be obtained from the landlord.

In line with the Groups sustainability ambitions the increased utilisation of electric vehicles is positive and represented an increase in utilisation compared to 2021.

## GREENHOUSE GAS EMISSIONS, ENERGY CONSUMPTION AND ENERGY EFFICIENT ACTION (continued)

### Scope 3

Emissions include other indirect emission from sources not owned or controlled by the Company, but that we indirectly impact in our value chain. which are not classed as Scope 2. The Scope 3 emissions for the Company include our colleagues’ business travel by means not owned or controlled by the Company.

| | **2022** | 2021 | Variance (%) |
|---|---|---|---|
| Emissions from business travel by air, rail and in rental cars or employee-owned vehicles where company is responsible for purchasing the fuel (Scope 3 - tonnes of $CO_2e$) | **681** | 570 | 19 |

As noted under Scope 2, a return to work following the lifting of Covd-19 restrictions has lead to increased travel. The Group continues to invest in technology and tools to support remote working and use online meetings where applicable.

*Note*

The Company’s UK facilities are largely operated on a shared basis with the other operating companies within the Group. The portfolio is predominantly leased and is managed centrally. The supply of gas and electricity for a property can either be sourced by the Company or the supply managed via a building landlord.

## 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.

## EVENTS AFTER THE REPORTING PERIOD

Please refer to note 30 for information on events after the reporting period.

## 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 20 July 2023.

Mark Chessher

M Chessher

Director

## DIRECTORS' RESPONSIBILITIES STATEMENT
## FOR THE YEAR ENDED 31 DECEMBER 2022

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 FRS 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 LIMITED

### Report on the audit of the financial statements

**Opinion**

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

- give a true and fair view of the state of the company's affairs as at 31 December 2022 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 32.

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.

**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. 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 and internal audit 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 the regulations of the Financial Conduct Authority (‘FCA’); 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. This includes the Company’s regulatory permissions and environmental regulations.

We discussed among the audit engagement team including relevant internal specialists such as tax, valuations, 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.

As a result of performing the above, we identified the greatest potential for fraud or non-compliance with laws and regulations in the following areas, and our specific procedures performed to address them are described below:

The significant risk of errors and omissions ('E&O') in the ordinary course of business in respect of E&O legal claims. In response to this risk we performed the following:

- evaluated the design and implementation and the operating effectiveness of the company's internal controls in relation to the valuation of E&O liabilities;
- held discussions with the UK Legal Counsel and inspected correspondence held on file;
- challenged management's calculations of the reserves as 31 December 2022;
- selected a sample of the claims information maintained by the company's legal staff relating to potential and known E&O cases and increased the extent of our sample to cover a larger volume of the population auditing the value of E&O liabilities;
- selected a sample of new low value or nil value claims; and
- obtained the latest E&O listing at 31 March 2023 to ensure that no significant changes occurred to the E&O cases as at 31 December 2022.

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 and internal legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance, reviewing internal audit reports, reviewing correspondence with HMRC and reviewing correspondence with FCA.

**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.

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

**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.

**Use of our report**

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

Paul R. Stephenson

Paul Stephenson BA, FCA (Senior statutory auditor)

for and on behalf of

Deloitte LLP

Statutory Auditor

London

United Kingdom

28 July 2023

## STATEMENT OF COMPREHENSIVE INCOME
## FOR THE YEAR ENDED 31 DECEMBER 2022

| | Note | 2022 £M | 2021 £M |
|---|---|---|---|
| Turnover | 4 | 1,503 | 1,194 |
| **Gross profit** | | 1,503 | 1,194 |
| Administrative expenses | | (1,303) | (1,067) |
| Other operating income | 5 | 58 | 8 |
| **Operating profit** | 6 | 258 | 135 |
| Income from fixed assets investments | 11 | 493 | 251 |
| Amounts written off investments | 18 | (493) | (156) |
| Income from participating interests | 10 | 1 | 26 |
| Interest receivable and similar income | 12 | 6 | 2 |
| Other finance income | 13 | – | 2 |
| **Profit before tax** | | 265 | 260 |
| Tax on profit | 14 | (77) | (44) |
| **Profit for the financial year** | | 188 | 216 |

All transactions derive from continuing operations.

There were no other comprehensive income items other than those included above.

The notes on pages 28 to 52 form part of these financial statements.

## STATEMENT OF FINANCIAL POSITION
## FOR THE YEAR ENDED 31 DECEMBER 2022

| | Note | | 2022 | | *2021* |
|---|---|---|---|---|---|
| | | | £M | | *£M* |
| **Fixed assets** | | | | | |
| Intangible assets | 16 | | **1,202** | | *966* |
| Tangible assets | 17 | | **–** | | *–* |
| Investments | 18 | | **233** | | *726* |
| | | | **1,435** | | *1,692* |
| **Current assets** | | | | | |
| Debtors: amounts falling due after more than one year | 19 | **208** | | *5* | |
| Debtors: amounts falling due within one year | 19 | **930** | | *490* | |
| Cash at bank and in hand | 21 | **3,383** | | *2,954* | |
| | | **4,521** | | 3,449 | |
| Creditors: amounts falling due within one year | 22 | **(4,004)** | | *(3,203)* | |
| **Net current assets** | | | **517** | | *246* |
| **Total assets less current liabilities** | | | **1,952** | | *1,938* |
| **Provisions for liabilities** | | | | | |
| Other provisions | 25 | **(45)** | | *(19)* | |
| | | | **(45)** | | *(19)* |
| **Net assets** | | | **1,907** | | *1,919* |

