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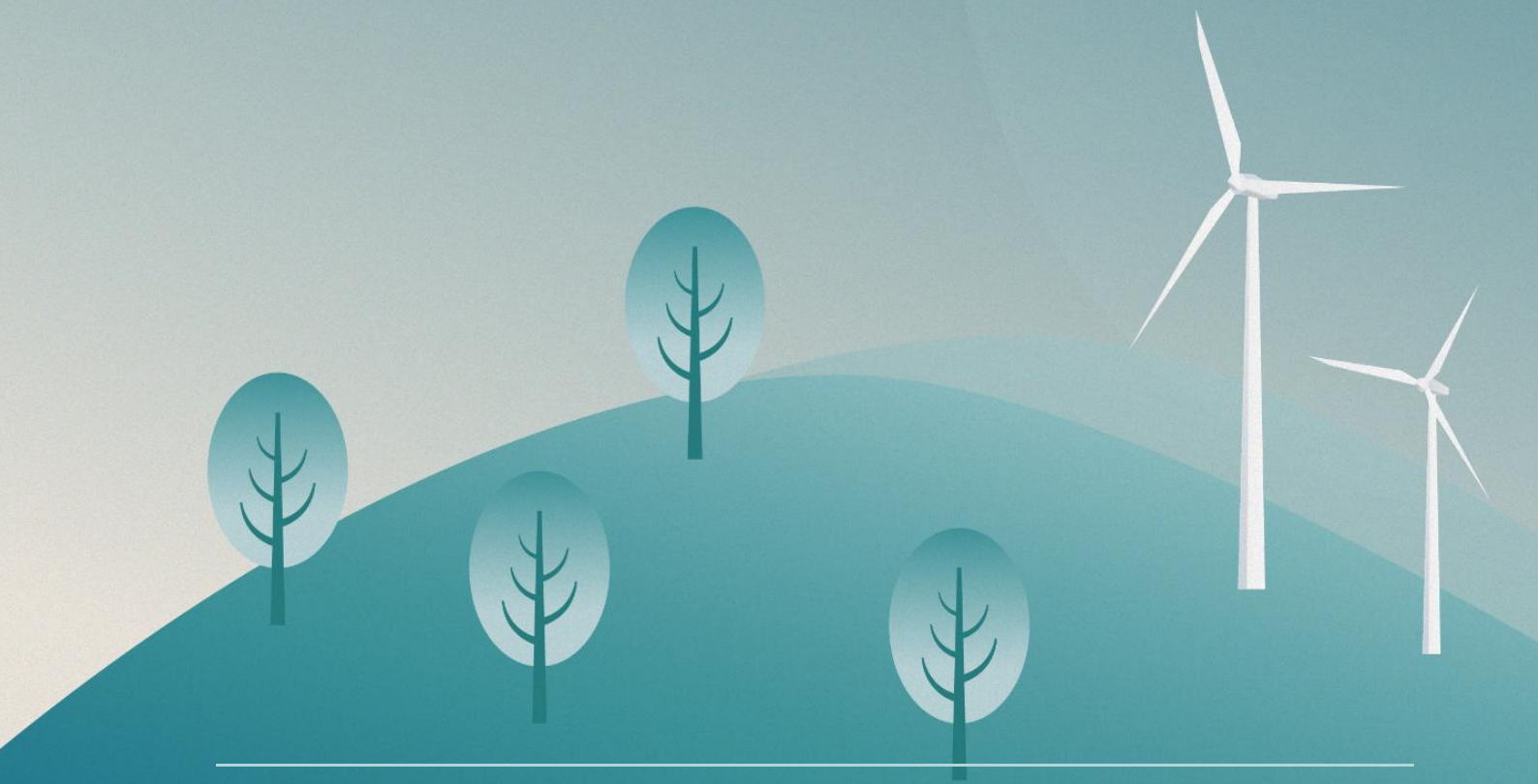
EXITUS ACTA PROBAT

