

*Evotec SE*  
**Sustainability  
Report 2023**

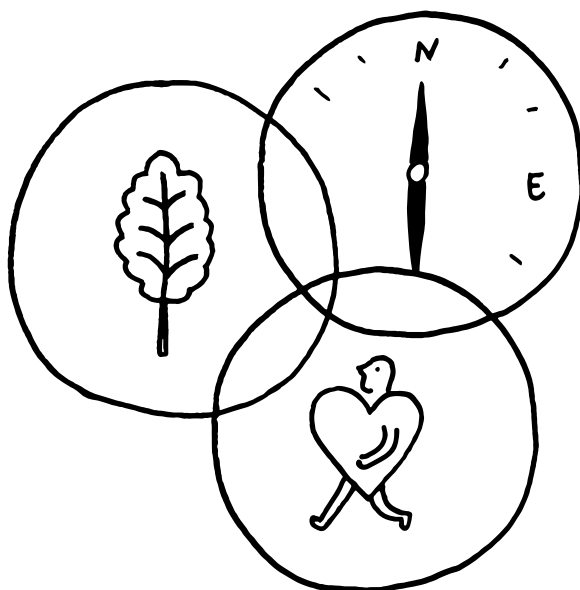
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*Throughout this Sustainability Report, whenever words denoting gender are used, they are intended to apply equally to all genders, unless otherwise stated.*

*This Sustainability Report relates to the Evotec Group (Group Sustainability Report). For reasons of simplicity, we use the term Evotec when referring to the whole Evotec Group. Unless otherwise stated, the key figures refer to the entire Evotec Group. Information that relates solely to specific sites is marked as such. The reporting period covers the period from 1 January 2023 to 31 December 2023.*

# 1. About this report



This is Evotec's fourth annual Sustainability Report, which addresses Environmental, Social, and Governance (ESG) topics and related parameters that are material for the company and its stakeholders.

As in the former reporting period, our Sustainability Report also contains the combined separate non-financial report according to sections 315b and 315c, in conjunction with sections 289b to 289e, of the German Commercial Code (HGB). We disclose ESG topics that are influencing our business performance and results, as well as our financial situation. In addition, we disclose non-financial information, which we consider necessary to understand how the company's business activities affect non-financial aspects.

In a materiality assessment in 2023, we determined the ESG topics relevant to Evotec and its stakeholders. The findings were reviewed and validated by experts from our business sectors and relevant Group functions. We report on the following material topics in accordance with the German Commercial Code (HGB) and the Corporate Social Responsibility Directive Implementation Act (CSR-RUG): employment, skills and talent development, diversity and inclusion, health and safety, waste management, water and related impacts, climate change, business conduct, supply chain management, and information security according to the five aspects under

CSR-RUG. Topics relevant for the combined separate non-financial report under CSR-RUG are marked with the following symbol:

For our 2023 report, the parts of this document considered to be the combined separate non-financial report in accordance with CSR-RUG has been audited on a limited assurance engagement. This measure was taken to continue increasing trust among our stakeholders and to facilitate our transition to a fully audited report in the upcoming years. In addition, this step will offer some advanced preparation for the Corporate Sustainability Reporting Directive (CSRD) coming into effect for Evotec 2024.

We continue to frame our Sustainability Report with reference to the Global Reporting Initiative (GRI) standards. GRI standards are among the most widely used sustainability reporting standards across the globe. In our view, they provide a comprehensive overview of our activities to improve all aspects of ESG. Additionally, we referred to other industry standards such as the Sustainability Accounting Standards Board (SASB) to take account of our international stakeholders' petitions.

Any restatements regarding the content reported in previous years are covered in their relevant topic sections and are recorded as such.



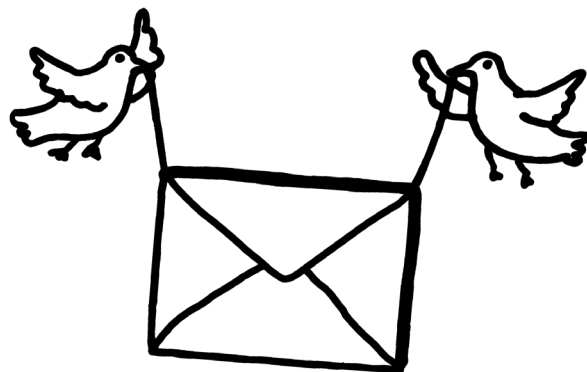
Where appropriate, the information provided even goes beyond the German Commercial Code requirements to provide a more comprehensive overview of Evotec's sustainability strategy and its links to ESG. A dedicated section of our website, in which we provide metrics for each of the three sustainability dimensions (Environment, Social, and Governance) is available at the following link: <https://www.evotec.com/en/our-company/sustainability>

This Sustainability Report is published in parallel with our Annual Report to support our investors' assessment process with an expanded set of non-financial performance metrics, which includes the information relevant to the risk management for financial and non-financial risks for the entire Evotec Group. The Annual Report is available at the following link: <https://www.evotec.com/en/investor-relations/financial-publications>

The reporting period corresponds to Evotec's 2023 fiscal year from 1 January 2023 to 31 December 2023. This report pertains to the entire Evotec Group, including our 17 sites in six countries. Any information that deviates from these parameters is identified accordingly.

The Management Board of Evotec SE reviewed this report on 22 April 2024. Subsequently, the Supervisory Board fulfilled its obligation to review the content according to the German Commercial Code on 22 April 2024. The report was adopted on 23 April 2024.

# Dear Stakeholders and Friends of Evotec,



2023 has been a particularly challenging year, demonstrating once again how important trust is to retain sustainable relations with partners. To deserve this trust and to maintain robust business relations, good governance is a key driver as it provides guidance on how to act when times get challenging. The cyber-attack on 6 April was a particularly challenging event. Within just four weeks after the attack, we could prove that our partners' data had remained protected, and they continued to collaborate with us. The fact that we managed to grow by 10% in the third quarter of 2023 again testifies to our partners' trust as well as to the resilience of our business, a key requirement for generating sustainable growth in the future.

Improving governance is not only a measure that is driven by top-down decisions. The 2023 governance goal, as part of our ESG goals, was to also improve governance structures at our local sites. We created the position of Sustainability Champion at each of our 17 sites, with two positions being created at our five largest sites. The kick-off meeting for our 22 Sustainability Champions took place in November, and we anticipate a better alignment on processes and projects that will eventually also have a positive impact on efficiency, employee satisfaction, and deepen sustainability in our organisation.

We are particularly thankful to our people who made this happen, and who showed such high levels of creativity, commitment, and energy in this exceptional situation. To keep this spirit, it is key to create and maintain an environment of physical and psychological safety to ensure that our most important stakeholder group thrives. At the beginning of the year, we already set the goal of conducting an engagement survey as one of three ESG-related goals. The survey got delayed due to the cyber-attack but was concluded in November 2023. We listened carefully to our people, and it is now up to us to act to further improve the working environment of our people in 2024.

Our ambition to make a visible contribution to protect the planet shows significant progress. Our near-term SBTi targets, submitted in January 2023, were validated and approved in October 2023, which was our environmental goal for 2023. In parallel, we continued with our efforts to reduce emissions and made significant progress in reducing Scope 1 & 2 emissions by 29% in 2023 versus 2% in 2022. The next steps on our journey to become net zero by 2045 at the latest are the submission of our long-term SBTi targets (which we did on 31 January 2024), the development of a climate transition plan in 2024, and engagement with our suppliers to achieve our Scope 3 emission reduction target.

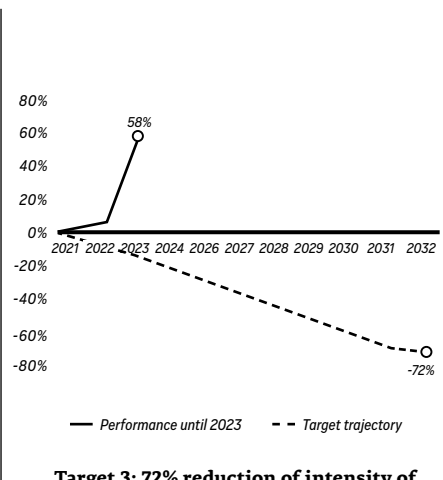
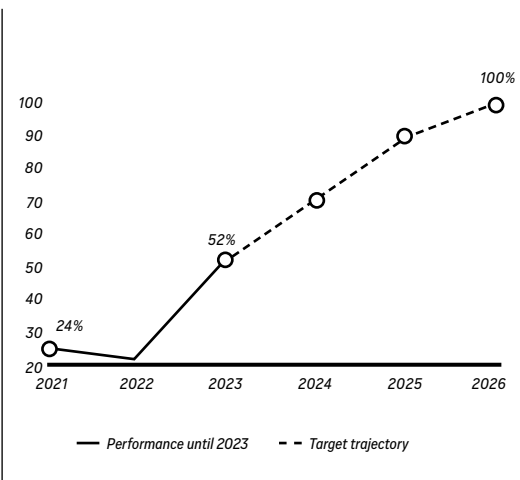
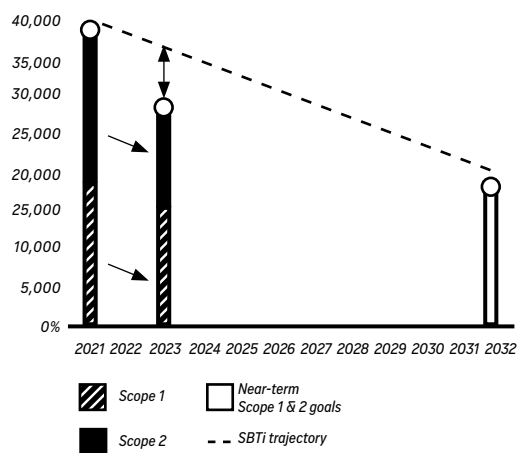
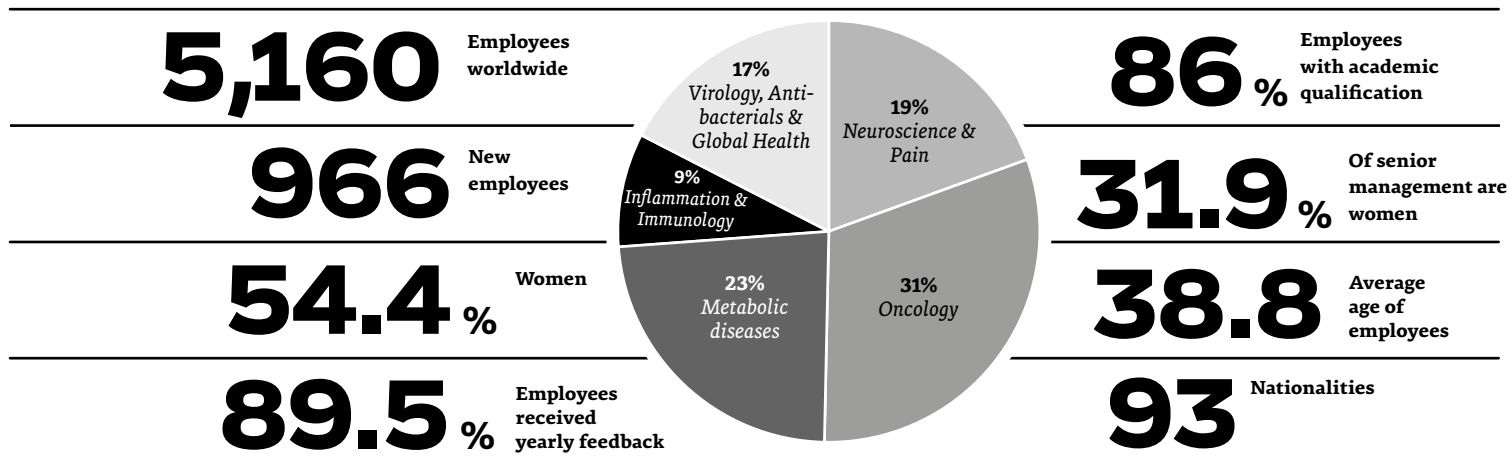
All our efforts to make Evotec a more sustainable business aim to support our mission to co-create pipelines TOGETHER with our partners. Discovery, development and manufacturing medicines that matter, and thereby positively impacting patients' lives with cures and access to new therapies, is our greatest contribution to the stabilisation of societies, economies, and healthcare systems around the world. We appreciate the support of all our stakeholders on this journey to a more sustainable future and I would like to invite you to continue supporting us. We more than welcome any feedback that you may have.

With best regards on behalf of the Management Team  
Dr. Mario Polywka

Dr. Mario Polywka  
Chief Executive Officer

1.2. OUR SUSTAINABILITY REPORT AT A GLANCE\*

SHAPING MEDICINES THAT MATTER



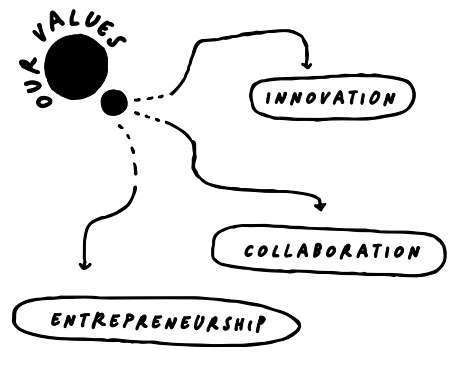
**GUIDED GOVERNANCE**

- ▶ Code of Conduct
- ▶ EVOwhistle
- ▶ Global policies
- ▶ Supplier Code of Conduct
- ▶ Human Sample Policy

**>5,600** suppliers being assessed for ESG criteria

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**72.8%** completion rate compliance training



\*Details relating to information presented here is available in the relevant chapters of this report.

## 2. About our organisation

### 2.1. WHO WE ARE AND HOW WE PURSUE OUR MISSION

We are an R&D Biotech company offering high-value services and solutions, with the aim of discovering, developing and manufacturing novel drugs for, and together with our partners in the pharmaceutical and biotechnology industry. Our long-term aspiration is to co-create pipelines of disease-modifying therapies and potential cures together with our partners; for as long as even a single disease remains untreated, the claim *#researchneverstops* will remain relevant. Our mission is to discover and develop medicines that matter in efficient collaborations with our partners. We focus on data-driven disease understanding, precision medicine, and disease relevance to bring probabilities of success up (“PoS up”). Our team aspires to impact patients’ lives by focusing during 2023 on four areas in particular:

- ▶ **PanOmics**-driven drug discovery for deep disease understanding and effective therapies
- ▶ **iPSCs**: cell therapy based on induced-pluripotent stem cells
- ▶ **Just – Evotec Biologics**: Artificial Intelligence (“AI”) and continuous manufacturing for better access to antibodies
- ▶ **End-to-End Shared R&D**: integrated business-to-business platform for increased probability of success from the target to the clinic

Our **PanOmics** platform generates genomics, transcriptomics, proteomics, and metabolomics data on an industrial scale. This enables us to profile and select promising new drug candidates derived from comprehensive molecular patient databases (“**E.MPD**”). The results often lead to the identification of an underlying root cause for a homogeneous sub-population of patients suffering from the same symptoms. The identification of such sub-populations is the basis for the development of more precise therapies. This change in focus, away from a “one-drug fits-all” approach, has been made possible through the development of new platforms, tools, and methods based on artificial intelligence / machine learning (“AI/ML”). These platforms help to better understand, interpret, and translate the vast amounts of information

and data being generated, with the aim of improving our understanding of molecular biology, cell regulation, and the pathogenesis of individual diseases.

Our AI/ML and precision medicine platforms are complemented by our induced Pluripotent Stem Cell (**iPSC**) technology platform, which utilises patient-derived cell-based assays for disease modelling. iPSC-derived assays should help to improve an accurate modelling of diseases based on the use of human tissue and therefore represent an alternative to animal models.

Induced pluripotent stem cells are not only used to model diseases in culture. They are also the basis for next-generation allogeneic cell-based regenerative medicine. Our iPSC platform focuses on developing **off-the-shelf cell therapies** with long-lasting efficacy, such as immune cells in oncology (e.g., natural killer cells, T cells and others), beta cells for diabetes, cardiomyocytes in heart repair, and retina cells in ophthalmology.