## STATEMENT OF FINANCIAL POSITION
## FOR THE YEAR ENDED 31 DECEMBER 2022

| | Note | 2022 | 2021 |
|---|---|---|---|
| | | £M | £M |
| **Capital and reserves** | | | |
| Called up share capital | 26 | **255** | *255* |
| Share premium account | 27 | **35** | *35* |
| Other reserves | 27 | **10** | *10* |
| Profit and loss account | 27 | **1,607** | *1,619* |
| | | **1,907** | *1,919* |

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 20 July 2023.

M Chessher

Director

The notes on pages 28 to 52 form part of these financial statements.

## STATEMENT OF CHANGES IN EQUITY
## FOR THE YEAR ENDED 31 DECEMBER 2022

| | Called up share capital £M | Share premium account £M | Other reserves £M | Profit and loss account £M | Total equity £M |
|---|---|---|---|---|---|
| At 1 January 2022 | **255** | **35** | **10** | **1,619** | **1,919** |
| **Comprehensive income for the year:** | | | | | |
| Profit for the year | **–** | **–** | **–** | **188** | **188** |
| **Total comprehensive income for the year** | **–** | **–** | **–** | **188** | **188** |
| Dividends paid | **–** | **–** | **–** | **(200)** | **(200)** |
| **Total transactions with owners** | **–** | **–** | **–** | **(200)** | **(200)** |
| **At 31 December 2022** | **255** | **35** | **10** | **1,607** | **1,907** |

The notes on pages 28 to 52 form part of these financial statements.

## STATEMENT OF CHANGES IN EQUITY
## FOR THE YEAR ENDED 31 DECEMBER 2021

| | Called up share capital £M | Share premium account £M | Other reserves £M | Profit and loss account £M | Total equity £M |
|---|---|---|---|---|---|
| At 1 January 2021 | **255** | **35** | **10** | **2,544** | **2,844** |
| **Comprehensive profit for the year:** | | | | | |
| Profit for the year | **–** | **–** | **–** | **216** | **216** |
| **Total comprehensive income for the year** | **–** | **–** | **–** | **216** | **216** |
| Dividends paid | **–** | **–** | **–** | **(1,141)** | **(1,141)** |
| **Total transactions with owners** | **–** | **–** | **–** | **(1,141)** | **(1,141)** |
| **At 31 December 2021** | **255** | **35** | **10** | **1,619** | **1,919** |

The notes on pages 28 to 52 form part of these financial statements.

## 1 GENERAL INFORMATION

Marsh Limited is a company 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. Marsh Limited is a private company limited by shares. The nature of the Company's operations and its principal activities are set out in the strategic report and the directors' report on pages 1 to 17.

## 2 ACCOUNTING POLICIES

### 2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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

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

### 2.2 FINANCIAL REPORTING STANDARD 102 REDUCED DISCLOSURE EXEMPTIONS

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

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

This information is included in the consolidated financial statements of Marsh & McLennan Companies Inc. as at 31 December 2022 and these financial statements may be obtained from the address listed in note 32.

### 2.3 EXEMPTION FROM PREPARING CONSOLIDATED FINANCIAL STATEMENTS

The Company is a parent Company that is also a subsidiary included in the consolidated financial statements of its ultimate parent undertaking established under the law of a non-EEA state and is therefore exempt from the requirement to prepare consolidated financial statements under section 401 of the Companies Act 2006.

## 2.4 GOING CONCERN

The Company's business activities, together with the factors likely to affect its future development, performance and financial position, are set out in the business review which forms part of the Strategic Report.

The Company meets its day-to-day working capital requirements from corporate cash balances and revolving loan facilities. The Company continues to monitor the uncertainty in the current economic and business environment. This monitoring and analysis, considered our business resilience and continuity plans of the Company’s investments and stress testing of liquidity and financial resources. The analysis modelled the financial impact assuming an increasing severity in relation to revenue and certain costs, for a 36-month period, so that the potential impact on profitability and liquidity could be assessed.

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

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

## 2.5 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 'other operating income'.

## 2.6 REVENUE RECOGNITION

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

### Rendering of services

Turnover from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

### Client Service Revenue

Client Service Revenue includes insurance commissions, fees for services rendered and certain commissions receivable from insurance carriers.

### Investment income

Investment income from fiduciary and corporate balances is recognised on an accruals basis using the effective interest rate method.

## 2.7 OPERATING LEASES : THE COMPANY AS LESSEE

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

## 2.8 DIVIDEND INCOME

Represents dividends received from subsidiaries. Dividends are accounted for when declared.

