Welcome to your CDP Climate Change Questionnaire 2020

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

Inmarsat was set up in 1979 by the International Maritime Organization (IMO) to enable ships to stay in constant touch with shore or to call for help in an emergency, no matter how far out to sea. Today our customers are found in many different sectors – they are typically businesses and organisations that need to communicate where terrestrial telecom networks are unreliable or simply cannot reach.

As well as merchant shipping, our customers include governments, airlines, the broadcast media, the oil and gas industry, mining, construction, and humanitarian aid agencies – to name just a few. They connect to our fleet of 14 satellites using a range of equipment, including global handheld satellite phones and notebook-sized broadband internet devices, as well as specialist terminals and antennas fitted to ships, aircraft and road vehicles.

Our business has grown strongly since 1999 when we became the first intergovernmental organization to transform into a private company, later floating on the London Stock Exchange (LSE: ISAT.L) in 2005. In 2019, Inmarsat delisted from the London Stock Exchange as the company was taken private, having been purchased by equity funds. Inmarsat remains the market leader in the provision of mobile satellite services, with the largest portfolio of global satellite communications solutions and value-added services on the market.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date	Indicate if you are providing emissions data for past reporting years	Select the number of past reporting years you will be providing emissions data for
Reporting year	January 1, 2019	December 31, 2019	Yes	1 year

C0.3

(C0.3) Select the countries/areas for which you will be supplying data.

Australia
Canada
China, Hong Kong Special Administrative Region
Indonesia

Netherlands
New Zealand
Norway
Singapore
Switzerland
United Arab Emirates
United Kingdom of Great Britain and Northern Ireland
United States of America

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

USD

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Operational control

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain
Chief Executive Officer (CEO)	The role of the Chief Executive is set out in writing and agreed by the Board. He is responsible for: 1) The day-to-day management of Inmarsat's operations and its financial results; 2) Recommending the strategic objectives for the Inmarsat Group, for debate, challenge and approval by the Board; 3) Responsibility for ensuring we meet the milestones for our key programmes with a priority to target revenue growth and deliver enhanced returns to investors and; 4) Chairing the Executive Management Board. The CEO is the board sponsor for environmental and social governance, community investment, and other corporate social responsibility matters, as well as responsibility for Health and Safety.

	Responsibility for environmental and other corporate social responsibility matters sits with the CEO because this ensures top-down management of corporate social responsibility matters including climate change.
Other C-Suite Officer	The Chief Corporate Affairs Officer and Company Secretary has responsibility for climate change-related issues at Inmarsat and is a member of the Executive Management Board. These responsibilities lie with the Company Secretary/Chief Corporate Affairs Officer because her wider role is to provide governance advice to the Board and its Committees and to ensure that the organisation is compliant with standard financial and legal practice, including energy/carbon compliance. The Company Secretary/Chief Corporate Affairs Officer also acts as the point of communication between the board of directors and Inmarsat investors on matters including governance and remuneration and is responsible for reporting on company procedures and developments, including those related to matters of Corporate Responsibility and climate change.

C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Please explain
Scheduled – some meetings	Reviewing and guiding strategy Reviewing and guiding major plans of action Reviewing and guiding risk management policies Reviewing and guiding annual budgets Reviewing and guiding business plans Setting performance objectives Monitoring implementation and performance of objectives Overseeing major capital expenditures, acquisitions and divestitures	The Board is ultimately responsible to stakeholders for all our activities: for delivering our strategy and financial performance in the long-term interests of the Company; for efficiently using our resources and having regard to social, environmental, and ethical matters. Climate change-related issues are therefore integrated into a number of governance mechanisms in the extent to which they drive operational effectiveness and risk management. Similarly, we recognise that rising sea levels and increased precipitation and flooding as a result of climate change could impact our satellite access stations and/or land earth stations which are located at strategic points around the world and act as traffic gateways connecting customers using the Inmarsat satellites to terrestrial networks. To manage this risk, we have established site selection due diligence processes which incorporate climatic geographical considerations. The board has oversight of such major plans of action.

	Monitoring and overseeing progress against goals and targets for addressing climate-related issues	

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Name of the position(s) and/or committee(s)	Responsibility	Frequency of reporting to the board on climate-related issues
Risk manager	Both assessing and managing climate-related risks and opportunities	Quarterly
Environment/ Sustainability manager	Both assessing and managing climate-related risks and opportunities	Quarterly
Other C-Suite Officer, please specify Chief Corporate Affairs Officer	Both assessing and managing climate-related risks and opportunities	Quarterly

C1.2a

(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).

Environment/sustainability manager: Head of Facilities

Inmarsat's Head of Facilities has day-to-day responsibility for driving energy management practices across the group and ensuring compliance with Inmarsat's various energy and carbon compliance requirements, for example, Mandatory Emissions Reporting and SECR compliance in the UK. Climate change-related issues are monitored by the Head of Facilities through regular meetings with the facilities team to ensure that our buildings are operating efficiently and also through a greenhouse gas reporting data managed service with our external consultant, Carbon Intelligence, in which emissions performance reports are sent out to sites on a regular basis.

The Head of Facilities reports to the VP Global Real Estate and Facilities who reports to the Chief Operations Officer. The responsibility lies with the Head of Facilities because he has the expertise and experience to drive energy management practices across the Group.

The Senior Director of Risk Management

The Senior Director of Risk Management is responsible for the development and implementation of Inmarsat's risk management processes to enable the business to achieve its

strategic goals. The environment and climate change specifically relate to a number of Inmarsat's risks and therefore the Senior Director of Risk Management has an important role in ensuring that these risks are effectively mitigated. Responsibilities include: review of the risk profile against Inmarsat's risk appetite; provision of recommendations to management in relation to risk profile, strategy and key controls; review of the sustainability of risk methodologies, metrics and policies; and assessment of major risk-related projects. Climate change-related issues are monitored by the Senior Director of Risk Management through the Central Risk Committee reporting process. The Senior Director of Risk Management reports to the Company Secretary/Chief Corporate Affairs Officer.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive	Type of incentive	Activity inventivized	Comment
Other, please specify CP Global Real Estate and Facilities or Head of Facilities	Monetary reward	Emissions reduction project	As part of an ongoing review, facilities managers are required to monitor and reduce energy consumption and to ensure that any replacement plant and equipment delivers a reduction in energy consumption and subsequent GHG emissions.
Risk manager	Monetary reward	Other (please specify) Climate risk mitigation	The Senior Director of Risk Management key objective is to improve the risk management processes, including those relating to climate change, and apply them across the Group. Inmarsat recognises that climate change is a risk where the time horizon is typically longer than long-range business plan time-frame of 5 years, and therefore, whilst the assessment of climate-related risks are integrated into the overall risk management processes, climate change risks and opportunities also require bespoke assessment.
Other C-Suite Officer	Monetary reward	Other (please specify)	The Chief Corporate Affairs Officer and Company Secretary has specific responsibility for climate-related issues at Inmarsat and is a member of the Executive Management Board. The Company

		Climate change risk management	Secretary/Chief Corporate Affairs Officer also acts as the point of communication between the board of directors and Investors on matters including governance and remuneration, and is responsible for reporting on company procedures and developments, including those related to matters of Corporate Responsibility and climate change. The Chief Corporate Affairs Officer and Company Secretary's annual financial remuneration takes into account successful risk management globally, including risk management relating to climate change.
Chief Executive Officer (CEO)	Monetary reward	Other (please specify) Performance against ESG requirements	The CEO is the board sponsor for environmental and social governance, community investment, and other corporate social responsibility matters, as well as responsibility for Health and Safety. The CEO has an objective relating to "health and safety overview across the group and monitoring/performance of ESG requirements." This objective is linked to annual financial remuneration.

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	0	1	The short-term horizon aligns to annual budgeting.
Medium-term	1	5	Inmarsat's long-range business plan spans 5 years and we view this as "medium-term".
Long-term	5	20	Inmarsat's satellites are in space for up to 20 years and therefore Inmarsat must consider risk on this horizon. There is also a recognition that climate-related risks have longer-term horizons.

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

Substantive financial or strategic impact is assessed in line with the defined risk appetite (which is considered as part of the compilation of business cases, annual business plan and budget and long-range business plan) and using defined impact and probability ranges.

Inmarsat considers impact across the following 4 dimensions: economic (cash flow impact), people risk, reputation, and business/service interruption. The impact thresholds are classified from A (higher impact) – D (lower impact). For example, the highest economic impact threshold (A) is defined as a cash flow impact of more than $50 million within 3 years of an event, and the highest business/service interruption threshold is defined as severe disruption to the business. Beyond this threshold, risks are considered to have a substantive impact.

Probability is considered on a scale of 1 to 5, where 5 is higher i.e. “almost certain to happen”.

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered

Direct operations
Upstream
Downstream

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

More than once a year

Time horizon(s) covered

Short-term
Medium-term
Long-term

Description of process

How climate-related risks are identified and assessed at company and asset level: Climate-related risks are identified and assessed as part of Inmarsat’s overall risk management process which is described below.

Inmarsat operates a risk management process to identify, assess, mitigate and report significant risks within the business and to report to the Board on how those risks are being managed.