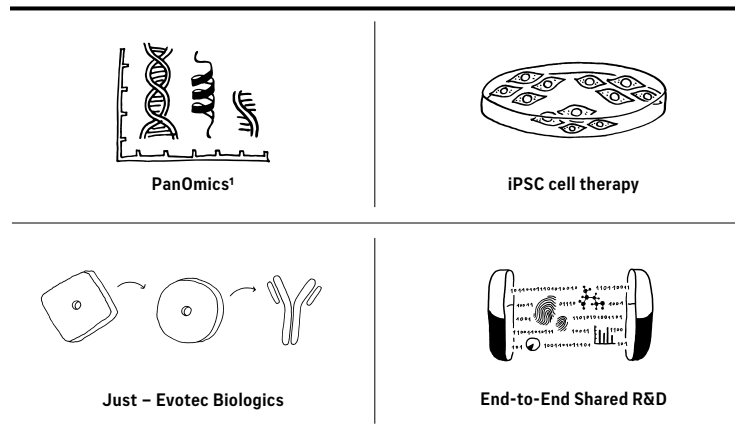
**Just – Evotec Biologics** applies its machine learning and integrated technology platform J.DESIGN to add further value to its partnerships by designing, developing, and manufacturing biologics in a cost-effective and efficient manner. By leveraging on a fully continuous manufacturing process, we expect significant cost reductions that should in the end result in much broader access to therapies in parts of society and regions that have so far not been able to benefit from biologics therapeutics. Although we do not distribute drugs, we are significantly increasing the chances of patients around the globe to obtain access to better and more affordable medicine. The focus on patient relevance, access, and affordability should help to reduce inequalities and eventually also to increase prosperity around the world.

We have built a “**shared economy**” in R&D, designed to collaborating with “end in mind” and to establish result-driven partnership models. Our network of alliances includes leading pharmaceutical partners, small and large biotechnology companies, academic institutions, patient advocacy groups, venture capitalists, as well as foundations and not-for-profit organisations.

Together with our partners, through a combination of leading technologies, expertise, knowledge and integrated scientific capabilities, we generate and progress assets through drug discovery and development pipelines across a broad range of diseases with an unmet medical need, including indications affecting many patients in large parts of the world with little or no access to sufficient care.

Evotec differentiates itself from its competitors by combining multimodal platforms, expertise and interdisciplinary integration over the entire added value of discovery and preclinical research and also the production of active substances for clinical development. The portfolio of platforms includes inter alia target validation, molecular design, chemistry, biology, pharmacology, absorption, distribution, metabolism, excretion ("ADME"), toxicology, formulation development, active pharmaceutical ingredient ("API") manufacturing, across the various stages of research and development. Evotec's qualified and experienced scientists make a significant contribution to the technical coordination of these processes. In addition, the application of AI/ML and modelling capabilities in predictive science aim to improve the probability of success of research projects and enhance performance in terms of speed, cost and quality.

FIGURE 1: OUR FOCUS AREAS IN 2023



**2.2. HOW WE ARE ORGANISED**

Evotec was founded in 1993 as Evotec BioSystems GmbH, led by Nobel prize winner Manfred Eigen. Since 1999, it has been a publicly listed stock cooperation operating under German law. Evotec was renamed Evotec SE in 2019, based on a decision at the Annual General Meeting in 2018. Since 2009, Evotec has been listed on the TecDAX, and was included in the MDAX in 2018. Evotec SE has been listed on NASDAQ since November 2021.

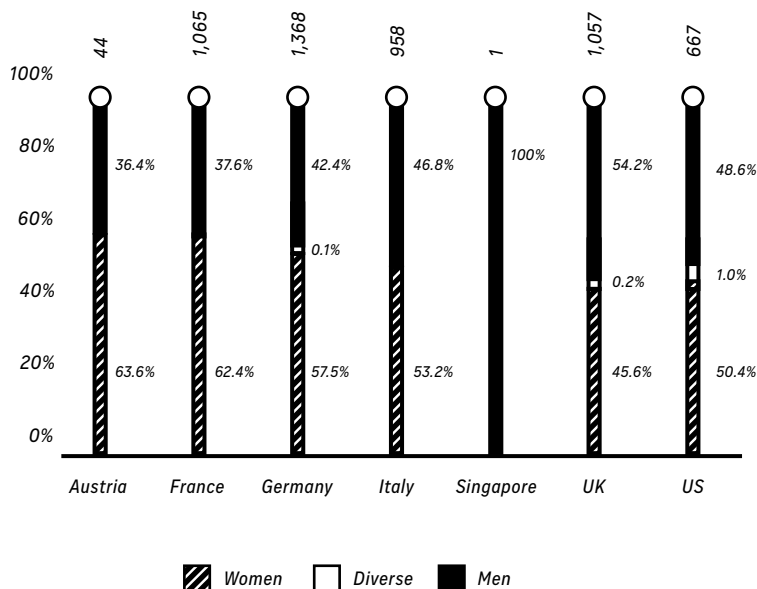
We operate globally with 5,160 people at 17 sites in six countries across Europe and the US. In Germany, we have operating sites in Hamburg (headquarters), Cologne, Göttingen, Halle (Westphalia) and Munich

(Germany). Other sites are located in Lyon and Toulouse (France), Abingdon and Alderley Park (United Kingdom), Verona and Medolla (Italy), Orth an der Donau (Austria), as well as in Branford, Framingham, Princeton, Seattle, and Redmond, (US). In addition, we have one company representative, based in Singapore.

FIGURE 2: TOTAL WORKFORCE BY GENDER AND COUNTRY



WORKFORCE PER COUNTRY BY GENDER SPLIT (2023)



In 2023, employees operating in the country where headquarters is located represented 26.5% of the total workforce.



### 2.3. OUR BUSINESS MODEL

Our business model is based on providing solutions sharing solutions with our partners in collaborations that are designed to improve the likelihood of approval of new drugs.

Our revenue generation varies by type of contract with our partners, often linked to ownership of intellectual property (IP). In collaborations where ownership of IP is with the partner, we provide stand-alone or fully integrated drug discovery and development solutions to the partner. The company's solutions cover all modalities and range from early target identification to the manufacture of compounds and commercial products. Well-defined work packages and integrated research programmes are typically provided and compensated using a "Fee-for-service" model, and they are distinct in scope and nature. This model applies as long as none of Evotec's intellectual property is involved, or no essential proprietary technology platforms are used.

We leverage our proprietary technology platforms and related IP to enable co-creation of pipelines with our partners. We partner with pharmaceutical and biotechnology companies, as well as academic institutions, to develop new drug discovery projects and assets. We currently have more than 140 active co-owned projects in our pipeline. Collaborations with partners are typically based on agreements, involving a combination of upfront payments, ongoing research payments (based on FTE rates), and a significant financial upside via milestones and royalties. These collaborations enable the sharing of cost and risk, as our partners typically absorb the costs of clinical development and commercialisation.

Our focus at Evotec is partnered R&D that recognises the need for more precision, better disease understanding, improved safety, and broader enabling access to life-changing biotherapeutics. We also conduct equity investments in companies, through which we obtain early access to innovation. We facilitate the acceleration of innovation by providing capital as well as access to our technology platforms, expertise, and network. This provides a significant potential for value creation from new partnerships, future clinical successes, and positive commercial developments of portfolio companies. As of 31 December 2023, we had 31 equity engagements.

Please refer to the Annual Report and/or Item 4.B. "Business Overview" in our 20-F filed with the Stock Exchange Commission (SEC) for further details of our business model.

# 3. Our sustainability management

## 3.1. STAKEHOLDER & MATERIALITY ANALYSIS

The basis for our sustainability management and reporting is our materiality analysis. Materiality analysis is a process designed to identify the non-financial topics that are most important to our organisation. Materiality is measured by negative or positive impacts Evotec has on the economy, environment, people and their human rights across our activities and business relations.

In a materiality assessment performed in 2023, we defined the parties and allocated respective stakeholder groups based on their interest in the sustainable performance and development of Evotec. We also engaged with external stakeholders such as partners, non-governmental organisations, and experts in sustainability matters.

Our material topics were subsequently determined in a four-stage procedure comprising identification of stakeholders, peer benchmarking and a scan of risks, interviews with external, internal stakeholders and panel of experts' session, and a validation session with members of the Management Board.

The materiality assessment resulted in a reconfirmation of most of the topics that were material in the assessment performed in 2020, which formed the basis for our combined separate non-financial report in 2023. An initial step taken towards a Corporate Sustainability Reporting Directive (CSRD) aligned report in 2024, and to facilitate this transition, was to update the names of some of the topics and their relevant chapters. This step serves the purpose of clarification and differentiation against previous reports. All CSR-RUG matters (according to §289c II N. 1-5 HGB) are covered by these material topics. Further details on the mapping against CSR-RUG are provided in table 1.

**TABLE 1: UPDATES TO MATERIAL TOPICS AND THEIR RELATION TO CSR-RUG**

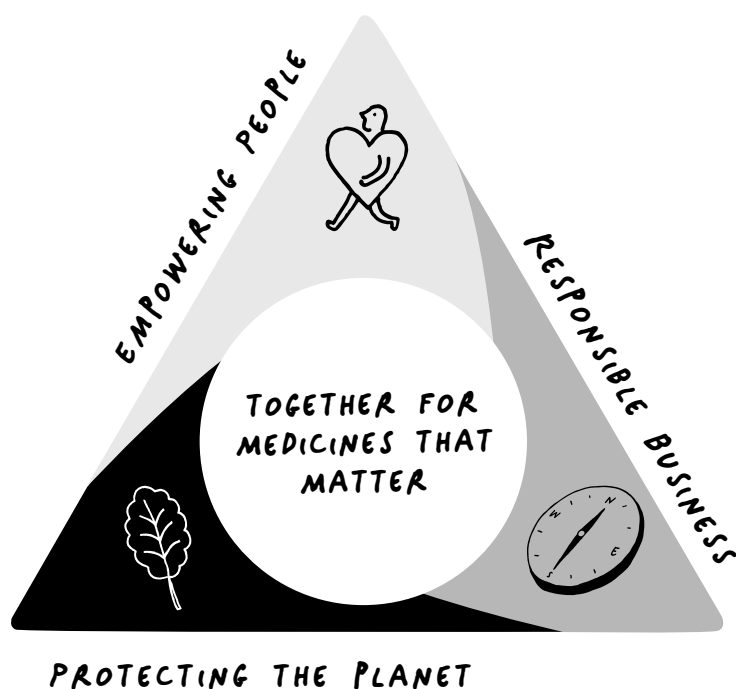
<i>MATERIAL TOPIC 2022</i>	<i>MATERIAL TOPIC 2023</i>	<i>RELATED TO CSR-RUG</i>
Innovation R&D	Medicines that matter for all	No
Invest in people	Employment	Yes 
	Skills and talent development	Yes 
Diversity & inclusion	Diversity & inclusion	Yes 
Occupational health & safety	Health & safety	Yes 
Operational environmental protection	Waste management	Yes 
	Water and related impacts	Yes 
Carbon/GHG emissions	Climate change	Yes 
Animal welfare	Business ethics	No
IT security (cyber)	Information security	Yes 
-	Compliance	Yes 
-	Supply chain management	Yes 

### 3.2. OUR ESG APPROACH TO IMPLEMENT SUSTAINABILITY

We structure our sustainability management according to the three principal ESG fields - Environment, Social and Governance. We call these fields “Protecting the planet” (Environment), “Empowering (our) People” (Social), and “Responsible Business” (Governance).

The three aspects within ESG also provide the framework for our sustainability strategy, whose aim is to sustainably develop new therapeutic solutions in collaboration with our partners, in doing so, also creating a positive impact in these three areas simultaneously, without compromising any of them.

FIGURE 3: OUR SUSTAINABILITY STRATEGY



#### 3.2.1. DIVING INTO THE E, S AND G OF OUR STRATEGY

In the following section, we describe our approach to the different E, S and G fields in our sustainability strategy in more detail.

##### Protecting the Planet

- ▶ We aim to contribute to protecting the planet to help build a healthier environment for future generations.
- ▶ We commit to reducing scope 1 & 2 emissions by at least 50.4% by 2032 and to achieve net-zero emissions by 2045 at the latest.
- ▶ We aim to manage our water and resources in a responsible manner to reduce biodiversity loss and the spread of diseases.

##### Empowering People

- ▶ We strive to discover and develop highly effective therapeutics that will be globally available for patients.
- ▶ We invest in our people by focusing on developing and managing their skills.
- ▶ We aim to ensure a safe work environment and the wellbeing of our people by strengthening our occupational health and safety approach.
- ▶ We leverage diversity, equity, and inclusion, by means of respect, openness, and care for all, to create an environment of psychological safety.

##### Responsible Business

- ▶ We conduct our business with high governance standards.
- ▶ We aim for a transparent and effective governance structure.
- ▶ We involve a broad range of stakeholders to make responsible decisions and grow our business sustainably.

##### Protecting the planet

We recognise climate change and its consequences and are therefore committed to **protecting the planet** and promoting a healthy environment for all. If we want a healthy society, we need healthy ecosystems, in which there is enough space for all living species to act as a buffer against diseases. Consequently, protecting nature increases our resilience to diseases as well as having a beneficial effect on people’s mental health and wellbeing. This implies that we need to make use of resources in a responsible manner, including but not limited to energy and water. We are focused on managing waste efficiently, by using, whenever possible, the zero-waste hierarchy approach. We are committed to the SBTi initiative to contribute to the Paris Agreement target to limit global warming to 1.5°C above preindustrial levels. We submitted our targets to the Science Based Target initiative (SBTi) in January 2023, and they were approved by the SBTi in October 2023. We are determined to become net zero by 2045 at the latest. We have set our net zero targets, and they were submitted to the SBTi in January 2024 for approval.

We strive to contribute to climate protection as a whole and our operating environment by constantly engaging all relevant stakeholders. Internally, our employees are the driving force by implementing different initiatives such as the “Freezer Challenge” (aiming for temperatures of -70° instead of -80°, where possible) for energy efficiency, the recycling of nitrile gloves, and the refurbishment of IT equipment for reuse. For all details, please refer to sections 5.1 Waste management, 5.2. Water and related impacts, and 5.3 Climate change.

##### Empowering People

Social aspects are the most important ESG factor for us at Evotec. We focus on two areas: firstly, our impact on patients around the world; and secondly, our employees.

First and foremost, our mission is to find innovative approaches to drug discovery and development to create better medicine for everyone everywhere. Addressing the causes of a disease on a molecular level, rather than only treating its symptoms, is therefore the key driver behind our daily actions.

As our employees’ knowledge and expertise is the foundation of our business model, we need to create an atmosphere in which they can thrive, if we are to achieve our goal of discovering medicines that matter for all. Our Human Resources (HR) and Environmental Health & Safety

(EHS) departments implement measures to safeguard the health and safety and overall wellbeing of all employees, as well as encourage their personal and professional development. They do so in a way that reflects the diversity of our people and our society. We commit to providing and maintaining harmonious, secure, inclusive, and equal working conditions, to supplying proper equipment, and to increasing the implementation of management systems for all our employees. To this end, information, training, and supervision are provided where necessary. We recognise that full compliance with all aspects of national and regional legislation relating to non-discrimination, health, and safety is essential. For this reason, we maintain a regular dialogue with our people.

For further details, please refer to sections **4.1. Medicines that matter for all**, **4.2. Employment**, **4.3. Skills and talent development**, **4.4. Diversity and inclusion** and **4.5. Health & safety** to learn more about our approach to social topics. Further information related to our contribution to the Sustainable Development Goals (SDG) can be found in the ESG section of our website under: <https://www.evotec.com/en/sustainability/esg-performance-reporting>

**Responsible business**

The actions of Evotec’s people, including its management and oversight bodies, are determined by the principles of responsible business. Good corporate governance ensures that our company is managed with the objective of sustainable value creation. With our commitment to complying with high corporate governance standards, we demonstrate our dedication to well-balanced and transparent rules for the market participants and emphasise internally the importance of our responsibilities. In view of this, our governance structure is in constant evolution as we are steadily growing, and new needs to shape the business emerge to keep it resilient and agile. Our Supervisory Board plays a major part in monitoring and evolving our governance structure. In 2023, a new Compliance Committee has been established to proactively, and in an aligned and consolidated manner, address compliance issues. The legal team sets a basic framework for Evotec’s governance through compliance and anti-corruption policies and monitoring. The teams that manage information security, the handling of human tissue samples, animal welfare, and supply chain develop effective and sustainable structures and controls for their respective areas, which are aligned with the ESG team and management. As a result of our shares’ dual listing on the Frankfurt Stock Exchange and NASDAQ, and in view of our international stakeholder base, we recognise both German and international corporate governance standards. For details on our governance management, please read **6.1. Compliance**, **6.2. Business ethics**, **6.3. Supply chain management**, and **6.4. Information security**.