## 2.9 INTEREST INCOME

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

## 2.10 FINANCE COSTS

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

## 2.11 INSURANCE BROKING ASSETS AND LIABILITIES

Insurance brokers usually act as agents in placing the insurable risks of their clients with insurers and, as such, generally are not liable as principals for amounts arising from such transactions.

In recognition of this relationship, debtors from insurance broking transactions are not included as an asset of the Company. Other than the receivable for revenue not yet received for fees and commissions earned on a transaction, no recognition of the insurance transaction occurs.

In certain circumstances, the Company advances premiums, refunds or claims to insurance underwriters or clients prior to collection. These advances are reflected in the Statement of Financial Position as part of trade receivables.

Acting as agent, Marsh Limited does not meet the definition of a financial institution under FRS 102 and accordingly has taken relief from providing additional disclosure in accordance with FRS 102.34.17-33.

## 2.12 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.

## 2.13 INTANGIBLE ASSETS

**Goodwill**

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer’s interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Statement of Comprehensive Income over its useful economic life.

**Other intangible assets**

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

| | |
|---|---|
| Client book of business | In line with underlying cash flows over 4 - 15 years |
| Computer software | On a straight line basis over 3 to 5 years |

Software development costs have been capitalised in accordance with FRS 102 Section 18 Intangible Assets other than Goodwill.

Software development costs are recognised as an intangible asset and amortised when all of the following criteria are demonstrated:

- The technical feasibility of completing the software so that it will be available for use or sale.
- The intention to complete the software or to sell it.
- The ability to use the software or to sell it.
- How the software will generate probable future economic benefits.
- The availability of adequate technical, financial and other resources to complete the development and to use or sell the software.
- The ability to measure reliably the expenditure attributable to the software during its development.

Management review intangibles and estimate the useful lives based on estimates of the future cash flows.

## 2.14 TANGIBLE FIXED ASSETS

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

| | |
|---|---|
| Fixtures and fittings | 10 - 20% per annum |
| Office equipment | 10 - 20% per annum |

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

## 2.15 CONTRACTUAL OUTSOURCED ARRANGEMENTS

Where the outcome of a long term outsourcing contract can be estimated reliably, the costs are recognised by reference to the stage of completion. This is measured by the proportion of outsourcing contract costs incurred to date relative to the estimated total outsourcing contract costs.

Outsourcing contract costs are recognised as expenses in the period in which they are incurred.

When it is probable that the total outsourcing contract costs will exceed estimated total outsourcing contract costs, the expected overrun of costs is recognised immediately.

## 2.16 IMPAIRMENT OF FIXED ASSETS AND GOODWILL

Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit ('CGU') to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGU's). Non-financial assets that have been previously impaired are reviewed at each reporting date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

## 2.17 VALUATION OF INVESTMENTS

Investments in subsidiaries are measured at cost less accumulated impairment.

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

Impairment is measured by comparing the carrying value of the asset with its future discounted cash flow. Those held as current assets are stated at the lower of cost and net realisable value.

## 2.18 IMPAIRMENT

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

### Financial assets

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

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

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

### Non-financial assets

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

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

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in Statement of Comprehensive Income, unless the relevant asset is carried at a re-valued amount, in which case the impairment loss is treated as a revaluation decrease.

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

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

## 2.19 DEBTORS

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

## 2.20 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.

## 2.21 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.

## 2.22 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.

## 2.23 POST PLACEMENT SERVICE PROVISIONS

An estimate is made of the future liabilities that arise in the current year and previous years from the placement of insurance policies. The provision is determined considering the time taken to provide the post placement services, the number of claims that are to be processed and the costs of processing claims. The provision is reflected in deferred income.

## 2.24 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.

### 2.24 FINANCIAL INSTRUMENTS (CONTINUED)

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.

### 2.25 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;
- the Company's Regulatory Capital requirements;
- 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.

## 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 directors do not consider any judgements critical, other than those involving estimations that are dealt with separately below, which have been made in the process of applying the Company's accounting policies and that have a significant effect on the amounts recognised in the financial statements.

### Key sources of estimation uncertainty

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

Goodwill
The Company establishes a reliable estimate of the useful life of goodwill arising on trade and business acquisitions. This estimate is based on a variety of factors such as the expected use of the acquired business, the expected useful life of the cash generating units to which the goodwill is attributed, any legal, regulatory or contractual provisions that can limit useful life and assumptions that market participants would consider in respect of similar businesses (note 16).

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

Impairment and impairment reversals are measured by comparing the carrying value of the asset with its future discounted cash flow. Any impairment that has subsequently been reversed is capped to its historical acquisition cost (note 18).

Errors and omissions
The Company is subject to claims and litigation in the ordinary course of its business, principally in connection with the Company’s insurance broking business. Provisions have been made only in respect of claims attributable to events which have occurred, and been notified to the Company, by the reporting date. The provision for errors and omissions claims is based on a current estimate of the total claims as advised by the Company’s legal team (note 25).

