



**Greenhouse Gas
Evotec Inventory Methodology 2022**

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1 About

The purpose of this document is to provide additional details on the calculation methodology for Scope 1, 2, and 3 greenhouse gas (GHG) emissions of Evotec SE as communicated in the 2022 Annual Report.

GHG Reporting Standards

The GHG Protocol Corporate Standard is the most widely accepted standard for reporting an accurate and transparent account of a company's GHG emissions. Evotec uses the guidelines outlined by the GHG Protocol to calculate the most precise account of its calendar year emissions.

The GHG Protocol outlines three emissions sources (referred to as "scopes") that provide the framework for operational boundaries. They are:

Scope 1, "Direct Emissions," represent emissions from combustible fuels and other sources that occur directly on site (e.g., refrigerants) and mobile emission sources;

Scope 2, "Indirect Emissions," represent emissions that occur off site to produce electricity or steam purchased for use at a company's locations; and

Scope 3, "Other Indirect Emissions," represent emissions from activities upstream or downstream from a company's core business such as product use, waste disposal, commuting, and business travel.

2 Inventory Scope and Boundaries

The GHG inventory was calculated for calendar year 2022 (1st January – 31st December 2022). The GHG inventory is calculated on an annual basis for the calendar year.

Evotec's target base year is 2021 (1st January 2021 – 31st December 2021). Evotec follows the guidelines in the GHG Protocol Corporate Standard for adjusting the GHG inventory base year.

Significance Threshold and Inventory Adjustments

The base year inventory 2021 will be adjusted in response to any structural or methodology changes if the resulting adjustment is more than 5% of base year emissions. Adjustments below this threshold are considered insignificant and will be decided on a case-by-case basis.

Evotec follows the operational control approach to set the inventory boundaries. All owned and leased sites are included.

3 Emission Sources and Methodology

3.1 Greenhouse Gases

Emissions from carbon dioxide (CO₂), methane (CH₄), hydrofluorocarbon (HFCs) and nitrous oxide (N₂O) are tracked in Evotec's GHG Inventory and reported as overall CO₂ equivalency (CO₂e). No Evotec sources for emissions from PFCs, SF₆ or NF₃ have been identified to date.

Table 1 Emissions by Greenhouse Gases (Location-based)

Year	CO ₂ (tCO ₂ e)	CH ₄ (tCO ₂ e)	N ₂ O (tCO ₂ e)	HFC (tCO ₂ e)	Total (tCO ₂ e)
2022	34,407	67	71	513	35,058
2021	36,115	65	72	445	36,696
% of 2022	98%	0%	0%	1%	100%
% Change	-5%	3%	-1%	15%	-4%

3.2 Scope 1

The following scope 1 emissions sources are included:

- Stationary emissions (natural gas and diesel consumption)
- Fugitive emissions (refrigerant losses, dry ice consumption)

At sites where consumption data was not available or partially available estimates are used to cover these gaps. This is achieved through using the median intensity per m2 from similar sites and extrapolating it for the missing data. Emissions are calculated by multiplying consumption against the relevant emission factor.

3.3 Scope 2

The following scope 2 emissions sources are included:

- Purchased electricity
- Purchased heat and steam

At sites where consumption data was not available or partially available estimates are used to cover these gaps. This is achieved through using the median intensity per m2 from similar sites and extrapolating it for the missing data.

Emissions are calculated using both the location and market-based accounting methods. Where renewable electricity is purchased, this is accounted for as zero under the market-based method. All remaining consumption is accounted for using residual mix emission factors. For location-based emissions, national or regional emission factors have been used.

3.4 Scope 3

The remaining indirect emission sources identified by Evotec in scope 3 of the 2022 GHG inventory included eight out of the fifteen scope 3 categories defined by the GHG Protocol. The following subsections explain the methodologies used for each category.

3.4.1 Category 1: Purchased Goods and Services

The purchased goods and services category covers all emissions from the production of products purchased or acquired by Evotec during the 2022 calendar year. This category has been calculated using an environmentally externalised input output method based on spend.

3.4.2 Category 2: Capital Goods

The capital goods category is comprised of emissions from the production of capital goods purchased or acquired, including equipment, machinery, buildings, facilities, or vehicles. This category has been calculated using an environmentally externalised input output method based on spend.

3.4.3 Category 3: Fuel and Energy Related Activities

Fuel and energy related activities (FERA) includes emissions related to the production of fuels and energy purchased and consumed but excludes the consumption of them covered in scope 1 and 2. Well-to-tank emissions are calculated for fuel consumption. For electricity, emissions for well-to-tank and transmission and distribution losses are calculated.

3.4.4 Category 4: Upstream Transport and Distribution

Emissions from the transport of products from Evotec to its customers that has been paid for by Evotec is included in this category. Emissions have been calculated based on weight and distance by transport mode. Direct and well-to-tank emissions have been included.

