

Supplier name: Splunk Services UK Limited; subsidiary of Splunk Inc.

Publication date: December 15, 2022

# **Commitment to achieving Net Zero**

Splunk Inc. is committed to achieving Net Zero emissions by 2050.

In November 2021, Splunk Inc., parent company to Splunk Services UK Limited, publicly committed to achieving Net Zero emissions by 2050 at a 1.5°C reduction pathway. In December 2022, Splunk published its 2022 Global Impact Report, which provides an update on its net zero transition planning and target setting work that is currently underway. Splunk anticipates a public release of its net zero transition plan in Fiscal Year 2024 (Feb 1, 2023 - Jan 31, 2024). The plan is expected to include a suite of shorter-term emissions reductions targets that cover Scopes 1, 2 and 3.

#### **Notes for this Carbon Reduction Plan**

In accordance with the *Cabinet Office Carbon Reduction Plan Guidance* document *Notes for Completion* section, this Carbon Reduction Plan ("CRP") covers the greenhouse gas ("GHG") emissions for Splunk Inc. ("Splunk"), the parent company of Splunk Services UK Limited ("Splunk UK," the bidding entity).

Splunk asserts that the bidding entity is a wholly owned subsidiary of Splunk and that the commitment for achieving net zero by 2050 for all Splunk global operations applies to Splunk UK's operations as set out in this CRP for the parent company. The environmental measures set out in this CRP are generally able to be applied by the bidding entity when performing the relevant contract.

This FY22 CRP is Splunk's second CRP report; the figures cover Splunk's fiscal year 2022 (FY22 - Feb 1, 2021 to Jan 31, 2022) and Splunk's baseline year FY21 (Feb 1, 2020 to Jan 31, 2021). The first CRP report was submitted in June 2022. This CRP has been completed in accordance with PPN 06/21 and associated guidance and reporting standards for Carbon Reduction Plans, with exceptions and anticipated timing for full alignment outlined in the Declaration and Signoff section of this document.

Public information related to Splunk and its subsidiaries' climate related reports, greenhouse gas emissions inventories and related publications (including this CRP) are available at Splunk's corporate website (splunk.com). Splunk does not maintain a separate website for Splunk UK at this time.

This FY22 CRP is publicly available at the following url: <a href="https://www.splunk.com/en\_us/about-us/esg-overview.html">https://www.splunk.com/en\_us/about-us/esg-overview.html</a>

# **Baseline Emissions Footprint**

Baseline Year: Splunk Fiscal Year 2021 (FY21 - Feb 1, 2020 to Jan 31, 2021)

**Gases**: The data reflects the greenhouse gas (GHG) equivalent of all seven GHGs named by the Kyoto Protocol, using emissions factors to normalise all gases to a carbon dioxide equivalent (CO<sub>2</sub>e).

**Approach**: Splunk's GHG inventory follows the Greenhouse Gas Protocol's Corporate Accounting and Reporting Standard.

**Emissions factors**: The FY21 GHG inventory for Splunk applies the U.K. BEI&S emission factors to its UK operations as follows:

- All Scope 1 refrigerants (HFCs and PFCs) use the <u>UK Department for Business Energy</u> and Industrial Strategy: <u>BEI&S Greenhouse gas reporting: conversion factors 2021</u> (released June 2021).
- All Scope 2 indirect emissions from purchased energy in the UK use the <u>U.K. BEI&S</u>
   Greenhouse gas reporting: conversion factors 2021 (released June 2021). Scope 2
   emissions from non-UK locations are: All U.S. data use the EPA 2020 Emission
   Factors; Australia, China, Japan, Poland and UAE data use the International Energy
   Administration emission factors (IEA 2020 data set).

**Scope 3 data**: We began tracking and reporting category 5 (water only) emissions in FY22 and we plan to evaluate, measure and report all 15 categories of Scope 3 data over the next one to two years. We anticipate that the FY23 UK CRP, scheduled for posting on or around December 2023 will have estimated emissions for categories 4 and 9, and that the FY24 UK CRP, scheduled for posting on or around December 2024 will have the remaining Scope 3 categories.

