www.insitutest.com.au

SUSTAINABILITY REPORT



Table of Contents

OUR HOPE FOR A MORE SUSTAINABLE WORLD	
OUR PURPOSE	
INSITU TEST'S SUSTAINABILITY REPORT	3
Partnering for Change	3
Key suppliers contributing to Insitu Test's Sustainability values	3
EMPOWERING PEOPLE	3
Insitu Test's movements towards sustainability goals	4
Decarbonization	
Insitu Test's scope 1,2 and 3 emissions	6
Insitu Test's carbon footprint	6

Our hope for a more sustainable world

Insitu Test makes a conscious effort to contribute to a better world together with our customers, partners and stakeholders, carrying these values throughout our brand. Improving the world in the small ways we can is at the core of how Insitu Test runs, transforming our mission into a reality. Our mission statement displays a commitment to a positive social impact under sustainable development. Our approach to creating a positive impact is consistently incorporating social and environmental impact into decision-making as this is considered important to the success and profitability of our business.

Our company integrates social and environmental performance into decision-making through employee training that includes social or environmental issues material to our company or its mission, manager roles with job descriptions that explicitly incorporate social and environmental performance, Board of Directors review of social and environmental performance, incorporating social and environmental considerations into policies like recruitment, leave, workplace discrimination, harassment and bullying, supplier selection and environmental.

To engage stakeholders about our social and environmental performance we have created mechanisms to identify and engage traditionally underrepresented stakeholder groups or demographics through our policies. We also report the results of stakeholder engagement on social and environmental performance to the highest level of oversight in the company, such as the Board.

Insitu Test are an aspiring <u>B Corp</u>, a new kind of business that balances purpose and profit, leading the way in using business as a force for good. <u>B Corporations</u>, or <u>B Corps</u>, make decisions that make a positive impact across their co-workers, clients, suppliers, community, and the environment.

Our Purpose

Enabling people in infrastructure construction to push forward with confidence.

Our Mission

For our clients, we help them make better informed timely decisions. For our co-workers and those we support in our community, we foster an environment aimed at making the impossible possible.

Insitu Test's Sustainability Report

Partnering for Change

Transparency is a prerequisite for fostering trust and long-term relationships. Insitu Test regularly engages with a wide range of stakeholders and business partners in order to integrate different perspectives, understand global trends and mitigate risks. Engaging in a dialog means respecting the stakeholders, contributing with Insitu Test's expertise and knowledge, and the opportunity to learn from the partners' perspectives. Each dialog starts with providing transparent information. This helps stakeholders to form an educated opinion, to assess risks, and to avoid misunderstandings by building trust. Furthermore, continuous trustful stakeholder relationships contribute to solving existing tensions and avoiding potential conflicts.

Key suppliers contributing to Insitu Test's Sustainability values

Insitu Test works with a small number of suppliers selected based off their material sources having a positive impact on the environment. We want to continue working with partners that see the importance of contributing positively to the environment through the make-up of materials and processes. Insitu Test screens and evaluates significant suppliers for social and environmental impact as well as environmental practices and performance. Compliance with all local laws and regulations, including those related to social and environmental performance is considered, good governance, including policies related to ethics and corruption, positive practices beyond what is required by regulations (e.g. environmentally-friendly manufacturing process, excellent labour practices) and third-party certifications related to positive social and environmental performance is measured.

Empowering People

Insitu test is committed to conducting business in a manner that respects the rights and dignity of all people who are at the core of the company's business success. People who take ownership and feel able to take positive action drive a successful transformation to a more sustainable society and economy. Insitu Test's movements in empowering its own employees and nurturing future leaders are seen as key activities for driving sustainability improvement. Insitu Test also motivates partners along the value chain to be changemakers and drivers of sustainability.

