

QINETIQ

MCA
A POSITIVE FORCE FOR THE
ECONOMY AND SOCIETY

Delivering consulting excellence

May 2024



**CONSULTING
EXCELLENCE**

Introduction



Foreword

We are delighted to submit our Consulting Excellence declaration in the first year of our membership of the MCA. QinetiQ has a long and rich history of protecting lives and securing the vital interests of our customers through our deep technical knowledge and engineering experience. We're now complementing that technical expertise – and bridging the gap between technical and business functions internally and with our customers – with our growing Management Consulting Practice.

Our consulting leadership team are passionate about creating a psychologically-safe, diverse community in which our consultants can grow and perform to the best of their abilities, which is critical to our success. To enable this, the MCA's Consulting Excellence standards have been at the forefront of our minds as we've built the frameworks and defined the standards by which our consultants will operate and develop their careers.

This declaration explores our commitment to the 13 principles and how our consultants live and breathe them in their day-to-day work.

Dan Tucker

Director National Security Advisory Services
QinetiQ MCA Council Representative



Delivering world-class support to our customers' decision-making through trusted relationships with our people at QinetiQ





Consulting at QinetiQ

Our Customers

- Face an ever increasing number and type of sophisticated adversaries and overwhelming amounts of data and do not have the resources or technology to manage these blend of deep domain and business;
- Are working against a backdrop of rapidly advancing technology, accelerated by cloud and the exponential power of AI;
- Need to look for novel ways to access technologies and solutions outside of the traditional primes.

- Defence,
- Central Government
- Aerospace & Space
- National Security & Law Enforcement
- Defence Manufacturing

Our Solutions

- Focuses on addressing the customer's operational challenges;
- Provides a balance of knowledge alongside innovation and technical solutions;
- Draws on our technical heritage and world-leading expertise as well as our extensive and growing ecosystem of partners and SMEs;
- Is sustainable and profit making.

- Strategy
- Operations
- Business Transformation
- Continuous Improvement
- Change Management

Our Commitment

- We will grow organically and sustainably by building strategic relationships with our senior and operational customers and choosing where to place our consultants carefully, rather than flooding the market or overly relying on manpower substitution;
- We will seek to use flexible and scalable contractual models (e.g. *aaS) allowing for long-term relationships and the ability to bring in and develop more junior staff;
- We will use a wider range of partners and SMEs to maximise the benefit to the customer.

- Innovation
- Partnerships
- Client Value
- Sustainable Growth

Consulting Excellence

Delivering value for our customers through the Principles of Consulting Excellence



1. Responsible Citizens

We are responsible and good citizens

We engage via a variety of community investment activities such as outreach, volunteering, supporting local charities and community liaison. Our employees provide real-world experiences to inspire the next generation of scientists and engineers. Across our UK sites we've engaged with approximately 8,000 children, supporting approximately 60 schools and youth groups. During FY23 we launched our first virtual work experience and ran a series of STEM outreach events.

Environmental volunteering has provided opportunities for teams to make a difference and contribute to conservation initiatives. We intend to continue to grow our volunteering, focusing on creating positive impact in our communities. In addition to volunteering, we continue to support a number of charities. During FY23 in the UK we completed our three-year partnership with UK Defence charity SSAFA and continued our relationship with the Jon Egging Trust.

2. Ethical Business

We conduct our business ethically

Our Code of Conduct defines our ethical standards, providing clear direction and guidance on how we do business. It contains information on ethical decision-making and also how to seek help and advice. We review the Code annually to reflect the evolving needs of our business, the regulatory environment and best practice.

Our Business Ethics Committee, chaired by our Chief Ethics Officer (the Company Secretary), oversees our ethics programme. We are members of our trade association, ADS, Business Ethics Network where members can share best practice on ethics, human rights and anti-bribery.

3. Ethical Culture

We foster an ethical culture

Annual business ethics training is mandatory and supports our people in understanding and using the Code of Conduct. We provide a number of challenging scenarios to help our people know what to do if they were to come across issues such as bribery, fraud, harassment, conflict of interest and modern slavery.

We strive to create an environment where our people feel confident to speak up and we provide a number of different ways for them to seek help or raise concerns. Employees can talk to a manager, use our ethics email advice services, our global network of Ethics Champions and our independently run, 24/7, confidential reporting line. These are also available to third parties via our Code of Conduct and Supplier Code of Conduct, both published on our website.

Ethical Behaviour

We work with clients, partners, employees and other stakeholders in an ethical way



Creating a safe and secure environment for us all to thrive

A high-performance and inclusive work environment where employees are engaged, empowered and clear about how they can contribute to our vision.

Our Values

Integrity

We take pride in our decisions, and work to create a sustainable and responsible business. We take personal responsibility to do the right thing, both as an organisation and as individuals.