**3.2.2. INTEGRATION OF THE SUSTAINABILITY STRATEGY**

Our sustainability strategy is closely linked to the overall company strategy that guides our operational business. This also includes our goal to create a resilient and sustainable organisation that is ready to master upcoming challenges, to benefit from long-term trends and to make a positive contribution with the large spectrum of our activities. We focus on sustainability-related KPIs to track our performance in achieving our goals. Our work is based on the application of innovative technologies, our corporate culture and values, proactive environmental engagement as well as responsible corporate governance.

The sustainability strategy is based on our materiality analysis as outlined in chapter **3.1. Stakeholder & materiality analysis**.

**3.2.3. HOW WE FULFIL OUR STRATEGY IN THE LONG TERM**

The claim *#researchneverstops* implies that we pursue a strategy of long-term, sustainable growth in a continuous search for medicines that matter for all. As we believe in the advantage of sharing knowledge and capacities, we pursue a model based on long-lasting partnerships and the co-ownership of pipeline programmes together with pharmaceutical and biotechnology companies, mission-driven foundations, as well as academic institutions and government organisations.

An important factor contributing to the stable development of our business is the maintenance of relationships with these partners and institutions. Contract extensions and expansions, as well as retention as outlined in the table below, are therefore a relevant indicator for the long-term success of our business model.

**TABLE 2: CUSTOMER RETENTION**

	2021	2022	2023
Number of customers	842	819	<b>838</b>
Number of customers > € 1 m revenues	97	118	<b>102</b>
Repeat business (in %)	91%	92%	<b>93%</b>
New customers during the year	337	325	<b>298</b>

We believe that our retention rate (“Repeat business”) indicates integrity and quality. We will keep these values high on our priority list, as an integral part of our corporate culture, a source of recurring revenues and a strong basis for sustainable growth.

**3.2.4. SUSTAINABILITY MANAGEMENT GOVERNANCE STRUCTURE**

At Evotec, the responsibility for the implementation of sustainability across the group lies with the Management Team, led by our Chief Executive Officer (CEO). Achieving ESG-related goals is part of our short- and long-term incentive plans. While commitment and sponsorship by the management is key, success will depend on anchoring sustainability in our corporate culture and establishing responsibilities within the organisation.

The structural integration of our sustainability management has made visible progress. We created the department of Global ESG and its supervising function Head of Global IR & ESG in 2020. This position reports directly to the CEO and has strong backing from the Supervisory Board. The former is responsible for ESG oversight and addresses ESG topics regularly in its meetings.

The Supervisory Board approves the ESG strategy, as well as its milestones defined by the Management Board. It also defines relevant ESG targets as the basis for variable compensation with a weighting of 20% in the short-

term incentive plan (STI) as part of the Management Board remuneration. To further improve our sustainability governance, the Supervisory Board has implemented a dedicated sub-committee for ESG topics since 2022. This committee is composed of three Supervisory Board members and is led by its Chairperson Constanze Ulmer-Eilfort, who has a strong background in governance. In addition, the CEO, the Global Head of HR and the Head of Global ESG at Evotec are regular participants in the committee’s meetings, which are held in conjunction with Supervisory Board meetings. The Chairperson of the ESG Committee and the Head of Global IR & ESG are in regular contact between meetings, twice a month.

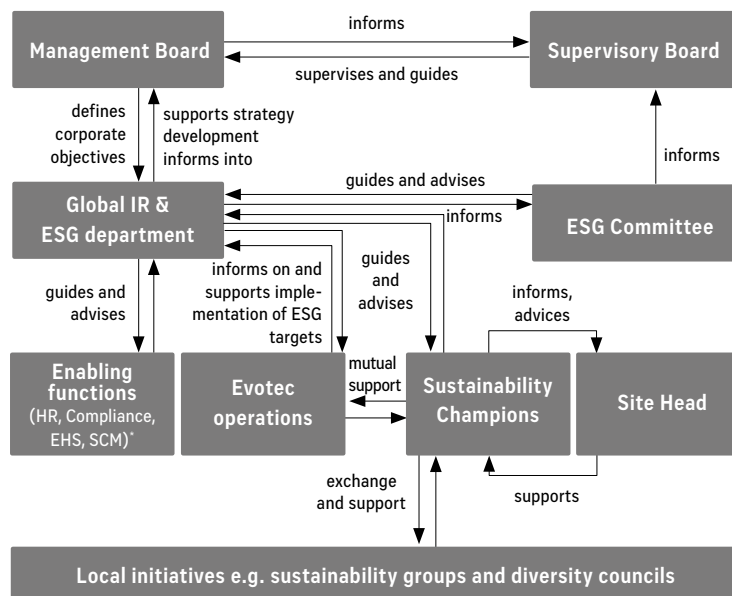
To ensure that further evolving governance tasks are handled adequately, the Supervisory Board regularly evaluates its skills and expertise requirements. The most recent self-assessment took place in May 2023. All relevant skills and expertise are represented in the Supervisory Board. Evotec’s aspiration to embracing diversity is ensured by the composition of a Board with international experience. All members have an extensive international professional background. Three nationalities are represented (German, British, and Canadian) and 67% are female members.

The Head of Global Investor Relations & ESG is supported in his function by a team of ESG Coordinators. By 2024, the team will have grown to four permanent positions and a temporary position of a working student. The ESG department is in direct contact with both the Management and the Supervisory Board. It is entitled to direct, advise and support functional areas on questions of target setting and KPI definition relating to material ESG topics. It also maintains direct contact with Evotec’s Operations, the departments that are ultimately responsible for implementation. These operations include, for example, Facility Management, which enabled and co-led the implementation of the SBTi project.

A meaningful improvement of our governance structure was achieved in 2023 by adding so called Sustainability Champions at each site. The Sustainability Champions were chosen in a selection process and

carry out their role voluntarily. They serve as a point of contact for sustainability at each site for employees, helping to coordinate global projects and encourage sustainable action at site level. They are in contact with the ESG team and advise the site leadership teams.

FIGURE 4: KEY FUNCTIONS INVOLVED



\* Human Resources, Compliance, Environment, Health & Safety, Supply Chain Management.

3.2.5. OUR CORPORATE SUSTAINABILITY GOALS

TABLE 3: OUR CORPORATE GOALS IN 2023

2023 GOALS	MEASURE	SCOPE	MILESTONES (TIMELINE)	STATUS	
<b>Building people, the company and best of governance</b>	E	Approve and implement the SBTi initiative action plan	Evotec Group	2023	Done
		Invest 1% of 2022 revenue to achieve SBTi targets	Evotec Group	2023	Done
		100% Renewable Electricity	Evotec Group	2026	In progress
		Develop biodiversity and circular economy strategy	Evotec Group	2024	Not started
	S	Conduct an employee engagement survey	Evotec Group	2023–2024	Done
		Define and communicate a DEI strategy	Evotec Group	2024–2025	In progress
	G	Engage Sustainability Champions at each site	Evotec Group	2023	Done
		Conduct Materiality and Impact Assessment	Evotec Group	2023	Done

TABLE 4: OUR CORPORATE GOALS 2024

2024 GOALS	MEASURE	SCOPE	MILESTONES (TIMELINE)	STATUS	
<b>Building people, the company and best of governance</b>	E	Submission and validation of long-term SBTi targets	Evotec Group	2024	In progress
		Develop a climate transition plan (CTP) towards net zero	Evotec Group	2024	In progress
		100% Renewable Electricity	Evotec Group	2026	In progress
		Develop biodiversity and circular economy strategy	Evotec Group	2024	In progress
	S	Implement three initiatives addressing key points of the first engagement survey	Evotec Group	2024	Not started
		Show more than 10% improvement in the second survey	Evotec Group	2024–2025	In progress
		Develop an in-house Diversity, Equity, and Inclusion strategy	Evotec Group	2024	In progress
	G	Improve and align structures for seamless integration of financial and non-financial report 2024	Evotec Group	2024	In progress
		Drive improvement in SOX compliance & digitalisation to help all employees to work more efficiently	Evotec Group	2023	Done

### 3.2.6. ESG TARGETS AFFECTING COMPENSATION OF MANAGEMENT

To strengthen the governance of a sustainable business, several ESG measures are part of our Management Board’s short-term incentive plans (STI). The total weighting of these criteria amounts to 20% in 2024 as in the previous year. The ESG topics are split into three components:

- ▶ Environmental topics (5%): to develop and commit to a climate transition plan (CTA) that includes climate adaptation and measures beyond the value chain to achieve Scope 1, 2 & 3 Net Zero by 2045.
- ▶ Governance topics (5%): to drive improvement in SOX compliance & digitalisation to help all employees to work more efficiently.
- ▶ Social topics (10%): to implement three initiatives addressing key points of the first engagement survey (2023) and show more than 10% improvement in the second survey (2024).

A so-called ESG modifier has also been implemented in the Management’s long-term incentive plan (LTI). It covers a 4-year time horizon in the LTI plan 2024 and is linked to the goal of developing and implementing a consistent climate risk, biodiversity and circular economy framework based on the following elements: a climate scenario analysis, a climate risk assessment, a climate-transition plan, a carbon pricing scheme, a biodiversity management approach, and a product and services life cycle assessment (LCA). If the goal were not to be achieved, the ESG modifier would result in a 10% cut in our management’s LTI in 2027.

Meanwhile, the LTI plan 2023 of sourcing 100% renewable electricity by 2026 (versus 24% as a share of total electricity in 2021) progresses. In 2023, 52% of our energy was from renewable sources compared to 21% in 2022.

# 4. Social – empowering our people



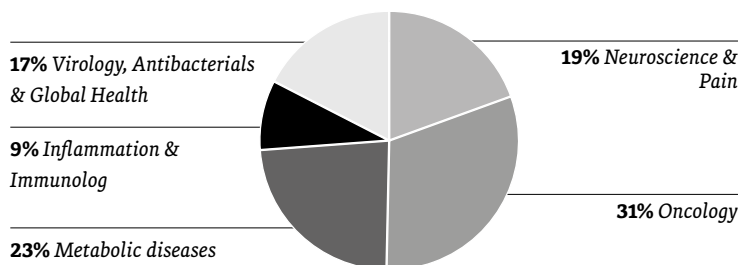
## 4.1. MEDICINES THAT MATTER FOR ALL

Our mission is to discover and develop highly effective therapeutics together with partners and to facilitate better access based on more efficient manufacturing processes. Since 1993, we have developed technology platforms, designed to discover and develop first- or best-in-class medicines to cure as many as possible of the still more than 3,000 diseases, for which no cure is available today. We are modality agnostic and conduct our research in an unbiased fashion, providing access to our technology platforms to external parties to avoid silo thinking, reduce costs and resource use, and strive for increasing efficiency and improving probabilities of success in clinical trials. In parallel, we have developed new ways of manufacturing antibodies and other biologics that lead to significantly reduced unit costs. This helps to make biologics-based therapies more affordable and hence accessible also for patients living in low- and middle-income countries, where, for economic reasons, the majority of the population has no access to biologics-based therapies today.

Our mission also comes with inherent risks to achieving it. To sustain our efforts, we are dependent on achieving high and consistent levels of innovation as well as a diversified model, expertise, and programmes suitable to integrating different partner and market needs. Failing to do so could lead to the loss of key partnerships, strategic market positioning, a surge in costs due to a lack of efficient operational models as well as not reaching our aim of positively impacting patients' lives. We therefore focus our investments on proprietary know-how on our platforms, which we then leverage in various disease / therapeutic areas.

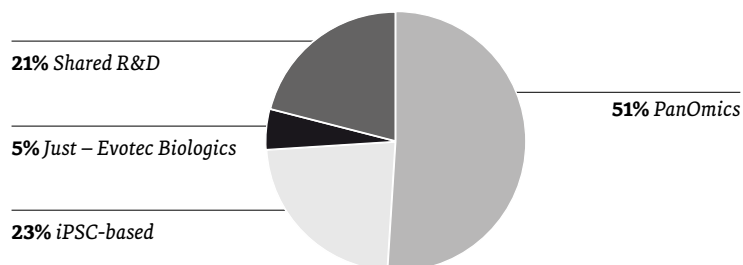
Based on these investments, we have developed expertise in five broader groups of disease areas (Neuroscience & Pain, Oncology, Metabolic diseases, Inflammation & Immunology, Virology/Anti-bacterial & Global Health), with a variety of projects, of which the majority address diseases explicitly targeted under the UN Sustainable Development Goals 3 & 5. The open design of our platform limits our activities to the five disease areas in which we have increased the number of projects involving Evotec IP to more than 140 in 2023 (2022: >130).

**FIGURE 6: DISTRIBUTION OF PROJECTS BY DISEASE AREA WITH EVOTEC IP INVOLVED**



Values do not add up to 100% due to rounding errors.

**FIGURE 5: DISTRIBUTION OF R&D EXPENDITURES BY FOCUS AREA IN 2023 (€68.5 M)**







**TABLE 5: PREVALENCE RATES IN DISEASES ADDRESSED BY EVOTEC'S CO-OWNED PIPELINE INVOLVED<sup>1</sup>**

Therapeutic Area	Indication	Prevalence Worldwide	
<b>Global Health</b>	Tuberculosis (TB)	10.6 m	
	Chikungunya	911,715	
<b>Metabolic</b>	Heart failure	64 m	
	Diabetes	8.75 m	
		462 m	
		Chronic Kidney Disease (CKD)	> 800 m
		Obesity	890 m
			160 m
	764 m		
		238 m	
		77 m	
	Metabolic syndrome (MetS)	1 bn	
	Non-alcoholic steatohepatitis (NASH)	100 m	
Inflammatory Bowel Disease (IBD)	6.8 m		
Gaucher	1 in 40,000		
<b>Neurology</b>	Neuro-inflammation	1.8 m	
	Neurodegeneration	4.1–8.4 per 100,000 persons	
		33 m	
		8.5 m	
	Insomnia (China)	15%	
<b>Ophthalmology</b>	Retinal degeneration	196 m	
		103 m	
<b>Oncology</b>	Glaucoma	7.7 m	
	Kidney cancer	1,369,974	
	Multiple myeloma	538,948	
	Cancer	53,504,187	
		Solid tumours	88,122
		292,256	
		1,738,516	
		1,262,756	
Liquid tumours	1,454,585		
	538,948		
<b>Virology</b>	Hepatitis	296 m	
		48 m / 60 m	
	Nipah Virus	209	
	COVID	774,699,366	
	Influenza	1 bn	
Epstein-Barr Virus (EBV)	90%		
<b>Women's Health</b>	Polycystic Ovary Syndrome (PCOS)	8–13%	
<b>Anti - bacterials</b>	Urinary Tract Infections - UTI	404.61 m	
	Blood stream infection - SPESIS	48.9 m	
	Hospital-Acquired Pneumonia (HAP)	5–10 per 1,000 hospital admissions	
	Ventilator-associated pneumonia (VAP)	7% to 32%	

<sup>1</sup> Details about the prevalence worldwide can be found in appendix a.

Our approach is to focus on disease relevance and the discovery and development of new and effective drug candidates. We are modality agnostic, and also agnostic to disease areas. Our business-to-business R&D model always allows us to be open to entering new fields. This evolution of our platforms is essential for running a sustainable business. Market analysis is regularly performed to ensure that we make efficient use of evolving new technologies when needed. In addition, we are connected to an extended network of top universities to integrate their knowledge into our collaborative drug discovery platform, with a view to achieving

innovative treatment solutions that positively impact patients’ lives around the globe. Given the early stage in the R&D value chain, we generate highly innovative ideas and projects at well-managed costs. Attrition at this early stage is high and the prioritisation of the more promising projects at an early stage is a necessity. At the same time, we add new projects to the portfolio leading to an overall growth of partnered projects. The basis for further expansion is therefore based on further investments in our four focus areas.