Insitu Test is ethically and legally responsible for Occupational Health and Safety, which ensures the wellbeing of the company's staff and of its neighbours. Insitu Test promotes good labour practices promote staff safety and wellbeing and ensure healthy and satisfied employees. We believe enabling personal success contributes to the growth and success of the company. Diversity promoted at Insitu Test increases the quality of business decisions and contributes to the company's resilience, providing a competitive advantage through a committed workforce and a corporate culture characterized by openness and mindful interaction. Insitu Test is committed to conducting business in a manner that respects the

rights and dignity of all people, respecting internationally recognized views and labour rights of all employees and business partners.

Respect, diversity, and inclusion are fundamental pillars of the company's core. It is integral that Insitu Test bases recruitment off technical and personal qualifications, training and background experience rather than age, origin and gender. Insitu Test respects and supports fundamental labour principles including protection from discrimination, harassment and inhumane treatment. This encompasses protection against employment decisions based on personal characteristics or beliefs that are not related to the ability to do one's job including ethnicity, social background, sexual orientation, family responsibility (including pregnancy), disabilities, political opinion, sensitive medical conditions, discrimination in working conditions, marital status, and others.

Insitu Test has worked with policymakers to develop and advocate for policy changes explicitly designed to improve social or environmental outcomes including offering support in petition for Australian Government Renewable Strategy related to a budget. Working with B-Corp local Melbourne contributing to progressive ways to engage large corporate businesses in social procurement framework, participating in forums and provided active staff time or financial support for these activities. Insitu Test works with its stakeholders (including competitors) to improve our behaviour and performance on social and environmental issues working with other industry players on a cooperative initiative on relevant social and environmental standards for our industry.

The change towards a more sustainable society and economy is driven by people who take responsibility, think and act positively. Therefore, we promote and empower our employees, and we motivate our partners to also commit themselves to change and sustainability.

Insitu Test's movements towards sustainability goals

<20% percentage of company facilities (by area, both owned by company or leased) is certified to meet the requirements of an accredited green building program.

We lease our facilities and work with our landlord to maintain water efficiency improvements and waste reduction programs (including recycling).

We encourage good environmental stewardship in how employees manage their virtual offices having a written policy encouraging environmentally preferred products and practices in employee virtual offices (e.g. recycling) and a policy in place for the safe disposal of e-waste and other hazardous materials purchased for employee home offices.

Insitu Test provides an environmental management system (EMS) covering waste generation, energy usage, water usage, and carbon emissions that are included in our policy statements documenting our organization's commitment to the environment, an assessment undertaken of the environmental impact of our organization's business

activities and stated objectives and quantifiable targets for environmental aspects of our organization's operations.

We choose to monitor, record, and report our energy usage including electricity and other energy consumption from heating and hot water.

The Total energy used from renewable recourses (Gigajoules) during the last 12 months was recorded at 16.01, where one hundred percent of energy use is produced from low-impact renewable sources here at Insitu Test.

Insitu Test has made use of energy conservation systems and efficiency measures for our corporate facility in the past year through windows providing natural light and use of CF bulbs. We reuse packaging materials that goods are received in as much as possible when sending out other goods including paper, cardboard and plastic. We also provide instructions to stakeholders on how to recycle it correctly, our packaging is non-toxic and its materials are designed to have less overall environmental impact than common alternatives.

Insitu Test has policies in place to reduce the environmental footprint caused by travel/commuting as our facility allows for the use of public transportation, biking, or cleaner burning vehicles and employees are encouraged to use virtual meeting technology to reduce in person meetings.

We have adopted the technique of utilising freight or shipping methods with lower environmental impacts (e.g. avoiding air shipment) to minimize the transportation-related environmental impact of our distribution and supply chain.

Last year we recorded that <20% of material (by volume) is made of recyclable (and labelled as such) or biodegradable materials in the areas where they are sold (product + packaging), and <20% of material (by volume) comes from recycled materials, reused components, and certified sustainably sourced materials.

