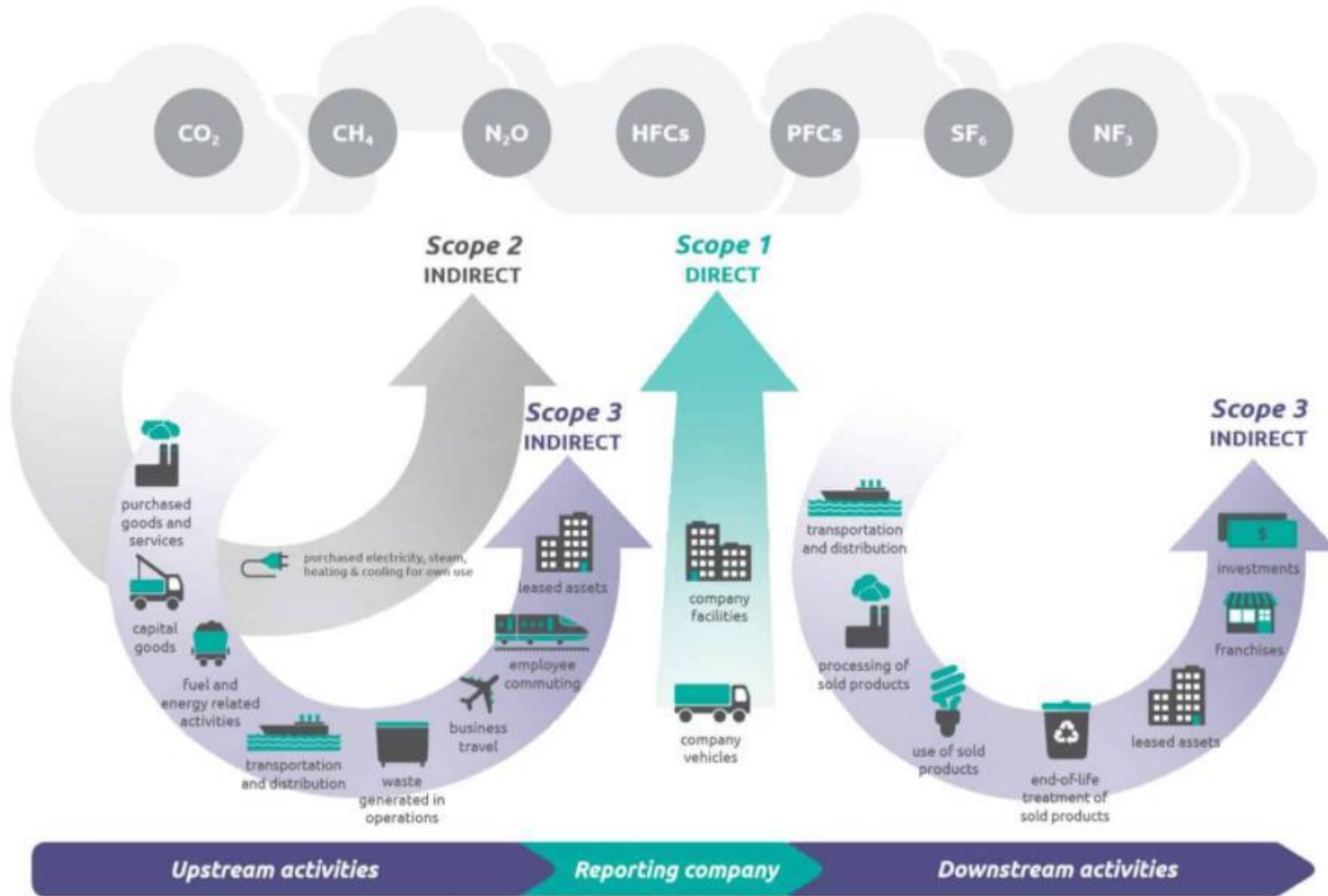




Carbon Footprint Data Report

May 2024

Methodology



GuidePoint's Security LLC's (GuidePoint) third-party, Bridge House Advisors Corporation (Bridge House), utilized the [World Resource Institute's Greenhouse Gas Protocol Corporate Standard](#) to calculate the company's carbon footprint. The standard provides accounting tools to measure, manage, and report on greenhouse gas (GHG) emissions. All potentially material sources of emissions were reviewed during initial project scoping.