Greenhouse Gas (GHG) Emissions Report 2024



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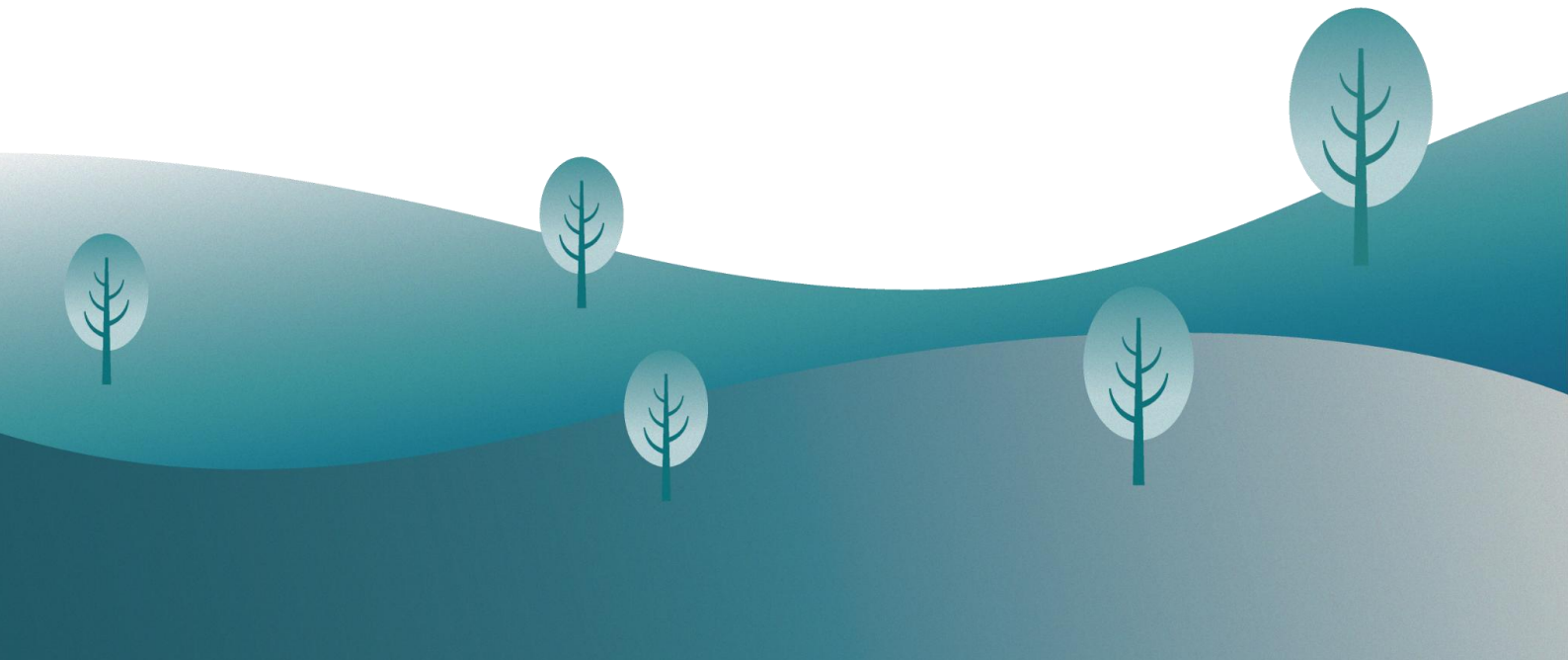

1. Introduction

Exactpro is committed to undertaking actions aimed at reducing our company's environmental impact.

In 2024, Exactpro added an ESG page to its main corporate website, published an ESG Statement with the map of expected progress and the first GHG emissions report. The office spaces were optimised, which led to a notable decrease in Scope 2. A partnership with the Georgian drinking water delivery company, Lolu Group, was fully developed, which resulted in a significantly smaller number of purchased drinking water and associated emissions. Additionally, smaller-scale local environmental initiatives targeting plastic and batteries recycling were implemented to raise waste management awareness.

The current report discloses information on the Group emissions for the full year 2024 next to the base year (2023) data. The document is based on the following list of standards and guidelines:

- Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard;
- GHG Protocol Scope 2 Guidance;
- Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Accounting and Reporting Standard;
- Technical Guidance for Calculating Scope 3 Emissions. Supplement to the Corporate Value Chain (Scope 3) Accounting & Reporting Standard;
- HM Government - Environmental Reporting Guidelines: Including streamlined energy and carbon reporting guidance;
- EPA Greenhouse Gas Inventory Guidance: Direct Fugitive Emissions from Refrigeration, Air Conditioning, Fire Suppression, and Industrial Gases;
- Working 9 to 5 on Climate Change: An Office Guide by Samantha Putt del Pino and Pankaj Bhatia.