## 4 TURNOVER

The Company operates one class of business, being the provision of advice and related services, and operates solely within the United Kingdom.

| | 2022 | 2021 |
|---|---|---|
| | £M | £M |
| Turnover - Client service revenue | 1,461 | 1,191 |
| Turnover - Investment income | 42 | 3 |
| | 1,503 | 1,194 |

Analysis of turnover by country of destination:

| | 2022 | 2021 |
|---|---|---|
| | £M | £M |
| United Kingdom | 822 | 642 |
| North America | 306 | 215 |
| Rest of the world | 375 | 337 |
| | 1,503 | 1,194 |

## 5 OTHER OPERATING INCOME

| | 2022 | 2021 |
|---|---|---|
| | £M | £M |
| Other income from broking activities | 3 | 1 |
| Foreign exchange gains on operating activities | 55 | 7 |
| | 58 | 8 |

## 6 OPERATING PROFIT

The operating profit is stated after charging/(crediting):

| | 2022 | 2021 |
|---|---|---|
| | £M | £M |
| Amortisation of intangible assets, including goodwill | 118 | 94 |
| Exchange gains | (55) | (7) |

## 7 AUDITOR'S REMUNERATION

| | 2022 | *2021* |
|---|---|---|
| | £M | *£M* |
| Fees payable to the Company's auditor for the audit of the Company's annual financial statements | 1 | *1* |

The audit fee attributable to the Company is £1.3 million (*2021: £1.3 million*). In addition to the statutory audit, the auditor also provided an assurance report on the Company's client assets for which the fee for the Company is £0.2 million (*2021: £0.2 million*).

## 8 EMPLOYEES

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

| | 2022 | *2021* |
|---|---|---|
| | £M | *£M* |
| Wages and salaries | 601 | *483* |
| Social security costs | 84 | *66* |
| Cost of defined contribution scheme | 36 | *28* |
| | 721 | *577* |

The Company does not employ staff. Members of staff carrying out work on behalf of the Company are employed and paid by a fellow Group company, Marsh Services Limited. This includes the directors of the Company. The Company is charged and bears the cost for the remuneration and other associated benefits paid on its behalf, with the exception of the share-based payments charge which is accounted for in Marsh Services Limited.

Marsh Services Limited participates in a pension plan ('the Fund') in the United Kingdom with defined benefit and defined contributions sections. The defined benefit sections of the Fund were closed to new employees of Marsh Services Limited with effect from 1 July 2004. Following consultation, Marsh Services Limited determined in January 2014 to close the existing sections of the Fund to all future benefit accrual with effect from 1 August 2014.

Marsh Services Limited makes contributions to the Fund and is responsible for the pension liabilities attributed to its members. At 31 December 2022, Marsh Services Limited disclosed in its financial statements that the pension scheme valuation is a net asset of £992 million (31 December 2021: net asset £938 million) using an FRS 102 valuation basis. Further detail can be found in the financial statements of Marsh Services Limited. The FRS 102 Section 28 disclosures for the defined contribution section of the Fund can also be found within the financial statements of Marsh Services Limited.

## 9 DIRECTORS' REMUNERATION

| | 2022 | *2021* |
|---|---|---|
| | £M | *£M* |
| Directors' emoluments | 13 | *11* |
| | 13 | *11* |

During the year there were retirement benefits accruing to one director (*2021: nil*) in respect of defined contribution pension schemes.

## 9 DIRECTORS' REMUNERATION (CONTINUED)

The highest paid director received remuneration of £4 million (*2021: £2 million*) and was granted and exercised shares during the year under the long term incentive schemes.

The value of the Company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £nil (*2021: £nil*).

The value of the Company's contributions paid to a defined benefit pension scheme in respect of the highest paid director amounted to £nil (*2021: £nil*).

During the year nine directors were granted shares under the long term incentive schemes (*2021: eight*).

During the year two directors exercised shares under the long term incentive schemes (*2021: two*).

The emoluments shown above reflect the total emoluments received by the directors for services relating to the Company and other companies in the Group during the year under review. The directors' emoluments disclosed above are not allocated to a Group company in receipt of an individual's specific service. Emoluments are paid by the directors' employing company within the Group which is Marsh Services Limited. The remuneration costs from Marsh Services Limited are subsequently recharged to the Company.

## 10 INCOME FROM PARTICIPATING INTERESTS

| | **2022** | *2021* |
|---|---|---|
| | **£M** | *£M* |
| Profit on sale of business | **1** | *26* |
| | **1** | *26* |

On 1 July 2022, the Company sold its healthcare portfolio to another group undertaking. The profit on sale of the business was £1 million *(2021: the Company sold its network business to Jelf Insurance Brokers Limited, a direct subsidiary undertaking for an overall profit of £26 million)*.

## 11 INCOME FROM FIXED ASSET INVESTMENTS

| | **2022** | *2021* |
|---|---|---|
| | **£M** | *£M* |
| Dividends received from unlisted investments | **493** | *251* |
| | **493** | *251* |

In 2022, higher dividends arose as a consequence of a dividend from Jelf Insurance Brokers Limited following the sale of its trade and assets to the Company.

In 2021, a review of capital was conducted by certain UK subsidiaries of the Company, any surplus capital was returned to the Company by way of a dividend.