**Publicly available source data**: The data is based on publicly available climate data disclosed in the Splunk 2022 Global Impact Report appendix, available at: https://www.splunk.com/en\_us/pdfs/global-impact/2022-global-impact-report.pdf, pgs. 64-68.

**Assurance of data**: The FY21 GHG data has been internally audited by the Splunk Internal Audit function; it is not externally verified / assured by a third party. We have externally assured our FY22 GHG data sets disclosed in the next section.

Alignment of the FY22 CRP data (this document) with <u>Fiscal 2021 Streamlined Energy</u> and <u>Carbon Reporting (SECR)</u> reported data:

- FY22 CRP: Splunk's FY21 global baseline emissions in this CRP reflect its London headquarters building only (based on the operational control approach to Splunk's global GHG inventory) and omits smaller rented office spaces for which it lacks operational control. The CRP uses the BEI&S (June 2021) emission factors for global Scope 1 refrigerants and Scope 2 UK purchased energy calculations.
- FY21 UK SECR filing: The Fiscal 2021 filing by Splunk UK (full accounts made up to Jan 31 2021, filed Dec 9, 2021) scope covers the London office along with smaller rented offices.

Baseline year emissions: FY21 location-based accounting, global inventory			
EMISSIONS	TOTAL (tCO₂e)		
Scope 1	Splunk Inc: 24		
Scope 2	Splunk Inc: 3,686		
Scope 3	Splunk Inc: 11,430		
(Included Sources)	Category 3: Fuel and energy related activities not in Scope 2: 399		
	Category 4: Upstream transportation and distribution <sup>1</sup>		
	Category 5: Waste generated in operations: 0		
	Category 6: Business travel: 5,639		
	Category 7: Employee commuting: 1,205		
	Category 9: Downstream transportation and distribution <sup>1</sup>		
	Other: Home working (work from home): 4,187		
	<sup>1</sup> We began tracking and reporting category 5 (water only) emissions in FY22 and we plan to evaluate, measure and report all 15 categories of Scope 3 data over the next one to two years. We anticipate that the FY23 UK CRP, scheduled for posting on or around December 2023 will have estimated emissions for categories 4 and 9, and that the FY24 UK CRP, scheduled for posting on or around December 2024 will have the remaining Scope 3 categories.		
Total Emissions	Splunk Inc: 15,140		

# **Current Emissions Reporting**

Reporting Year: Splunk Fiscal Year 2022 (FY22 - Feb 1, 2021 to Jan 31, 2022)

**Gases**: The data reflects the GHG equivalent of all seven GHGs named by the Kyoto Protocol, using emissions factors to normalise all gases to a carbon dioxide equivalent (CO₂e).

**Approach**: Splunk's GHG inventory follows the Greenhouse Gas Protocol's Corporate Accounting and Reporting Standard.

**Emissions factors**: The FY22 GHG inventory for Splunk applies the U.K. BEI&S emission factors to its UK operations as follows:

- All Scope 1 refrigerants (HFCs and PFCs) use the <u>UK Department for Business Energy</u> and Industrial Strategy: <u>BEI&S Greenhouse gas reporting: conversion factors 2021</u> (<u>released June 2021</u>).
- All Scope 2 indirect emissions from purchased energy in the UK use the <u>UK</u>
   <u>Department for Business Energy and Industrial Strategy</u>: <u>BEI&S Greenhouse gas</u>

   <u>reporting: conversion factors 2021 (released June 2021)</u>.

**Scope 3 data**: We began tracking and reporting category 5 (water only) emissions in FY22 and we plan to evaluate, measure and report all 15 categories of Scope 3 data over the next one to two years. We anticipate that the FY23 UK CRP, scheduled for posting on or around December 2023 will have estimated emissions for categories 4 and 9, and that the FY24 UK CRP, scheduled for posting on or around December 2024 will have the remaining Scope 3 categories.