2. GHG Inventory

2.1 Organisational Boundaries

The Exactpro Group is headquartered in the UK and, as of December 2024, operates delivery centres in Georgia, Sri Lanka, Armenia, Lithuania, and the2. UK as well as representative offices in the US, Canada, Italy, and Australia, over which it has full financial and operational control. In setting organisational boundaries, we choose a corresponding approach for consolidating GHG emissions. There were no changes in the organizational boundaries compared to 2023.

2.2 Operational Boundaries

There is a small change in comparison to 2023: maintenance services were excluded from Scope 3, Category 8, and allocated to Scope 3, Category 1. This adjustment enabled better compliance with the GHG Protocol recommendations, and did not have any impact on Exactpro's Scope 1 and Scope 2.

Assets	Scope 1	Scope 2	Scope 3	Comments
Own operating and network equipment	-	-	V Category 2: Capital goods	100 % financial control and operational control
Leased network equipment	-	-	V Category 8: Upstream leased assets	Operating lease – 0% of operational control
Own cooling and fuel combustion equipment	V • own gas heating = combustion emissions • own ACs = fugitive emissions	-	-	100 % financial control and operational control Emissions from refrigerators (fugitive emissions) are negligible and excluded
Leased office spaces	-	V • Electricity (Sri Lanka, Georgia, Lithuania, Armenia) • Heating (Georgia)	V Category 8: Upstream Leased Assets (other office spaces)	Operating lease – • 100% of operational control (office spaces)
GHG emissions from operations			V Office procurement, outsourcing, etc.	According to the Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Accounting and Reporting Standard

3. Scope 1

3.1 Gross global emissions:

2023	**2024**
1.04 Mt CO2eq	**2.38 Mt CO2eq**

Emission factors are taken from the "UK Government GHG Conversion Factors for Company Reporting" and EPA "Emission Factors for Greenhouse Gas Inventories" published for 2023/2024. The Screening method is used for fugitive emissions calculation.

The increase is explained by the fact that the main source of emissions (a gas boiler in the Armenian office) was installed in the middle of 2023 and did not contribute to Scope 1 for half a year in 2023.

4. Scope 2

4.1 Gross global emissions:

2023	**2024**
95.42 Mt CO2eq	**54.87 Mt CO2eq**

4.2 Total energy consumed:

	2023	**2024**
Electricity	205 MWt	**146.63 MWh**
Natural gas	11 848 m3	**4 279 m3**

Location-based method and grid-average emission factors are used for accounting. Exactpro is unable to use a market-based method to report emissions due to the lack of contractual instruments.

In 2023-2024, Exactpro took steps to optimize the office spaces based on the occupancy evaluation. In 2024, the level of environmental awareness was raised internally, thanks to the support of the Colombo delivery centre. The office administration consistently

participated in the Best Energy Saver competition monthly organized by the business centre where it is located. The office won 3d place several times and 1st place in December.

All of this has resulted in a decrease of the overall electricity consumption (by 28.47%), gas consumption (by 63.9%), and total Scope 2 emissions (by 42.5%).

Therefore, the total Scope 1 and Scope 2 emissions reduction reached 40.65 %. This comes close to a minimum near-term Scope 1 and 2 ambition advised by SBTi for SMEs with the 2023 base year and the 2030 target year which was taken as a reference point.

5. Scope 3 - Inventory and Boundaries

Categories reported	Boundaries
1. Purchased goods & services	All upstream emissions of goods and services purchased or acquired by the reporting company in the reporting year.
2. Capital goods	All upstream (cradle-to-gate) emissions of capital goods purchased in the reporting year: - IT equipment (PCs, laptops, servers, etc.), - own ACs, - office furniture (workplaces).
6. Business travel	Transportation and hotel stays of employees for business-related activities during the reporting year.
7. Employee commuting	Estimated fuel emissions that occur during the use of transport (private and public) to / from the office locations by Exactpro employees.
8. Upstream Leased Assets	- Office spaces under a unified licence fee agreement, - Data centers.