Risks are initially identified and assessed in each business unit and area (i.e. asset level) during collaborative risk workshops where key internal stakeholders consider what risks could hinder Inmarsat from achieving its objectives, quantify the risks in terms of impact and probability and consider risk mitigation activities. The workshop is a key stage in the development of business unit risk reports which include risk registers (list of risks), risk matrices with impact and probability, and the risk mitigation plans.

On a quarterly basis the risk reports are formally reviewed by senior management on a central Risk Committee representing each component part of the business (i.e. each business unit and central services function).

These risk reports are assessed and consolidated in a systematic way to identify the Group's principal risks. The Group's principal risks are further discussed and reviewed by the Executive team, and each quarter, the resulting Group risk report is discussed by the Audit Committee and the Board, who has overall responsibility for the risk management framework.

The process in place for assessing which risks could have a substantive financial or strategic impact in relation to other risks:
Inmarsat's risk evaluation and prioritisation process begins with quantification of probability and impact criteria within risk registers monitored by the Central Risk Committee. Once scored, risks are then prioritised into a four-tiered scale ranging from high to low. This allows Inmarsat to determine the relative significance of climate-related risks in relation to other risks. The Inmarsat Board and Audit Committee are then responsible for approving risk levels and approving risk decisions that are beyond delegated authorities.

The Board regularly and as part of the financial year end process, reviews the Group's principal risks and the actions being taken to mitigate those risks. As part of the long-range business plan and risk management processes particularly, the Board determines the level of risk carried and the extent of mitigating activity required to deliver an acceptable level of risk.

Process for managing climate-related opportunities:
Inmarsat recognises that the reverse of each risk is opportunity and that by systematically assessing and mitigating the largest risks, we are more likely to achieve our strategic goals. Therefore, climate change opportunities are managed through the same process described above.

An example of how this process is applied to physical risks:
Some of our ground stations are coastal facilities that may be at risk from negative impacts related to sea-level rise.

This risk was identified, assessed, and managed in line with the process described above. During a climate change risk workshop facilitated by our sustainability partners, Carbon Intelligence, we identified that sea level rise presents a potential risk to our

operations globally. We assigned a risk owner to further investigate this risk and to develop a risk mitigation plan. We conducted a desk-based study of each of our locations to assess the impact and probability of natural weather disasters using latitude and longitude coordinates and natural catastrophe models developed for the insurance industry. Where locations have been identified as having higher risk of natural disaster, e.g. river flooding, site surveys will be conducted to further refine the risk assessment and to establish risk mitigation plan. From this initial assessment, no operations are at significant risk from natural weather disaster events.

An example of how this process is applied to physical opportunities:
Our Maritime and Aviation customers face increasing risk from physical climate change impacts. For example, changes in both mean precipitation and patterns of precipitation will mean that both seafarers and airlines will require more advanced connectivity to enable real-time weather information for optimal route planning, as well as reliable communications in any weather. This presents Inmarsat with an opportunity as our global network is highly resilient.

This opportunity was identified, assessed, and managed in line with the process described above. During a climate change risk workshop facilitated by our sustainability partners, Carbon Intelligence, we identified that increasing weather disasters will create greater demand for our services. Following this workshop, the sustainability team will be meeting with the product teams to explore how climate change considerations can be integrated into product development and R&D.

C2.2a

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	Company specific example of risk type and how it is included in risk assessment: Geographically, our energy consumption is greatest within the UK, where Inmarsat is required to comply with both the Streamlined Energy and Carbon Reporting (SECR) and Energy Savings Opportunity Scheme (ESOS). For 2020 we will follow the same compliance method. Both regulations require Inmarsat to maintain an evidence pack in order to demonstrate compliance to the Environment Agency, which provides regulatory oversight for each scheme. The recent introduction of the Streamlined Energy and Carbon Reporting (SECR) legislation, requires Inmarsat to report the information currently disclosed under Mandatory Greenhouse Gas Regulations, what proportion of energy consumption and emissions relate to the UK and information relating to energy efficiency measures undertaken in the financial reporting year. There is a risk that inaccurate, incomplete or unauditable energy data could result in non-compliance with both regulations. Failure to comply with either could result in financial penalties being applied by the

		Environment Agency and publication of non-compliance. Current legislation is included as part of the group-wide risk assessment process and the Chief Corporate Affairs Officer/Company Secretary is accountable. Any fines as a result of non-compliance would be considered along the economic impact dimension, in addition to the reputation impact dimension. Whilst we do not consider non-compliance with the legislation outlined above (SECR and ESOS) to have a substantive impact on the group, we have put in place robust risk management plans to ensure compliance. For example, we have a specialist carbon and energy partner that works closely with the Chief Corporate Affairs Officer/Company Secretary and other key stakeholders to ensure compliance with climate-related legislation.
Emerging regulation	Relevant, always included	Company specific example of risk type and how it is included in risk assessment: Inmarsat is aware of a number of potential areas of emerging regulation relating to climate change that could have an impact on the business. For example, the business recognises that a number of jurisdictions are considering implementing the recommendations from the Task Force on Climate-Related Financial Disclosure into national legislation. Inmarsat is currently working with its specialist energy and carbon partner to implement some of the TCFD recommendations, with the view to disclosing on these within the next 3 years, in line with the implementation pathway set out by the TCFD. Inmarsat also recognises that good practice today is likely to become regulation tomorrow. For example, most countries across the world have now ratified the Paris Agreement, committing to keep global warming below 2 degrees Celsius (3.56F). It seems very likely therefore that in the future countries will strengthen climate change policy to require organisations to also align to a 2 degree or lower pathway. Inmarsat recognises this emerging regulation and is on the pathway to set a science-based emission reduction target. As indicated in our 2019 ESG Report, we set a new target to reduce absolute Scope 1 and 2 emissions by 29% by 2025 compared to a 2018 baseline. We are further working with Carbon Intelligence to assess our full value chain (Scope 3) emissions with the ambition of gaining approval from the Science Based Targets initiative on our Scope 1 to 3 targets by the end of 2020. Emerging regulation is included as part of the group-wide risk assessment process, and the Chief Corporate Affairs Officer/Company Secretary is accountable. We have put in place robust risk management plans; we have a specialist carbon and energy partner that works closely with this individual and other key stakeholders to identify emerging regulation and implement management plans.
Technology	Relevant, always included	Company specific example of risk type and how it is included in risk assessment: Inmarsat considers that technological improvements or innovations that support the transition to a lower-carbon, energy-efficient economic system represent opportunities to Inmarsat.

		Inmarsat's Deputy CTO sits on the Central Risk Committee and this ensures any technology risks are identified and managed in line with the defined of the risk management process. Our communication products, services and solutions enable our customers to operate more efficiently across our four customer-focused business segments: maritime, enterprise, aviation and government. By helping our customers to improve efficiency through our technology we are supporting the transition to a lower-carbon economy. EXAMPLE: In 2018, Inmarsat produced a report alongside the London School of Economics titled 'Sky High Economics: Evaluating the Economic Benefits of Connected Airline Operations'. It states that the connected aircraft, enabled by satellite communications, has the potential to save airlines $15 billion annually in operational efficiencies and 21.3 million tonnes of CO2 emissions by 2035. EXAMPLE: The Inmarsat Research Programme has also been focusing on understanding the ways that the Industrial Internet of Things (IIoT) is being adopted by organisations from the agriculture, energy, maritime, mining and transport sectors and the role of satellite connectivity as an IIoT enabler. There is, of course, a risk that the growing recognition of the need to transition to a low-carbon economy will increase competition for products and services that drive efficiency. We have identified the risk in our principal risks. To ensure that our product offering remains relevant, we are investing in product development and are reviewing market opportunities, for example IoT and Big Data, to create new business streams.
Legal	Relevant, always included	Company specific example of risk type and how it is included in risk assessment: Inmarsat recognises that companies are facing increasing risk of climate change litigation as a result of a new wave of strategic court cases linking climate to human rights. This new wave of lawsuits is also targeting states for their insufficient policies and non-implementation of international climate treaties. Inmarsat considers this to be of low risk to climate-related litigation as a result of our commitment to reducing Scope 1 and 2 emissions, and because our communication services enable our customers to improve efficiency and assist them to reduce emissions. Litigation risk is included as part of the group-wide risk assessment process.
Market	Relevant, always included	Company specific example of risk type and how it is included in risk assessment: Inmarsat considers that shifts in supply and demand for certain commodities, products, and services as a result of climate change generally represent an opportunity to Inmarsat. As Governments, corporates and civil society make increasing commitments and efforts to reduce greenhouse gas emissions there is likely to be increasing demand for communication services to reduce the need for fuel-intensive travel, or to improve the efficiency of travel. However, there is, of course, a risk that the changing market demand for certain products and services that drive efficiency and reduce

