

COMMITMENT TO NET ZERO BY 2040

Baseline emissions footprint

Baseline emissions are a record of the greenhouse gases (GHG) that have been produced in the past, 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 GHG emissions from the seven GHGs named by the Kyoto Protocol:

- Carbon dioxide (CO2)
- Hydrofluorocarbons (HFCs)
- Methane (CH4)
- Nitrous oxide (N2O)
- Nitrogen trifluoride (NF3)
- Perfluorocarbons (PFCs)
- Sulphur hexafluoride (SF6)

Our emissions are calculated in tonnes of carbon dioxide equivalent (CO2e) using the appropriate conversion factors published by the UK Government Department for Energy Security and Net Zero (DESNZ).

Inzpire's GHG emissions reporting is aligned to our Financial Year "FY" reporting (1st April to 31st March) and our baseline year is FY20 (1st April 2019 to 31st March 2020). We published our first Carbon Reduction

Plan (CRP) in September 2021 in response to the UK Government National Procurement Policy Notice (PPN) 06/21, and we have made a commitment to publish a new CRP at this time each year. Inzpire is part of the QinetiQ Group and uses the group's "financial control" approach as part of our GHG methodology. As required by PPN 06/21, this document includes the following GHG emissions from Inzpire Limited only (excluding emissions from other parts of QinetiQ Group):

- Scope 1
- Scope 2
- Scope 3
 - Category 4 (Upstream transport & distribution)
 - Category 5 (Waste from operations)
 - Category 6 (Business travel)
 - Category 7 (Employee commuting)
 - Category 9 (Downstream transport and distribution)

Note that there are 15 different categories of Scope 3 emissions, however, PPN 06/21 only mandates the reporting of the five categories listed above.

The group-wide Scopes 1 and 2 figures detailed are subject to limited assurance by a third party.

Baseline Year: FY20

Additional details relating to the baseline emissions calculations. Inzpire 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 the new QinetiQ Group Net Zero Strategy, we are re-baselining to FY20 for the wider inclusion of Scope 3.

Baseline Year Emissions:		Current Year: FY24	
EMISSIONS	Total (tCO2e)	EMISSIONS	Total (tCO2e)
Scope 1	18	Scope 1	0
Scope 2	n/a (site is leasehold) 1	Scope 2	n/a (site is leasehold) 1
Scope 3	846	Scope 3	1,812
Total Emissions	864	Total Emissions	1,812

¹ As a leaseholder of office premises, electricity used in our building does not fall into Inzpire's Scope 2 reporting but will be included in Scope 3 Category 8 'Leased assets' in future reporting.



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Inzpire is fully committed to the target of Net-Zero by 2040.

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Emissions reduction targets

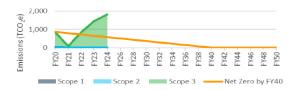


Inzpire is targeting net-zero by 2040 or sooner for our operations and across our whole value chain (i.e. Scope 1, 2 and 3). We will pursue interim milestone targets against our FY20 baseline, which will be managed through our carbon net-zero strategy and plan, as well as our wider strategic initiatives.

The targets of QinetiQ were fully validated by the Science Based Targets Initiative (SBTi) in May 2022 and our targets have been validated as part of our net-zero plan and previous versions of our CRP were assessed as compliant by the Crown Commercial Service.

Inzpire aims to continue to shape its GHG reduction plan according to its own operating model.

Scope 1, 2 & 3 Emissions: Actual vs Net Zero by FY40



(Figure 1 graph updated and ratified by QQ).

This in turn, reflects the continued success of the company and the accompanying growth in staff numbers from both the baseline year and the previous financial year. The table below highlights this increase and demonstrates that the actual increase per employee is less than 12% from FY20, despite over 90% increase in the number of employees.

No. of people	Scope 3 per employee	Target per employee
FY20 - 186	4.55	4.55
FY21 - 232	0.31	4.36
FY22 - 270	3.15	4.17
FY23 - 319	4.56	3.98
FY24 - 356	5.09	3.79

Alongside the above, the return of business travel to similar levels pre COVID-19 is also likely to be impacting the data. It is acknowledged that there will be changes due to improvements in the quality and analysis of the data provided year on year.

Given the impact of the increase in Scope 3 Category 6 (Business travel) data, understanding and implementing plans to reduce the emissions in this area is a key focus of our initiatives.

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Greenhouse Gas reduction projects initiative

Our Carbon Net-Zero Strategy and Plan outlines Inzpire's approach to reducing our GHG emissions. It is discussed in the Inzpire ESG Working Group and with the QinetiQ Net Zero Scope 3 Working Group and the wider commitments have been aligned with Inzpire's strategic planning and Inzpire's overarching ESG policy.

Inzpire is maturing its data-driven approach to inform key areas of focus and we have included below examples of targeted initiatives, along with those that will support future development in this area.

SCOPE 3 GHG EMISSIONS - CATEGORY 6 (BUSINESS TRAVEL)

Completed in FY24

- Revised internal data collection methodology to support data collation and review
- Initial provision of various IT services to support individual and collaborative working to reduce the requirement to travel
- Refined online visitor application within head office to capture travel data

CRITICAL INTERNAL AND EXTERNAL ENABLING ACTIVITIES

- Reviewed performance of green energy supplier
- Renewed representation on ADS group
- Stood up our employee led Environmental Advocates Network (EAN) and tasked them to consider key initiatives, including suggestions to reduce business travel
- Revised and published our ESG policy
- Ensured that ESG considerations were part of the company review of our supplier approval process
- Installed more efficient HVAC (heating, ventilation and air conditioning) equipment which should result in a reduction of energy usage
- Introduced an initiative to trial replacing bulk paper business cards with a single bamboo card with a QR code on

SCOPE 3 GHG EMISSIONS - CATEGORY 7 (EMPLOYEE COMMUTING)

Completed in FY24

- Further increase in uptake of EV (electric vehicle) scheme
- Commuting survey response rate increased with results showing a reduction in the use of petrol and diesel vehicles from last year



DECLARATION AND ENDORSEMENT

This Carbon Reduction Plan has been completed in accordance with PPN 06/21 and the associated guidance and reporting standard for CRPs. Emissions have been reported and recorded in accordance with the published reporting standard for CRPs 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 CRPs and the Corporate Value Chain (Scope 3) Standard.

This Carbon Reduction Plan has been reviewed by Inzpire's ESG working group and endorsed by the Managing Director for Inzpire Ltd.

Signed on behalf of the Supplier:



Brendan Nolan Managing Director Inzpire Ltd



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