Collaboration

Delivering value through partnership and teamwork, we actively collaborate with our colleagues, customers and industry partners. We know that working together is the best way to meet our customers' needs.

Performance

Our performance is measured by how we deliver for our customers, meeting their needs through flawless execution and delivery of the mission-critical solutions on which they depend.

Our Behaviours

Listen

We listen to what our customers say, ask questions to help us understand and challenge, and offer ideas and solutions.

Focus

We hear what our customers want, are clear about our priorities and know what needs to be delivered and why.

Keep my promises

We do what we say we will, are trusted to do the right thing, and are responsible and accountable for our own actions.

4. Consulting Services

We provide excellent consulting service which deliver the outcomes clients seek and need

Our customers are at the centre of our vision and the foundation of our success. We strive to apply our strengths to their advantage to deliver mission-led innovation, and invest time in understanding and responding to their needs.

Measuring customer satisfaction provides us with insight into our customers' views. Complemented with qualitative surveys, this provides us with actionable insights that enable us to improve our customer experience. This supports our ambition of becoming our customers' chosen partner in both our home countries and overseas, which requires a relentless focus on meeting their needs. Our score remains in the category of good.

5. Transparency

We are transparent with clients and respond to their concerns

In order to deliver responsibly and for the benefit of all stakeholders we must understand what matters to our customers. To do this we engage in a variety of ways in an open and transparent manner, trying to identify common goals. In some cases the Board will engage directly with certain stakeholders, however in others the relevant delivery teams will manage this engagement.

This is dependent on the stakeholder and issues considered, with engagement led by those best placed to effect any necessary change. We expect that our approach and how we engage with our stakeholders will continue evolving as we pursue further growth and geographic expansion for the benefit of all of our stakeholders.

6. Customer Value

We always strive to improve the value we can deliver to our clients

Every QinetiQ customer has a delivery team continually engaging with them and adapting our approach to ensure their objectives are achieved. In addition, we regularly take the time to step back and listen and act upon our customers' views on our performance and relationships through our formal customer research systems.

Our delivery teams continually adapt our approach to ensure customers' needs are met. The formal feedback we receive is reviewed at all levels of our organisation to ensure we continuously improve and evolve our business processes and delivery solutions

We deliver mission-critical solutions to our customers helping them to address their most pressing challenges. They benefit from a responsive and agile approach, the ability to innovate at pace and value for money.

Client Service & Value

We promote the highest standards of client service and value



Our customer value proposition

We apply our unique technical expertise across the product lifecycle, helping our customers to create, test and use defence and security capabilities.



7. Professional Development

We undertake training and professional development planning each year. Our philosophy is to enable development through a combination of live and virtual training, self-led learning, on-the-job experience and by providing access to resources and toolkits. We have on-boarded a new digital learning experience platform (Q Skills), allowing us to host bespoke QinetiQ-created content and develop learning paths for specific communities, helping more people access learning faster. It enables self-directed learning and participants can explore a wide range of skills-based content relevant to their needs. Our learning portfolio continues to develop focused on access to training through our managed learner service, and internally developing new content.

As part of our investment in our employee offering, we have a Personal Development Fund. This fund provides every employee with the choice on how to drive their ongoing professional growth and skills development to enrich their careers. It has proven to be a success with over 5,000 individual bookings across a wide range of development opportunities.

8. Strong Capability

We promote strong core consulting capabilities and specialisms in our consultants and teams

We have developed a bespoke Consulting Competency Framework drawn from industry-wide standards to support individual and team development aligned to our specialisms. We have established 'Discipline Leads' to champion specialisms across the organisation and promote best practice. We have developed in-house 'Skills Development' sessions to promote and share best practice and learning from experience to compliment our wider professional development offerings.

9. Professional Support

We support our employees' career progression, professional development and welfare

Personal development and performance is reviewed through year, with Development Goals for all our people. The roll out of our Consulting Competency Framework supports continuous review, promotion cases, and guide professional development in line with business needs.

Our Wellbeing Strategy focuses on the five pillars of physical health, mental health, personal growth, working environment and financial wellbeing. We continue to develop our wellbeing offering by; Launching the YuLife service and mobile app for our UK employees, which encourages healthy habits and activities to support wellbeing, hosting multiple financial wellbeing webinars and introducing the QinetiQ Hardship Fund.

Professional Development

We develop the our Consultants capabilities, provide career development opportunities and support the welfare of our employees.



Our Employee Offering Framework



10. Respect and Embrace

We respect and embrace diversity and inclusion of people from different background

We aim to build a workplace that is inclusive, where our differences are not only embraced but make us stronger. We want to growing our reputation as an employer who attracts, develops and retains a diverse workforce that reflects the communities in which we operate.

This is supported through our seven employee-led networks and our D&I champions, a number of which are sponsored by members of the QinetiQ Leadership Team. These groups provide visible leadership and direct engagement to ensure employees feel that their differences are valued and represented.

