



AA1000
Licensed Assurance Provider
000-811

IQVIA

Assurance Statement AA1000AS (Version 3)

2022 Greenhouse Gas Inventory

July 2023



Assurance Statement: AA1000AS

Assurance Standard and Criteria

Incendium Consulting Ltd undertook assurance in accordance with AA1000AS Type 2 Moderate Level Assurance.

This covered:

1. An evaluation of adherence to the AA1000AS (2018) principles of inclusivity, materiality, responsiveness and impact
2. The reliability, completeness and accuracy of IQVIA's GHG emissions statement for external reporting for the period January 1st 2022 to December 31st 2022.

Intended Users

The intended users of this assurance statement are the management and stakeholders of IQVIA.

Responsibilities of IQVIA and Assurance Provider

The management of IQVIA has sole responsibility for the preparation and content for external reporting. Incendium's data assurance statement following the dataset review, represents Incendium's independent and balanced opinion on the content and accuracy of the information and environmental data held within the data management system.

Assurance Level

Incendium undertook this verification engagement in line with AA1000AS v3, completing a Type 2 assessment to a moderate assurance level.

AccountAbility principles:

IQVIA Data Management adherence to the AA1000 AccountAbility Principles:

- Foundation principle of Inclusivity
- Principle of Materiality
- Principle of Responsiveness
- Principle of Impact

IQVIA's GHG Emissions Statement 2022

IQVIA have collected data in line with the GHG Protocol Corporate Accounting and Reporting Standard. A risk assessment for the verification of GHG emissions in accordance with ISO14064-3 was applied by the Incendium team to determine the risk of a material misstatement of each emission source.

Assurance Methodology

Incendium undertook the assurance based on the AccountAbility principles including:

- Periodic meetings with the Senior Director ESG to understand the effectiveness of processes used to adhere to the AccountAbility Principles.
- Review of existing processes of sustainability management systems, data and reporting to understand effectiveness and accuracy.
- Review of the overall quality of disclosure and the design and management of underlying systems, processes and data.
- Evaluation of performance information to determine reliability, including analysis of significant emissions-producing activities reviewed against evidence documentation provided by IQVIA.

- The sampling method for each emission source was determined separately to gain a representative sample. For example, the top 68% of electricity consumption, all gas supplies, and all reported recharges of refrigerants were sampled.
- Reviews of appropriate emissions were completed for all emissions sources.
- Review of anomalies in all provided emission sources.
- Inquiries on data points were raised directly with IQVIA's global network of individual data providers, coordinated through IQVIA's Senior Director of ESG and Facilities Management co-ordinator.
- Evidence of the processes undertaken and findings have been retained and documented.

Scope

Incendium were engaged to undertake an assurance survey of sustainability data for external reporting disclosures, based on the period from 1st January to 31st December 2022. Incendium was asked to review GHG emission data associated with Scope 1 and Scope 2, including associated energy consumption. Incendium have reviewed emissions associated with Scope 3, Category 3 (Fuel- and energy-related activities not included in Scope 1 or Scope 2 emissions). In addition, Incendium have also reviewed the following Scope 3 categories: Category 1 (Purchased goods and services), Category 2 (Capital goods), Category 3 (Fuel and energy-related activities not included in Scope 1 or 2), Category 4 (Upstream transportation and distribution), Category 5 (Waste), Category 6 (Business travel), Category 8 (Upstream leased assets), Category 12 (End-of-Life treatment of sold products), and Category 13 (Downstream leased assets).

IQVIA provided all associated data and evidence and apply a operational control consolidation approach to emissions reporting.

The assurance review was undertaken by Incendium's sustainability team who are experienced in emissions reporting, compliance, and associated assurance practices, principles and standards including GHG lead verifiers.

As part of the review, evidence for reported renewable energy supply was viewed and confirmed. However, overall responsibility for purchasing green energy supplies lies with a third party. It is their responsibility to confirm the supplies are backed by demonstrable Energy Attribute Certificates.