Methodology - Scoping and Boundaries

Reporting Boundary

- 2023 Calendar Year
- Four (4) office locations in the United States
- Scope 1, 2, and 3 emissions (where material and data available)

Reporting Scope – Emission Included

Scope Item	Emission Source	Source of Information
Scope 1	Stationary Combustion	Estimations using facility square footage
Scope 2	Purchased Electricity (Location-Based)	Estimations using facility square footage
Scope 3	Purchased Goods & Services	Microsoft Azure and Amazon Web Services cloud emissions reports
Scope 3	Capital Goods	Computer equipment make/model information
Scope 3	Fuel-and Energy-Related Activities	Calculated from Scope 1 & 2 energy usage
Scope 3	Employee Business Travel	Travel and entertainment expense report (airfare, car rentals, rideshare services, lodging, and meals)
Scope 3	Employee Commuting & Remote Workforce	HR employee data –home zip codes and estimated office commute
Scope 3	Upstream & Downstream Product Transport	Shipment weights and mileage

Methodology - Scoping and Boundaries

Scope Item	Emission Source	Included in 2023 Footprint?	Primary Methodology
Scope 1	Stationary Combustion	Yes	Estimation (Activity-Based)
Scope 1	Mobile Sources	Not Applicable	--
Scope 1	Refrigeration/ AC Equipment	Not Applicable	--
Scope 2	Purchased Electricity	Yes	Estimation (Activity-Based)
Scope 2	Purchased Steam	Not Applicable	--
Scope 3	Purchased Goods & Services	Partial	Activity-Based
Scope 3	Capital Goods	Yes	Activity-Based
Scope 3	Fuel & Energy Related Activities	Yes	Activity-Based
Scope 3	Upstream Transportation	Yes	Activity-Based
Scope 3	Waste Generated in Operations	No – Likely Immaterial	--
Scope 3	Business Travel	Yes	Spend-Based
Scope 3	Employee Commuting & Remote Workforce	Yes	Estimation (Activity-Based)
Scope 3	Upstream Leased Assets	Not Applicable	--
Scope 3	Downstream Transportation	No – Likely Immaterial	--
Scope 3	Processing of Sold Products	Not Applicable	--
Scope 3	Use of Sold Products	Not Applicable	--
Scope 3	End of Life Treatment of Sold Products	Not Applicable	--
Scope 3	Downstream Leased Assets	Not Applicable	--
Scope 3	Franchises	Not Applicable	--
Scope 3	Investments	Not Applicable	--

Methodology – Emission Factors

US Environmental Protection Agency Emission Factors

- Most emission factors were sourced from the [US Environmental Protection Agency's \(EPA's\) Emission Factors Hub, February 2024](#).
- Spend-based emission factors were sourced from [EPA's Supply Chain GHG Emission Factors for US Industries and Commodities](#).

Intergovernmental Panel on Climate Change (IPCC)

- Global warming potential (GWP) factors derived from the [IPCC's AR6 Synthesis Report](#).

Location-Based Electricity Emission Factors

- Regional electricity emission factors were sourced from EPA's eGRID or country-specific energy mixes.

Fuel and Energy Related Activities

- The indirect upstream emissions related to the production of fuels and energy purchased and consumed in the reporting year (i.e., well-to-tank [WTT] emissions for stationary combustion and purchased electricity) were calculated using the [U.K. Department for Environmental, Food, and Rural Affairs](#) emission factors.

Assumptions

Stationary Combustion – Natural Gas

- Natural gas usage for heating was estimated for four (4) locations based on square footage: a US average intensity by square footage for administrative or professional offices was used to estimate natural gas usage where data was not provided.¹

Purchased Electricity (Location-Based)

- Electricity usage was estimated for four (4) locations based on square footage: a US average intensity by square footage for administrative or professional offices was used to estimate electricity usage where data was not provided.¹

Remote Workers

- Electricity and natural gas usage was estimated for remote workers based on average remote workdays and square footage (75 ft² was assumed for each home office). A US average intensity by square footage for residential homes was used to estimate natural gas and electricity usage.² Additionally, 233 remote workdays per year were assumed for all full-time employees.