		emissions will increase the levels of competition that Inmarsat faces. Market risk is included as part of the group-wide risk assessment process.
Reputation	Relevant, always included	Company specific example of risk type and how it is included in risk assessment: Reputation is a key impact that Inmarsat considers for all risks. Reputational risk underpins all risk categories, including climate change-related risks. A positive corporate reputation is critical to maintaining our trusted brand and reputation, as well as the loyalty of our customers. As a result, it is imperative that Inmarsat continues to demonstrate to stakeholders that it is proactively managing environmental risk in order to avoid any possible denigration of our reputation. For example, failure to align our organisational greenhouse gas reporting to the requirements of mandatory emissions reporting for UK quoted companies could result in an investigation by the Financial Reporting Council, and follow up action by way of preparation of a revised report. There are also further related risks, including a possible impact to our reputation as a result of any misstatement of GHG information in the public domain, or if our reported emissions should only increase. In recent years Inmarsat has received increased requests for information relating to climate change issues from our investors, customers, and suppliers. When tendering for work, our environmental management is generally an important part of this process. In 2019, we continued our engagement with our external and internal stakeholders including employees, customers, suppliers, and investors on ESG issues. Interviews were organised and surveys sent out to understand the level of stakeholder concern regarding a wide range of sustainability issues. The engagement exercise identified that the environmental impact of space launches was seen as a low importance issue for stakeholders but seen as a significant concern for the industry. As a result, Inmarsat is currently engaging with satellite launch providers to understand options for reducing the environmental impact. Reputation risk is included as part of the group-wide risk assessment process. Importantly, all risks are assessed in terms of reputational impact on a pre-defined scale.
Acute physical	Relevant, always included	Company specific example of risk type and how it is included in risk assessment: As the world's leading mobile satellite communications provider, we operate a sophisticated ground network. This is a nexus of data centres and ground stations – also known as satellite access stations (SASs) or land earth stations (LESs) – located at strategic points around the world, which act as traffic gateways connecting customers using the Inmarsat satellites to terrestrial networks. Governments worldwide rely on our satellite communications to support their civil and defence operations. We are also the satellite cornerstone of the Global Maritime Distress and Safety System (GMDSS). Our on-going investment in ground infrastructure ensures that customers enjoy an overall 99.9% availability for our L-band network. A minority of these

		ground stations are coastal facilities that may be at risk from negative impacts related to extreme weather events such as cyclones and hurricanes. A possible, albeit not felt to be likely at all, risk is that the business might need to either relocate infrastructure to a new area or allocate capital costs to coastal defences, which could imply investment in land, building and construction. For example, Inmarsat has a SAS in Paumalu, Hawaii. The company has recently conducted a risk assessment of each of its locations to assess the impact and probability of natural weather disasters. This desk-based study used latitude and longitude coordinates and natural catastrophe models developed for the insurance industry. Where locations have been identified as having a higher risk of natural disaster, site surveys will be conducted to further refine the risk assessment and to establish risk mitigation plans.
Chronic physical	Relevant, always included	Company specific example of risk type and how it is included in risk assessment: As the world's leading mobile satellite communications provider, we operate a sophisticated ground network. This is a nexus of data centres and ground stations – also known as satellite access stations (SASs) or land earth stations (LESs) – located at strategic points around the world, which act as traffic gateways connecting customers using the Inmarsat satellites to terrestrial networks. Governments worldwide rely on our satellite communications to support their civil and defence operations. We are also the satellite cornerstone of the Global Maritime Distress and Safety System (GMDSS). Our on-going investment in ground infrastructure ensures that customers enjoy an overall 99.9% availability for our L-band network. A minority of these ground stations are coastal facilities that may be at risk from negative impacts related to sea-level rise, which is considered a chronic physical, climate-related risk. A possible, albeit not felt to be likely at all, risk is that the business might need to either relocate infrastructure to a new area or allocate capital costs to coastal defences, which could imply investment in land, building and construction. For example, Inmarsat has a SAS in Paumalu, Hawaii, and according to the NOAA, sea level has risen in Hawaii at approximately 1.5 mm/year over the past century. The United States Global Change Research Program has predicted that as a result of sea level rise linked to climate change, infrastructure close to the Hawaiian coast will be vulnerable to coastal inundation, flooding, and shoreline erosion. Over time, this could potentially affect coastal roads and other infrastructure such as Honolulu International Airport, which may impact our Paumalu ground station. This Satellite Access Station is, however, solidly above ground.

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Chronic physical

Rising sea levels

Primary potential financial impact

Increased capital expenditures

Company-specific description

As the world's leading mobile satellite communications provider, we operate a sophisticated ground network. This is a nexus of data centres and ground stations – also known as satellite access stations (SASs) or land earth stations (LESs) – located at strategic points around the world, which act as traffic gateways connecting customers using the Inmarsat satellites to terrestrial networks. Governments worldwide rely on our satellite communications to support their civil and defence operations. We are also the satellite cornerstone of the Global Maritime Distress and Safety System (GMDSS). Our on-going investment in ground infrastructure ensures that customers enjoy an overall 99.9% availability for our L-band network. A minority of these ground stations are coastal facilities that may be at risk from negative impacts related to sea-level rise as a consequence of climate change. A possible, albeit not felt to be likely at all, risk is that the business might need to either relocate infrastructure to a new area or allocate capital costs to coastal defences, which could imply investment in land, building and construction. For example, Inmarsat has a Satellite Access Station in Paumalu, Hawaii, and according to the NOAA, sea level has risen in Hawaii at approximately 1.5 mm/year over the past century. The United States Global Change Research Program has predicted that, as a result of sea level rises linked to climate change, infrastructure close to the Hawaiian coast will be vulnerable to coastal inundation, flooding, and shoreline erosion. Over time, this could potentially affect coastal roads and other infrastructure such as Honolulu International Airport, which may impact our Paumalu ground station. This Satellite Access Station is, however, solidly above ground.

Time horizon

Long-term

Likelihood

About as likely as not

Magnitude of impact

Medium-high

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

20,000,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

We conducted a natural catastrophe study in 2018 and we identified the risk from severe weather events such as winterstorms, tropical cyclones, flash floods and/or river floods are more likely than coastal flood or tsunami and more medium-term. We identified the impact for both around $20m. More detailed analysis is planned.

Cost of response to risk

2,000,000

Description of response and explanation of cost calculation

DESCRIPTION OF RESPONSE:

• Our ground station site selection is informed by due diligence processes that incorporate climactic geographic considerations. This enables us to understand any exposure to current and future hazards so that we can avoid locations where any risk may become unmanageable and ensure our investments are climate resilient.

• Inmarsat has business continuity plans in place for our key infrastructure to ensure that any interruption to services is minimised and data is not lost.

• We buy insurance to compensate for the financial loss in the event a satellite or ground network element is damaged or lost.

EXAMPLE/CASE STUDY: Disaster recovery exercises are carried out quarterly to test and rehearse satellite contingencies (e.g. satellite or ground station failure). This involves mimicking recovery by moving from one satellite to another. Separate disaster recovery exercises for corporate operating systems are reviewed annually.

COST OF RESPONSE TO RISK CALCULATION: Estimate of property loss control investments to reduce storm impact and in a few cases flood impact equals $2,000,000. This cost is incorporated within the roles of several staff and costs of back up centres etc.

Comment

Identifier

Risk 2

Where in the value chain does the risk driver occur?

Downstream

Risk type & Primary climate-related risk driver

Emerging regulation

Mandates on and regulation of existing products and services

Primary potential financial impact

Increased indirect (operating) costs

Company-specific description

Inmarsat's mobile satellite communications networks rely on our satellite launch providers. Materiality assessments have been conducted to understand our material ESG topics by surveying internal and external stakeholders, as shown in the materiality matrix on page 2 of our 2019 ESG report. These processes identified that although our stakeholders consider the environmental impact of the satellite launches as of low importance, the industry considers it material. The Center for Space Policy and Strategy released a report on "The Policy and Science of Rocket Emissions" which states that: "Combustion emissions from rocket engines affect the global atmosphere. Historically, these impacts have been seen as small and so have escaped regulatory attention. Space launch is evolving rapidly however, characterized by anticipated growth in the frequency of launches, larger rockets, and employment of a greater variety of propellants. At some future increased launch rate, the global impacts from launch emissions will collide with international imperatives to manage the global atmosphere. This could result in regulation of launch activity. The regulatory uncertainty is complicated by knowledge gaps regarding rocket emission impacts. Looking ahead to the coming decade, the global launch industry and its stakeholders should encourage, facilitate, and fund objective scientific research on rocket emissions and engagement with international regulators to define metrics. Such a policy would forestall unwarranted regulation, ensure regulatory impartiality across the global launcher fleet where regulation is unavoidable, and facilitate launch industry freedom of action in crafting responses to environmental concerns." Inmarsat recognises that its satellite launch providers may be faced with increasing regulatory risk which may lead to costs that would be passed on to Inmarsat. Similarly, as understanding of the emissions impact of rocket launches increases, Inmarsat may experience higher satellite launch costs as the launch providers may pass on increased technology costs associated with clean Research and Development.

Time horizon

Medium-term

Likelihood

About as likely as not

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

We are unable to accurately quantify the financial impact for Inmarsat at present.

Cost of response to risk

0

Description of response and explanation of cost calculation

DESCRIPTION OF RESPONSE: To manage the risk associated with increased costs for launching our satellites as a result of increasing climate change-related regulatory risk impacting the satellite launch provider sector, we engage in discussions with multiple satellite launch providers, seeking inputs from multiple potential companies before selecting a provider.

EXAMPLE/CASE STUDY: For example, we have relied on a number of launch providers such as Arianespace, SpaceX, and Mitsubishi Heavy Industries (MHI) as diversification and engagement is an essential risk mitigation strategy. In November 2019, Arianespace launched the fifth GX satellite intended to meet the growing demand for aviation Wi-Fi and commercial maritime services across Europe and the Middle East.