Limitations

Methodologies used to assess GHG emission impacts allow for varying measurement techniques, and best practice approaches continue to evolve. There were no entity-specific limitations observed related to the assessed disclosures, the assurance engagement, or the evidence gathering.

Independence

Incendium Consulting support the IQVIA ESG team to compile operational emissions data in conjunction with their Business Operations and Procurement teams.

This assurance exercise has been completed by a separate member of the Incendium team who has not been involved in any prior engagements with IQVIA. These members are separate from the team that supported IQVIA's data collection and have confirmed that they have no financial, commercial, governance, ownership or other relationships that may impair their independence.

Competence

The assurance review was undertaken by Incendium's sustainability team who are experienced in emissions reporting, compliance, and associated assurance practices, principles and standards including GHG Lead Verifiers.

Observations & recommendations

1. AA1000 AccountAbility Principles

Principle	Observations & recommendations
<p>Inclusivity is actively identifying stakeholders and enabling their participation in establishing an organisation’s material sustainability topics and developing a strategic response to them.</p> <p>An inclusive organisation accepts its accountability to those on whom it has an impact and to those who have an impact on it.</p>	<p>IQVIA recognises the importance of an Environmental, Social and Governance (ESG) approach to employees, clients, stakeholders, and shareholders. This approach has been engrained into day-to-day activities within the business to achieve tangible results that can be shared both internally and externally. ESG is a business priority and is regularly reviewed at the board level. IQVIA has strengthened board commitment to their ESG program by amending their Nominating and Governance Committee charter to explicitly state the Committee’s responsibility for ESG oversight. As part of maintaining stakeholder ESG inclusivity, IQVIA has multiple communication channels such as customer satisfaction surveys, analyst and investor conferences, and research contributions via the IQVIA Institute for Data Science.</p>
<p>Materiality relates to identifying and prioritising the most relevant sustainability topics, taking into account the effect each topic has on an organisation and its stakeholders.</p> <p>A material topic is a topic that will substantively influence and impact the assessments, decisions, actions and performance of an organisation and/or its stakeholders in the short, medium and/or long term.</p>	<p>The Enterprise Risk Council, made up of leaders from principal functional areas and business units, meets quarterly to update the enterprise risk framework used to identify and manage key risks. The framework considers social and environmental factors including climate-related risks. The Audit Committee of the board reviews the identified key risks and the framework semi-annually. The board discuss identified risks throughout the year.</p>
<p>Responsiveness is an organisation’s timely and relevant reaction to material sustainability topics and their related impacts.</p> <p>Responsiveness is realised through decisions, actions and performance, as well as communication with stakeholders.</p>	<p>IQVIA have an effective group-wide approach to responding to issues that affect its sustainability performance, through an engrained process for facilitating and responding to stakeholder queries. There is a dedicated ESG team that reports directly to the board, and coordinates communications with stakeholders. The ESG Working Group comprises key functional leaders within the business, which focuses on implementing sustainability initiatives, policies and processes across their operations. IQVIA is a fast-growing company, acquiring multiple companies throughout each year. The process for including the emissions for these companies in previous year emission inventories should allow for accurate tracking of emissions over time. This process should be documented and made more robust.</p>
<p>Impact is the effect of behaviour, performance and/or outcomes, on the part of individuals or an organisation, on the economy, the environment, society, stakeholders or the organisation itself.</p> <p>Material topics have potential direct and indirect impacts — which may be positive or negative, intended or unintended, expected or realised, and short, medium or long term.</p>	<p>IQVIA recognise the role that its operations and business activities have on the environment. They are collecting greenhouse gas emission data applicable across their operations. Furthermore, IQVIA has committed to setting a science-based target to reduce their greenhouse emissions in line with limiting global heating to 1.5°C and has developed targets which have been submitted to the SBTi for validation.</p>

2. Greenhouse Gas Emission Summary 2022

A summary of the overall 2022 emission totals for disclosure is illustrated below:

Source		Carbon emissions (tCO ₂ e)	Energy consumption (MWh)
Scope 1	Buildings	3,504	17,501
	Travel	6,398	26,498
	Total Scope 1	9,903	43,999
Scope 2	Electricity (location-based)	35,014	101,110
	Electricity (market-based)	30,584	101,110
	District heating (location-based)	415	2,432
	Total Scope 2 (location-based)	35,429	103,542
	Total Scope 2 (market-based)	30,999	103,542
Scope 3	Category 1: Purchased goods and services	232,658	N/A
	Category 2: Capital goods	39,937	N/A
	Category 3: Fuel and Energy-Related Activities Not Included in Scope 1 or Scope 2	16,267	N/A
	Category 4: Upstream transportation and distribution	70,346	N/A
	Category 5: Waste	2,298	N/A
	Category 6: Business travel	56,838	N/A
	Category 8: Upstream Leased Assets	336	N/A
	Category 12: End-of-Life Treatment of Sold Products	7	N/A
	Category 13: Downstream Leased Assets	597	N/A
	Total Scope 3	419,284	N/A

Observations and recommendations

Observation	Recommendation
<p>The review of scope 1 and scope 2 data highlighted that the process for local employees to submit accurate consumption data is ineffective. During the assurance process, Incendium worked with site teams and other stakeholders to correct data input following any anomaly reviews.</p>	<p>Introduce a training process for employees on reporting energy consumption and regional verification checks before final figures are validated to avoid misstatements of energy consumption and emissions. Introduce regional verification checks to include unit conversions and misalignment of monthly data. The opportunity to add comments to IQVIA's data management platform to demonstrate the apportionment calculation would be beneficial.</p>
<p>Some primary evidence for Scope 1 emission sources is not available, including for diesel consumption and Aviation fuel.</p>	<p>Source primary evidence for diesel and aviation fuel including invoices or meter photos to help validate data.</p>
<p>The process of implementing renewable electricity purchases is not centralised and there are multiple criteria being used by local teams to purchase renewable electricity of various degrees of quality.</p>	<p>Improve the process to actively assess which sites use renewable energy sources and develop formal criteria for the inclusion of renewable energy supplies within market-based reporting.</p>
<p>Dual reporting for Scope 2 is in place; however, it is not being fully utilised. Emission factors for location-based reporting were updated during the assurance review and residual factors for market-based reporting have not been fully utilised.</p>	<p>Implement a process to ensure sure that the best available location and residual mix market-based factors are applied for the reporting year.</p>
<p>IQVIA have a large portfolio and information about how sites are heated and cooled is not always readily available.</p>	<p>Improve the process for capturing data by understanding the energy consumption used to heat and cool buildings to further reduce the risk of emissions misstatement.</p>
<p>Data on the generation of waste is not readily available across IQVIA's sites.</p>	<p>Emissions associated with the generation of waste are minimal in the total inventory, however, the vast majority of emissions associated with waste are estimated. The process for collecting waste data across the portfolio should be assessed to improve accuracy.</p>
<p>IQVIA is a fast-growing company, acquiring multiple companies throughout each year. The process for including the emissions for these companies in previous year emission inventories should allow for accurate tracking of emissions over time. Currently, there is a risk that emissions tracking is not a like-for-like comparison and there is not a documented process for including acquired companies in GHG reporting.</p>	<p>Develop a documented process to incorporate acquired companies into GHG reporting that allows for like-for-like comparisons in future years.</p>

Our unqualified opinion

Based on the work undertaken, the Incendium assurance review found that the data presented in the IQVIA 2023 CDP disclosure, including IQVIA's 2022 emissions inventory, adheres to the AA1000AS (Version 3) principles, aligned with moderate assurance characteristics.

Based on procedures undertaken aligned with moderate assurance requirements, IQVIA has a comprehensive process and systems to collate, evaluate and aggregate emissions data included in the scope of the assurance review. The observations described in this statement are all relatively low risk and will, if actioned, help to ensure the accuracy of GHG reporting going forward but are not likely to represent cause a significant misstatement in emissions. Additionally, several queries were identified, actioned, and documented with IQVIA during the review process.



Sam Pickering
20th July 2023
Incendium Consulting, Executive Director



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