**TABLE 6: GOALS ON MEDICINES THAT MATTER FOR ALL**

GOAL	MEASURE	SCOPE	MILESTONES (TIMELINE)	STATUS
Increase scope of Molecular Patient Databases (E.MPD)	▶ Number of patient and healthy donor derived samples ▶ Number of disease areas	PanOmics	2024	In progress
Expand portfolio of iPSC-based cell therapies	Number of cell lines	iPSC	2024	In progress
Expand Biologics manufacturing capabilities	Opening of J.POD Toulouse (F)	Just – Evotec Biologics	2024	In progress
Constant refinement of integrated discovery & development platform	Integration and improvement of AI / ML capabilities	End-to-End shared R&D	Continuously	In progress

The Management Board, together with the Platform leaders, Therapeutic Area Heads, and the Head of Business Development, lead and evaluate the progress of R&D projects. Strategy meetings are held quarterly to discuss relevant updates and significant changes, which might have an impact on business plans and our strategy. Management decisions are taken to react to potential impacts.

A so called “Science Day” is organised regularly, to inform our Supervisory Board about new key R&D initiatives or changes in strategic direction. Business activities of fundamental importance require the approval of all Board members. In addition, the Executive Board monitors the research activities of the portfolio to identify projects that have the potential for partnering. We have generated and released a specific Quality Management Policy on the management of Innovate R&D projects, which is also applied to the evaluation and monitoring of the management approach.

Our stakeholders are regularly informed about our recent developments and strategic collaborations through press releases. Additionally, we communicate in our quarterly company reports via our Corporate Communications and Investor Relations Department.

**4.2. EMPLOYMENT**

Working conditions, work-related rights, and retention within our operations and supply chain are critical success factors for us and we monitor them through comprehensive assessments and stakeholder engagement.

The risks associated with poor working conditions, violations of work-related rights, or inadequate retention practices could lead to legal liabilities and reputational damage for Evotec. When, however, we foster

good working conditions, fair treatment, and adherence to labour laws, we enhance our positive reputation and are better placed to attract skilled talent.

At Evotec, we are committed to the responsible recruitment of talent, and we identify potential risks throughout our different people processes. We work within the local regulatory frameworks of the countries where we conduct our operations to prevent child and forced labour, upholding fair wages and labour standards. By ensuring compliance with these ethical practices, we contribute to mitigating the risk of negative impacts.

We monitor and address potential issues related to working conditions through periodic audits, employee trainings, collaboration with suppliers and our clients. This proactive approach ensures that we are not directly linked to adverse impacts and maintains a positive relationship with employees, suppliers, and the broader community. At Evotec, our commitment to sustainable and ethical business practices reflects our awareness of the impact we can have on both the environment and people.

We have implemented a comprehensive set of actions to manage the topic of working conditions, work-related rights, and retention, focusing on both avoiding negative impacts and enhancing positive contributions. Our approach encompasses various aspects of human resources, technology, and talent acquisition, and it is described in the following paragraphs.

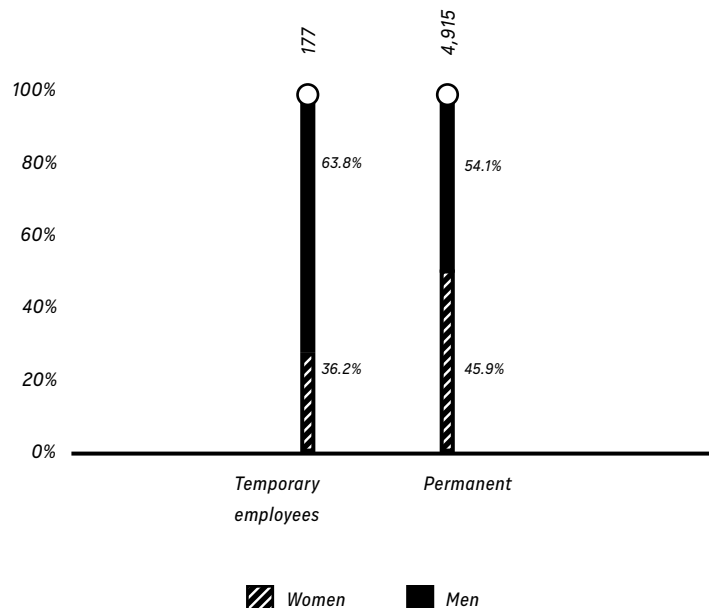
At Evotec, our Global Human Resources function is working on aligning our people strategy for 2024 with the company’s overall objectives to further attract skilled talent, improve their expertise, and ensure the sharing of knowledge to meet the needs of partners. Regular reviews by the Management Board ensure alignment with the company’s strategy and responsiveness to external changes.

We continued with the implementation of HR operating models in 2023, focusing on improving team capabilities to be more specialised and efficient. This effort is part of the HR transformation strategy, which aims to align all HR processes globally, enhance efficiency, and deliver high-quality service.

The deployment of a full set of HR modules within the global human resources information system (HRIS) enables us to adapt to organisational changes efficiently while maintaining stability and consistency. This technology also facilitates quick adjustments in response to new legal requirements, streamlining acquisitions, and improving overall governance. The integration of payroll in 2022 has enhanced data quality and reduced manual input for HR teams.

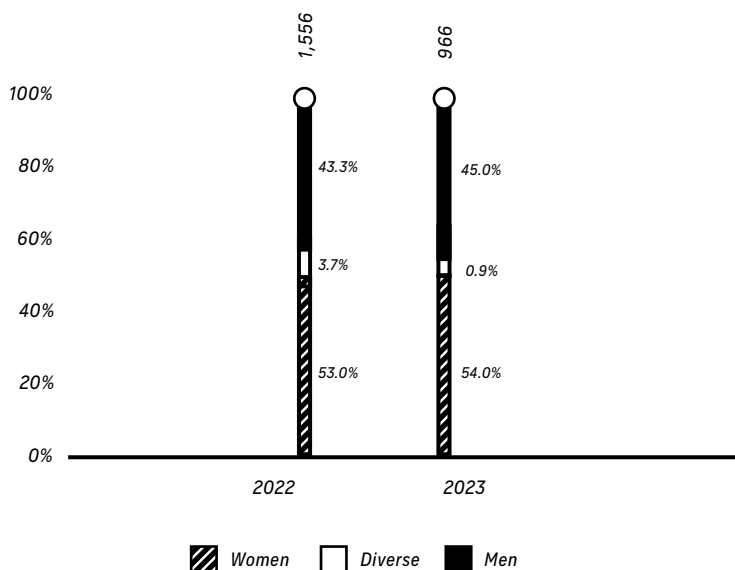
At Evotec, we recognise the competitive talent market and aim to operate in a way that allow us to engage, attract, hire, and retain the right talents. The global talent acquisition centre of expertise (CoE) plays a central role in searching, selecting, and attracting suitable candidates. The development of a strong global employer brand is strategic to recruitment and retention, targeting individuals driven by curiosity and scientific excellence. The goal is to recruit and retain talents who are good team players and align with the shared economy principles of collaboration. As a result, we continued to grow organically in 2023, as reflected by the data in figure 8.

**EMPLOYEES BY TYPE OF CONTRACT AND GENDER\***

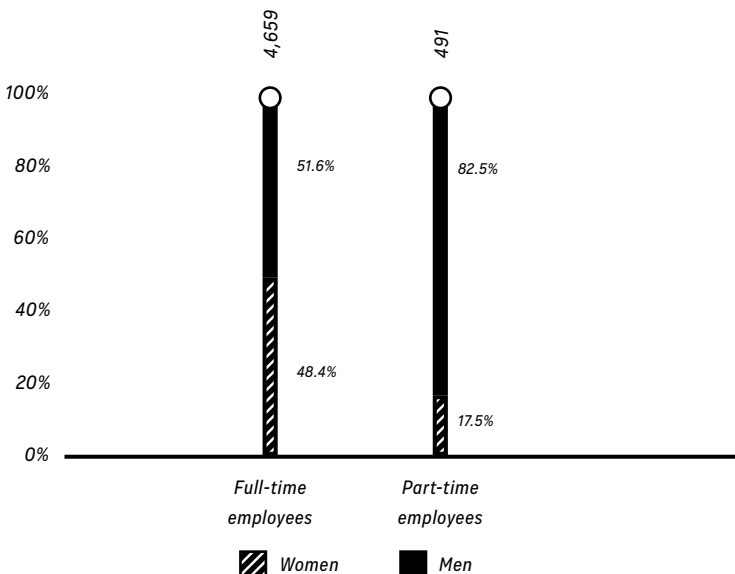


**FIGURE 8: CHARACTERISTICS OF NEW HIRES AND WORKFORCE <sup>2</sup>**

**NEW HIRES BY GENDER**



**FULL AND PART-TIME EMPLOYEES**



<sup>2</sup>This information has been modified to better align with the requirements of the GRI standards.

\*This information excludes students, apprentices, paid interns, and trainees and employees who have not disclosed gender information or selected "others".

We are actively working to optimise our recruitment process globally. A new global talent acquisition operating model has been developed in 2022 and implemented in 2023. This model focuses on increasing and improving team capabilities, adopting a skills-based recruitment approach, and ensuring a positive candidate experience at all touchpoints. With this measure, we reduce our time to hire and cost per hire.

Significant progress has been made in HR reporting, with standard reports released internally to HR colleagues. The implementation of dashboards enhances transparency and efficiency in HR processes. Regularly reviewed standard operating procedures and policies help ensure data reliability and validity.

We have set goals to reduce attrition rates and improve employee retention. Various measures, such as performance-based salary increases, structural salary increases, and leadership development programmes, have been implemented to achieve these goals. At Evotec, we acknowledge the lead times required for these measures to show visible effects.

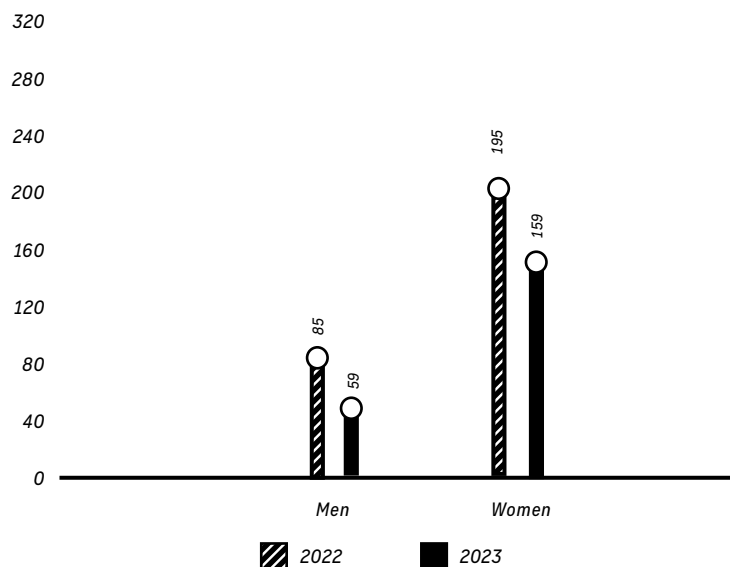
We prioritise fair compensation through our total reward strategy, integrating basic salaries, short-term incentives (STI), additional benefits, and long-term incentive plans. Internal salary bands are meticulously set through benchmarking and statutory agreements for global competitiveness, with an emphasis on gender pay equity. Ongoing analysis of compensation data helps to ensure proactive identification and resolution of potential gaps. At Evotec, we aim to maintain transparency by informing employees about the structure of their compensation. Individual salaries are intended to reflect capabilities and responsibilities, with plans for a global job architecture in 2025. All employees, regardless of full or part-time status, receive an equal total rewards package. Outstanding performance is recognised through one-time payments, and the management board bonus aligns with sustainability targets, detailed in the company's Annual Report.

In addition to measures implemented to improve retention and reduce attrition, we actively aim to provide working conditions in accordance with local regulations and needs, as well as benefits applicable to the entire group (refer to figure 9 for further details). Furthermore, 65.9% of our employees – in Austria, France, Germany, and Italy – were operating under a collective bargaining agreement.

**FIGURE 9: BENEFITS<sup>3</sup> PROVIDED TO FULL-TIME EMPLOYEES AND PARENTAL LEAVE REPORT<sup>4</sup>**



**EMPLOYEES WHO TOOK PARENTAL LEAVE\*\***



\* Disability coverage is provided as per local regulations or as a benefit beyond legal requirements in some countries.

\*\* Number of employees who took parental leave in 2022 has been corrected in comparison to the previous number reported.

<sup>3</sup> Other benefits for full time employees are available depending on country of location, including life insurance and health care that is not legally required under the country's laws and regulations.

<sup>4</sup> For reporting purposes, parental leave at Evotec covers any type of leave involving the birth of a child for mothers (maternal leave), fathers (paternal leave), and includes adoption. All employees are entitled to it.

We are committed to continuous improvement and seek feedback from leaders, employees, and candidates. Training sessions and dedicated communication measures ensure that relevant information on HR strategies and operating models is disseminated to all stakeholders.

We demonstrate a commitment to ethical and sustainable human resources practices, which is reflected in our focus on fair treatment, talent development, and employee wellbeing, as outlined in the health and safety section. At Evotec, we maintain country-specific measures addressing aspects such as collective bargaining agreements, employee handbooks, and benefit

packages. Additionally, Evotec's code of conduct serves as a framework, albeit with a broader range of topics that may not fully encompass developments for 2023. Efforts to align policies and commitments with evolving needs remain ongoing.

In summary, we at Evotec have taken a multi-faceted approach to managing the topic of employment, incorporating technology, talent acquisition strategies, HR process optimisation, and continuous improvement initiatives. We are actively working towards our goals of healthy attrition, improving employee retention, and enhancing our position as an employer of choice.

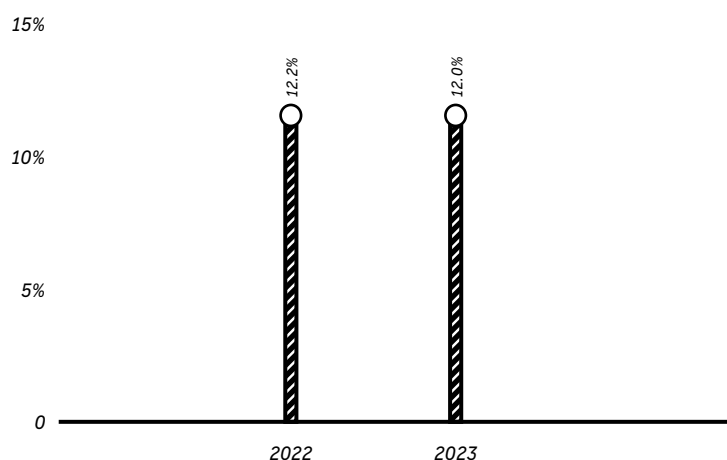
**TABLE 7: GOALS**

GOAL	MEASURE	SCOPE	MILESTONES (TIMELINE)	STATUS
Achieve a visible reduction in attrition rates	Performance-based annual salary increases (Merit) <ul style="list-style-type: none"> <li>▶ Additional structural salary increases</li> <li>▶ Increase of STI packages (annual bonus target percentages) for everyone</li> <li>▶ EVOlead - Global leadership learning journey roll-out</li> <li>▶ EVOsuccession - Global succession plans and talent management pilot</li> </ul>	Evotec Group	2024	In progress
Improve employee retention	Fostering internal talent development and succession planning	Evotec Group	2024	In progress
Implement a global job architecture		<ul style="list-style-type: none"> <li>▶ Just – Evotec Biologics in 2024</li> <li>▶ Evotec Group in 2025</li> </ul>	Pilot in 2024, full implementation by 2025	Not started

To evaluate the effectiveness of our compensation management approach, we employ rigorous mechanisms, including our adherence to international benchmarks and the successful implementation of the total reward strategy. Continuous monitoring through regular data analysis and audits ensures that the management approach aligns with our commitment to fair and competitive compensation.

The evaluation is based on the goals and targets that have been set for 2024, such as reducing attrition rates and improving employee retention. While visible effects may not yet be fully recognised due to lead times in these measures, ongoing assessments track progress. For instance, the status of the attrition rate goal is reported at 12% in 2023, which is the reference for measuring further improvements in future.

**FIGURE 10: WORKFORCE ATTRITION RATE<sup>5</sup>**



<sup>5</sup> Only turnover for overall workforce is disclosed in this report to improve readability.

Lessons learned from the evaluation process are actively incorporated into operational policies and procedures. Our commitment to gender pay equity and transparent communication about compensation structures stems from these evaluations. In 2025, we plan to introduce a global job architecture, integrating insights from evaluations to enhance efficiency and align with evolving industry standards. Continuous improvement is a core principle, with analyses informing proactive measures to address potential gaps and foster an equitable and competitive work environment.