COST OF RESPONSE TO RISK CALCULATION: The cost of management is '0' as it is part of our business as usual costs associated with our procurement teams.

Comment

Identifier

Risk 3

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Market

Changing customer behavior

Primary potential financial impact

Decreased revenues due to reduced demand for products and services

Company-specific description

Inmarsat considers that shifts in supply and demand for certain commodities, products, and services as a result of climate change generally represent an opportunity to Inmarsat. As governments, corporates and civil society make increasing commitments and efforts to reduce greenhouse gas emissions there is likely to be increasing demand for communication services to reduce the need for fuel-intensive travel, or to improve the efficiency of travel. Our communication products, services and solutions enable our customers to operate more efficiently across our four customer-focused business segments: maritime, enterprise, aviation and government. By helping our customers to improve efficiency through our technology we are supporting the transition to a lower-carbon economy. For example, in 2018 Inmarsat produced a report with London School of Economics, 'Sky High Economics: Evaluating the Economic Benefits of Connected Airline Operations' which states that the connected aircraft, enabled by satellite communications, has the potential to save airlines $15 billion annually in operational efficiencies and 21.3 million tonnes of CO2 emissions by 2035. However, there is a risk that the growing recognition of the need to transition to a low-carbon economy will increase competition for products and services that drive efficiency. We recognise that new entrants with different business plans may disrupt the market and negatively impact our operations if we do not adapt to the changing conditions fast enough.

Time horizon

Medium-term

Likelihood

About as likely as not

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

We are unable to accurately quantify the financial impact for Inmarsat at present.

Cost of response to risk

0

Description of response and explanation of cost calculation

DESCRIPTION OF RESPONSE: To ensure that our product offering remains relevant to customers, we are investing in product development and are reviewing market

opportunities (such as IoT and Big Data) to ensure our product offering remains attractive and we remain competitive. We are managing this opportunity through thought-leadership and communications.

EXAMPLE/CASE STUDY: For example, we collaborated with LSE to produce a report which states that the connected aircraft, enabled by satellite communications, has the potential to save airlines $15 billion annually in operational efficiencies and 21.3 million tonnes of CO2 emissions by 2035. By quantifying and communicating the positive impact of our services we may be able to increase demand for our services and position ourselves as market leaders, reducing competition risk.

EXAMPLE/CASE STUDY: The Inmarsat Research Programme is now in its fourth year. Its aim is to understand how connectivity-related technologies are shaping global supply chains and economies. This research is focused on understanding the ways that the Industrial Internet of Things (IIoT) is being adopted by organisations from the agriculture, energy, maritime, mining and transport sectors and the role of satellite connectivity as an IIoT enabler.

COST OF RESPONSE TO RISK: The cost of management is '0' as it is part of our business as usual.

Comment

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Opp1

Where in the value chain does the opportunity occur?

Downstream

Opportunity type

Resource efficiency

Primary climate-related opportunity driver

Use of more efficient modes of transport

Primary potential financial impact

Increased revenues resulting from increased demand for products and services

Company-specific description

Inmarsat has embarked on a public-private partnership with the European Commission and the Single European Sky ATM Research (SESAR) programme to in an effort to modernise air traffic. The Iris Programme, launched by the European Space Agency is a satellite-based communication solution that will relieve the pressure on the ground-based radio frequencies, which are increasingly congested by the use of smartphones in the cabin. The Iris application will operate on Inmarsat's SwiftBroadband-Safety platform, providing high-speed communications to the flight deck. SESAR Joint Undertaking estimates that 5 to 10% of flight emissions can be avoided through updated aviation infrastructure, which would shorten trajectories and reduce congestion. Through Iris technology, flight paths could be optimised, leading to reductions in carbon-intensive jet fuel and emissions, lessening the aviation industry's impact on the environment. The beginning of this programme for pilot airlines began in 2019, with the roll-out of initial services due to start in 2020. The full scope of services will not be available until the latter half of the decade.

Time horizon

Long-term

Likelihood

Very likely

Magnitude of impact

Medium-high

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

Given the long-term time horizon of this opportunity, there is too much uncertainty regarding the potential revenue stream that this programme will offer despite its promise.

Cost to realize opportunity

0

Strategy to realize opportunity and explanation of cost calculation

STRATEGY TO REALISE OPPORTUNITY: To date, over 30 companies have worked to develop and design Iris. This Inmarsat-led consortium consists of air navigation services providers, avionics manufacturers, ground industry players, and more. In order to make this programme a reality, Inmarsat must continue to collaborate with experts throughout the aviation industry.

EXAMPLE/CASE STUDY: In October 2019, the programme's second phase began, flight trails, during which Inmarsat will work with selected airlines to conduct experiments onboard 20 aircraft flying commercially, enabling the software to be assessed in a real operational environment.

COST TO REALISE OPPORTUNITY: The development of the Iris programme by Inmarsat and partners has already been funded by both the European Space Agency and Inmarsat, therefore cost is 0. It is expected that the pan-European deployment by European airlines and air navigation service providers would be supported by funding from the European Commission as part of the digital transformation of aviation towards greener air transport.

Comment

Identifier

Opp2

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Products and services

Primary climate-related opportunity driver

Development and/or expansion of low emission goods and services

Primary potential financial impact

Increased revenues resulting from increased demand for products and services

Company-specific description

According to the IPCC's Fifth Assessment Report (AR5), in areas across the world that will likely experience decreases in precipitation (most subtropical and mid-latitude regions), precipitation intensity is projected to increase but there would be longer periods between rainfall events. Furthermore, inter-annual variability of the Asian monsoon is also projected to increase. These changes in both mean precipitation and patterns of precipitation will mean that both seafarers (and airlines) will require more advanced connectivity to enable real-time weather information for optimal route planning, as well as reliable communications in any weather. Inmarsat has a highly resilient global network and the opportunity that arises from this situation is that we will be able to provide these services to a greater number of potential customers. These

customers will benefit from more efficient operations and improved safety in the face of increased severity and frequency of physical climate impacts. We see a continuing growth opportunity for maritime services such as FleetBroadband and Global Xpress terminal installation and usage and that usage will be driven by additional applications appealing to users' requirements for information on ship engine, fuel and general operational efficiencies.

Time horizon

Short-term

Likelihood

Virtually certain

Magnitude of impact

Medium-high

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

We are unable to accurately quantify the financial impact for Inmarsat at present.

Cost to realize opportunity

0

Strategy to realize opportunity and explanation of cost calculation

STRATEGY TO REALISE OPPORTUNITY: Our Maritime business is Inmarsat's largest single market segment, representing over 40% of our annual mobile satellite services revenues. We plan to continue to build on our 35+ years of heritage in maritime safety services with an approach that will bring the world's most reliable safety systems into the heart of the 'smart ship'. The company strategy is to continue with our strong product and service pipeline, as well as develop innovative services, in order to expand our leadership position in maritime communications and uncover new opportunities. We are also migrating Inmarsat Maritime customers away from our legacy services. We have the opportunity to offer similar opportunities for product and service development across other parts of our business to respond to customer needs.

EXAMPLE/CASE STUDY: The introduction of Inmarsat satellite surveillance (Automatic Dependence Surveillance – Contract) and communication (Controller-Pilot Data Link Communications) services in the oceanic regions enabled significantly more efficient and safer operations within formally constrained environments. Inmarsat helped improve

services through the more efficient use of preferred routing and altitudes, resulting in the savings of time, fuel and emissions.

COST TO REALISE OPPORTUNITY: We expect the cost to be part of our business as usual processes therefore cost is 0.

Comment

Identifier

Opp3

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Products and services

Primary climate-related opportunity driver

Development and/or expansion of low emission goods and services

Primary potential financial impact

Increased revenues resulting from increased demand for products and services

Company-specific description

The report released by Inmarsat and the London School of Economics titled "Sky High Economics: Evaluating the Economic Benefits of Connected Airline Operations", analyses current IATA data and primary research including industry interviews with airlines, regulatory agencies, developers and suppliers of aircraft equipment and software solutions to understand the wide range of efficiencies enabled by the connected aircraft, and their associated benefits. The report states that the connected aircraft, enabled by satellite communications, has the potential to save airlines $15 billion annually in operational efficiencies and 21.3 million tonnes of CO2 emissions by 2035. These efficiencies include fuel and emissions savings, a reduction in delays, innovations in maintenance processes, air traffic management enhancements, safety improvements and others. Based on current connected aircraft numbers, the research finds that together these efficiencies can generate up to a 1% reduction in the $764 billion spent by airlines each year in operating costs worldwide. This equates to 20% of the forecast global aviation industry net profit in 2018 ($38.4 billion). As the adoption of connected aircraft is set to rise exponentially, this cost saving is expected to double, saving airlines up to $15 billion globally by 2035. The major growth opportunity for Inmarsat in the coming years is the provision of In-Flight Connectivity (IFC) services to customers in the commercial air transport segment. There is expected to be a ramp-up in the number of connected aircraft in operation in the future – from 6,000 in 2015 to over 20,000 by the middle of the next decade (source: Valour). Over 70% of these new aircraft are expected to be based in the relatively nascent IFC markets of Europe, Asia Pacific, the Middle East and Latin America. These regions will drive the majority of the

future growth of the global air transport industry and are therefore key target areas for Inmarsat.

Time horizon

Medium-term

Likelihood

Very likely

Magnitude of impact

Medium-high

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

We are unable to accurately quantify the financial impact for Inmarsat at present.