11. Recruit and Retain

We recruit and retain people from a diverse talent pool and strive to build cultures

Advancing Diversity & Inclusion (D&I) is both a business and a social imperative. Our commitment centres on the success of our people and our ability to attract and retain the best talent in order to deliver for our customers. Our talent processes and practices enable the delivery of our ID&B ambitions ensuring our efforts are focused on developing a broader pipeline of talent, from leadership to those starting their career.

Inclusion, diversity and belonging is integrated into our talent processes and practices from the very beginning of the employee experience. We ensure equal opportunity is a standard and we maintain a workplace free of discrimination.

Our employer brand and employee offering demonstrate an inclusive workplace, that responds to the needs of our people and creates a compelling reason for people to view QinetiQ as an employer of choice.

12. Support

We support industry efforts to improve progress on diversity and inclusion

We connect our employees to support channels, listening to what our people say, provide support and promote cultural awareness to help strengthen our commitment to inclusion, diversity and belonging.

We sponsor the UK Women in Defence Innovation & Creativity Award. Targeted action plans are routinely developed to apply a more intensive focus on issues and barriers of specific groups (i.e gender, ethnicity, disability) and we are continually evolving our D&I data analytics to identify areas of focus and inform insights.

Diversity & Inclusion

We are committed to diversity and inclusion in our workplace and workforce.



Global Diversity Supply Chain programme established



Gender Equity Coaching programme



Annual training for all employees



Established Employee Network Groups & D&I Champions



Sponsorship of UK Women in Defence Innovation & Creativity Award



Signatory of UK Women in Defence Charter 30 by 30



Increased girls in STEM outreach programmes



Launch of our internal global D&I resource hub



Annual D&I global leadership goal



Inclusive Leadership Training



Regular awareness campaigns



Adaptive Working Approach



Implementation of our Wellbeing Strategy



Reverse mentoring programme

13. Sustainability

Environmental

We seek to deliver responsibly and sustainably for our customers, protecting the environment, enhancing biodiversity and minimising our GHG emissions. Our approach is underpinned by ISO 14001 certification in the UK and Canada. We have launched a new Environment Council, where Functional and Sector leaders come together on issues that are enterprise-wide. Environmental matters are also reported to and reviewed regularly by the Board. We validate our targets with the Science Based Targets initiative and we have achieved a 30.5% reduction against our FY20 baseline. We have created a dedicated "ideaXchange" for collaboration and innovation to support our Climate Change programme. Our consultants can work with customers to understand the impacts of climate change and energy transition on their goals, analysing risks and opportunities for their critical missions.

Social

Our Adaptive Working approach is an important part of our employee offering. It empowers us to make decisions about where, when and how we work, so that we can achieve the most effective outcomes for our customers, while retaining the benefits of work/life balance. We are introducing options for different working patterns such as a 4.5-day week or 9-day fortnight in the UK. Reward & Recognition is key to our people strategy and an important part of our employee offering. Our approach is designed to enhance our employees' wellbeing and incentivise both collective performance and individual contribution; enabling us to make choices about what works best for ourselves and for our families. Through our Rewarding for Performance framework, our people have been able to collectively share in our success. We continue to invest in our employee offering. This extensive package included increases to salaries, commitment to deliver above the real living wage.

Governance

Our approach to ESG is sponsored by our Group CFO and actively supported by our Board. Our Group Director of ESG leads our strategy and programmes, working with the business, and provides regular updates to the Board. These cover all material ESG issues, including ESG strategy, climate change, stakeholder engagement and reporting, ethics, Speak Up, D&I and community. This provides oversight of our approach, including progress against programmes and plans. The ESG strategy forms part of our ISBP (the five-year plan) and includes longer-term plans e.g. our Net-Zero plan with targets to 2030 and 2050. We continue our goal to embed ESG into our strategy and our day-to-day business.

Sustainability



We are committed to ensuring we operate in an increasingly sustainable way.



Top-Rated ESG Company

By Sustainalytics in 2023



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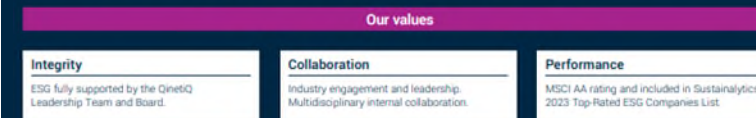
Our ESG framework

We have a clear framework and focus to deliver change in the three areas of ESG



Creating a safe and secure environment for us all to thrive

Our values demonstrate our purpose and ESG framework in action



We deliver safely, responsibly and sustainably for the benefit of all our stakeholders



AA Rated

By MSCI



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A POSITIVE PACT COMPANY
A MEMBER OF THE SOCIETY

QINETIQ



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