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 & 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.

<table>
<thead>
<tr>
<th>Baseline Year Emissions:</th>
<th>Current Year: FY23</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>EMISSIONS</strong></td>
<td><strong>EMISSIONS</strong></td>
</tr>
<tr>
<td><strong>Total (tCO2e)</strong></td>
<td><strong>Total (tCO2e)</strong></td>
</tr>
<tr>
<td>Scope 1</td>
<td>Scope 1</td>
</tr>
<tr>
<td>17.6</td>
<td>0</td>
</tr>
<tr>
<td>Scope 2</td>
<td>Scope 2</td>
</tr>
<tr>
<td>n/a (site is leasehold)</td>
<td>n/a (site is leasehold)</td>
</tr>
<tr>
<td>846.4</td>
<td>1,454</td>
</tr>
<tr>
<td>Total Emissions</td>
<td>Total Emissions</td>
</tr>
<tr>
<td>864.0</td>
<td>1,454</td>
</tr>
</tbody>
</table>

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.
Inzpire is fully committed to the target of Net-Zero by 2040.
COMMITMENT TO NET ZERO BY 2040

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) and we will pursue interim milestone targets against our FY20 baseline which will be managed through our Carbon Net-Zero Strategy and Plan and 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 our FY22 Carbon Reduction Plan was assessed as compliant by the Crown Commercial Service.

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

Progress against these targets can be seen in the graph below (figure 1).

(Figure 1 graph updated and ratified by QQ)

Inzpire is fully committed to the target of Net-Zero by 2040 and has therefore analysed the increase in Scope 3 emissions for the last financial year. The notable increase in this area can be attributed to a specific increase in Category 6 (Business Travel) and Category 7 (Employee Commuting) data.

This in turn, is a reflection of 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 also demonstrates that the actual increase per employee is less than 10% from FY20.

<table>
<thead>
<tr>
<th>No. of people</th>
<th>Scope 3 per employee</th>
<th>Target per employee</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY20 226</td>
<td>3.82</td>
<td>3.82</td>
</tr>
<tr>
<td>FY21 260</td>
<td>0.29</td>
<td>3.63</td>
</tr>
<tr>
<td>FY22 280</td>
<td>3.04</td>
<td>3.44</td>
</tr>
<tr>
<td>FY23 352</td>
<td>4.13</td>
<td>3.25</td>
</tr>
</tbody>
</table>

Alongside the above, the return of business and commuting travel to similar levels pre COVID 19 is also likely to be impacting the data. In addition, it is further acknowledged that there will be changes as a result of improvements in the quality and analysis of the data provided year on year.

Given the impact of the increase in both Scope 3 Category 6 (Business Travel) and Category 7 (Employee Commuting) data, understanding and implementing plans to reduce the emissions in these areas are the focus of key initiatives.
COMMITMENT TO NET ZERO BY 2040
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 FY23
- Conducted analysis of business travel with high volume areas
- Reinforced agile working options within the business
- Implemented use of an online visitor application within Head Office to capture travel data

**SCOPE 3 GHG EMISSIONS – CATEGORY 7 (EMPLOYEE COMMUTING)**

Completed in FY23
- EV Scheme embedded with increased uptake
- Commuting survey established and annually conducted
- Reinforced cycle to work scheme options
- Agile working options reinforced in connection with opportunities for home working

**CRITICAL INTERNAL AND EXTERNAL ENABLING ACTIVITIES**

- Transferred energy supply to green provider
- Representation on ADS group
- Implemented use of Carbon Calculator Tool
- Developed ESG Policy
- Embedded environmental aspects into strategic planning
- Conducted review of supply chain to ensure environmental aspects are fully considered
This Carbon Reduction Plan has been completed in accordance with PPN 06/21 and the 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 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

Date: September 2023