## 12 INTEREST RECEIVABLE AND SIMILAR INCOME

| | 2022 | 2021 |
|---|---|---|
| | **£M** | *£M* |
| Interest receivable from group undertakings | **4** | *–* |
| Other interest receivable | **2** | *2* |
| | **6** | 2 |

The interest receivable from group undertakings represents the interest received on the balances held within the revolving loan facility. Other finance income represents interest received from bank deposits.

## 13 OTHER FINANCE INCOME

| | 2022 | 2021 |
|---|---|---|
| | **£M** | £M |
| Other finance income | **–** | *2* |
| | **–** | *2* |

During 2021, the Company received the final settlement in respect of a deferred consideration asset resulting in a gain of £2 million.

## 14 TAX ON PROFIT

| | 2022 | 2021 |
|---|---|---|
| | **£M** | *£M* |
| **Corporation Tax** | | |
| Current tax on profits for the year | **74** | *44* |
| Adjustments in respect of previous periods | **2** | *–* |
| | **76** | *44* |
| **Foreign tax** | | |
| Foreign tax on income for the year | **1** | *1* |
| **Total current tax** | **77** | *45* |
| **Deferred tax** | | |
| Changes to tax rates | **–** | *(1)* |
| **Total deferred tax** | **–** | *(1)* |
| **Tax on profit** | **77** | *44* |

## 14 TAX ON PROFIT (CONTINUED)

### FACTORS AFFECTING TAX CHARGE FOR THE YEAR

The tax assessed for the year is higher than *(*2021 - *lower than)* the standard rate of corporation tax in the UK of 19.0% (*2021 - 19.0%)*. The differences are explained below:

| | 2022 £M | *2021 £M* |
|---|---|---|
| Profit before tax | **265** | *260* |
| Profit multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%) | **50** | *49* |
| Effects of: | | |
| Non-tax deductible amortisation of goodwill and impairment | **116** | *30* |
| Expenses not deductible for tax purposes, other than goodwill amortisation and impairment | **1** | *18* |
| Adjustments to tax charge in respect of prior periods | **2** | *–* |
| Non-taxable income | **–** | *(5)* |
| Changes to tax rates | **–** | *(1)* |
| Dividends from UK companies | **(93)** | *(48)* |
| Foreign tax | **1** | *1* |
| **Total tax charge for the year** | **77** | *44* |

### FACTORS THAT MAY AFFECT FUTURE TAX CHARGES

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

The OECD's 'Pillar 2' is a framework for the introduction of a global minimum effective tax rate of 15%, applicable to large multinational groups, which could impact the tax charge of the Company in future periods. Within Finance (No. 2) Bill 2023, issued on 23 March 2023, the UK Government has included draft legislation governing how Pillar 2 is intended to operate in the UK. The UK government has committed to the implementation of these rules for accounting periods beginning on or after 31 December 2023. The Finance Bill draft legislation includes a UK qualified domestic minimum top-up tax which will impose a top-up tax in the UK on low-taxed UK profits. The Group is currently reviewing the draft legislation to better understand the impact.

## 15 DIVIDENDS

| | 2022 | *2021* |
|---|---|---|
| | £M | *£M* |
| Interim dividend for the year | 200 | *1,141* |
| | 200 | *1,141* |

During 2022, following a review of its capital requirements, the Company paid £200 million in dividends to its parent company, MMC UK Group Limited.

## 16 INTANGIBLE ASSETS

| | Client book of business | Computer software | Goodwill | Total |
|---|---|---|---|---|
| | £M | £M | £M | £M |
| **Cost** | | | | |
| At 1 January 2022 | 29 | 27 | 1,671 | 1,727 |
| Additions | 5 | 3 | 351 | 359 |
| Disposals | – | – | (6) | (6) |
| Transfers - internal | – | 2 | – | 2 |
| At 31 December 2022 | 34 | 32 | 2,016 | 2,082 |
| **Amortisation** | | | | |
| At 1 January 2022 | 17 | 16 | 728 | 761 |
| Charge for the year on owned assets | 3 | 1 | 114 | 118 |
| On disposals | – | – | (1) | (1) |
| Transfers - internal | – | 2 | – | 2 |
| At 31 December 2022 | 20 | 19 | 841 | 880 |
| **Net book value** | | | | |
| At 31 December 2022 | 14 | 13 | 1,175 | 1,202 |
| *At 31 December 2021* | *12* | *11* | *943* | *966* |

Goodwill relates to businesses acquired by the Company, which is the net of consideration paid less net assets acquired. The charge for the amortisation in the year is reflected in the statement of comprehensive income administrative expenses.

On 1 April 2022, the Company purchased trade and assets from Jelf Insurance Brokers Limited and Hamilton Bond Limited fellow MMC group companies. The transaction was at a fair market value.

On 1 July 2022, the Company sold its healthcare portfolio to another group company.

On 1 August 2022, the Company purchased insurance consulting business from another group company.

Computer software costs have been capitalised in accordance with FRS 102 Section 18 Intangible Assets other than Goodwill and are therefore not treated, for dividend purposes, as a realised loss. Development costs relate to software platforms that have been placed into production to generate economic benefit returns to the Company.