In accordance with the relevance principle defined by the GHG Protocol Standards and based on the corporate value chain assessment, the following categories were acknowledged as irrelevant and/or negligible and were, therefore, excluded from the report:

Categories excluded	Explanation
3. Fuel- and Energy-Related Activities Not Included in Scope 1 or Scope 2	As only life-cycle emission factors are available for Scope 2, the same is not reported in this category.
4. Upstream transportation & distribution	The data for two consecutive years showed that emissions caused by purchased transportation services excluding business travels and transportation in leased vehicles are irrelevant (0.1 and 0.13 Mt CO2eq for 2023 and 2024 correspondingly); therefore this category can be excluded from the report.
5. Waste Generated in Operations	Taking into account the nature of the company's business and the lack of information for calculations, the category cannot be considered relevant.
9. Downstream Transportation and Distribution	Not applicable
10. Processing of Sold Products	Not applicable
11. Use of Sold Products	Not applicable
12. End-of-Life Treatment of Sold Products	Not applicable
13. Downstream Leased Assets	Not applicable
14. Franchises	Not applicable
15. Investments	Not applicable

6. Scope 3 - GHG Emissions

6.1 Purchased goods & services

Gross global emissions:

2023	**2024**
76 Mt CO2eq	**112.79 Mt CO2eq**

Emissions calculation methodology:

In 2023, a carbon footprint from the London entity was not added to Scope 3 on the assumption that it was negligible. In 2024, a careful inventory assessment showed that it may equal up to 33% of total emissions in this category. When calculated based on the previous inventory, purchased goods & services emissions in 2024 amount to 76.05 Mt CO2eq. This means no real increase in emissions took place, and the difference in numbers was caused by the change in the inventory solely. Therefore, the last figure (112.79 Mt CO2eq) should be considered a base year amount later on.

An Average-data method is used for drinking and tap water consumption calculations. For the rest of the emissions, a Spend-based method and DEFRA conversion factors are used. Additionally, water treatment details are provided below:

	2023		**2024**	
Drinking water	16378 L	1.77 Mt CO2eq	**5814 L**	**0.63 Mt CO2eq**
Tap water	1055 m3	0.35 Mt CO2eq	**970.33 m3**	**0.32 Mt CO2eq**

6.2 Capital goods

Gross global emissions:

2023	**2024**
110 Mt CO2eq	**1.87 Mt CO2eq**

Emissions calculation methodology:

A Spend-based method and DEFRA conversion factors are used for calculations. As recommended by the GHG Standards, emissions from capital goods are counted in the year of their purchase only. Therefore, this category is expected to vary in different years.

6.3 Business travel

Gross global emissions:

2023	**2024**
57.91 t CO2eq	**54.33 t CO2eq**

The inventory includes all the official business travels. Supplier-specific data was used, where received: 13.3 t CO2eq out of total, which is 24.5%. For air travels, the ICAO calculator data was taken. For other calculations, a distance-based method and public emission factors were used.

6.4 Employee commuting

Gross global emissions:

2023	**2024**
60.3 t CO2eq	**51 t CO2eq**

By means of transport:

	2023 total t CO2eq	**2024 total t CO2eq**
car/taxi	27.64	**29.27**
bus	23.44	**11.17**
metro	4.15	**2.15**
train	5.06	**5.33**
motorbike	3.26	**3.14**

The data on commuting patterns was collected on a fixed date, and a distance-based method was applied for calculations. The emission factors were taken from the UK *Government Greenhouse Gas Conversion Factors for Company Reporting*.

6.5 Upstream Leased Assets

Gross global emissions: **2.78 Mt CO2eq**

Emissions calculation methodology:

As the Corporate Value Chain (Scope 3) Accounting and Reporting Standard does not suggest a Spend-based method to calculate this category, in 2024, we used a Lessor-specific method where possible and an average-data method in other cases. Therefore, the decrease from 15 Mt CO2eq to 2.78 Mt CO2eq was caused by the change of the calculation approach and shall not be considered a real decrease. For the next report, for this category, 2.78 Mt CO2eq is planned to be taken as a base year value.

7. Environmental Metrics

	2023	**2024**	
Carbon intensity	0.22477 MtCO2eq/FTE	**0.15266 MtCO2eq/FTE**	↓32.08%
Energy intensity	0.77669 MWh/FTE	**0.39101 MWh/FTE**	↓49.66%

On the grounds of specifics of the IT sector and the company as an independent provider of AI-enabled software testing services, the annual FTE was chosen as a denominator.