



Liberty
Specialty Markets

Carbon Reduction Plan

2025



Commitment to achieving Net Zero

Liberty Specialty Markets (LSM) has established a target to achieve net zero emissions by 2050 within our UK operations. Our decarbonisation targets include Scope 1 and 2 as well as the required subset of Scope 3 emissions (category 3.4 Upstream Transportation and Distribution, category 3.5 Waste Generated in Operations, category 3.6 Business Travel, category 3.7 Employee Commuting and category 3.9 Downstream Transportation and Distribution).

LSM has committed to both short- and long-term emissions reduction targets. Our short-term target is to reduce Scope 1 and 2 (market based) absolute emissions by 42% by 2030 from 2023 base year⁴. For our long-term target, LSM committed to the absolute reduction of Scope 1 and 2 emissions by 90% by 2050 from a 2023 base year.

For our Scope 3 emissions, LSM commits to reduce absolute Scope 3 GHG emissions 90% by 2050 from a 2023 base year. This target includes category 3.5 Waste Generated in Operations, category 3.6 Business Travel, and category 3.7 Employee Commuting. Category 3.4, transportation and distribution of products and services, is not material for LSM. Category 3.9 relating to downstream transportation/distribution of products sold is not applicable due to the nature of our business.

Liberty Mutual, LSM's ultimate parent organisation, also has carbon reduction commitments. In 2024, we achieved a 20% reduction from 2023 levels, resulting in a cumulative 56% reduction from the 2019 baseline, achieving the 50% reduction in Scope 1 and 2 emissions target ahead of schedule. We will continue to contribute towards a low-carbon future as we aim to further reduce Scope 1 and 2 emissions by 65% from 2019 levels by 2030. Please see our [TCFD report](#) for further information.

Important note

For the purposes of this document, Liberty Specialty Markets or 'LSM' is used for simplicity to refer to Liberty Mutual's UK operations.

Baseline Emissions Footprint

Data assumptions

Air and rail

Our air and rail emissions use a well to wake emissions boundary to account for the full lifecycle emissions associated with their production.

Vehicle emissions

To avoid overly onerous manual data collection, our estimates for road vehicles are not broken down by vehicle type and size. In emissions estimates, we remain conservative and consider all vehicles as 'large petrol vehicles' which results in overestimating our emissions.

Baseline Year: 2023

Additional Details relating to the Baseline Emissions calculations.

Operational Control Approach has been applied to consolidate LSM emissions. Scope 1 and Scope 2 emissions have been reported in accordance with SECR requirements, and the required subset of Scope 3 emissions have been reported in accordance with the published reporting

⁴ Green tariffs and Renewable energy guarantees of origin (REGOs) may be used to meet this target.

standard for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard. Transportation and distribution of products and services Scope 3 category 4 is not material for LSM. Scope 3 Category 9 relating to downstream transportation/distribution of products sold is not applicable due to the nature of our business.

Baseline year emissions: 2023

EMISSIONS	TOTAL (tCO ₂ e)
Scope 1	251
Scope 2	479 (Location-based) 31 (Market-based)
Scope 3 (included sources)	7,122 (Category 3.5: Waste generated in operations, Category 3.6: Business Travel and category 3.7: Employee Commuting)
Total Emissions	7,852 (Location-based) 7,404 (Market-based)

Current Emissions Reporting

Scope 1 and 2 (market-based) emissions

In 2024, there was a significant decrease in our Scope 2 emissions which is primarily driven by LSM vacating 155 Fenchurch Street in London. This move means that we have exceeded our Scope 1 and 2 absolute (market-based) emissions reduction target ahead of 2030. We will continue to work to achieve our long-term target to reduce absolute emissions LSM also has a long-term target to reduce absolute Scope 1 and 2 (market-based) emissions 90% by 2050.

Scope 3 emissions

In 2024, there was an increase in Scope 3 emissions, associated largely with an increase in business travel due to growth in the business and an increase in international in-person meetings engagements. We remain committed to our Scope 3 emissions reduction target and are working to find ways to balance the desire and benefits from in person engagements with our commitment to reduce Scope 3 emissions. For 2025, to address this increase and further drive down absolute emissions, we will be launching changes in our business travel policy – please see further details below.

Reporting year: 2024

EMISSIONS	TOTAL (tCO ₂ e)
Scope 1	102
Scope 2	374 (Location-based) 9 (Market-based)
Scope 3 (included sources)	8,397 (Category 3.5: Waste generated in operations, Category 3.6: Business Travel and category 3.7: Employee Commuting)
Total Emissions	8,873 (Location-based) 8,508 (Market-based)

Emissions reduction targets

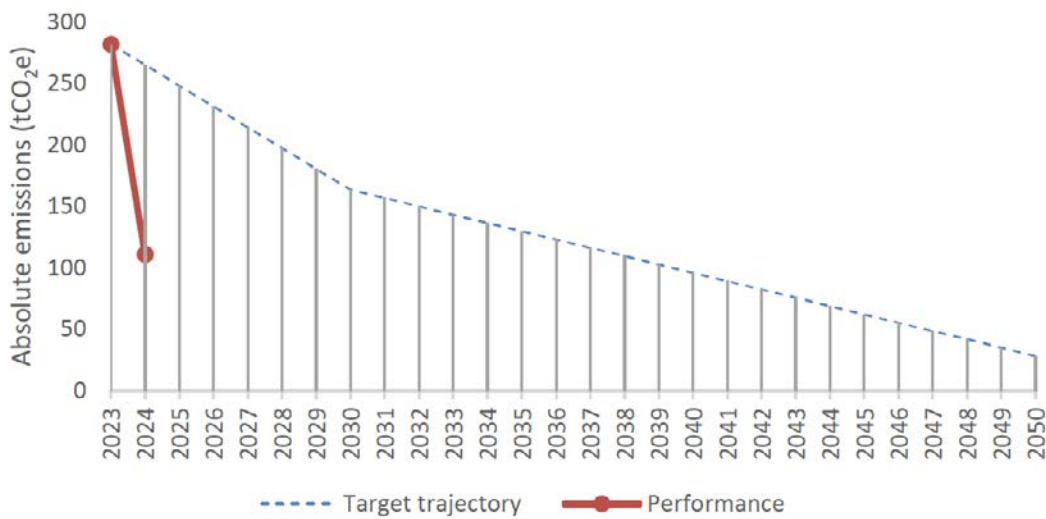
In line with our commitment to achieving Net Zero, LSM have adopted the following carbon reduction targets.