Management performed an annual impairment test of the Company's goodwill and concluded that no impairment charge was appropriate.

## 17 TANGIBLE FIXED ASSETS

| | Fixtures and fittings | Office equipment | Total |
|---|---|---|---|
| | £M | £M | £M |
| **Cost or valuation** | | | |
| At 1 January 2022 | 1 | 21 | 22 |
| Transfers intra group | – | 1 | 1 |
| Disposals | (1) | (12) | (13) |
| At 31 December 2022 | – | 10 | 10 |
| **Depreciation** | | | |
| At 1 January 2022 | 1 | 21 | 22 |
| Transfers intra group | – | – | – |
| Disposals | (1) | (11) | (12) |
| At 31 December 2022 | – | 10 | 10 |
| **Net book value** | | | |
| At 31 December 2022 | – | – | – |
| *At 31 December 2021* | – | – | – |

## 18 FIXED ASSET INVESTMENTS

| | Investments in subsidiary companies £M |
|---|---|
| **Cost or valuation** | |
| At 1 January 2022 | **2,543** |
| **At 31 December 2022** | **2,543** |
| | |
| **Impairment** | |
| At 1 January 2022 | **1,817** |
| Charge for the period | **493** |
| **At 31 December 2022** | **2,310** |
| | |
| Net book value | |
| **At 31 December 2022** | **233** |
| *At 31 December 2021* | *726* |

The Company carried out an annual impairment review of its investments in subsidiary companies. An impairment of £493 million has been charged in the year as a consequence of dividends declared to the Company by its subsidiary investments. The impairment charge resulted from certain subsidiary companies selling their business and assets and ceasing to trade in the future. This was part of a Group reorganisation and rationalisation of legal entities and distributions of reserves after the disposals. These investments have been written down to their net asset value.

The Company received £493 million of dividend income in the year, which offsets the impact of this impairment charge in the profit and loss account and as a consequence there is no impact on the Company's total net assets.

SME Insurance Services Limited was dissolved on 17 April 2023.

In the opinion of the directors the value of investments in the Company's subsidiaries is not less than the amount at which it is included in the Statement of Financial Position.

Details of the Company's subsidiary undertakings at 31 December 2022 are:

| Name | Country of Incorporation | Class of shares | Holding | Registered office |
|---|---|---|---|---|
| Bluefin Insurance Services Limited | United Kingdom | Ordinary | 100% | 1 Tower Place West, Tower Place, London, United Kingdom, EC3R 5BU |
| Central Insurance Services Limited | United Kingdom | Ordinary | 100% | Crown House, Prospect Road Arnhall Business, Park Westhill, Aberdeenshire, AB32 6FE |
| Clark Thomson Insurance Brokers Limited | United Kingdom | Ordinary | 100% | Lochside House, 7 Lochside Avenue, Edinburgh, Scotland, Scotland, EH12 9DJ |
| Guy Carpenter & Company Gmbh | Germany | Ordinary | 41% | Muellerstrasse 3, 80469 Munich, Germany |

| Name | Country of Incorporation | Class of shares | Holding | Registered office |
|---|---|---|---|---|
| Guy Carpenter & Company Limited* | United Kingdom | Ordinary | 100% | 1 Tower Place West, Tower Place, London, United Kingdom, EC3R 5BU |
| Hamilton Bond Limited | United Kingdom | Ordinary | 100% | 1 Tower Place West, Tower Place, London, United Kingdom, EC3R 5BU |
| Hayward Aviation Limited | United Kingdom | Ordinary | 100% | 6th Floor 9 Appold Street, London, EC2A 2AP |
| Jelf Commercial Finance Limited | United Kingdom | Ordinary | 100% | 1 Tower Place West, Tower Place, London, United Kingdom, EC3R 5BU |
| Jelf Insurance Brokers Limited* | United Kingdom | Ordinary | 100% | 1 Tower Place West, Tower Place, London, United Kingdom, EC3R 5BU |
| Jelf Risk Management Limited | United Kingdom | Ordinary | 100% | 1 Tower Place West, Tower Place, London, United Kingdom, EC3R 5BU |
| JLT Advisory Limited | United Kingdom | Ordinary | 100% | 6th Floor 9 Appold Street, London, EC2A 2AP |
| JLT Insurance Group Holdings Limited* | United Kingdom | Ordinary | 100% | 1 Tower Place West, Tower Place, London, United Kingdom, EC3R 5BU |
| JLT Re Limited | United Kingdom | Ordinary | 100% | 6th Floor 9 Appold Street, London, EC2A 2AP |
| JLT Reinsurance Brokers Limited | United Kingdom | Ordinary | 100% | 1 Tower Place West, Tower Place, London, United Kingdom, EC3R 5BU |
| JLT Specialty Limited | United Kingdom | Ordinary | 100% | 1 Tower Place West, Tower Place, London, United Kingdom, EC3R 5BU |
| Marine, Aviation & General (London) Limited | United Kingdom | Ordinary | 25% | 1 Minster Court, Mincing Lane, London, EC3R 7AA |
| Marsh & McLennan Companies BVBA/SPRL | Belgium | Nominative | 99% | 1 Tower Place West, Tower Place, London, United Kingdom, EC3R 5BU |
| MMC Securities Limited* | United Kingdom | Ordinary | 100% | 1 Tower Place West, Tower Place, London, United Kingdom, EC3R 5BU |
| Mountlodge Limited | United Kingdom | Ordinary | 100% | Lochside House, 7 Lochside Avenue, Edinburgh, Scotland, Scotland, EH12 9DJ |
| SME Insurance Services Limited | United Kingdom | Ordinary | 100% | 6th Floor 9 Appold Street, London, EC2A 2AP |