Insitu Test makes the conscious effort to purchase environmentally preferred products for the majority of our corporate facilities including non-toxic janitorial products and recycled/environmentally preferred office supplies (paper, pens, notebooks).

Decarbonization

Insitu Test's scope 1,2 and 3 emissions

According to the GHG-Protocol, emissions are classified to 3 scopes: Scope 1 emissions cover all direct emissions from a company's activities or activities under their control, including fuel combustion on site, e.g. from burning coal and own vehicles. Scope 2 emissions cover indirect emissions from electricity and heat purchased and used by the company. Scope 3 emissions are defined as all other indirect emissions from activities of the organization, occurring from sources that they do not own or control and covering emissions along the value chain, for example purchased goods and services such as chemicals and logistics.

Insitu Test manages its greenhouse gas emissions for Scope 2 by regularly monitoring and recording emissions, setting specific reduction targets and meeting the specific reduction targets set during this reporting period.

Insitu Test's Total Greenhouse Gas Emissions (metric tonnes of CO2 equivalent) for scope 2 was measured at 4.76, and our current Carbon Intensity for Scope 2 (measured in metric tons of CO2/\$million of revenue), not including the use of carbon credits or offsets was measured between 1 and 20.

Insitu Test's carbon footprint

We measure KPIs/metrics or outputs that we have identified and defined in order to determine if we are achieving our social and environmental objectives. A main example of this is measuring our carbon footprint and offsetting carbon emissions.

Our carbon footprint tracking included personnel travel such as flights and vehicle travel. We then collated all relevant information on packages we had sent out or received, coming in or being delivered domestically or internationally, calculating the distance that the package travelled via truck or plane as well as considering its size/weight.

We used the following calculators to determine the offset emissions for these deliveries and travel distance:

https://www.carbonfootprint.com/calculator.aspx https://www.dhl-carboncalculator.com/#/scenarios

2020 record of travel:

Flight travel:

TOTAL: 11,708 km 3.2t CO2

Car travel:

TOTAL: 13,122 km 2.29t CO2

Package deliveries:

TOTAL: 176,954 km 37.53t CO2

Energy usage: Origin energy

TOTAL: 4849.582 kWh 4.27t CO2

*0.36t more than previous year

*6.2t more than previous year

*0.79t more than previous year

*3.1t less than previous year

Total House Footprint = 47tonnes of CO2

*7 tonnes of CO2 more than previous year (2019)

Carbon Offsetting

Insitu Test purchased certified carbon credits in the reporting period, where 100 % of GHG emissions were off-set. Insitu Test chose an offset project by South Pole called EcoAustralia which provided the opportunity to support the regeneration and preservation of Australia's biodiversity and measurably address global climate change. Each EcoAustralia credit consisted of one Australian Biodiversity Unit, equal to 1.5m2 of government-accredited, permanently protected Australian vegetation, bundled with 1 tonne of avoided greenhouse gas emissions from a Gold Standard certified project. The Australia Biodiversity Unit supports the Mount Sandy Conservation project, which is located on South Australia's Limestone Coast. The project covers the traditional lands of the Ngarrindjeri people, Traditional Custodians of the Coorong – and is a rare pocket of intact native vegetation in the region. The project brings together indigenous and non-indigenous communities of Australia by promoting traditional land management for biodiversity conservation. By supporting EcoAustralia, Australia's unique heritage and vegetation are protected for generations to come; while certified emission reductions are helping to slow the climate crisis and create a circular economy.

Read more here: https://market.southpole.com/home/offset-emissions/project-details/68



INSITU TEST PTY LTD

has compensated

47.00

tonne(s) of CO₂ emissions

By making a contribution to verified emission reduction projects, you demonstrate your commitment to climate action and UN Sustainable Development Goals.

Renat Heuberger CEO, South Pole

? south pole

Issued by: South Pole Carbon Asset Management Ltd.
Date: 27/04/2021