**Publicly available source data**: The data used in this FY22 CRP is based on publicly available climate data originally disclosed in the Splunk 2022 Global Impact Report appendix, available at: https://www.splunk.com/en\_us/pdfs/global-impact/2022-global-impact-report.pdf, pgs. 62-68.

**Assurance of data**: The FY22 GHG data is externally assured and internally audited, with the quality assurance processes, approach and documentation and attestations reviewed by the Audit Committee in December 2022 The external assurance verification statement is available at: <a href="https://www.splunk.com/en\_us/about-us/esg-overview.html">https://www.splunk.com/en\_us/about-us/esg-overview.html</a>.

Alignment of the FY22 CRP data (this document) with FY22 Streamlined Energy and Carbon Reporting (SECR) reported data:

- FY22 CRP: Splunk's global baseline emissions in this CRP reflect its London headquarters building only (based on the operational control approach to Splunk's global GHG inventory) and omits smaller rented office spaces for which it lacks operational control. The 2022 CRP uses the BEI&S (June 2021) emission factors for global Scope 1 refrigerants and Scope 2 UK purchased energy calculations.
- FY22 UK SECR filing: The Fiscal 2022 filing by Splunk Services UK Limited (full accounts made up to 31 Jan 2022), filed on Dec 8, 2022. The FY22 UK SECR data is sourced from the same externally assured FY22 GHG emissions inventory that is used in the FY22 CRP.

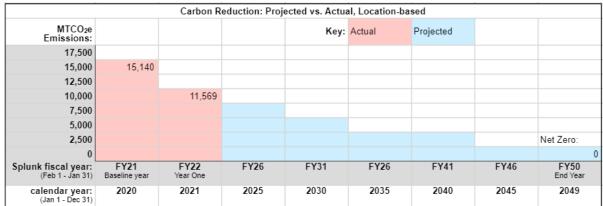
EMISSIONS	TOTAL (tCO₂e) location-based accounting, global inventory	
Scope 1	Splunk Inc: 374	
Scope 2	Splunk Inc: 3,257	
Scope 3	Splunk Inc: 7,938	
(Included Sources)	Category 3: Fuel and energy related activities not in Scope 2: 367	
	Category 4: Upstream transportation and distribution <sup>1</sup>	
	Category 5: Waste generated in operations: 4	
Category 6: Business travel: 2,774		
	Category 7: Employee commuting: 449	
	Category 9: Downstream transportation and distribution <sup>1</sup>	
	Other: Home working (work from home): 4,344	

	<sup>1</sup> We began tracking and reporting category 5 (water only) emissions in FY22 and we plan to evaluate, measure and report all 15 categories of Scope 3 data over the next one to two years. We anticipate that the FY23 UK CRP, scheduled for posting on or around December 2023 will have estimated emissions for categories 4 and 9, and that the FY24 UK CRP, scheduled for posting on or around December 2024 will have the remaining Scope 3 categories.
Total Emissions	Splunk Inc: 11,569

# **Emissions reduction targets**

Splunk's first generation climate change targets that apply to Splunk and all of its subsidiaries, including the bidding entity, Splunk UK are:

- Quantitative target: Achieve global net zero emissions at a 1.5°C by 2050 as registered and confirmed by the Science Based Targets initiative organisation
- Qualitative target: In Fiscal Year 2024 (Feb 1, 2023 to Jan 31, 2024), evaluate, develop and announce a suite of shorter-term greenhouse gas emissions reductions targets that are registered and approved by the Science Based Targets initiative organisation



Splunk Baseline, Year One and 2050 Emissions, Location-based

# **Carbon Reduction Projects**

In order to continue our progress to achieving both targets, we are undergoing the following actions:

- FY22 FY23: Established in-house GHG data quality controls and mechanisms for tracking and reporting our carbon reductions and progress to net zero emissions
- FY23: Launched a global climate resilience and innovation strategy, which includes
  the identification and launch of a series of shorter-term (e.g., three, five, ten, and
  fifteen year) climate targets that are expected to be registered and approved by the
  Science Based Targets initiative in FY24

These actions are detailed in the next section.