*Direct subsidiaries

## 19 DEBTORS

| | 2022 | *2021* |
|---|---|---|
| | £M | *£M* |
| **Due after more than one year** | | |
| Amounts owed by group undertakings | **200** | *–* |
| Deferred tax | **8** | *5* |
| | **208** | *5* |

During the year the Company issued a loan to another group undertaking of £200 million, which is repayable on 19 December 2025 and attracts an interest rate of Sonia + 0.9694%.

| | 2022 | *2021* |
|---|---|---|
| | £M | *£M* |
| **Due within one year** | | |
| Trade debtors | **329** | *248* |
| Amounts owed by group undertakings | **333** | *91* |
| Other debtors | **3** | *8* |
| Amounts recoverable from captive insurer in respect of errors and omissions claims reserved | **47** | *17* |
| Prepayments | **14** | *13* |
| Accrued income | **144** | *113* |
| Amounts recoverable from group undertakings - tax | **60** | *–* |
| | **930** | *490* |

Included in amounts owed by group undertakings is a loan receivable of £279 million which is repayable on demand and had variable interest rates of between 0% and 4.54%. The remaining balance is unsecured, interest free and repayable on demand.

## 20 INSURANCE DEBTORS

| | 2022 | *2021* |
|---|---|---|
| | £M | *£M* |
| **AMOUNTS FALLING DUE WITHIN ONE YEAR** | | |
| Third party trade debtors | **1,737** | *2,301* |
| Amounts owed by group undertakings | **1,476** | *930* |
| | **3,213** | *3,231* |
| **AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR** | | |
| Third party trade debtors | **128** | *95* |
| | **128** | *95* |

Insurance debtors of £3,341 million and insurance creditors of £6,613 million are presented in the balance sheet as at 31 December 2022 as net payable of £3,272 million included within trade creditors (note 22).

## 21 BANK AND CASH BALANCES

| | 2022 | 2021 |
|---|---|---|
| | £M | £M |
| Fiduciary cash held under a non-statutory fiduciary trust | 3,272 | 2,623 |
| Cash at bank and in hand | 19 | 262 |
| Corporate cash - Restricted funds | 92 | 69 |
| | 3,383 | 2,954 |

Within the corporate cash restricted funds balance there is an amount held of £80 million which represents funds required to be held outside of the corporate cash pooling arrangements, as agreed with the Financial Conduct Authority.

Also included in the corporate cash restricted funds balance is an amount of £12 million which represents the fiduciary surplus that has not yet been transferred into corporate bank account.

Therefore, this amount is not subject to the potential exposure explained at note 28 (c) with regard to the Company's corporate cash pooling arrangements.

During 2022 certain companies in the UK joined a cash pooling arrangement whereby 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 by group undertakings in note 19.

## 22 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2022 | 2021 |
|---|---|---|
| | £M | £M |
| Trade creditors | 3,272 | 2,625 |
| Amounts owed to group undertakings | 314 | 224 |
| Amounts owed to group undertakings - tax | 11 | 65 |
| Corporation tax | 116 | 44 |
| Other taxation and social security | 10 | 6 |
| Deferred income | 87 | 87 |
| Other creditors | 4 | 1 |
| Accruals | 190 | 151 |
| | 4,004 | 3,203 |

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

## 23 INSURANCE CREDITORS

| | 2022 | 2021 |
|---|---|---|
| | £M | £M |
| **AMOUNTS FALLING DUE WITHIN ONE YEAR** | | |
| Third party trade creditors | 5,826 | 5,270 |
| Amounts owed to group undertakings | 663 | 590 |
| | 6,489 | 5,860 |
| **AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR** | | |
| Third party trade creditors | 124 | 89 |
| | 124 | 89 |

## 24 DEFERRED TAXATION

| | 2022 | 2021 |
|---|---|---|
| | £M | £M |
| At beginning of year | 5 | 4 |
| Credited to profit or loss | – | 1 |
| Arising on business combinations | 3 | – |
| **At end of year** | 8 | 5 |

The provision for deferred tax is made up as follows:

| | 2022 | 2021 |
|---|---|---|
| | £M | £M |
| Accelerated capital allowances | 8 | 5 |
| | 8 | 5 |

Deferred tax timing differences have been provided for at the rate of 25%, being the rate enacted at the balance sheet date, and exclude any potential impact of the OECD’s Pillar 2.

There are no unrecognised deferred tax balances.