We are committed to transparent communication with both internal and external stakeholders regarding compensation management initiatives. Internally, regular updates are provided to employees, ensuring they are well-informed about the overall structure of their compensation. Externally, this information is often shared through the company’s Annual Report, offering detailed insights into variable compensations, including Management Board bonuses aligned with sustainability targets. The company actively seeks feedback from stakeholders, valuing their insights in shaping and refining its compensation strategies. By fostering an open dialogue, we at Evotec aim to ensure alignment with stakeholder expectations and attempt to incorporate valuable feedback into ongoing efforts to enhance the fairness and effectiveness of our compensation management approach.

### 4.3. SKILLS AND TALENT DEVELOPMENT

Skills and talent development at Evotec refers to the strategies and programmes aimed at enhancing the skills, capabilities, and overall professional growth of our employees. This topic is of high importance for our sustainability efforts, as it can influence the wellbeing of our workforce, organisational performance, and societal contributions.

We are dedicated to continually developing our employees by enhancing their expertise using for example the 70-20-10 Model for Learning and Development.

This commitment involves investing in training, promoting continuous learning, and implementing targeted skill programmes to attract and retain top talent. Our primary goal is to align employees' skills with company objectives, fostering a holistic approach that integrates talent development initiatives with retention efforts.

Our talent development initiatives are built on the principles of continuous learning, career advancement, and fostering a culture of innovation. We believe that investing in our employees' growth not only benefits them individually but also contributes to the overall success of our organisation.

The information provided outlines several actions that we have taken to manage the topic of continuous employee development and its impacts on performance.

To help ensure fair and unbiased access to talent development opportunities, we always attempt to respect Evotec’s commitment to an equal opportunity policy. Additionally, our understanding of the importance of employee wellbeing in the context of continuous development initiatives is demonstrated by our implementation of a policy addressing mental health and wellbeing.

At Evotec, we have invested in strategic training initiatives, including programmes entitled “Leading Self and Others”, “Leadership and Learning” (LL), and “Leading Globally”. These programmes are designed to enhance leadership skills and align employees' capabilities with company goals.

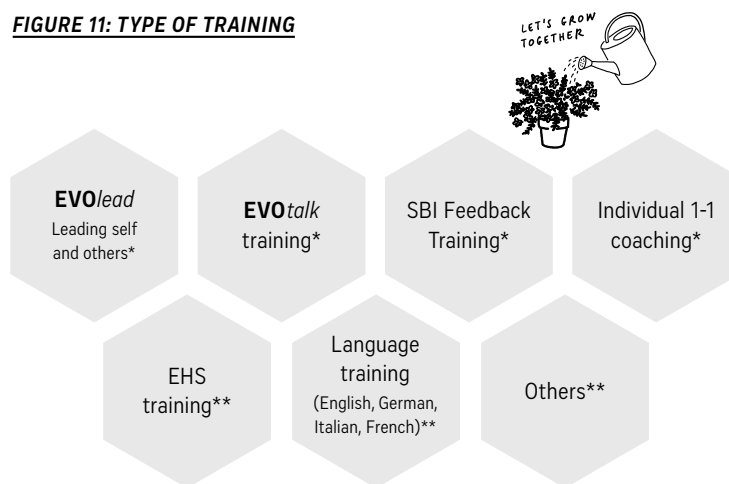
Regular participant feedback surveys are conducted during and after training programmes. This action is crucial for identifying potential negative impacts, addressing issues in real time, and continuously improving the effectiveness of the programmes.

A major redesign of the EVOlead Leading Self and Others Journey was undertaken in 2023 to improve the user experience and interactivity of the programme. This proactive step indicates our commitment to enhancing the positive impact of our training initiatives.

We strive to nurture a true learning culture across the organisation. Trained leaders in all business areas and the establishment of the “EVOacademy” learning platform reflect a commitment to making learning accessible to all employees. An overview of the catalogue of training available to employees both inside and outside the EVOacademy can be seen in figure 11.

In addition to structured training programmes, we provide leaders with

**FIGURE 11: TYPE OF TRAINING**



\* Offered globally.

\*\* It depends on country of location, local laws and regulations, and local agreements. It includes but is not limited to individual on-demand training, anti-harassment training, leadership and managerial training, support on further education, etc.

additional on-demand training on topics such as "Leading in Uncertain Times." This adaptive approach addresses the dynamic nature of the business environment.

The commitment to investing in people leadership skills at Evotec, as outlined in the information provided, reflects a strategic approach to cultivating a positive workplace culture and ensuring alignment with our organisation’s values. In the following paragraphs we summarise some key points and potential insights that can be derived from the information above.

We recognise the pivotal responsibility of people leaders as exemplars in establishing the ethos of our organisational culture. They are anticipated to wield significant influence in moulding the workplace ambiance and endeavour to exemplify Evotec's values through their actions.

Through our EVOlead programme, Evotec continues to investment in building people leadership skills, improving and evolving leadership development needs.

The detailed breakdown of training hours for specific leadership programmes (“Leading Self and Others,” “Leadership and Learning,” and

"Leading Globally") highlights Evotec's tailored approach to leadership development based on different managerial levels and responsibilities. With 325 leaders already having participated in these programmes (94% of participation rate in 2023; 89% in 2022), we are aiming to make leadership development accessible across the organisation, promoting inclusivity and scalability. Additional details about the performance of the leadership programmes are available in Table 8.

**TABLE 8: FULL-TIME EQUIVALENTS**

	Leading Self and Others (LSAO)		Leading Leaders (LL)		Leading Globally	
	2022	2023	2022	2023	2022	2023*
Retention rate**	95.7%	100.0%	94.4%	90.0%	95.8%	0.0%
Completion rate***	78.5%	97.3%	87.7%	91.0%	100.0%	0.0%

\* This programme was paused in 2023.  
 \*\* Number of people who completed the course after being signed up vs. the total number of employees who started the course.  
 \*\*\* Number of people who started the course vs. the total number of employees who were invited to do the course.

Providing additional on-demand training on "Leading in Uncertain Times" demonstrates a responsive approach to the challenges and uncertainties that leaders may face. It showcases an effort to equip leaders with the skills needed to navigate dynamic business environments.

While the information does not explicitly measure the programme's impact, the volume of training hours and participation rate highlight our substantial efforts to instil and reinforce leadership skills.

As previously stated, participant feedback surveys administered both during and after programmes affirm our commitment to tailoring and enhancing leadership training in accordance with the specific requirements and insights of participants and our organisation.

The specific focus on "Leading Globally" indicates an awareness of the global nature of business and the importance of equipping leaders with skills relevant to operating in a global context.

In essence, Evotec implements a forward-thinking strategy for leadership development, underscoring the significance of leaders as mentors and the ongoing commitment to enhancing their competencies to embody Evotec's values effectively as role models in our organisation. Our organisation's responsiveness to current challenges and commitment to feedback-driven improvement further contribute to a dynamic and effective leadership development strategy.

**TABLE 9: GOALS**

GOAL	MEASURE	SCOPE	MILESTONES (TIMELINE)	STATUS
Increase employee satisfaction scores related to talent development	Measures in planning	Evotec Group	2024	In progress
Reduce turnover rate among employees who participated in leadership development programmes	Measures in planning	Evotec Group	2024	In progress
Increase EVOacademy participation rate	Measures in planning	Evotec Group	2024	In progress

We employ robust mechanisms to evaluate the effectiveness of our management approach to developing talent. Key performance indicators (KPIs) include employee engagement scores, turnover rates, and training survey results. Regular participant feedback surveys during and after training programmes serve as critical tools for assessing programme impact and effectiveness.

Results are aligned with the goals and targets set by Evotec. The effectiveness of talent development programmes is continually assessed, contributing to the refinement and enhancement of these initiatives.

We actively incorporate lessons learned from participant feedback into our operational policies and procedures. The redesign of the EVOlead Leading Self and Others Journey in 2023, based on feedback, exemplifies a commitment to continuous improvement. These lessons inform adaptations to programmes, helping to ensure that they remain relevant and impactful.

In summary, our evaluation mechanisms, anchored in KPIs and participant feedback, enable a data-driven approach to talent development.

At Evotec, we maintain transparent communication with both internal and external stakeholders to keep them informed about talent development initiatives and their effectiveness. Regular updates are provided through internal channels such as newsletters, town hall meetings, and internal forums. The intranet platform "EVOzone" serves as a central hub for gathering, publishing, and distributing information, ensuring accessibility and engagement among internal stakeholders. External stakeholders are engaged through various means, potentially including sustainability reports and public communications. Evotec actively seeks feedback from stakeholders, including the use of surveys on EVOzone, to gauge the impact of talent development programmes, ensuring that their perspectives contribute to the continuous improvement of these initiatives. This iterative communication and feedback loop fosters a collaborative approach, aligning talent development strategies with the expectations and needs of both internal and external stakeholders.

#### 4.4. DIVERSITY, EQUITY AND INCLUSION

At Evotec, we recognise that diversity, equity, and inclusion (DE&I) positively impact people and the workplace. Embracing diversity can help to enhance innovation and employee well-being, contributing to a more vibrant and collaborative work culture. Risks lie in exclusionary practices leading to decreased engagement and potential talent loss. Opportunities include improved productivity and societal contributions.

Our organisation has actively participated in initiatives supporting the LGBTQ+ community, such as joining the Proud Science Alliance and marching in London Pride. The signing of the “Charta der Vielfalt” (or “Diversity Charter”) in Germany reaffirmed our commitment to the principles that all people are equal in rights and dignity and that diverse teams bring more innovative solutions.

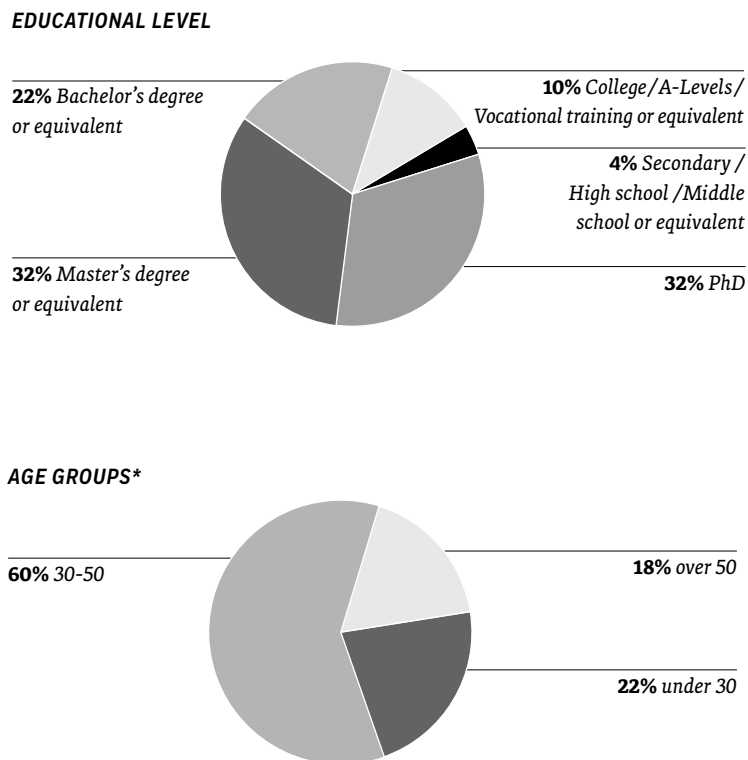
While we have made strides in fostering inclusivity, ongoing efforts are essential. Our organisation is aware of the risks associated with exclusion. We consciously work in our commitment to ongoing improvement, striving to cultivate and safeguard an inclusive environment where every individual feels welcomed and valued. However, specific instances, in which we have directly caused or contributed to incidents via our business relationships, should be further detailed, so as to demonstrate transparency and accountability.

At Evotec, we have formalised our commitment to diversity, equity, and inclusion by signing the German Diversity Charter in 2020. This formal commitment aligns the company with national and international standards. In addition, we have expanded our efforts throughout our processes and embedded DE&I in our organisational structure. A few examples are described in the following paragraphs.

Our talent acquisition process is continually being reviewed and adjusted to enhance inclusivity and fairness. This includes removing biases from recruitment practices, ensuring diverse interview panels, and implementing diversity in language across our application process to promote equal opportunities.

The organisation is acknowledging and embracing the diversity among potential talent and current employees. It recognises that diversity extends beyond surface-level characteristics such as age, gender, ethnicity, and includes diverse perspectives, backgrounds, experiences, and identities. Initiatives include targeted recruitment strategies to attract diverse candidates and ongoing efforts to ensure equal opportunities for career advancement. As of December 2023, our organisation is composed of 93 nationalities<sup>6</sup> (2022: 91), our employees have an average age of 38.8 years (2022: 38.2), and 1.8% (2022: 1.7%) of our employees have a recognised disability. These figures indicate the variety inherent in parts of our organisation and the need to actively address DE&I across the different stages that potential hires and employees experience. Further details about employees’ age and educational levels can be found in figure 12.

FIGURE 12: AGE GROUPS<sup>7</sup> AND EDUCATIONAL LEVEL<sup>8</sup>



<sup>7</sup> Age groups have been recategorised for simplification of metrics reporting.

<sup>8</sup> Percentages are based on the information provided by 3,192 employees.

In day-to-day activities, we have normalised DE&I communication within our workplace culture, with a view to fostering a sense of belonging. We are also working on a set of training sessions and workshops for 2024 on diversity awareness and inclusion to help enhance employees’ understanding and engagement. In addition, we strive to maintain intentional, consistent, and relevant communication about DE&I. Transparent reporting mechanisms, regular updates, and a commitment to open dialogue help keep employees informed and engaged in the company’s progress.

To prioritise psychological safety, we have implemented several measures at Evotec to foster an open and inclusive work environment. These include promoting open communication channels through EVOzone, our internal communication platform, establishing mentorship programmes, and supporting employee networks such as our local DE&I councils.

We provide various channels for employees to make their voices heard. Employee resource groups, feedback mechanisms, and open-door policies empower employees to actively contribute to the company’s diversity and inclusion initiatives. Furthermore, our organisation supports the creation of local DE&I councils through open door invitations.

These councils provide employees with platforms to actively shape diversity and inclusion initiatives, providing a trusted environment

<sup>6</sup> This information excludes US employees for legal reasons.



for employees to openly share their different perspectives and actively participate. The establishment of local DE&I councils reflects a culture that encourages active involvement and collaborative decision-making in shaping and implementing DE&I initiatives.

Throughout the year, we actively celebrate underrepresented events, reinforcing the importance of diversity. This includes acknowledging cultural observances, heritage months, and participating in events that promote inclusivity and understanding among employees.

The acknowledgment that DE&I efforts are a work in progress signifies a commitment to continuous improvement. We recognise the dynamic nature of diversity and inclusion and are dedicated to ensuring that our strategies evolve to meet changing needs.

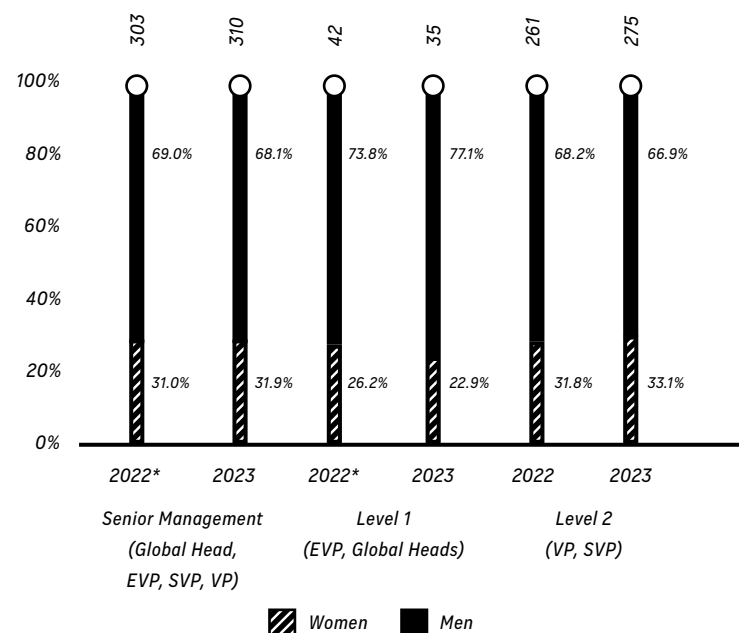
In conclusion, our approach to managing DE&I impacts involves a combination of strategic initiatives, commitments, and a continuous improvement mindset. Our organisation's actions reflect a dedication to creating an inclusive and equitable workplace where diversity is celebrated, and everyone feels valued and respected.