3.4.5 Category 5: Waste Generated in Operations

This category includes disposal and treatment of waste that is generated at Evotec controlled sites by third parties. The waste is categorized by waste type including recycled, incinerated, landfill, and composted. The data is converted into metric tonnes and a DEFRA factor related to the disposal method is applied to calculate the emissions.

3.4.6 Category 6: Business Travel

This category covers emissions related to the transportation of employees for business-related activities in vehicles not owned or operated by Evotec. For example, airplanes, trains, buses, cars, or hotel stays. Data for passenger distance by mode of transport was used to calculate emissions. For hotel stays, the nights stayed where matched to country specific emission factors.

3.4.7 Category 7: Employee Commuting

Category 7 is related to emissions associated with the commuting of full-time employees (FTE) of Evotec. Average emissions per FTE were calculated at country level based on available national statistics. These were multiplied by the number of FTEs per country.

3.4.8 Category 15: Investments

This category includes emissions derived from Evotec’s investments in 2022, including investments and financial services. In the 2022 GHG inventory only investment data has been identified. The emissions related to investments were calculated using the same input-output method for categories 1 and 2.

3.5 Exclusions

Data from mobile emissions has been excluded due to a lack of primary data. Total emissions have been calculated using the information outlined below. Total estimated emissions amount to 60 tCO₂e. Scope 1 and 2 (market-based) emissions for 2022 were 38,549 tCO₂e. Mobile emissions therefore account for 0.16% of the total and are not material.

Scope 3 categories 8-14 have been deemed not relevant as the activities they cover do not apply to Evotec. If in the future significant data related to these categories is collected, they will be added to the scope of this inventory.

4 Emission Factors

For ease of reporting and comparing the absolute effects of different gases, all greenhouse gases have a defined global warming potential (GWP). GWPs for the 2022 inventory have been sourced from the Intergovernmental Panel on Climate Change (IPCC) Fifth Assessment Report¹ (AR5) for consistency across all available scope emission factors.

Note that scope 2 emissions are calculated following both the location-based and the market-based methodologies. Emission factor sources used to calculate Evotec’s 2022 corporate GHG inventory are documented in the tables below:

Table 2 Evotec 2022 GHG inventory Scope 1 and 2 emission sources

Emissions Source	Reference
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¹ Source: Intergovernmental Panel on Climate Change (IPCC), Fifth Assessment Report (AR5), 2014. Link [here](#).

Natural Gas	UK Department of Environment, Food & Rural Affairs (DEFRA) 2022 emissions factors. Available here .
Diesel	UK Department of Environment, Food & Rural Affairs (DEFRA) 2022 emissions factors. Available here .
Purchased Electricity	Location-based emission factors: US EPA Emission Factors for Greenhouse Gas Inventories, updated April 2022. Available here . International Energy Agency (IEA), last updated September 2022. Available here . Market-based emission factors: US Green-e Residual Mix Emissions Rate 2022 (2020 data). Available here . Association of Issuing Bodies (AIB) 2022. Available here .
Heat and Steam	UK Department of Environment, Food & Rural Affairs (DEFRA) 2022 emissions factors. Available here .
Refrigerants	Intergovernmental Panel on Climate Change (IPCC), Fifth Assessment Report (AR5), 2014. Link here .

Table 3 Evotec 2022 GHG inventory Scope 3 emission sources

Scope 3 Category	Reference
1. Purchased goods and services	UK Department of Environment, Food & Rural Affairs (DEFRA) 2019 IO emissions factors. Available here .
2. Capital goods	UK Department of Environment, Food & Rural Affairs (DEFRA) 2022 emissions factors. Available here .
3. Fuel and energy related activities	US EPA Emission Factors for Greenhouse Gas Inventories, updated April 2022. Available here . International Energy Agency (IEA), last updated September 2022. Available here . UK Department of Environment, Food & Rural Affairs (DEFRA) 2022 emissions factors. Available here .
4. Upstream transportation & distribution	UK Department of Environment, Food & Rural Affairs (DEFRA) 2022 emissions factors. Available here .
5. Waste generated in operations	UK Department of Environment, Food & Rural Affairs (DEFRA) 2022 emissions factors. Available here .
6. Business travel	UK Department of Environment, Food & Rural Affairs (DEFRA) 2022 emissions factors. Available here .

7. Employee commuting	UK Department of Environment, Food & Rural Affairs (DEFRA) 2022 emissions factors. Available here . US EPA Emission Factors for Greenhouse Gas Inventories, updated April 2022. Available here .
15. Investments	UK Department of Environment, Food & Rural Affairs (DEFRA) 2019 IO emissions factors. Available here .

5 Verification

Verification of the 2022 GHG Inventory Scope 1 and 2 for the reporting period 1 January 2022 to 31 December 2022 is performed by BDO AG Wirtschaftsprüfungsgesellschaft. For more details regarding the results and verification please refer to Evotec's [Sustainability Report](#).