## 25 PROVISIONS

| | Errors and Omissions and other claims |
|---|---|
| | £M |
| At 1 January 2022 | 19 |
| Utilised in year | (12) |
| Foreign exchange movement | 2 |
| Additional provision made | 35 |
| Other movements relating to hive ups | 1 |
| **At 31 December 2022** | **45** |

Errors and omissions and other claims

The Company is subject to claims and litigation in the ordinary course of its business, principally in connection with the Company's insurance broking business. Provisions have been made only in respect of claims attributable to events which have occurred, and been notified to the Company, by the reporting date. Each case is reviewed independently and represents management's best estimate of the Company's liability.

The provision is shown gross of any monies recoverable under the Group's insurance policies which are included within debtors.

## 26 CALLED UP SHARE CAPITAL

| | 2022 | *2021* |
|---|---|---|
| | £M | *£M* |
| **Allotted, called up and fully paid** | | |
| 255,201,534 (2021- 255,201,534) Ordinary shares of £1.00 each | 255 | *255* |

The Company has one class of ordinary shares which carry no right to fixed income.

## 27 RESERVES

**Share premium account**

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

**Other reserves**

In 2021, 1,000 ordinary shares were bought back from the Company's immediate parent company, MMC UK Group Limited. The nominal value of the shares of £1,000 has been credited to the capital redemption reserve.

In 2017, the Company made a gain of £10.2 million on the sale of a subsidiary to another direct subsidiary at fair market value. As the consideration received was shares in a direct subsidiary undertaking, this has been treated as a non-distributable reserve.

**Profit and loss account**

Profit and loss account includes all current and prior period retained profits and losses.

## 28 CONTINGENT LIABILITIES

a. A guarantee has been given to Citibank N.A., by the Company in order to access the London Market Letter of Credit Scheme. The maximum exposure to the Company is the amount held in the Letter of Credit bank accounts at any point in time. As at 31 December 2022 the Company held a total amount of £1.5 million (2021: £1.5 million) in relation to these bank accounts.

b. The Company and subsidiaries of the Company continue to be subject to claims and lawsuits that arise in the ordinary course of business in connection with the placement of insurance and reinsurance, most of which are covered by professional indemnity insurance. Some of these claims and lawsuits seek damages including punitive damages in amounts which could, if assessed, be significant.

c. The Company participates in cash pooling agreements with banks. Each member of the pool indemnifies against all losses incurred as a result of the failure of any other pool member, limited to any net cash balance held in the pool. As at 31 December 2022, the Company had a total balance of £18 million (2021: £261 million) in the pool. The other members of the pooling arrangements are companies fully owned by Marsh & McLennan Companies, Inc.

d. The Company has provided a guarantee to MMC UK Pension Fund Trustee Limited ('Trustee'), as trustee of the MMC UK Pension Fund ('Fund') to ensure punctual performance by Marsh Services Limited ('MSL') of all its payments to the Fund. Failing that, the Company will pay the Trustee any amounts due by MSL and indemnify the Trustee against any related costs, losses or liabilities suffered if any amounts are unrecoverable.

Further details of the Fund are disclosed in the financial statements of Marsh Services Limited.

Marsh Services Limited has agreed to make deficit contributions to the JLT section of the Fund of £33 million per annum over the period from 2023 to 2028, subject to an annual assessment using financial assumptions agreed with the Trustee. No further contributions are payable by Marsh Services Limited to the other sections of the Fund, subject to review in 2025.

Under the current funding agreement, depending on future experience development, contingent deficit contributions of up to £198 million are covered by the Marsh Limited guarantee payable over a six year period.

Summarised below is the Marsh Services Limited pension fund valuation under FRS 102 as at 31 December:

| | 2022 | 2021 |
|---|---|---|
| | £M | £M |
| Present value of funded obligation | **(3,051)** | *(4,914)* |
| Fair value of plan assets | **4,054** | *5,869* |
| | **1,003** | *955* |
| Present value of unfunded obligation | **(11)** | *(17)* |

## 29 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, 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.

## 30 EVENTS AFTER THE REPORTING PERIOD

The Company declared a dividend to its parent company of £75 million after the Statement of Financial Position date.

From 2014, Marsh Limited was engaged by Greensill Capital (UK) Limited as its insurance broker. Marsh Limited placed a number of trade credit insurance policies for Greensill. Since then, a number of Greensill entities have filed for, or been subject to, insolvency proceedings, and several litigations and investigations have been commenced in the U.K., Australia, Germany, Switzerland and the U.S., including claims brought by Greensill's administrators and loss payees under Greensill's trade credit insurance policies. In June 2023, White Oak, one such loss payee, filed a claim in the High Court of Justice in London against Marsh Limited related to White Oak's purchase of accounts receivable from Greensill. The claim alleges that Marsh Limited, which was not the insurance broker for White Oak, failed to take required steps to ensure accurate representations to White Oak in its capacity as a loss payee.

## 31 GROUP FINANCIAL STATEMENTS

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

## 32 IMMEDIATE AND ULTIMATE PARENT COMPANIES

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 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