Cost to realize opportunity

0

Strategy to realize opportunity and explanation of cost calculation

STRATEGY TO REALISE OPPORTUNITY: Inmarsat expects that Aviation will be the largest individual growth driver for the overall business in the coming years, through the consistent double-digit growth trajectory of our core Aviation business and through the significant medium-term growth potential of our fast-emerging and substantial IFC Aviation business.

EXAMPLE/CASE STUDY: One of the business' strategic priorities is to become the leading player in global IFC, with Global Xpress (the first global, high bandwidth satellite network) and EAN (the ground network). Inmarsat's Aviation revenue has been increasing in recent years. With our unique global broadband networks, complemented by our global high resilience and safety networks (deployed across our SwiftBroadband ('SB') and SB-Safety services) and supported by our strong and highly experienced distribution channel and hardware partners (as well as our own newly created direct sales, marketing and service delivery capability), we are well-placed to continue to drive towards market leadership in this high-growth sector over the coming years. Although we currently remain in the market capture and infrastructure investment phase regarding the global IFC opportunity, we remain confident that over the medium-term our IFC business will become highly profitable and cash generative on a long-term, sustained basis.

COST TO REALISE OPPORTUNITY: The cost of management is part of our business as usual processes therefore cost is 0.

Comment

C3. Business Strategy

C3.1

(C3.1) Have climate-related risks and opportunities influenced your organization's strategy and/or financial planning?

Yes, and we have developed a low-carbon transition plan

C3.1a

(C3.1a) Does your organization use climate-related scenario analysis to inform its strategy?

Yes, qualitative

C3.1b

(C3.1b) Provide details of your organization's use of climate-related scenario analysis.

Climate-related scenarios and models applied	Details
Other, please specify Qualitative scenario analysis	Our Product Group and the Technology team look at future scenarios and megatrends to consider how Inmarsat can realise opportunities. We also take into consideration predicted increasing frequency and severity of extreme weather (as a result of climate change) when selecting sites which is a form of scenario analysis given that some of our sites, such as the one located in Hawaii, may be more vulnerable to the effects of climate change such as sea level rise. We have also modelled our Scope 1 and 2 emissions reduction pathway under a 1.5 degree Celsius scenario (using the C-FACT methodology). We are currently building our strategy to reduce our emissions in line with this pathway. As we mature our risk management processes and start to look at longer horizons beyond our 5 year business plan, we intend to conduct further climate-related scenario analysis exercises. We expect to start with qualitative scenario analysis narratives to explore a potential range of climate change implications on Inmarsat. We will then look to identify appropriate quantitative scenarios and consider input parameters and assumptions to evaluate impacts on strategic and financial position and to identify key risk areas. Over time we will look to apply greater rigour in the use of data sets and modelling, to ensure that the results are used to identify

	realistic management approaches and to develop action plans to embed responses into business as usual activity.

C3.1d

(C3.1d) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	Description of the strategy and time horizons: Inmarsat provides products and services that allow organisations to become more efficient and to improve safety during weather-related incidents. Climate change has driven the demand for both of these services. To ensure that our product offering remains relevant to our customers, we have been investing in product development and are reviewing market opportunities, for example, IoT and Big Data, to create new business streams. The magnitude of this opportunity is high and is expected to grow in the medium to long-term. Case study: The global airline industry could save $14.9 billion a year on operational and maintenance costs and reduce its CO2 emissions by 21.3 million metric tons a year by 2035 by universally adopting broadband connectivity linking the cockpits of every commercial aircraft with operations and maintenance control centres on the ground, and also with air navigation service providers. That is the key finding of a report authored by Dr. Alexander Grous of the Department of Media and Communication at the London School of Economics and Political Science (LSE), in partnership with aviation satcom services provider Inmarsat. It is for these reasons that Inmarsat has been developing and modernising air traffic through the Iris Programme, a satellite-based communication solution which will enable more efficient flow management, optimising flight routes, and reducing fuel burn and the associated emissions.
Supply chain and/or value chain	No	Description of why strategy has not been influenced: We have been seeking to engage with our launch providers to understand the climate impact of our launches and to understand opportunities for mitigating this impact. We currently do not believe that we have been impacted by negative reputation or increased costs as a result of the

		emissions impact associated with satellite launches, however, this could change in the future. As such, we believe that the magnitude of this impact is low-medium over the medium to long-term, as we believe that the positive impact of our services in helping customers to improve efficiency and reduce emissions would offset the emissions impact from the satellite launches. Case study: As shown in our 2019 ESG report, we continued our engagement with both internal and external stakeholders through materiality surveys to understand concern regarding a wide range of ESG issues. This is an example of a substantial strategic business decision made that has been influenced by climate-related risks and opportunities, as it allows us to assess and address any risks within our supply chain. Cyber security was shown to be the most important topic, whilst the environmental impact of satellite launches was seen as of medium importance to the ICT industry, but of low importance to stakeholders.
Investment in R&D	Yes	Description of the strategy and time horizons: Inmarsat provides products and services that allow organisations to become more efficient and to improve safety during weather-related incidents. Climate change has driven the demand for both of these services. To ensure that our product offering remains relevant to our customers, we have been investing in product development and R&D. We are reviewing market opportunities, for example IoT and Big Data, to create new business streams through R&D. The magnitude of this opportunity is high and is expected to grow over the medium to long-term. Case study: The most substantial business decision made around our investment in R&D that has been influenced by climate-related risks and opportunities is our decision to run the Inmarsat Research Programme, which is now in its fourth year. The research is focused on understanding the ways that the Industrial Internet of Things (IIoT) is being adopted by organisations from the agriculture, energy, maritime, mining and transport sectors and the role of satellite connectivity as an IIoT enabler. The magnitude of this opportunity is high and is expected to grow.
Operations	Yes	Description of the strategy and time horizons: Inmarsat is committed to set a science-based emissions reduction target and achieving it through the purchase of renewables and investment in energy efficient equipment. Although the direct activities of the Group are judged to have a low

		environmental impact, we understand that, unless urgent action is taken to limit global temperatures to at least 2C (35.6F) above pre-industrial levels, climate change presents significant and systemic risks. From a reputational perspective (i.e. the risk of being perceived as not improving the efficiency of our operations and reducing our fair share of emissions) the magnitude of impact is medium, over the medium-term. Whilst our direct operations are not fossil-fuel intensive, there is increasing investor demand for organisations to reduce emissions in line with a 2°C scenario minimum. Therefore, there is a reputational opportunity associated with reducing in line with our fair share. Case study: An example of a substantial strategic business decision made that has been influenced by climate-related risks and opportunities is to continue to invest in reducing emissions from our own operations and set ambitious emissions reduction targets, to minimise the impact of both physical and transitional risks. We have been working with our specialist carbon and energy partner, Carbon Intelligence, to establish our baseline emissions and set a science-based emissions reduction target that is both credible and ambitious in the near future.

C3.1e

(C3.1e) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Revenues Direct costs Capital expenditures Acquisitions and divestments Access to capital Assets Liabilities	Revenues Inmarsat provides products and services that allow organisations to become more efficient and to improve safety during weather-related incidents. Climate change is driving the demand for both of these services, and therefore increasing revenue. We have not yet assessed the magnitude of this impact to date but envisage this impact to be low-medium. However, in 2018 Inmarsat produced a report with London School of Economics, 'Sky High Economics: Evaluating the Economic Benefits of Connected Airline Operations' which states that the connected aircraft, enabled by satellite communications, has the potential to save airlines $15 billion annually in operational efficiencies and 21.3 million tonnes of CO2 emissions by 2035. As such this opportunity is considered long-term as it will accelerate in the future. Assessments like this may enable us to quantify the increasing market

		opportunity for our services and therefore make assessments about the potential magnitude of impact. Direct Costs Climate change regulation has increased our operating costs as we have increased wages and consultancy fees associated with compliance. However, at the same time, legislation which requires us to measure and report our energy use has driven energy efficiency behaviours and therefore cost savings. For example, we recently completed the replacement of energy-intensive chillers on-site with new environmentally friendly equipment which produce less carbon emissions per unit of gas input and operate 20% more efficiently. The magnitude of impact is low-medium, whilst the time horizon is short to long-term. Capital expenditures Our London headquarters were refurbished last year. This was driven by the drive for cost efficiencies as well as by our commitments to reduce our environmental impact. There are a number of capital expenditures associated with this energy efficient refurbishment. For example, old energy-intensive chillers were replaced with more environmentally friendly machines which produce less emission per unit of gas input. This required significant upfront investments. The magnitude of the impact is low-medium, whilst the time horizon is short to long-term as other refurbishment will undoubtedly have to take place elsewhere in the future.

C3.1f

(C3.1f) Provide any additional information on how climate-related risks and opportunities have influenced your strategy and financial planning (optional).

i. Describe how the business strategy has been influenced

Inmarsat has been collecting and reporting information on organisational energy use and emissions performance at a UK level since 2010, and on a global level since 2013. Monitoring, analysis, and internal reporting of this data is a continuing influence on our business strategy – principally because it allows those responsible to highlight significant areas of energy use and emissions output so that we may focus our resource accordingly.
For example, in order to influence our business strategy we have used this data to understand and review our material risks/opportunities related to climate change through collaborative working sessions with a specialist carbon and energy partner, Carbon Intelligence.

ii. What aspects of climate change have influenced the strategy?

