

QINETIQ

Carbon Reduction Plan

QinetiQ Ltd

September 2021

Supplier name: **QinetiQ Limited**

Publication date: **30/09/2021**

Commitment to Net Zero

QinetiQ Limited is committed to achieving Net Zero emissions by **2050** or sooner.

Baseline Emissions Footprint

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

Our Baseline includes our greenhouse gas (GHG) emissions from the seven GHG's named by the Kyoto Protocol: Carbon Dioxide (CO₂), Hydrofluorocarbons (HFCs), Methane (CH₄), Nitrous Oxide (N₂O), Nitrogen Trifluoride (NF₃), Perfluorocarbons (PFCs) and Sulphur Hexafluoride (SF₆). Our emissions are calculated in tonnes of carbon dioxide equivalent (CO₂e) using the appropriate conversion factors published by BEIS.

QinetiQ greenhouse gas emissions reporting is aligned to our Financial Year "FY" Reporting (1st April to 31st March).

QinetiQ is using the "Financial Control" approach as part of our greenhouse gas methodology.

The Group-wide Scopes 1 and 2 figures presented have limited assurance by a third party (see reporting accounts [here](#)).

Baseline Year: FY20

Additional Details relating to the Baseline Emissions Calculations.

QinetiQ originally baselined Financial Year 2019 "FY19" (01.04.18 - 31.03.19) for our Scopes 1 and 2 global emissions reductions targets. As part of our new Net Zero Strategy, we are re-baselining to FY20 for the wider inclusion of Scope 3.

Baseline Year Emissions:

Emissions	Total (tCO ₂ e)
Scope 1	18,486
Scope 2	16,298
Scope 3 (included sources)	16,357
Total Emissions	51,141

Current Year: FY21

(latest complete year we have data for)

Emissions	Total (tCO ₂ e)
Scope 1	15,519
Scope 2	13,572
Scope 3 (included sources)	4,590
Total Emissions	33,681

Emissions Reduction Targets

QinetiQ’s current target is 25% reduction of QinetiQ Group wide greenhouse gas emissions (Scopes 1 and 2) by FY25 from a FY19 baseline. We have made good progress against this target – see Figure 1.

QinetiQ are targeting Net Zero by FY50 or sooner, and we will pursue interim milestone targets against our FY20 baseline (which will be presented in detail in our Net Zero Plan later in FY22).

Having committed to the Science Based Targets Initiative (SBTi) in October 2019, QinetiQ was the first aerospace and defence company to publically commit on the SBTi website to a science-based greenhouse gas reduction target, and will be validating our targets as part of our Net Zero Plan.

Progress against these targets is presented in the graph below:

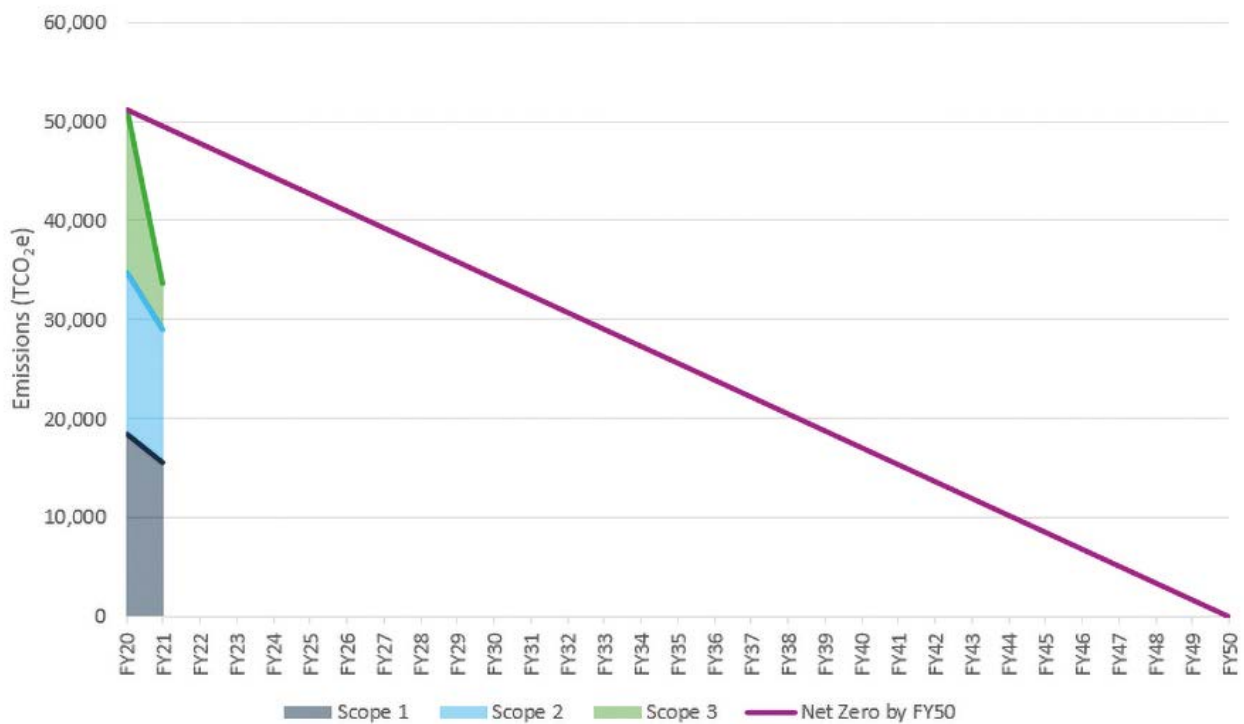
Greenhouse Gas Reduction Projects

Completed Carbon Reduction Initiatives

The following activities are just some examples of projects to reduce our greenhouse gas emissions:

1. Upgrades to air conditioning units on our Malvern sites, which will increase efficiency and increase the proportion of free cooling. We have seen significant energy saving since installation.
2. We own and manage a large number of buildings and so have been emptying buildings no longer used and moving to “background” heating, to minimise energy use but protect building fabric.
3. We have run campaigns such as “the battle of the baseload” targetting unnecessary overnight and weekend energy consumption and promoted holiday shutdowns. We have a monthly call with our Energy champions to discuss projects and ideas.

Scope 1, 2 & 3 Emissions: Actual vs Net Zero by FY50



QinetiQ maintains ISO Standards 14001 (Environmental Management) and 50001 (Energy Management) to support and externally assure our approach.

We have seen a 28% reduction in our scope 1 and 2 emissions (against our previous FY19 baseline); this has been primarily due to working differently during the COVID-19 pandemic, for example reduced use of QinetiQ vehicles and significantly less employees working on our sites.

While it is a positive that our emissions were less overall, we do expect some increase in FY22 as we see a change in working patterns.

In FY22 we are undertaking a range of initiatives, but the priority focus is on the following:

– Measuring our Emissions to Inform Decision-making

We currently capture and report Scope 1 and Scope 2 emissions on a site level. However, in order to continually improve energy efficiency, and reduce our carbon footprint, we need to monitor individual buildings and assets. The granularity of data will enable us to make more informed decisions and carry out specific interventions towards our 'Net-Zero' target. We are, therefore, finalising the approach to implement and exploit sub-meters across the portfolio.

– Renewables

QinetiQ have partnered with a specialist consultancy to survey some of our larger sites in order to capture a complex set of requirements for on-site renewable generation. We are looking to understand what technology is suited for which site, plus what commercial arrangement would suit QinetiQ's investment profile.

– Electric Vehicle (EV) Charging

We are seeking an infrastructure that can support employees and the on-site fleet. The surveys will help us define our strategy on both fronts for the coming years.

– Sulphur Hexafluoride Replacement

We have started a programme to remove and replace the use of Sulphur Hexafluoride (SF6) with some range equipment. While we only use very small amounts, SF6 has a very high global warming potential and so removal equates into significant reduction of emissions.

Other Energy Projects

In addition to the above, there are a number of energy management projects that we continue to work on that help reduce our greenhouse gas emission footprint on sites.

These are primarily captured in the EMAP (Energy Management Action Plan) tool, which is owned and managed by Heads of Sites and Group Property Leads. Below are some examples of the projects that we are working on:

- LED Lighting Upgrade
- Boiler Replacements with Heat Pumps
- Upgrades to more efficient Heating Ventilation and Air Conditioning systems
- Review of Building Management System

In addition, QinetiQ proactively supports collaboration and engagement across our sector regarding Climate Change. The QinetiQ CEO co-chairs the Defence Suppliers Forum Climate Change and Sustainability Steering Group and QinetiQ also chairs the Sustainability Group for our trade body ADS.

Our sustainability value proposition explains how we support our customers to define and achieve their sustainability goals, maximising benefits and enhancing resilience. It comprises of three pillars: 'Sustainable test, evaluation, training & estate management'; 'Sustainability innovation partner'; and our carbon reduction technology portfolio 'Sustainable solutions'. Our framework supports Net Zero goals, while maintaining and enhancing capability by shifting to sustainable approaches.

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 standard and uses the appropriate Government emission conversion factors for greenhouse gas company reporting. 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) Standard. This Carbon Reduction Plan has been reviewed and signed off by the board of directors (or equivalent management body).

Signed on behalf of the Supplier:

Signed:

A handwritten signature in black ink, appearing to read 'Steve Wadey', written over a light grey rectangular background.

Steve Wadey (CEO)

Date: 30/09/2021

QINETIQ

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