
Verification Statement – Limited Assurance

Carbon Credentials Energy Services Ltd (Carbon Credentials) has been contracted by QinetiQ Group Plc of Old Ively Road, Farnborough, Hampshire, GU14 0LZ for the independent third party verification of direct and indirect carbon dioxide equivalent emissions (CO₂e) as provided in the company annual report and accounts 2017 to a limited level of assurance. This verification exercise has been performed to the ISO 14064-3 standard.

Roles and responsibilities

The management of QinetiQ Group Plc is responsible for the organisation's GHG information system, the development and maintenance of records and reporting procedures in accordance with that system, including the calculation and determination of GHG emissions information.

It is Carbon Credentials' responsibility to express an independent GHG verification opinion on the emissions as provided in the QinetiQ Group Plc annual report and accounts 2017 for the period 1st April 2016 – 31st March 2017.

Title or description of activities

The organisational boundary was established following the operational control approach. The scope of this engagement covered the assessment of 100% of emission sources required for disclosure by *The Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013*:

Scope 1 Emissions (100%)

- Natural gas combustion
- Heating oil combustion
- Road petrol combustion
- Road diesel combustion
- Aviation fuel
- Marine gas oil
- Fugitive emissions
- Emissions from explosives
- Emissions from use of CO₂
- Emissions from use of SF₆

Scope 2 Emissions (100%)

- Purchased electricity consumption

Objectives

The objectives of this verification exercise were, by review of objective evidence, to confirm whether any evidence existed that the GHG emissions as declared in the organisation's GHG assertion were not: accurate, complete, consistent, transparent and free of material error or omission in accordance with the criteria outlined below.

Criteria

Criteria against which the verification assessment was undertaken:

1. **Reporting standard:** DEFRA (2013) Environmental Reporting Guidelines: *Including mandatory greenhouse gas emissions reporting guidance*
2. **Reference calculation methodologies:**
 - a. Scope 1 emissions: WRI/WBCSD: *Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard, Revised Edition* (the GHG Protocol)
 - b. Scope 2 emissions: WRI: *GHG Protocol Scope 2 Guidance: An Amendment to the GHG Protocol Corporate Standard*
3. **Legislative criteria:** Part 7 of *The Companies Act 2006 (Strategic Report and Directors Report) Regulations 2013*

Level of Assurance and Materiality

The level of assurance agreed is that of limited assurance. A materiality level of 5% was applied. Note that assessment of compliance and materiality was undertaken against the stated calculation methodology.

Conclusion

We planned and performed our work to obtain the information, explanations and evidence that we considered necessary to provide a limited level of assurance based on the process and procedures conducted.

We conducted our verification with regard to the GHG assertion of QinetiQ Group Plc, which included assessment of the company GHG information system and monitoring and reporting methodology. This assessment included the collection of evidence supporting the reported data and multiple checks relative to the provisions of the legislation, reporting standard and calculation methodologies referenced in the verification criteria. This statement shall be interpreted with the GHG assertion of QinetiQ Group Plc as a whole.

Carbon Credentials' approach is risk-based, drawing on an understanding of the risks associated with calculating GHG emission information and the controls in place to mitigate these risks. Our examination included assessment, on a limited sample basis, of evidence relevant to the reporting of emission information.

Based on the data and information provided by QinetiQ Group Plc and the processes and procedures conducted, Carbon Credentials concludes with limited assurance there is no evidence that the GHG assertion:

- is not materially correct;
- is not a fair representation of the GHG emissions data and information; and
- is not prepared in accordance with the criteria listed above.

It is our opinion that QinetiQ Group Plc has established appropriate systems for the collection, aggregation and analysis of quantitative data for determination of these GHG emissions for the stated period and boundaries.

The GHG information for the period 01/04/16 – 31/03/2017 is verified by Carbon Credentials to a limited level of assurance, consistent with the agreed verification scope, objectives and criteria. 100% of emissions by scope are verified as follows:

Reporting Period: 01/04/2016 – 31/03/2017	
Scope 1 Reported Emissions: 21,245 tonnes of CO ₂ e	Scope 2 (location-based approach) Reported Emissions: 31,210 tonnes of CO ₂ e

Verification Opinion

- Based on our work, Carbon Credentials considers that material GHG sources are appropriately identified and reported on.
- Implementation of a structured database system for emissions information will improve reporting efficiency, reduce risk of misreporting and improve the quality of management information available to decision-makers.
- All errors in reported data identified during the verification process have been duly corrected.

Attestation:



Oliver Smallman
Lead Verifier

On behalf of
Carbon Credentials Energy Services Ltd



No member of the verification team has a business relationship with QinetiQ Group Plc, its Directors or Managers beyond that required of this assignment. We conducted this verification independently and to our knowledge there has been no conflict of interest.