Regulatory changes are the primary aspect of climate change that has influenced our business strategy. The UK and EU have long been party to international legislation that aims to tackle

climate change, resulting in the formation of the UK Climate Change Act 2008 and EU Energy Efficiency Directive 2012. Establishment of these regulatory frameworks has resulted in Inmarsat becoming subject to a number of carbon/energy compliance schemes within the last 5 years alone: the CRC Energy Efficiency Scheme, Energy Savings Opportunity Scheme (ESOS), mandatory greenhouse gas reporting, as well as the new Streamlined Energy and Carbon Reporting (SECR). Indirectly, we are also required to pay an environmental tax on our UK energy supplies in the form of the Climate Change Levy (CCL) and ensure any refrigeration and air-conditioning equipment we use is compliant with Fluorinated Greenhouse Gases Regulations.

iii. Describe the most important components of the short term strategy that have been influenced by climate change

In relation to risks driven by changes in fuel/energy taxes and regulations, the most important component of our short term business strategy that has been influenced by climate change is the changes we have made to operational practices with regards to energy consumption. This is specifically related to one of our five strategic objectives: to transform our operating environment. As part of this, we are currently reviewing our energy policy in order to incorporate specific energy reduction and efficiency targets. We are also working to set a science-based emission reduction target in line the UK's commitment under the UN Paris Agreement thereby contributing to the global effort to prevent the worst consequences of climate change.

iv. Describe the most important components of the long term strategy that have been influenced by climate change

A good example is in relation to opportunities driven by customer needs to reduce vessel expenses (particularly marine fuel), and is the most important component of our long term business strategy that has been influenced by climate change. We have invested in a new portal which allows shipping companies to steer a fuel-efficient course, keeping costs and emissions to a minimum. This is part of one of our five strategic objectives: the creation of a solutions ecosystem through new value drivers and differentiators. Smart solutions may help save Inmarsat’s maritime customers up to $3,000 per day on fuel consumption. The Company’s vision is therefore to continue this investment as part of our aim to integrate safety, environmental monitoring, and regulatory compliance into a single, easy to use, robust and reliable solution.

v. How this is gaining you strategic advantage over your competitors?

Through working with our partners and the industry to drive the adoption of new technologies, using our maritime business as an example, which represents approximately half of our revenues, we anticipate that with Inmarsat’s satellite communications, our clients can run a more efficient and cost-effective operation – saving fuel, time, money and contributing to enhanced crew morale. We have estimated realizable savings of 10% on vessel expenses.

vi. What have been the most substantial business decisions made during the reporting year that have been influenced by the climate change driven aspects of the strategy?

As previously mentioned, regulatory changes are the primary aspect of climate change that has influenced our business strategy. In 2019, we updated our targets: reduce Scope 1 and 2 emissions by 29% by year end 2025 compared to a 2018 baseline. We are currently undergoing a Scope 3 screening exercise with the aim to set a science-based emissions reduction target. This has been driven by the need for businesses to transition to a low-carbon economy.

This is a substantial business decision because the pathway to decarbonisation could alter Inmarsat's operations significantly.

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Absolute target

C4.1a

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

Target reference number

Abs 1

Year target was set

2019

Target coverage

Company-wide

Scope(s) (or Scope 3 category)

Scope 1+2 (market-based)

Base year

2019

Covered emissions in base year (metric tons CO2e)

8,604.69

Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)

100

Target year

2025

Targeted reduction from base year (%)

29

Covered emissions in target year (metric tons CO2e) [auto-calculated]

6,109.3299

Covered emissions in reporting year (metric tons CO2e)

5,938.03

% of target achieved [auto-calculated]

106.8647366767

Target status in reporting year

New

Is this a science-based target?

No, but we anticipate setting one in the next 2 years

Please explain (including target coverage)

We have updated our target to ensure they are aligned with the latest climate science and in line with the UK's commitment udner the UN Paris Agreement, thereby contribbuting to the global effort to prevent the worst consequences of cliamte change. This target, although not approved by the Science Based Targets Initiative, is aligned with the reductions required to maintain global temperature increase to 1.5 degress Celsius.

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?

No other climate-related targets

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)

Under investigation	9	1,885.9
To be implemented*	0	0
Implementation commenced*	0	0
Implemented*	1	5.1
Not to be implemented	0	0

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

Energy efficiency in buildings
Lighting

Estimated annual CO2e savings (metric tonnes CO2e)

5.1

Scope(s)

Scope 2 (location-based)
Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

2,000

Investment required (unit currency – as specified in C0.4)

8,000

Payback period

4-10 years

Estimated lifetime of the initiative

6-10 years

Comment

In May 2019, 400 new desks lamps were aquired for the office in London. Each new lamp consumes 86 watts compared to 110 watts for the old lamps, therefore saving 24 watts. These lights are also dimmable, so there might be slighly greater savings.

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Compliance with regulatory requirements/standards	Inmarsat continues to build on and improve the scope and quality of data on energy consumption in order to comply with environmental reporting requirements. For example, CRC and SECR reporting requirements, mandatory emissions requirements and ESOS. These help to identify emissions reduction opportunities and also provide the associated investment required. This drives investment into emissions reduction activities as it is clear to see the cost/benefit analysis for investing in emissions reductions.
Dedicated budget for energy efficiency	Inmarsat's Head of Business Environments has day-to-day responsibility for driving energy management practices across the group. To support this there is a dedicated budget for investment in energy efficiency.

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products or do they enable a third party to avoid GHG emissions?

Yes

C4.5a

(C4.5a) Provide details of your products and/or services that you classify as low-carbon products or that enable a third party to avoid GHG emissions.

Level of aggregation

Product

Description of product/Group of products

Inmarsat and the London School of Economics released a report, which states that the connected aircraft, enabled by satellite communications, has the potential to save airlines $15 billion annually in operational efficiencies and 21.3 million tonnes of CO2 emissions by 2035. These efficiencies include fuel and emissions savings, a reduction in delays, innovations in maintenance processes, air traffic management enhancements, safety improvements and others. Based on current connected aircraft numbers, the research finds that together these efficiencies can generate up to a 1% reduction in the $764 billion spent by airlines each year in operating costs worldwide.

The major growth opportunity for Inmarsat in the coming years is the provision of In-Flight Connectivity (IFC) services to customers in the commercial air transport segment. There is expected to be a ramp-up in the number of connected aircraft in operation in the future – from 6,000 in 2015 to over 20,000 by the middle of the next decade (source: Valour).
Inmarsat expects that Aviation will be the largest individual growth driver for the overall business in the coming years, through the consistent double-digit growth trajectory of

our core Aviation business and through the significant medium-term growth potential of our fast-emerging and substantial IFC Aviation business.

One of the business' strategic priorities is to become the leading player in global IFC, with Global Xpress (the first global, high bandwidth satellite network) and EAN (the ground network).
With our unique global broadband networks, complemented by our global high resilience and safety networks (deployed across our SwiftBroadband ('SB') and SB-Safety services) and supported by our strong and highly experienced distribution channel and hardware partners (as well as our own newly created direct sales, marketing and service delivery capability), we are well-placed to continue to drive towards market leadership in this high-growth sector over the coming years. Although we currently remain in the market capture and infrastructure investment phase regarding the global IFC opportunity, we remain confident that over the medium-term our IFC business will become highly profitable and cash generative on a long-term, sustained basis.

Are these low-carbon product(s) or do they enable avoided emissions?

Avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions

Evaluating the carbon-reducing impacts of ICT

% revenue from low carbon product(s) in the reporting year

0

Comment

The revenue is currently unknown.

C5. Emissions methodology

C5.1

(C5.1) Provide your base year and base year emissions (Scopes 1 and 2).

Scope 1

Base year start

January 1, 2015

Base year end

December 31, 2015

Base year emissions (metric tons CO2e)

978

Comment

Scope 2 (location-based)

Base year start
January 1, 2015

Base year end
December 31, 2015

Base year emissions (metric tons CO2e)
12,141

Comment

Scope 2 (market-based)

Base year start
January 1, 2015

Base year end
December 31, 2015

Base year emissions (metric tons CO2e)
12,141

Comment

C5.2

(C5.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)
1,442.24

Start date
January 1, 2019

End date

December 31, 2019

Comment

Past year 1

Gross global Scope 1 emissions (metric tons CO2e)

848.69

Start date

January 1, 2018

End date

December 31, 2018

Comment

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We are reporting a Scope 2, market-based figure

Comment

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Scope 2, location-based

9,372.9

Scope 2, market-based (if applicable)

4,495.79

Start date

January 1, 2019

End date

December 31, 2019

Comment

Past year 1

Scope 2, location-based

11,053

Scope 2, market-based (if applicable)

7,756

Start date

January 1, 2018

End date

December 31, 2018

Comment

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

No

C6.5

(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status

Relevant, calculated

Metric tonnes CO2e

6.84

Emissions calculation methodology

The GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard was used as guidance. The activity data in m3 for water was sourced from supplier billing. The emission factors for water supplied from the UK Government Conversion Factors for Company Reporting 2019 was then applied.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

This figure includes emissions from the supply and treatment of water for our Auckland, Batam, Den Haag, London, Rotterdam, Singapore, and St. John's offices. This does not include emissions from satellite launches which we recognise are likely to be a significant source of Scope 3 emissions. We are currently working with our partners to further understand and calculate these emissions.