#### Completed Carbon Reduction Initiatives - Global

The following environmental management measures and projects have been completed or implemented.

**Establishing robust data quality controls and reporting mechanisms**: Our first priority is to establish credible and robust reporting mechanisms and quality controls to ensure that our GHG data and 2050 net zero emissions ambitions are based on solid data. Towards this end, we have completed the following projects:

- ESG Data Quality Plan developed and presented to Splunk's Audit Committee in Dec 2021 with an updated presentation in Dec 2022
- Third-party external assurance provider retained to externally assure our FY22 (Feb 1, 2021 to Jan 31, 2022) greenhouse gas data sets (to be published Dec 2022)

**Developing the Splunk Global Climate Resilience and Innovation Strategy**: This workstream is currently underway. Over the course of FY23 and FY24, we are completing a comprehensive climate strategy assessment, which includes the following work streams that will inform our Net Zero Transition Roadmap, global and regional goals (including the UK):

- Climate scenario analysis: Evaluate net zero transition pathways that align with the Paris Agreement aim of limiting global temperature increases to 1.5°C by 2050, using a range of multi-factor scenarios that include "business as usual," "orderly transition" and "abrupt transition" projections in accordance with leading practices.
- Net Zero transition plan: Develop a net zero roadmap that aligns with leading
  practices as established by the Science Based Targets initiative and includes the
  strategic focus, programs and targets we need to drive our business towards our
  aspiration of net zero emissions by 2050.
- Climate physical and transitional risk assessment: Assess climate risk exposure and sensitivity to physical and transitional climate risks.
- Science-based climate targets: Assess and register a suite of shorter-term Splunk climate targets with the Science Based Targets initiative organisation, and publicly announce those targets on or around the end of the current fiscal year.

Details regarding our climate strategy work may also be found in our <u>2022 Global Impact</u> <u>Report</u>, pages 50-53.

Presenting the Splunk Net Zero Transition Plan to Splunk's Governance & Sustainability board committee: Splunk aims to present its Net Zero Transition Plan to the Governance & Sustainability Committee of the Board of Directors of Splunk ("Governance & Sustainability Committee") for review in FY24 (Feb 1, 2023 - Jan 31, 2024) prior to publication, announcement and implementation.

#### Scheduled Carbon Reduction Initiatives

**Announcing Public Emissions Reductions Targets**: Based on Splunk's qualitative climate target detailed in the Emissions Reduction section of this CRP, Splunk aims to announce a second suite of shorter-term (e.g., three, five, ten, and fifteen year targets) that cover our global operations (including those of Splunk UK, the bidding entity).

The greenhouse gas emissions reductions achieved by the Splunk net zero by 2050 climate commitment announced in FY22 (Nov 2021) and the shorter-term climate targets that are expected to be announced in FY24 (Feb 1, 2023 - Jan 31, 2024) and in effect through FY50

(Feb 1, 2049 to Jan 31, 2050), generally coincide with the performance period of the contract. Reference the *Splunk Baseline, Year One and 2050 Emissions, Location-based* chart on page 7 of this document for additional details on the duration of Splunk's net zero by 2050 carbon reduction initiatives.

#### **Environmental Management Measures**

# Global certification schemes, commitments and measures taken include the following:

Science Based Target initiative: Splunk registered its Net Zero by 2050
commitment with the Science Based Targets initiative (SBTi) organisation, available
at <a href="https://sciencebasedtargets.org/companies-taking-action#table">https://sciencebasedtargets.org/companies-taking-action#table</a> (and shown in the
screenshot excerpt of the SBTi public targets registry below).



