

## Our SHE goals and performance

### Scope 3 Greenhouse Gas Emissions

Today, stakeholder groups expect corporations to maximise their environmental responsibility throughout their entire supply chain. As a result, carbon reporting is increasingly focussing on indirect emissions that occur in the value chain, up- and downstream of own operations. One aspect which has been growing in importance over the last decade or so is scope 3 GHG emission.

Scope 3 includes all other indirect emissions that occur in a company's value chain such as business travel, purchased goods and services, waste disposal and product use. In many sectors, these emissions make up a huge proportion of a company's emissions scale but because they generally fall outside a company's direct control, they are difficult to account for. We have estimated that scope 3 GHG emissions contribute to approximately 95% of Roche total GHG emissions.

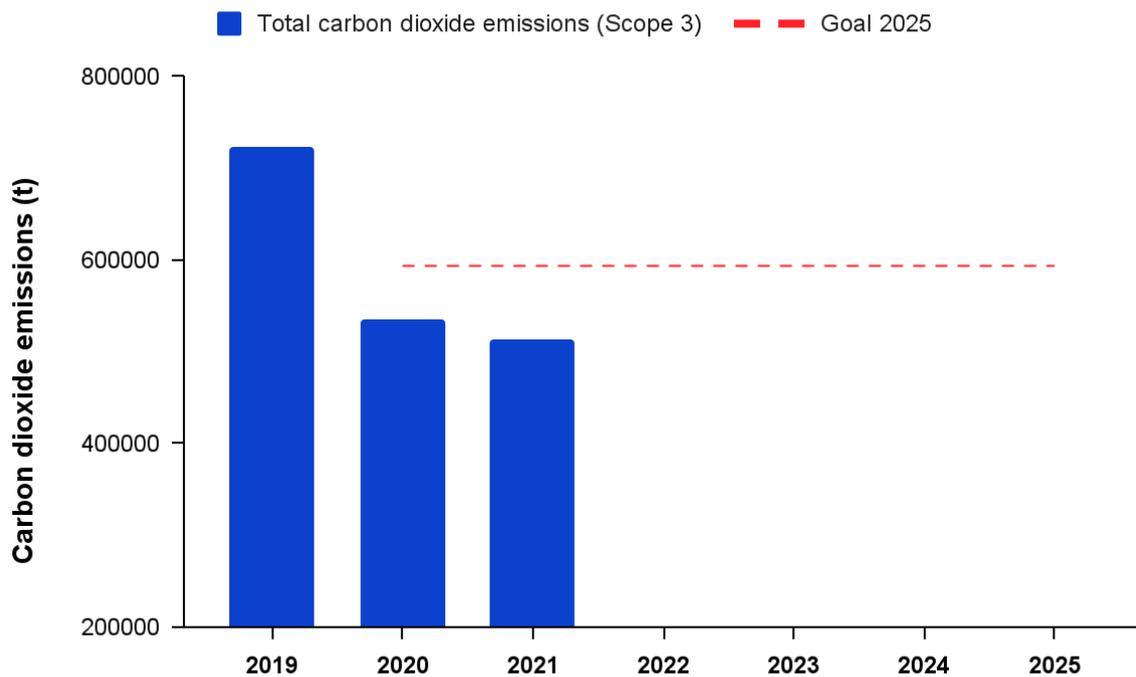
Reducing Scope 3 emissions can deliver substantial business benefits as well as the potential to prevent the worst impacts of climate change. Companies can avoid risks within their value chains, unlock new innovations and get a better idea of their carbon footprint allowing for more accurate reporting.

We have developed methods to compile and report several categories. The categories which we report against are those which are material and for which we have robust data. Except for categories 1 & 2, these categories are included in our goals aimed at reducing our environmental footprint and GHG emissions.

Scope 3 Category	2020	2021
1: Purchased Goods and Services	6,235,378*	6,795,889*
2: Capital Goods	613,561*	589,317*
3: Fuel Related Activities	90,421	81,647
4: Transportation and Distribution	201,146	228,247
5: Waste Generated in Operations	34,138	37,946
6: Business Travel	64,055	15,392
Leased Assets	Included in Scope 1 + 2	Included in Scope 1 + 2
11: Use of Sold Products	144,857	149,635

*The table shows tons of carbon dioxide (tCO<sub>2</sub> equivalents) associated with scope 3 categories for which Roche has robust data.*

Compared to 2019, Roche's most material GHG emissions from scope 3 sources decreased by approximately 30% in 2021 (**Figure**), surpassing the 18% reduction goal by almost 14%. Air (business) travel contributed most to this decrease, its contribution to our overall scope 3 emissions in 2021 is only 2.9%. It should be kept in mind, however, the huge decrease in GHG emissions from business flights is due to a decrease in business travel (flying) during the SARS-CoV-2 pandemic.



*Combined carbon dioxide emissions from 5 different scope 3 sources (t) per year (fuel-related activities, product use, business flights, waste generated in operations and transport and distribution).*

\* We started baselining Scope 3 categories 1&2 in 2020. Emissions are calculated by mapping Roche joint commodity codes to corresponding DEFRA emission factors aligned with the [GHG Standard](#). Spend data is taken from primary data (Roche OPERA system) and multiplied by DEFRA emission factors resulting in an emission in tons of CO<sub>2</sub> equivalent. This methodology is currently undergoing validation by The Carbon Trust. This methodology is used to baseline and identify emission hotspots, and will not be used to record emission reductions.