**TABLE 10: GOALS ON DIVERSITY, EQUITY AND INCLUSION**

GOAL	MEASURE	SCOPE	MILESTONES (TIMELINE)	STATUS
Foster inclusive workplace culture	Increase employee satisfaction scores related to diversity and inclusion by 3%.	Evotec Group	2024	In progress
Enhance diversity in recruitment	Ensure that 100% of job postings incorporate diverse and inclusive language.	Evotec Group	2024	In progress
Strengthen external community engagement	Establish partnerships with at least two local organisations dedicated to DE&I initiatives.	Evotec Group	2024	In progress

We are currently implementing a comprehensive set of mechanisms to gauge the effectiveness of our DE&I management approach. Key Performance Indicators (KPIs) will encompass regular employee surveys assessing satisfaction and diversity representation at various organisational levels. These metrics provide an overview of how initiatives impact the workforce, including the advancement of the representation of women in leadership positions as presented in the figure below.

**FIGURE 13: DETAILED SENIOR MANAGEMENT BY LEVEL AND GENDER**



\*Data has been corrected from 2022's disclosure.

The results from this year's engagement survey showcase positive levels of DE&I across the organisation, with an impressive 74% of responses favourably aligned. Tangible outcomes include increased diversity in recruitment, enhanced local employee support through tailored activities, and heightened participation in DE&I initiatives.

At Evotec, we actively attempt to integrate lessons learned into operational policies and procedures. Insights from employee feedback and external collaborations inform the development of training modules, ensuring their relevance and effectiveness. This iterative process guides policy updates, fortifying the organisation's DE&I approach over time. Our visible commitment to continuous improvement highlights the organisation's agility in adjusting strategies based on valuable experiences.

We actively engage with both internal and external stakeholders to communicate our DE&I initiatives and their impact. Internally, regular company-wide communications, newsletters, and dedicated intranet sections provide updates on ongoing efforts and achievements. Externally, we utilise our website, social media channels, and annual sustainability reports to share information with the broader community, investors, and partners. In our organisation, we encourage feedback through various channels, including surveys, forums, and direct communication channels, ensuring a two-way dialogue. Stakeholder feedback is gathered via the local DE&I councils and integrated into the ongoing enhancement of our Diversity, Equity, and Inclusion (DE&I) strategy, demonstrating our dedication to transparency and adaptability.

**4.5. HEALTH & SAFETY**

Ensuring employee safety, health and wellbeing is integral to our mission's success at Evotec. Health and safety (H&S) at work is a basic human right and, as a global employer, we have a duty of care to keep

our colleagues safe and free of harm while they perform their work. This also applies to any guest, partner, or other person on our sites.

We are therefore committed to observing the following leadership behaviours:

- ▶ Mitigating the complex, critical hazards to which our employees may be exposed.
- ▶ Enhancing our resilience against critical adverse events
- ▶ Protecting, verifying, and monitoring our employees’ health in relation to work-related hazards
- ▶ Fostering a culture to enable colleagues to experience happy, healthy, and thriving days at work.

Even with prevention measures in place, accidents may still happen due to ongoing uncertainties and operational changes. Efforts to strengthen our resilience to unwanted safety outcomes typically also improve the quality of the operation itself, leading to a greater understanding of how to maintain successful operations.

From 2023, we continued to develop our EHS Strategy by defining Plan '25 and also Plan '30. Our approach to delivering our overall strategy is through elements of Governance, Conditions, Capabilities and Adaptability.



Action Plan 2025 aims to transform our national and site-based teams into a leading, harmonised global function, with a shared vision under the new approach to governance provided by the participation of senior leaders in the Global EHS Steering Committee.

In our work to make this global EHS transition, our commitment has seen that the majority of our initial transitional objectives have either been achieved or are active work in progress. Notably, we have successfully established and largely populated a global Risk Register for Health & Safety.

However, the organisation challenge of the cyber-attack has led to a delay in establishing an environmental impacts and aspects register until 2024.

A key factor in our success has been the wide communication of Plan '25, complemented by a careful cascade of duties. This strategic approach, particularly in compiling the risk register, has led to the establishment of our inaugural global health and safety risk register, covering both scientific and engineering operations.

Aligned with our commitment to safety, we conducted a comprehensive audit of our manufacturing sites. This proactive measure is integral to our preparations for enhancing our focus on safety in chemical management in 2024, where our new potent compound strategy has been finalised. This includes engagement in initial industrial hygiene activities supporting high-potency work, emphasising our proactive stance in mitigating potential risks to employee health and safety, along with preserving our organisational and client reputation. This is underscored by the planned occupational toxicity assessments for new assets for integration into our operations in 2024.

A significant aspect of our commitment to simplification is the achievement, in 2023, of globally harmonised standards for high-hazard activities that are to be implemented in 2024 – four of which were related to working with chemicals and six to engineering. This marks the beginning of our mission to provide streamlined EHS processes across the organisation.

Further goals towards Plan '25 and their associated details are presented in table 11.

TABLE 11: GOALS

GOAL	MEASURE	SCOPE	MILESTONES (TIMELINE)	STATUS
Establish a connection between the EHS steering committee, the global H&S risk register, and local site ownership	Implementing territory-owned roadmaps for EHS, ensuring transparency in the focus areas in need of local improvements aligned with a global framework	Evotec Group	2024–2025	Not started
Leverage the H&S risk register with a deeper focus on activities involving high-hazard chemicals	Conduct a comprehensive gap analysis against our new rigorous Evotec EHS standards to identify specific improvements in containment and practices related to chemical safety risks	Evotec Group	2024–2025	Not started

In the area of organisational learning, EHS teams in each territory were offered training on Learning Teams, an investment that has yielded three Learning Team events in 2023 focused on high-hazard activities, providing valuable insights into the organisational drivers of safety outcomes and enhancing our collective knowledge and resilience.

Our commitment to a holistic approach to wellbeing is demonstrated in each territory. We extend our support by generously offering flu vaccinations to all employees and, in select countries, providing COVID vaccines. Local campaigns feature 'drop-in' health checks and the availability of Headspace, an app. designed to support meditation, for all employees. Furthermore, as part of our global strategy for wellbeing, campaigns feature 'drop-in' health checks and the availability of Headspace, an app. designed to support meditation, for all employees. Furthermore, as part of our global strategy for wellbeing, our first global mental health campaign was conducted, featuring a live seminar by an occupational psychologist where 26.9% of our organisation joined our zoom calls, shedding light on workplace mental health issues and fostering manager conversations on mental wellbeing.

In addition, all territories and sites are currently managed by operating systems that have been optimised for their local operational and legal environments, with an associated training matrix and tracking of completed training. We expect to have ONE management system by the end of 2025. Furthermore, safety committees are in place for each territory, comprising employees, supervisors, and safety specialists that meet periodically to discuss events and/or risks.

Our aim is to implement future-looking, proactive measures. However, in 2023, our performance measurement remained focused primarily on lagging indicators. As our EHS organisation transforms, these numbers may rise as we improve our alignment and recording processes, something that we see in the rise for 2023 (table 12) and the improved collection of historical events. Evotec do not solely use these lagging metrics to represent our safety performance, as they may not always reflect the severity of incidents or the hazardous nature of the work at Evotec. We continue to build the necessary capacity and conditions for establishing leading indicators. Internally, we have also developed indicators aligned with our organisational transition, focusing our resources and governance on high-risk activities and the potential for significant harm. The transition to leading indicators is expected to start in 2024, coinciding with the completion of the global risk register for Health and Safety (H&S) in 2023 and the environmental impacts and aspects register in 2024.

TABLE 12: INCIDENT REPORTING

	2022	2023
<b>Lost time accidents</b>	<b>24</b>	<b>38</b>
Ways to Work	18	14
Within Workplace	6	25
<b>Lost working days</b>	<b>330</b>	<b>1,287</b>
Ways to Work	99	302*
Within Workplace	231	985**

\*54 days out of the total lost in 2023 were from incidents that occurred in 2022.

\*\*507 days out of the total lost in 2023 were from incidents that occurred in 2022.

In 2023, we launched our Learning Teams initiative, leveraging insights from three higher-risk activities. This proactive approach involves a thorough examination of the organisational drivers behind adverse events, with the intention of disseminating these learnings throughout the wider organisation. The Learning Teams initiative represents a pivotal step towards fostering a culture of learning and continuous improvement in resilience when faced with unplanned events.

Looking ahead to 2024, we aim to enhance our proactive measures by applying the Learning Teams technique to identify leading indicators of resilience in higher-risk activities. This strategic shift aims not only to reactively address challenges but also to proactively anticipate and mitigate risks before they escalate.

In 2023, to enable understanding of our transition to the 'new' EHS vision, we endeavoured to foster understanding among our leaders by creating a dedicated video highlighting their objectives, with a particular emphasis on constructing the Health and Safety risk register.

At the local level, EHS teams were placed strategically in local governance meetings with managers responsible for occupational health and safety. These forums served as crucial platforms for showcasing performance metrics and facilitating the escalation of actions when necessary. Our commitment to local engagement underscored our dedication to transparency, accountability, and real-time responsiveness to health and safety matters.

As our transition moves forward, we expect our environmental, health, and safety leadership within the sector to be strengthened through the new global governance, the continued development and implementation of our harmonised systems and the establishment of a culture to openly encourage feedback and learn from our operations.

# 5. Environment – protecting the planet



## 5.1. WASTE MANAGEMENT

In the biotechnology industry, Evotec, as an R&D company, generates diverse types of waste during its operations, encompassing both hazardous and non-hazardous materials. It is imperative for us to implement waste management practices to mitigate the risk of environmental contamination. As part of our commitment to contributing to the protection of our natural environment, Evotec aims to broaden our waste management approach from 2024. Our aim is to address waste generation throughout the manufacturing lifecycle, from the introduction of resources in the production process to final disposal.

Currently, waste management at Evotec is coordinated at individual sites or within specific countries. However, our vision is to transition towards a unified approach in the future, aimed at enhancing our overall environmental performance. The upcoming Environmental Global Impacts

and Aspects Project in 2024 aims to assess the strengths and potential weaknesses of current initiatives. It also provides an opportunity to identify both global and local stakeholders, delineating their roles and responsibilities in the realm of waste management. This strategic initiative underscores our commitment to a more cohesive and comprehensive waste management strategy, aligning with our overarching sustainability goals.

We have site-specific initiatives across our operating sites for the recycling of plastic waste and the refurbishment of written-off IT equipment for reuse. In a scheme facilitated by Kimberly-Clark in the UK between August and December 2023, a little over 20% (1000 Kg) of slightly contaminated nitrile gloves were collected for recycling for the production of carpet underlays. The collected quantity is currently being prepared for shipping to the plant site. A similar initiative in Hamburg in collaboration with Green-IT Solution led to the reusing of IT equipment such as laptops and monitors, leading to a reduction in emissions of about 26.5 tCO<sub>2</sub>e.

TABLE 13: GOALS

GOAL	MEASURE	SCOPE	MILESTONES (TIMELINE)	STATUS
Develop Environmental Global Impacts and Aspects Register	Conduct a global environmental audit	Evotec Group	2024	In progress

At Evotec, responsibility allocation and data collection pertaining to waste management are currently managed at the country or operational site level. Following the completion of the Environmental Global Impacts and Aspects Register, we are aiming to transition towards a group-wide approach for monitoring and evaluation. Subsequently, key performance indicators (KPIs) will be developed to assess Evotec's waste management practices comprehensively.

We provide information on waste management to our external stakeholders and the public via this Sustainability Report. We also communicate internally via e-mail and our internal communication platform on an ongoing basis. We believe that clear and transparent communication supports our staff's engagement in managing waste and other operational resources. At Evotec, the management has the overall responsibility of managing all environmental topics including water and waste and is updated on a regular basis.

## 5.2. WATER AND RELATED IMPACTS

As a biotechnology company, we operate laboratories and facilities for the discovery, development, and production of active pharmaceutical ingredients (API), biologics and cell & gene therapy.

We therefore require the use of different resources to develop our activities; for example, the cooling or heating of materials might require the use of water, which, as an operational material resource, can significantly impact our business operations, their continuity and also our costs. We are therefore planning to increase the resilience of our operational material resources and are committed to improving the efficiency of our systems to reduce our sites' water intensity and global impact.

At Evotec, we use water mainly for sanitary purposes, heating and to produce steam for our production processes. We are committed to minimising the use of water globally. All our sites aim to be compliant with local regulations on the use of water.

We plan to develop a comprehensive environmental strategy. The focus of the strategy will be on Evotec-owned sites (Toulouse and Verona), and it will be developed in a medium-term strategic plan. As a first step towards the strategy development, we performed an assessment to understand where Evotec could implement a measuring system. For our leased spaces, we are also aiming to start a negotiation with the landlords to have more knowledge on water use.

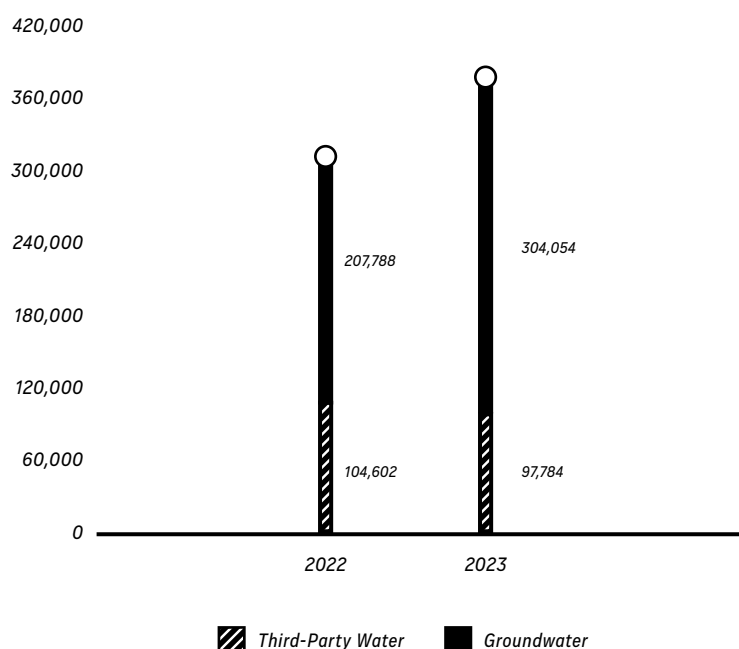
TABLE 14: GOALS

GOAL	MEASURE	SCOPE	MILESTONES (TIMELINE)	STATUS
Monitoring Evotec water-related emissions	Collect more detailed water withdrawal data	Evotec Group	Continuously	In progress

We are monitoring water usage by each site on an annual basis, with certain restrictions in data availability. This situation will improve once a comprehensive resource management approach has been developed. Currently, results presented in this reporting period include both actual and estimated data.

Water usage data collection has improved in 2023. This resulted in updating our water sources for reporting, which are now comprised of groundwater<sup>9</sup> and third-party sources. We were also able to reduce estimations to trace quantities provided there is further availability of actual data. See figure 14 below for details.

FIGURE 14: WATER WITHDRAWAL (m<sup>3</sup>)



Every year, we provide information on our water management to our external stakeholders and the public via the Sustainability Report. At Evotec, the Management Board has the overall responsibility of addressing all environmental topics including water.

### 5.3. CLIMATE CHANGE

As human health and wellbeing form the focus of our activities, we also take the impact of climate change into consideration. This topic is relevant for each of us individually, but also for companies of all sizes and from all

industries, as well as for society in general. Our commitment to fight against climate change, together with our partners and in line with international organisations and governments, is therefore of vital importance.

Our business activities have an impact on the environment via our carbon footprint. Since our planet’s wellbeing is a shared value with our partners and people, we are committed to achieving our short-term targets and to submitting long-term targets aligned with the Paris Agreement pledge to limit global warming to 1.5°C. Greenhouse Gas (GHG) emissions and their consequences affect our business activities, the communities surrounding us, our employees, and patients.

Extreme weather events can increase the risk of higher energy costs, supply chain disruptions, and restricted commuting for our employees, all of which could cause delays in fulfilling our commitments with partners. Not addressing our impact on climate change can also result in a loss of trust on the part of our stakeholders. Failing to comply with environmental laws and regulations, as well as requirements set by our partners, could hinder our business activities.