¹ <https://www.eia.gov/consumption/commercial/data/2018/index.php?view=consumption>

² <https://www.eia.gov/consumption/residential/data/2015/index.php?view=consumption>

Assumptions

Employee Commuting

- No survey was provided to GuidePoint employees; therefore, the employees' home zip codes and office locations were utilized to determine an approximate commuting distance. Commutes less than two (2) miles roundtrip were assumed to be via foot; commutes greater than two (2) miles and less than 20 miles roundtrip were assumed to be via public transportation; and commutes greater than 20 miles and less than 100 miles roundtrip were assumed to be via car. Additionally, 233 commuting days per year were assumed for all full-time in office employees.
- GuidePoint stated every employee is fully remote except for ten (10) employees that are fully-office based. These ten (10) employees were stated to have an average round distance commute of less than five (5) miles. No further information provided to accurately segregate these ten (10) employees from the master list of GuidePoint employees; therefore, these ten (10) employees were included as additional employees. It is acknowledged the negligible impact of double counting this ten (10) employees as both commuting and working remote.

Assumptions

Employee Business Travel

- Airfare, rental car, lodging, meals, and ride share-related business travel expense (\$) data was provided. Carbon emissions from these travel activities were estimated utilizing the EPA's Supply Chain GHG Emission Factors for US Industries and Commodities.¹
- Personal vehicle mileage reimbursement was calculated by converting expense data provided by the company to mileage using the 2023 Internal Revenue Service (IRS) mileage rate of \$0.655 per mile.²

¹ https://cfpub.epa.gov/si/si_public_record_Report.cfm?dirEntryId=349324&Lab=CESER

² <https://www.irs.gov/tax-professionals/standard-mileage-rates#:~:text=2023%20mileage%20rates,Medical%3A%2022%20cents%2Fmile>