Capital goods

Evaluation status

Relevant, not yet calculated

Please explain

Typical Inmarsat capital goods purchases include antennas, Satellite Access Station hardware, satellites, and satellite handphones. We are in the process of updating our emissions reduction targets and conducting a full Scope 3 screening to support this. Although the evaluation status may change in the near future, we currently believe that this category is relevant to our business.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status

Relevant, calculated

Metric tonnes CO2e

2,252.23

Emissions calculation methodology

The GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard was used as guidance. Activity data in kWh was sourced from supplier billing and travel management records. The emission factors were taken from UK Government Conversion Factors for Company Reporting 2019.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

This figure represents WTT & T&D emissions of electricity generated for all sites.

Upstream transportation and distribution

Evaluation status

Not relevant, explanation provided

Please explain

Emissions from the transportation and distribution of products purchased by Inmarsat between its Tier 1 suppliers and our own operations (in vehicles and facilities not owned and controlled by Inmarsat) are not relevant because they are unlikely to contribute significantly to our total anticipated Scope 3 emissions. We do not believe these

emissions contribute to our risk exposure and, as far as we are aware, they are not deemed critical by stakeholders.

Waste generated in operations

Evaluation status

Relevant, calculated

Metric tonnes CO2e

91.85

Emissions calculation methodology

The GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard was used as guidance. Emission factors for recycled and combusted waste were taken from the UK Government Conversion Factors for Company Reporting 2019.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

Activity data in tonnes and cubic metres by waste type and destination was sourced from our London and Netherlands, and New Zealand offices.

Business travel

Evaluation status

Relevant, calculated

Metric tonnes CO2e

8,451.05

Emissions calculation methodology

The GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard was used as guidance. Emission factors for recycled and combusted waste were taken from the UK Government Conversion Factors for Company Reporting 2019.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

Business travel emissions have reduced by 33% compared to the previous reporting period. This follows an 28% increase in the number of passenger km travelled between 2017 and 2018. As such, this 2019 figure is more representative of our normal travel patterns.

Employee commuting

Evaluation status

Not relevant, explanation provided

Please explain

Emissions from the transportation of employees between their homes and their worksites during the reporting year (in vehicles not owned or operated by Inmarsat) are not relevant to Inmarsat as a large number of our employees commute to work in cities by public transport.

Upstream leased assets

Evaluation status

Not relevant, explanation provided

Please explain

Emissions arising from operation of assets leased by Inmarsat have been included within our reported Scope 1 and 2 figures as we take the operational control approach.

Downstream transportation and distribution

Evaluation status

Not relevant, explanation provided

Please explain

This is defined as the transportation and distribution of products sold by Inmarsat in the reporting year between Inmarsat's operations and the end consumer (if not paid for by the reporting company), including retail and storage (in vehicles and facilities not owned or controlled by the reporting company). Inmarsat's distribution partners transport our IsatPhone products to customers from our warehouses.

Processing of sold products

Evaluation status

Not relevant, explanation provided

Please explain

We do not sell intermediate products and therefore this category is not relevant to Inmarsat.

Use of sold products

Evaluation status

Not relevant, explanation provided

Please explain

We do not yet calculate the direct use-phase emissions of IsatPhone products sold by Inmarsat over their expected lifetime.

End of life treatment of sold products

Evaluation status

Not relevant, explanation provided

Please explain

Waste disposal and treatment of IsatPhone products sold by Inmarsat at the end of their life is a relevant category for Inmarsat that is currently not measured. We do, however, include disposal requirements in the packaging of all of the handheld satellite phones that we sell.

Downstream leased assets

Evaluation status

Not relevant, explanation provided

Please explain

This is not relevant to Inmarsat because the emissions from assets owned by the company and leased to other entities are already included in our Scope 1 and 2 emission figures.

Franchises

Evaluation status

Not relevant, explanation provided

Please explain

This is defined as the operation of franchises in the reporting year, not included in Scope 1 and Scope 2, reported by franchisor. Inmarsat does not have any franchises.

Investments

Evaluation status

Not relevant, explanation provided

Please explain

Not applicable to our business as we do not have equity or debt investments.

Other (upstream)

Evaluation status

Not relevant, explanation provided

Please explain

Not applicable - previous categories provide full coverage.

Other (downstream)

Evaluation status

Not relevant, explanation provided

Please explain

Not applicable - previous categories provide full coverage.

C6.7

(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

No

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

0.0000077466

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

10,815.14

Metric denominator

unit total revenue

Metric denominator: Unit total

1,396,100,000

Scope 2 figure used

Location-based

% change from previous year

32

Direction of change

Decreased

Reason for change

Revenue has decreased by 5% compared to the previous reporting period, whilst emissions have also decreased by 9%. This is due to a decline in the DEFRA emission factors, which tends to occur ever year as vehicles become more efficient and energy mixes adopt more renewable sources of power.

Intensity figure

5.88

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

10,815.14

Metric denominator

full time equivalent (FTE) employee

Metric denominator: Unit total

1,840

Scope 2 figure used

Location-based

% change from previous year

9

Direction of change

Decreased

Reason for change

The global headcount has remained constant compared to the previous year (1842). Emissions however have decreased by 9% which can be explained by a decrease across the majority of emission factors.

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?

Yes

C7.1a

(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
CO2	1,278.47	IPCC Fourth Assessment Report (AR4 - 100 year)
CH4	1.65	IPCC Fourth Assessment Report (AR4 - 100 year)
N2O	1.94	IPCC Fourth Assessment Report (AR4 - 100 year)
HFCs	160.18	IPCC Fourth Assessment Report (AR4 - 100 year)

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/region.

Country/Region	Scope 1 emissions (metric tons CO2e)
Canada	1.88
Indonesia	125.45
Netherlands	554.25
Norway	1.03
United Kingdom of Great Britain and Northern Ireland	650.7
United States of America	85.87
New Zealand	23.06

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By activity

C7.3c

(C7.3c) Break down your total gross global Scope 1 emissions by business activity.

Activity	Scope 1 emissions (metric tons CO2e)
Diesel	17.18
Gas oil	91.11
Refrigerants	160.18
Natural gas	1,142.72
Owned vehicle mileage	30.95
Petrol	0.09

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/region.

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low-carbon electricity, heat, steam or cooling accounted for in Scope 2 market-based approach (MWh)
Australia	2,376.63	2,376.63	3,199.13	0
Canada	241.81	241.81	1,702.9	0

China, Hong Kong Special Administrative Region	36.4	25.57	50.13	0
Indonesia	243.02	243.02	316.23	0
Netherlands	2,926.02	14.54	6,695.71	6,695.71
Norway	1.54	98.63	186	0
Singapore	124.57	124.57	315.38	0
United Arab Emirates	17.26	6.37	26.22	0
United Kingdom of Great Britain and Northern Ireland	1,950.64	0	7,631.61	7,631.61
United States of America	1,105.53	1,018.28	2,625.34	0
New Zealand	346.35	346.35	2,993.52	0
Switzerland	3.11	0	109.47	109.47

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By activity

C7.6c

(C7.6c) Break down your total gross global Scope 2 emissions by business activity.

Activity	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Electricity	9,372.9	4,495.79

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Decreased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	0	No change	0	<Not Applicable>
Other emissions reduction activities	510	Decreased	0.04	Emissions have decreased by 5.10 tCO2e over the last year due to emissions reduction activities. Change in emissions from emissions reduction activities: -5.10 tCO2e. Previous year Scope 1 + 2 emissions: 11,902 tCO2e. The calcultation is: -5.10 / 11,902 x 100 = -0.04
Divestment	0	No change	0	<Not Applicable>
Acquisitions	0	No change	0	<Not Applicable>
Mergers	0	No change	0	<Not Applicable>
Change in output	0	No change	0	<Not Applicable>
Change in methodology	0	No change	0	<Not Applicable>
Change in boundary	0	No change	0	<Not Applicable>
Change in physical operating conditions	0	No change	0	<Not Applicable>
Unidentified	0	No change	0	<Not Applicable>
Other	1,081.45	Decreased	9.09	Overall our emissions year-on-year have decreased by 1,086.55 tCO2e. We have calculated this category based on the remaining balance of actual change minus the emissions reduction activities described above. Most of this change is due to a decrease in the emission factors for electricity. Unidentified change in emissions: -1081 tCO2e. Previous year Scope 1 + 2 emissions: 11,902 tCO2e. The calculation is: -1,081 / 11,902 x 100 = -9.09

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Location-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	No

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	HHV (higher heating value)	0	6,216.03	6,216.03

Consumption of purchased or acquired electricity		14,436.79	11,414.84	25,851.63
Total energy consumption		14,436.79	17,630.87	32,067.67

C8.2b

(C8.2b) Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	No
Consumption of fuel for the generation of heat	No
Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Fuels (excluding feedstocks)

Petrol

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

0

Emission factor

2.20904

Unit

kg CO2e per liter

Emissions factor source

Department for Environment, Food and Rural Affairs 2019

Comment

Fuels (excluding feedstocks)

Natural Gas

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

6,215.48

Emission factor

0.18385

Unit

kg CO2e per KWh

Emissions factor source

Department for Environment, Food and Rural Affairs 2019

Comment

Fuels (excluding feedstocks)

Gas Oil

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

0.35

Emission factor

2.75821

Unit

kg CO2e per liter

Emissions factor source

Department for Environment, Food and Rural Affairs 2019

Comment

Fuels (excluding feedstocks)

Diesel

Heating value

Total fuel MWh consumed by the organization

0.07

Emission factor

2.59411

Unit

kg CO2e per liter

Emissions factor source

Department for Environment, Food and Rural Affairs 2019

Comment

Fuels (excluding feedstocks)

Other, please specify

Owned vehicle milage

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

0.13

Emission factor

0.18084

Unit

kg CO2e per liter

Emissions factor source

Department for Environment, Food and Rural Affairs 2019

Comment

The correct unit is actually kg CO2e per kilometre. This option was not available in the drop-down menu.