We have put in place governance structures to manage and reduce our Scope 1, 2 and 3 emissions during this process. For Scope 1 and Scope 2, our Engineering and Facility Management Team managed and oversaw the implementation of a catalogue of measures for existing infrastructure and growth projects in 2023 related to a dedicated yearly budget for this purpose. The catalogue of actions is built yearly following the principal of six main action priorities. It includes switching to green electricity, the reduction of energy intensity by identifying equipment and systems whose consumption is more efficient than the previous ones, the transition from a natural gas heating system to renewable heat, the shift to low Global Warming Potential (GWP) refrigerants, enhancing monitoring systems, and introducing alternative sources of energy. For Scope 3, our Procurement team has developed a supplier engagement campaign to involve them and raise their awareness about climate change and energy.

We are committed to continually improving the efficiency of our systems to reduce our sites’ energy intensity. We are implementing local initiatives at our different sites to increase our energy efficiency, optimising our systems and supporting the creation of a more sensitive mindset when it comes to energy consumption. These actions include, but are not limited to, the installation of air-sourced heat pump systems to reduce natural gas consumption for heating, the continued transition to LED lighting at all sites, the optimisation of our air treatment systems and chemical hoods, and the placing of motion sensors for our lighting system. Other operational measures include changes to the temperature ranges in our offices to reduce energy waste, while maintaining environmental wellbeing. At Evotec, we constantly raise people’s awareness through our internal communication (e.g. all-staff e-mails), local and team meetings, and training materials

<sup>9</sup> We have added data of water from groundwater sources and recalculated the 2022 quantity withdrawn. In 2022, we reported a total of water withdrawn from third parties of 104.62 megalitres. This amount has been corrected to 104,602 m<sup>3</sup>.

to ensure that our employees understand the need to consume energy responsibly at Evotec.

For 2024, we have defined a list of investment projects that will allow us to pursue an increase in our energy efficiency. These include additional lighting upgrades, changes to HVAC systems (heating, ventilation, and air conditioning), and the acquisition of energy efficient fume hoods as well as upgrades to existing ones. Our Management Board decided to invest 1%

on average of our yearly revenues in projects that will help us to reduce our Scope 1 and Scope 2 emissions (energy efficiency projects, or for example natural gas progressive reduction projects). Once the full energy intensity investment programme has been implemented, we expect to reduce our overall energy intensity by around 3% per year versus our base year (2021). All these initiatives and projects are directly related to our SBTi roadmap. We are monitoring the achievement of each goal versus our SBTi roadmap targets on a yearly basis.

**TABLE 15: GOALS ON CLIMATE CHANGE**

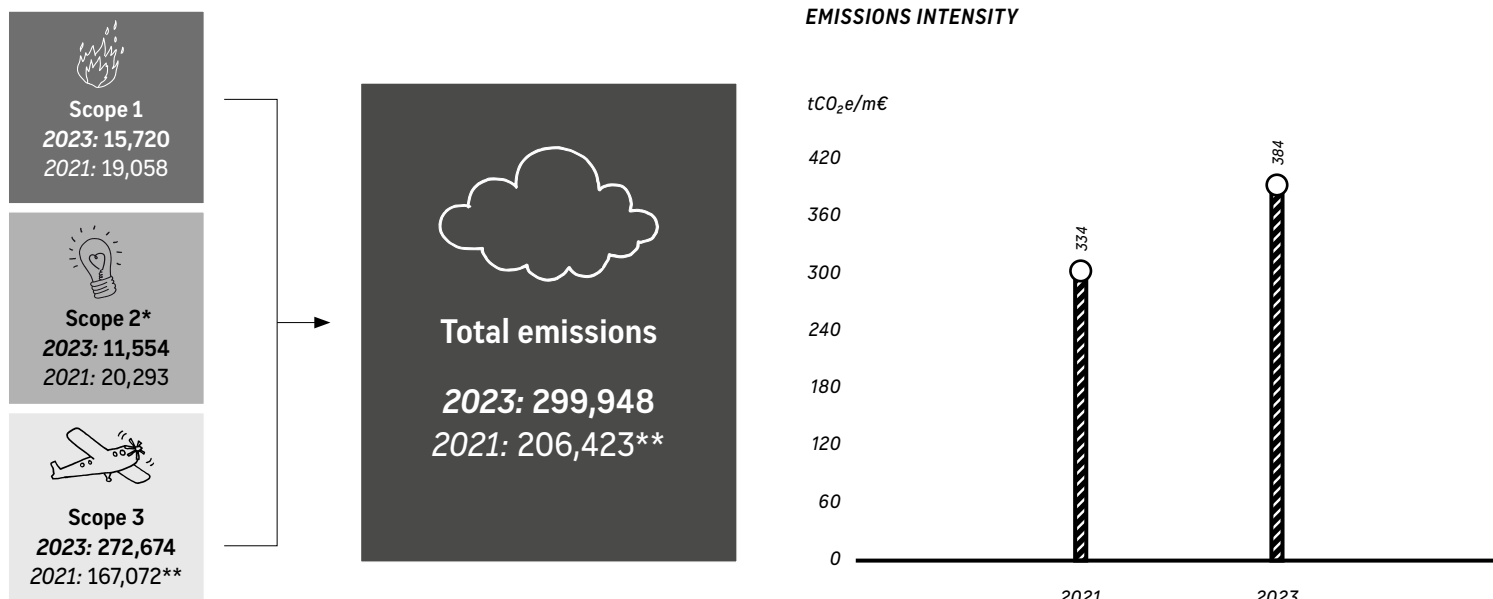
GOAL	MEASURE	SCOPE	MILESTONES (TIMELINE)	STATUS
Reduce absolute Scope 1 and 2 GHG emissions by 50.4% from base year (2021)	1.5°C emissions scenarios.	Evotec Group	2032	In progress
Increase active annual sourcing of renewable electricity from 25% in 2021 to 100%	Through energy attribute certificates	Evotec Group	2026	In progress
Reduce Scope 3 GHG emissions from purchased goods and services as well as capital goods by 72% from base year (2021)	Through supplier engagements	Evotec Group	2032	In progress
80% of our suppliers of purchased goods, services and capital goods covering 80% of emissions will have SBTs	Through supplier engagements	Evotec Group	2027	In progress

Since the start of 2022, we have been tracking, reporting, and confirming our targets and KPIs related to our science-based targets annually (refer to Table 15 for details), including those of our suppliers (Scope 3). To improve our evaluation and reporting, we have established an overall governance of the data collection process and appropriate

documentation and have given guidance or trainings to our teams on data needs, processes, and documentation to validate our GHG inventory.

In figure 15, Evotec’s emissions are summarised.

**FIGURE 15: OVERALL EMISSIONS IN TCO<sub>2</sub>E AND INTENSITY<sup>10</sup>**



\* Market based.

\*\* Data has been corrected from 2022’s disclosure

<sup>10</sup> 2022 emissions can be found in appendix b.

Our direct emissions (Scopes 1 and 2) saw a reduction of about 29% in 2023 compared to a 2% reduction in 2022. The main reasons behind the changes are the switch to green electricity in Verona, followed by other smaller sites. Additionally, the switch in Toulouse from natural gas to district heating, as well as a reduction in natural gas in Verona due to the change to more efficient gas burners in the boilers.

Evotec's indirect emissions (Scope 3) saw an increase of 63% in 2023 against the base year (2021). The main drivers of the emissions' rise can be explained by ongoing construction projects and recovery activities related to the information security incident. Comparing our emissions inventory against our Scope 3 near-term targets, we recorded 0.571 tCO<sub>2</sub>e/€m value added of emissions from purchased goods and services and capital goods. This represents a 58% increase in comparison to 2021. This increase was due to the growth in spend, especially in Toulouse (France) with the construction of the J.POD Toulouse, France (EU). The spend on capital goods and purchased goods and services increased by 107% and 37% respectively between 2021 and 2023. This was mainly driven by the J.POD in Redmond, which started its manufacturing activities at the end of 2022. Moreover, there were high additional costs related to the recovery from the cyber-attack, especially in Hamburg.

In 2023, we have engaged with a proportion of our A suppliers, in other words those who cover approximately 80% of our annual spend. We have recorded that 8.8% of these suppliers have already set science-based targets to reduce their emissions. These covered 8.5% of Evotec's indirect emissions from purchased goods and services and capital goods. During 2024 we will start to directly engage with our suppliers to encourage them to act and commit to setting science-based targets by themselves as part of our supplier-related target. For more details about supplier-related measures, please refer to **section 6.3. Supply Chain Management**.

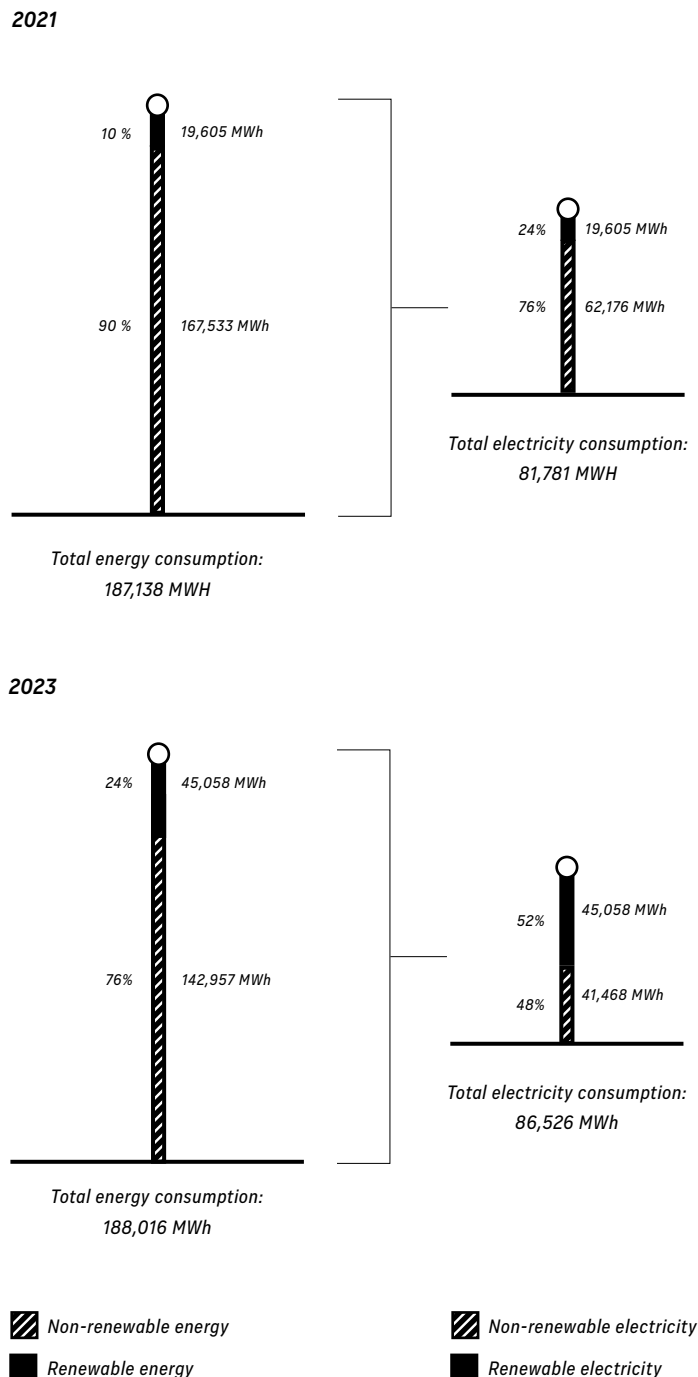
We are monitoring Evotec's energy consumption at all sites to check the results of the implemented initiatives on a yearly basis. The energy consumption data is collected directly on site, either automatically or manually. Most of the locations have a specific set of meters that can provide a higher level of detail about how energy is used locally.

Overall, in terms of our electricity consumption, the proportion of renewable electricity has increased for the sites that have the biggest influence. For example, Verona's electricity has been 100% renewable since January 2023, followed by other sites such as Abingdon and Göttingen. Additionally, Watertown was closed in 2023 and capacities were switched to Framingham.

In total, Evotec's energy consumption increased by 3% compared with a 2% decrease in the previous year. The increase is mainly due to the establishment of the new capacities. Keeping to our commitment and target to sourcing 100% renewable electricity by 2026, the consumption of green electricity increased from 21% of total consumption in 2022 to 52% at the end of 2023. This resulted in Evotec's electricity consumption recording a reduction of 40% in non-renewable electricity and an increase in renewable electricity of 149%. Cumulatively, the sourcing of green electricity increased from 24% in our base year to 52% in 2023. The increase of green electricity is due to the fact that Verona has been buying renewable electricity starting since January 2023. As Verona is among the top six sites in terms of emissions, it therefore has a big impact on our overall performance.

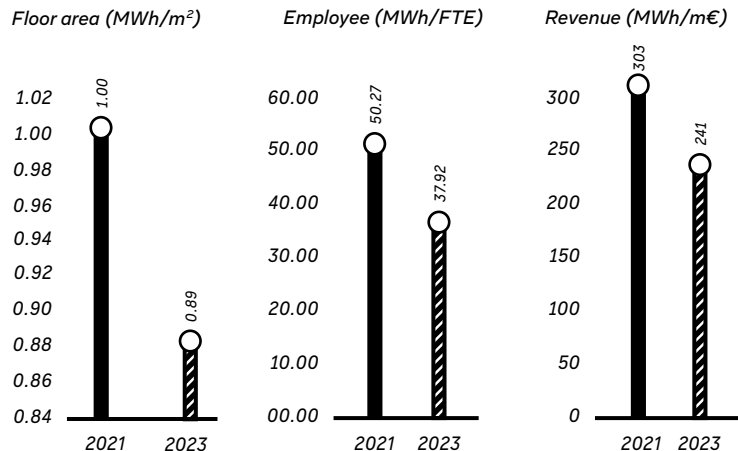
Figure 16 presents the overall results for Evotec's energy consumption.

**FIGURE 16: OVERALL ENERGY CONSUMPTION AND INTENSITY<sup>11</sup>**



<sup>11</sup> 2022 energy consumption and intensity can be found in appendix b.

Energy Intensity by Category



We are working on upgrading and improving our local metering systems to improve the data granularity and availability. In 2023, we were focused on the assessment of needs in order to be able to address future activities. This could increase our ability to easily identify energy efficiency opportunities. In 2024, we therefore planned to initiate with the project of enhancing energy monitoring in the US.

Our employees are motivated to provide feedback and suggestions, to enhance energy-saving initiatives and to tackle other sources of emissions such as waste. We communicate the measures and achievements related to our SBTi commitment externally through press releases and our Sustainability Report. Additionally, we share the initiatives we are implementing and the results of our energy intensity reduction measures within the organisation via our internal communication channels (e.g. all-staff emails and EVOzone posts). We use our global and local site meetings to highlight global and site-specific efforts to address emission-related issues, as well as projects and employee initiatives aimed at combating climate change. In addition, a carbon reduction plan will be integrated in action plans communicated to our suppliers via the monitoring platform in 2024.

**5.4. EU TAXONOMY**

The EU Taxonomy is a classification system designed to define which economic activities can be considered environmentally sustainable. It aims to provide clarity and transparency regarding which investments contribute to the EU Taxonomy’s environmental objectives.

The Taxonomy Regulation sets out criteria for determining whether an economic activity is environmentally sustainable, focusing on six environmental objectives: climate change mitigation, climate change adaptation, sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control, and protection and restoration of biodiversity and ecosystems.

In June 2021, the European Commission published two delegated acts defining the list of activities that contribute to climate change mitigation and adaptation. In June 2023, the remaining four delegated acts were published, referring to the sustainable use and protection

of water and marine resources; the transition to a circular economy; pollution prevention and control; and the protection and restoration of biodiversity and ecosystems.

**FIGURE 17: RELEVANT OBJECTIVES FOR EVOTEC HIGHLIGHTED**

1	Climate Change
2	Climate Adaption
3	Sustainable use and protection of water and marine resources
4	Transition to a circular economy
5	Pollution prevention and control
6	Protection and restoration of biodiversity and ecosystem

The EU Taxonomy requires that for an economic activity to be considered as environmentally sustainable, it has to:

1. Contribute substantially to at least one of the environmental objectives.
2. Does not significantly harm (DNSH) to any of the other environmental objectives.
3. The company complies with the minimum social safeguards.