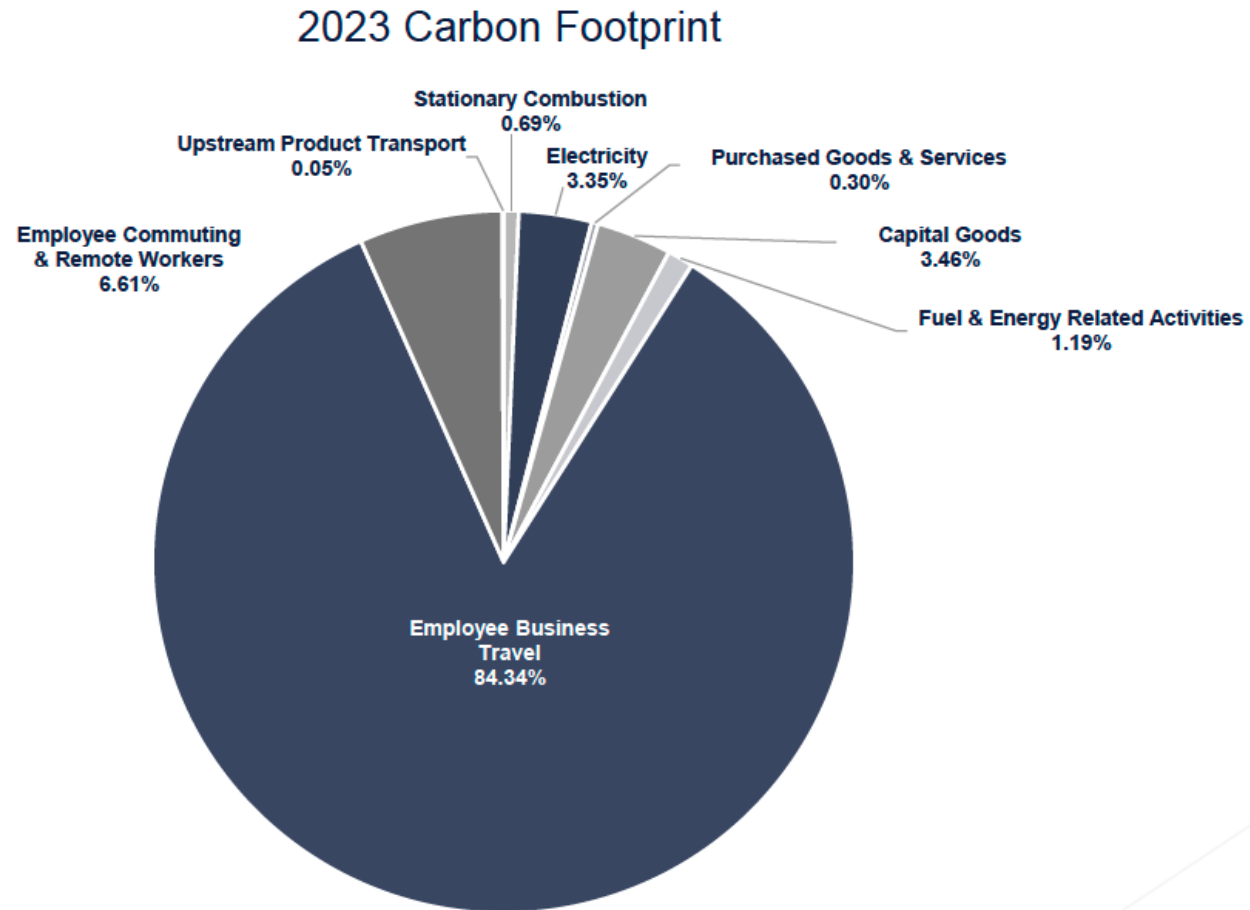
Carbon Footprint measurement

Results

Scope Item	Emission Source	2023 Total Emissions (MT CO ₂ -e)
Scope 1	Stationary Combustion	18
Scope 2	Purchased Electricity (Location-Based)	86
Total Scope 1 and 2		103 MT CO ₂ -e
Scope 2	Purchased Goods & Services	8
Scope 2	Capital Goods	88
Scope 3	Fuel & Energy Related Activities	30
Scope 3	Employee Business Travel	2,156
Scope 3	Employee Commuting & Remote Workers	169
Scope 3	Upstream Product Transport	1
Total Scope 1, 2, and 3		2,556 MT CO ₂ -e

Carbon Footprint Measurement

Results



Carbon Footprint Measurement

By Revenue

	Reporting Year	Revenue (\$MM)	Total Scope 1 + 2 Emissions (MT CO ₂ -e)	Intensity (MT CO ₂ -e / \$MM)
GuidePoint Security LLC	2023	\$1,700	103	0.06

By Headcount

	Reporting Year	Number of Employees	Total Scope 1 + 2 Emissions (MT CO ₂ -e)	Intensity (MT CO ₂ -e / \$MM)
GuidePoint Security LLC	2023	973	103	0.11

Carbon Footprint Measurement

Analysis

- As it can be seen in the preceding slides, the majority (84.3%) of GuidePoint's GHG emissions are associated with employee business travel followed by employee commuting and remote workers (6.6%) and capital goods (3.5%). Due to the structure of the business and primarily remote workforce, employee business travel and remote working are typically expected to be the highest emission sources; however, electricity and natural gas emissions may increase if actual utility usage data is provided in future years for all offices and is above the benchmarks utilized for 2023 approximations.
- Carbon emissions intensities by square footage were not calculated for GuidePoint as average intensities for all facility locations were utilized to calculate the associated emissions, leading to the office locations having the same respective GHG emissions intensity by square footage.
- GuidePoint's Scope 1 and 2 emissions intensity by revenue was calculated to be 0.06 MT CO₂-e per million dollars USD and the intensity by head count was calculated to be 0.11 MT CO₂-e per employee.
- The company maintains the lowest emissions intensity by revenue and by head count compared to the three (3) provided competitors/key customers that report Scope 1 and 2 emissions.

Limitations and Exclusions

Exclusions and limitations associated with this assessment are briefly outlined below:

- Bridge House did not independently verify information provided on publicly available databases. Therefore, the findings are accurate and complete only to the extent that information provided to Bridge House was itself accurate and complete.
- Bridge House is an environmental and ESG consulting firm, and as such Bridge House and GuidePoint makes no representations regarding questions of legal or accounting interpretation. Consultation with an attorney and/or certified accountant should be made with respect to any legal or accounting matters, or items that require such interpretation, under any law, regulation or contract.
- This report has been prepared for the exclusive use of Audax Group, and its portfolio company GuidePoint, and may not be relied upon by any other recipient, person, or entity (Other Recipient) without Bridge House's express, written permission. In receiving this report, any Other Recipient agrees that (a) it will make no claim against Bridge House and GuidePoint that relates in any way to this report, or the Other Recipient's access to this report; and (b) to the fullest extent permitted by applicable law, Other Recipient hereby releases Bridge House and GuidePoint from, and will defend and hold harmless Bridge House and GuidePoint from and against, any claim, action, suit, damage, loss, award, liability, expense, cost, or fees, including attorneys' fees, arising from or relating to any use or disclosure of the report or any portion thereof by Other Recipient or any third party to whom Other Recipient discloses the Report.
- The conclusions presented represent Bridge House's professional judgment based on the information made available to us during the course of this assessment and are true and correct to the best of Bridge House's knowledge as of the date of this report.