C8.2e

(C8.2e) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero emission factor in the market-based Scope 2 figure reported in C6.3.

Sourcing method

Green electricity products (e.g. green tariffs) from an energy supplier, supported by energy attribute certificates

Low-carbon technology type

Low-carbon energy mix

Country/region of consumption of low-carbon electricity, heat, steam or cooling

Netherlands

MWh consumed accounted for at a zero emission factor

6,695.71

Comment

There are three sites in the Netherlands, two of which are 100% renewable tariffs.

Sourcing method

Green electricity products (e.g. green tariffs) from an energy supplier, supported by energy attribute certificates

Low-carbon technology type

Low-carbon energy mix

Country/region of consumption of low-carbon electricity, heat, steam or cooling

United Kingdom of Great Britain and Northern Ireland

MWh consumed accounted for at a zero emission factor

7,631.61

Comment

100% of the energy consumed by Inmarsat's operations in London, UK comes from a mix of renewables.

Sourcing method

Green electricity products (e.g. green tariffs) from an energy supplier, supported by energy attribute certificates

Low-carbon technology type

Low-carbon energy mix

Country/region of consumption of low-carbon electricity, heat, steam or cooling

Switzerland

MWh consumed accounted for at a zero emission factor

109.47

Comment

84% of the energy consumed by Inmarsat's operations in Nyon, Switzerland comes from a mix of renewables.

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

Inmarsat ISO 14064-3 Verification Statement 2019 v2.pdf

Page/ section reference

Pages 1 - 5

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

C10.1b

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Scope 2 approach

Scope 2 location-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

Inmarsat ISO 14064-3 Verification Statement 2019 v2.pdf

Page/ section reference

Pages 1 - 5

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

Scope 2 approach

Scope 2 market-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

Inmarsat ISO 14064-3 Verification Statement 2019 v2.pdf

Page/ section reference

Pages 1 - 5

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

C10.1c

(C10.1c) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Scope 3 category

Scope 3: Purchased goods and services

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

Inmarsat ISO 14064-3 Verification Statement 2019 v2.pdf

Page/section reference

Page 1 - 5

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

Scope 3 category

Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2)

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

Inmarsat ISO 14064-3 Verification Statement 2019 v2.pdf

Page/section reference

Pages 1 - 5

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

Scope 3 category

Scope 3: Waste generated in operations

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

Inmarsat ISO 14064-3 Verification Statement 2019 v2.pdf

Page/section reference

Pages 1 - 5

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

Scope 3 category

Scope 3: Business travel

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

Inmarsat ISO 14064-3 Verification Statement 2019 v2.pdf

Page/section reference

Pages 1 - 5

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

No, but we are actively considering verifying within the next two years

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

Yes

C11.1a

(C11.1a) Select the carbon pricing regulation(s) which impacts your operations.

Other carbon tax, please specify

UK CRC Energy Efficiency Scheme

C11.1c

(C11.1c) Complete the following table for each of the tax systems you are regulated by.

Other carbon tax, please specify

Period start date

April 1, 2018

Period end date

March 31, 2019

% of total Scope 1 emissions covered by tax

24

Total cost of tax paid

53,289.6

Comment

C11.1d

(C11.1d) What is your strategy for complying with the systems you are regulated by or anticipate being regulated by?

Inmarsat's strategy for complying with the UK CRC Energy Efficiency Scheme (formerly the Carbon Reduction Commitment) is three-pronged:
1) Appoints an expert third party, Carbon Intelligence, to collect environmental data and ensure CRC compliance;
2) Continued investment in energy efficiency initiatives and employee engagement to reduce emissions;
3) Internal audit also carried out by an external third party to ensure full compliance to avoid potential fines or loss of reputation.

C11.2

(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?

No

C11.3

(C11.3) Does your organization use an internal price on carbon?

No, and we do not currently anticipate doing so in the next two years

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers
Yes, other partners in the value chain

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement

Compliance & onboarding

Details of engagement

Included climate change in supplier selection / management mechanism
Climate change is integrated into supplier evaluation processes

% of suppliers by number

100

% total procurement spend (direct and indirect)

100

% of supplier-related Scope 3 emissions as reported in C6.5

0

Rationale for the coverage of your engagement

We cover 100% of suppliers to ensure effective climate risk management.

Impact of engagement, including measures of success

Since 2015 we have been engaging with our suppliers and distribution partners to gather information on their sustainability programmes in order to better understand the impacts of our supply chain. Our strategy for prioritising engagement is to look at our relevant Scope 3 emission categories and determine which are likely to be the most relevant to Inmarsat. For example, we are engaging with our satellite launch providers as a top priority, as we expect satellite launches to have the greatest impact on our Scope 3 emissions. We have engaged with these companies to understand if they have a sustainability programme in place, whether they calculate their GHG emissions, and if they report to the CDP. In addition, we have inquired on more specific climate change related issues depending on the nature of the company we are engaging with. A measure of success would be the collection of Inmarsat's Scope 3 emissions data from engagement with our partners and suppliers. Because we have not been able to measure our Scope 3 emissions in full, we currently do not completely understand the indirect impacts that our company has and therefore cannot yet begin to manage all Scope 3 impacts.

Comment

C12.1d

(C12.1d) Give details of your climate-related engagement strategy with other partners in the value chain.

Other partners in the value chain are all those who Inmarsat engages with beyond our customers and suppliers, for example, employees, shareholders, local communities, government bodies, peers, research institutions.

DESCRIPTION OF CLIMATE-RELATED ENGAGEMENT STRATEGY: Corporate responsibility is a key enabler for our business, supporting sustainable long-term performance by managing non-financial risks that can impact reputation and shareholder value. We seek to engage with partners in the value chain through voluntary, collaborative arrangements. We hold meetings and events, undertake projects and utilise our annual report to share information via our annual report and our website.

CASE STUDY/EXAMPLE: In 2019, we continued our engagement with our external and internal stakeholders. We held stakeholder interviews and sent out surveys to understand the level of stakeholder concern regarding a wide range of sustainability issues. We then assessed the relative importance of the issues identified by our stakeholders to the ICT industry by conducting analysis of key sustainability topics reported by companies in the DJSI. The process for this is detailed below:

1. Materiality survey sent to internal and external stakeholders
2. Results are collated. Responses indicate stakeholder concern/level of importance regarding a range of sustainability issues
3. Sustainability issues identified in the survey are reviewed against relative importance of issue for Inmarsat's business
4. Both stakeholder importance and importance to Inmarsat are plotted on a materiality matrix
5. The matrix is used to inform content of annual report and Inmarsat's ongoing sustainability programme

In 2020, we will continue to engage with stakeholders, internally and externally, to prioritise sustainability issues and help us better manage our impact.

C12.3

(C12.3) Do you engage in activities that could either directly or indirectly influence public policy on climate-related issues through any of the following?

Trade associations

C12.3b

(C12.3b) Are you on the board of any trade associations or do you provide funding beyond membership?

Yes

C12.3c

(C12.3c) Enter the details of those trade associations that are likely to take a position on climate change legislation.

Trade association

International Telecommunication Union (ITU)

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

ITU's position is that Information and Communication Technologies (ICTs), such as satellites, mobile phones and the Internet, are capable of playing a key role in addressing the global challenges of climate change and sustainable development.

How have you influenced, or are you attempting to influence their position?

We are not attempting to influence the ITU's current position on climate change.

Trade association

UKSpace

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

As part of its 'Vision 2025', UKSpace advocates smarter use of satellites as a central plank in Britain's Low Carbon Action Plan, as well as their use in monitoring and enforcing international agreements to cut emissions.

How have you influenced, or are you attempting to influence their position?

We are not attempting to influence UKSpace's current position on climate change.

C12.3f

(C12.3f) What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?

The Chief Corporate Affairs Officer and Company Secretary acts as liaison between external stakeholders, the Inmarsat Board and those responsible for the day-to-day management of Inmarsat's climate change strategy in order to ensure that all activities which may influence policy on climate change are consistent.

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

In mainstream reports

Status

Complete

Attach the document

ESG Report June 2020.pdf

Page/Section reference

Pages 4 - 5

Content elements

Governance
Strategy
Emissions figures
Emission targets
Other metrics
Other, please specify
Energy

Comment

C15. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

C15.1

(C15.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category

Row 1	Chief Corporate Affairs Officer and Company Secretary	Other C-Suite Officer

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I am submitting to	Public or Non-Public Submission
I am submitting my response	Investors	Public

Please confirm below

I have read and accept the applicable Terms