Scope 1 and 2 (market-based) emissions

As an interim target, LSM has a target to reduce absolute Scope 1 and 2 (market-based) emissions 42% by 2030 from 2023 levels. LSM also has a long-term target to reduce absolute Scope 1 and 2 emissions 90% by 2050.

Liberty Mutual, the Company’s ultimate parent organisation, has increased its commitment to a 65% absolute reduction of Scope 1 and 2 (location-based) emissions by 2030 from 2019 levels.

Scope 1 & 2 Target Reduction



Scope 3 emissions

Our Scope 3 emissions are our largest source of emissions. Our material Scope 3 emissions are related to Category 6 Business Travel. LSM remains committed to reducing absolute Scope 3 GHG emissions by 25% by 2030 and 90% by 2050 from a 2023 base year. This target category 3.5 Waste Generated in Operations, category 3.6 Business Travel and category 3.7 Employee Commuting.

Scope 3 Target Reduction



Carbon Reduction Projects

Completed Carbon Reduction Initiatives

Scope 1 and 2 emissions

LSM has committed to use 100% renewable energy at our sites to reduce Scope 2 emissions. The London site at 20 Fenchurch Street uses 100% renewable energy and is seeking ways to source 100% renewable energy at our other sites.

Our largest operations are in the Company's headquarters in London which is in an award-winning building with regards to environmental facilities management. 20 Fenchurch Street recently won the CIBSE Building Performance 2025 in Facilities Management, recognising the proactive, collaborative and impactful energy-saving strategies implemented in the offices. This is demonstrated through multiple commitments and certifications including ISO 140001, ISO5001, BREEAM⁵, and Green Energy certification through TotalEnergies.

Our ISO 14001 certification demonstrates the building progress and action towards reducing our environmental impact. This certification is received for efforts to manage waste, conserve resources, and lower carbon emissions. The ISO50001 certification supports efforts to optimize energy use throughout the building to lower energy consumption contribute to more sustainable operations. Our building also sources 100% of its energy from renewable sources as certified through TotalEnergies, our building's energy supplier.

These efforts among others, result in 20 Fenchurch Street achieving BREEAM In-Use: Part-2 at an 'Outstanding' rating in 2024. This is the only property in London to hold the BREEAM In-Use at an 'Outstanding' rating twice. BRE's BREEAM In-Use scheme is to be considered one of the best environment and governance accreditations within the corporate real estate sector.

Property energy reduction strategies include:

- Reduced electricity and gas consumption, despite increased occupancy
- Smart energy management through optimised lighting with presence detection and 'Project Go Dark' initiative
- Lower carbon emissions thanks to smart pump, lighting recommissioning and system optimisation
- Water use cut by 20% in one year
- Targeting high recycling rates and enhancing waste management streams
- Data-driven approach includes enhanced building management processes with thousands of data points under management and automated decisions from our systems
- Tenant engagement including Tenant Energy Saving Workshops and sustainability programs

Scope 3 emissions

A New Travel Policy to Reduce Scope 3 Business Travel Emissions

Liberty Specialty Markets (LSM) has recently approved a proposal to reduce the intensity of Liberty's travel-related carbon emissions by implementing stricter travel policies, reducing travel budgets, and promoting more sustainable practices. Key measures include increasing the flight duration threshold for Premium Economy to discourage Business Class travel, prohibiting First Class travel, and encouraging train travel for regional trips.

The policy will also require consolidation of multiple trips to reduce travel frequency, along with enhanced use of data and analytics to inform and optimise travel decisions. Additionally, changes to the company's booking and planning processes will include centralising approval

⁵Building Research Establishment Environmental Assessment Method

procedures and introducing rigorous tracking mechanisms to ensure measurability and accountability. These measures represent a step forward in advancing LSM's Scope 3 emission reduction targets of 25% by 2030 and 90% by 2050.

In the future we are exploring the implementation of further measures, which may include:

Scope 1 & 2 related measures:

- We continue to work with our facilities team and building owners to improve energy efficiency and reduce emissions.

Scope 3 emissions reduction measures:

- Category 6 (Business Travel): As noted, an initiative has been launched to update travel policy to achieve emissions reductions. This will be implemented through 2025.

Declaration and Sign Off

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

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard⁶ and uses the appropriate Government emission conversion factors for greenhouse gas company reporting⁷.

Scope 1 and Scope 2 emissions have been reported in accordance with SECR requirements, and the required subset of Scope 3 emissions have been reported in accordance with the published reporting standard for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard⁸.

This Carbon Reduction Plan has been reviewed and signed off by the board of directors for Liberty Specialty Markets Limited and reflects in-scope emissions for all related UK businesses and affiliates.



Sanjay Rijhwani, Director, Liberty Specialty Markets Limited

Date: 23 July 2025



⁶ <https://ghgprotocol.org/corporate-standard>

⁷ <https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting>

⁸ <https://ghgprotocol.org/standards/scope-3-standard>