Science Based Target initiative website: Splunk Inc. public commitment to Net Zero by 2050

- **Business Ambition for 1.5°C:** Splunk is a proud signatory to the Business Ambition for 1.5°C campaign, the world's largest and fastest-growing group of companies taking urgent action for a 1.5°C future and setting targets at the pace and scale required by climate science.
- UN Climate Champions' Race to Zero and We Mean Business Coalition: Through our Business Ambition for 1.5°C, we are also part of the UN Climate Champions' Race to Zero campaign and the We Mean Business coalition.

#### UK environmental management measures taken

the Carbon Reduction Projects section of this report).

Also referenced in the <u>Splunk Services UK Limited Annual Report and Financial Statements</u> for the <u>Fiscal Year Ended 31 January 2021</u>, a number of facilities energy efficiency actions occurred, including fitting energy efficient air filters for air handling units, optimising chiller condenser pump run time efficiencies, and enhancing the energy management system for boilers to improve efficiencies and run time.

# Potential future environmental management measures (informational only) Potential future carbon reduction projects are currently under evaluation as part of the Splunk Global Climate Resiliency and Innovation work that is currently underway (detailed in

# **Declaration and Sign Off**

This FY22 CRP has been completed in accordance with PPN 06/21 and associated guidance and reporting standards for Carbon Reduction Plans, with the following exceptions and anticipated timing for full alignment outlined below:

- Board review: As of the date of this CRP, the FY22 CRP has not been reviewed by the Splunk Board of Directors as Splunk is currently developing its global Net Zero Transition Plan that will include UK net zero targets, along with targets for our other operating regions. The global net zero transition plan is scheduled to be reviewed by the Governance & Sustainability Committee and is expected to incorporate UK-specific carbon reduction targets and environmental management measures that will be established in the next fiscal year (beginning Feb 1, 2023). Thereafter, Splunk and Splunk UK plan to provide annual CRP updates according to PPN / 0621 guidelines that will be reviewed by the Splunk UK Board of Directors. This CRP has been reviewed and approved by Splunk's Sr. Director of ESG and Climate, the person who has named accountability for Splunk GHG data disclosures.
- Scope 3 emissions: We began tracking and reporting category 5 (water only) emissions in FY22 and we plan to evaluate, measure and report all 15 categories of Scope 3 data over the next one to two years. We anticipate that the FY23 UK CRP, scheduled for posting on or around December 2023 will have estimated emissions for categories 4 and 9, and that the FY24 UK CRP, scheduled for posting on or around December 2024 will have the remaining Scope 3 categories.
- External assurance of GHG emissions data: The current year (FY22) GHG data is externally assured. The GHG Verification Statement is available at this location: <a href="https://www.splunk.com/en\_us/about-us/esg-overview.html">https://www.splunk.com/en\_us/about-us/esg-overview.html</a> after Dec 15, 2022.

#### Signed on behalf of the Supplier:

#### Carrie Christopher, Splunk Sr. Director of ESG and Climate:

Consolidated Splunk global GHG data from previously published sources, reviewed UK CRP reporting guidelines and technical guidance and developed FY22 CRP in accordance with guidelines and/or noted exceptions and timing of anticipated conformance to the guidelines.

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Carrie Christophe	er, Dec 15, 2022	_

#### Sapna Rao, Senior Manager, Splunk Audit, Assurance Risk and Compliance:

Managed Internal Audit's data quality review of GHG data disclosed in this CRP to ensure that emissions data disclosed in this document for baseline (FY21) and current year (FY22) greenhouse gas emissions aligns with GHG data that is disclosed in the <a href="2022 Global Impact Report">2022 Global Impact Report</a>, pages 50-53.

Sapna Rao	
Sapria Rao (Dec 14, 2022 12:10 PST)	
Sapna Rao, Dec 15, 2022	

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