**Taxonomy eligible activities of Evotec**

A Taxonomy-eligible economic activity is an economic activity that is described in the delegated acts adopted under the EU Taxonomy regulation irrespective of whether that economic activity meets any or all of the technical screening criteria laid down in those delegated Acts. A Taxonomy-non-eligible economic activity is any activity that is not described in those delegated acts as described in the EU delegated regulation 2021/2178 (Art. 1 paragraph 5-6). The evaluation of the eligibility of Evotec’s activities has been conducted on the basis of the Taxonomy and Delegated Regulation.

Within its classification system, the European Commission prioritised sectors with high a potential for addressing climate change adaptation or mitigation. According to the Taxonomy Regulation, activities conducted by the pharmaceutical sector were not deemed to significantly contribute to these initial climate goals. Nevertheless, with the release of the new environmental objectives, Evotec for the first time assessed the eligibility of the following activities under the environmental objective “pollution prevention and control” activities (see table below) in the 2023 financial year assessment. These activities are part of Evotec core business and lead turnover generation and to be included. Evotec defines these activities as primary activities.



ACTIVITY
1.1 Manufacture of active pharmaceutical ingredients (API) or drug substances
1.2 Manufacture of pharmaceutical products

Within CapEx, there are activities that contribute to Evotec’s overall operations, even if they don’t generate revenue directly. Activities, such as the construction or the acquisition of new facilities for production as well as investments in energy-efficient equipment, are not reported as Taxonomy-eligible economic activities separately. Instead, they play a vital role in supporting our revenue-generating endeavours. Evotec has therefore reassessed the taxonomy eligibility under objectives 1 & 2 - the climate environmental objectives – and has identified the following activities to be considered Taxonomy-eligible:

ACTIVITY
7.1. Construction of new buildings
7.2. Renovation of existing buildings

Financial data associated with these activities will be limited to CapEx, because the robustness of data related to eligible OpEx is a) limited and b) considered immaterial (less than 1% of total OpEx). Evotec has therefore decided not to analyse it as part of this year’s exercise. Evotec is currently exploring options to update our information systems to enhance the automated tagging of eligible items. These improvements will be in line with Evotec’s broader investigations, particularly in procurement, where we are examining strategies to identify green or sustainable purchases. As a result, Evotec has found two core business activities (with revenue) and two secondary activities (without revenue) that are eligible. The result of for eligibility is presented in table 17.

TABLE 16: ELIGIBILITY RESULTS FOR EVOTEC IN 2023

OBJECTIVE	ACTIVITY	2023					
		CAPEX		OPEX		TURNOVER	
		ABSOLUTE (€ K)	%	ABSOLUTE (€ K)	%	ABSOLUTE (€ K)	%
1	7.1 Construction of new buildings	76	0	0	0	0	0
1	7.2 Renovation of existing buildings	10,724	5	0	0	0	0
4	1.1. Manufacture of active pharmaceutical ingredients (API) or active substances	2,949	1	10,082	1	27,099	3
4	1.2. Manufacture of medicinal products	132,228	63	27,291	4	53,161	7
	<b>Total eligible %</b>		<b>69</b>		<b>5</b>		<b>10</b>

Evotec’s total values for the year 2023 on which we based the calculation amounted to a EUR 781,010,990 of revenue, EUR 210,954,303 for CapEX and EUR 714,300,000 for OpEx. 10% of our 2023 Turnover is eligible to contribute to the objective of pollution prevention and control. For 2023, 69% of Evotec’s CapEx is eligible due to high capital investment in Just Evotec Biologics at Toulouse in France. Evotec has not yet developed a CapEx plan in the context of EU Taxonomy. 5% of the total OpEx is eligible under the objective of pollution prevention and control that relates to the primary activities of Evotec.

**Alignment criteria**

After reviewing the alignment criteria Evotec comes to the conclusion that it does not align with the criteria and reports zero alignment.

**Minimum Safeguards**

In the analysis of compliance with the Minimum Safeguards, the different requirements in this area have been considered:

- ▶ Article 18 of the Taxonomy Regulation 2020/852, which in its paragraph number 1 mentions that the economic activities carried out by a company must be in accordance with:
  - a) The OECD Guidelines for Multinational Enterprises.
  - b) The United Nations Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight core conventions of the International Labour Organisation’s Declaration on Fundamental Principles and Rights at Work.
  - c) The International Bill of Human Rights.
- ▶ Final Report on Minimum Safeguards published by the European Commission’s Sustainable Finance Platform. This report includes the following areas: Human Rights, Corruption, Taxes and Fair Competition.
- ▶ Sustainability indicators for adverse impacts according to Annex I of Delegated Regulation (EU) 2022/1288 (SFDR) and criteria-based science technology and innovation (derived from the 2023 Update of the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct).



Evotec's review of the minimum social safeguards is based on a Minimum Social Safeguards Fit Analysis. Evotec reached out to the relevant internal functions to review the different aspects of the criteria including human and labour rights, bribery and corruption, taxation, fair competition, investments, science technology and innovation. Evotec mainly complies with the criteria. There is still some room for improvement and we are working to improve compliance with the minimum social safeguards criteria.

Despite the limited eligibility and alignment, Evotec's Taxonomy indicators do not adequately reflect its environmental commitment within its longstanding efforts in combating climate change and protecting the planet. Evotec plans further measures to align its ambitions for SBTi and its sustainability strategy with its EU Taxonomy approach. Evotec plans to continue improving its approach in 2024, for example by conducting a climate risk and vulnerability assessment.

# 6. Governance –

## *responsible business*

### 6.1. COMPLIANCE

Our Compliance Management System (CMS) impacts various business aspects. An important cornerstone of our CMS is the systematic identification and assessment of risks in order to mitigate risks inherent to our business activities. Its scope of application includes the entire Evotec Group. In doing so, it extends its influence to broader societal and ethical topics, including the environment and human rights.

Our CMS not only aims to safeguard against financial and legal risks but also serves as a catalyst for positive change for human rights. By promoting responsible business practices, a CMS can contribute to a more ethical and conscientious society.

One key initiative in 2023 involved the creation of a new, more comprehensive Code of Ethics and Business Conduct (“Code”) which replaces our Current Code of Conduct. The Code is an integral part of our CMS and not only reinforces our commitment to legal and ethical standards but also incorporates a broader range of themes that address social responsibility and the protection of human rights. By expanding the scope of the Code, we are better positioned to navigate the complexities of the modern business landscape. The Code will be released in Q1 2024.

In addition to our Code of Conduct, we maintain a web-based whistleblowing platform *EVOwhistle* for all employees and external stakeholders, which serves as a channel to report concerns related to compliance such as suspected or observed misconduct. It is a secure website hosted outside the company network. During 2023, we received 29 notifications via the *EVOwhistle* platform (2022: nine), all of which have been processed or are still being processed. After a plausibility check, reports are either closed or further investigated. Investigation could include interviews and review of provided documentation. These investigations are conducted in order to judge whether there are violations of the law or our Code of Conduct. All whistleblowing incidents received through *EVOwhistle* are required to be handled in accordance with our respective policies.

We recognise the importance of human resources in driving compliance initiatives and have invested in the further expansion of a dedicated team to oversee and enforce our CMS.

Furthermore, we have implemented a risk assessment process in the area of anti-financial Crime. By identifying these risks, we can develop targeted strategies to mitigate them effectively.

Our commitment to further developing our CMS reflects our dedication to environmental sustainability, social responsibility, and the protection of human rights. These measures not only serve to prevent negative impacts but actively contribute to creating a business environment that promotes positive change. We will continue to refine these initiatives to uphold our high standards of ethical conduct and corporate responsibility.

TABLE 17: GOALS ON COMPLIANCE

GOAL	MEASURE	SCOPE	MILESTONES (TIMELINE)	STATUS
<b>Compliance</b>				
Refreshment of compliance training	Refresh compliance training for employees who completed the training more than a year ago	Evotec Group	Continuously	In progress
Whistleblowing platform in compliance with the EU Whistleblowing Directive and local laws	Review and update the whistleblowing platform and our related processes to comply with the requirements of the EU Directive and local laws	Evotec Group	Q1 2024	In progress
Further improve our compliance management system	Further develop compliance management system oriented to ISO 37301:2021	Hamburg, Germany for selected compliance topics	Q4 2024	In progress
Global compliance management system	Roll out CMS on a global level	Evotec Group	Q4 2024	In progress
<b>Anti-Corruption</b>				
Prevention of corruption and bribery	Anti-financial crime risk assessment and renewal of ABC Policy	Evotec Group	Q2 2024	In progress
Staff awareness of corruption and bribery	Compliance training and monitoring of training completion	Evotec Group	Annually	In progress
Establishment of compliance controls with regard to ABC policy	As part of our compliance management system, further definition and documentation of processes and procedures for compliance controls relating to ABC policy	Depending on the results of the ongoing AFC Risk Assessment	Q3 2024	In progress

Global Compliance employs several mechanisms to evaluate the effectiveness of our management approach. We regularly monitor participation rates in our compliance training at specified intervals. In 2023, this resulted in a participation rate of 72.8%<sup>12</sup> (2022: 86%). The ongoing development of our infrastructure is geared towards enhancing this KPI, ensuring the reliability and long-lasting validity of our reporting figures.

Through the monitoring of participation rates in compliance training and the acknowledgment of policies, we gauge the effectiveness of our initiatives.

Lessons learned are actively integrated into our operational policies and procedures. An example involves a refinement of our approach in motivating employees to participate in mandatory compliance training.

Effective communication between Global Compliance and relevant stakeholders is a crucial aspect of our commitment to transparency and comprehensive engagement. In specific instances, such as the renewal of the Code and the anti-financial crime risk assessment, we emphasise direct alignment through targeted outreach to key personnel. This involves coordination between subject matter experts and Global Compliance to ensure that relevant perspectives, nuances, and interests are thoroughly considered.

For a wider dissemination of information to our employees, we communicate through all staff communications and publications on our internal communication platform. As a result, important updates, policy changes, and information related to compliance shall reach every member of our organisation in a timely and comprehensive manner. This method not only promotes transparency but also fosters a shared understanding of our commitment to ethical business practices.

In the handling of specific cases, our communication strategy is adaptive and involves relevant stakeholders as necessary. This ensures that the resolution process benefits from the collective expertise and insights of individuals across disciplines, fostering an interdisciplinary collaboration that aligns with a holistic approach.

As we navigate the intricate landscape of compliance, we are dedicated to improving our communication practices to meet the dynamic needs of our organisation. We recognise that effective communication is fundamental for a culture of compliance, and we remain committed to refining our strategies for even greater efficiency.

## 6.2. BUSINESS ETHICS

Evotec is a globally active company, supporting the development of new medicines and treatments. This involves the sourcing of human samples for research and the conducting of animal experiments, whenever alternative approaches are not available. The use of such samples and animal welfare are important considerations when it comes to business ethics and are grouped under the term bioethics. It is important for us to clearly define our own position with regard to bioethics, in alignment with all global and local laws and legislation.

### Bioethics

#### Compliant sourcing and usage of human samples

In our role as an integrated drug discovery and development company, we depend on access to human biosamples. A key priority when acquiring and handling such biosamples is to act responsibly. Technologies, such as Next Generation Sequencing (NGS), stem cell research, or genetic modification via Clustered Regularly Interspaced Short Palindromic Repeats (CRISPR)

<sup>12</sup>The training rate covers employees who were enrolled to take the compliance training and have completed it.

have bioethical implications. With the possibility to reveal a person's identity by genetic sequencing, the trust accorded to us by donors cannot be overstated. Over the past few years, the general awareness of bioethics has been steadily increasing, leading to a regular exchange with customers and suppliers on our approach to addressing this topic. We act according to the donor's consent and in compliance with all applicable laws and regulations concerning bioethics and the General Data Protection Regulation (GDPR). Failing in either of these could affect the general level of trust of the community of donors in biomedical research. It could further result in fines and a loss of reputation and business with a negative impact on the entire company. At Evotec, we have a dedicated Human Sample Management Team. It is specialised in all aspects of biosamples from sourcing and acquisition to storage and handling. Together with the many people who generously donate human biosamples (patients or healthy donors), we can work for medicines that matter.

**Responsibly managing human biosamples for research**

The management of non-GCP/GMP Human Samples follows our global policy (Evotec Policy on Use of Human Samples and Associated Data for Research) and subordinated Standard Operating Procedures (SOPs). All employees are required to read and acknowledge the content of the policy, which was released in 2022. The day-to-day handling of human samples is safeguarded by a Human Sample Management expert team, whose work focuses on human sample acquisition and operations (storage, tracking, quality assurance). The team serves as a point of contact for all our employees regarding questions on human biosamples. Together with Evotec's Legal & Compliance organisation, the team acts as an interface with our external suppliers to guarantee that sample collection and handling complies with all regulations and ethical standards. We are currently in the process of rolling out an Evotec-wide sample management system to track all human biosamples at Evotec on a global level. Our Quality Management team is closely involved in ensuring sample quality during the entire process. To keep up with current developments in the field of bioethics and best practices in human biosamples handling, our team undergoes continuous internal and external training, including the participation in relevant conferences. We are also a member of the International Society for Biological and Environmental Repositories (ISBER). The development of an internal educational training unit, available to all employees, will contribute to the further dissemination

of knowledge and raise awareness of the topic. In 2022, we committed to establishing an internal Evotec Human Sample Ethics and Compliance Advisory Board (HSECC), which started operating in 2023. The board members are Evotec employees who lead relevant research fields or who have a background in compliance and legal matters. In addition, we also ask external experts for their advice on ethical and compliance questions.

Our dedicated GxP accredited site in Verona, Italy, operates according to guidelines established by the European Medicines Agency (EMA) and the United States Food and Drug Administration (FDA), with all analyses being performed in compliance with Good Laboratory Practices (GLP) or Good Clinical Practice (GCP) regulations. Moreover, our bioanalytical laboratories in Verona have received GLP accreditation from the Italian Ministry of Health and are authorised by the Italian Drug Agency (AIFA) to perform analysis supporting clinical trials. This includes the highest standards of human sample management.

We consider induced Pluripotent Stem Cells (iPSCs) to be a highly valuable resource, both for human disease modelling and regenerative medicine, thereby substantially increasing the possibility of discovering new drugs in screening formats and of treating life-threatening diseases through cell therapy-based strategies. iPSC reprogramming is performed at the partner's site or at Evotec according to standardised procedures. For rare diseases that affect a small percentage of the population, as well as specific mutations for which patients are hard to find, we use genetic engineering to introduce disease-specific mutations to iPSC lines. All patient samples are handled under a unique sample ID number and no personal information is shared with Evotec to protect patient rights.

**Further developing our biosamples handling structures and procedures**

Over the past year we have continued our efforts to streamline and harmonise our internal processes for human sample acquisition and management. We extended our centralised human sample storage infrastructure to ensure that precious samples are protected even better against disasters and quality loss. To ensure compliance and the continued availability of ethically sourced samples, we have added new commercial suppliers to our vendor database, building on a standard material transfer agreement template language.

**TABLE 18: GOALS ON BIOETHICS**

GOAL	MEASURE	SCOPE	MILESTONES (TIMELINE)	STATUS
HSA Vendor check	Additional vendors have been added to the preferred vendor list	Evotec Group	Continuously	In progress
Global harmonisation of documents (SOPs, work instructions) across Evotec sites in line with the Policy on Use of Human Samples and Associated Data for Research	Local SOPs/WI have been adapted to be in line with global documents	Evotec Group	Continuously	In progress

In recent years, we have invested in global structures for human sample sourcing and management. In 2023, we achieved our goal of adding an extra dimension to this with the foundation of the internal HSECC. We have continued to be successful in our approach to centralising human sample sourcing and acquisition. Our efforts to achieve a globally standardised quality management for human samples have progressed substantially and will be continued.

We evaluate our approach on human sample management and its validity by checking it against new developments in the field of bioethics and compliance. Furthermore, we also talk to topic experts to ensure that we handle human samples appropriately at all times.

We frequently interact with external stakeholders regarding our due diligence and take any feedback into consideration to further improve our internal

processes. We use different channels to communicate internally on bioethics and human biosample best practice.

**Animal Welfare**

Today, animal use is still a required part of drug discovery. We are, however, constantly working to identify scientifically robust methods to replace animal work. In cases where animal work is still required, we believe that it needs to be performed at high ethical standards. We have therefore positioned ourselves on a high rung on the animal welfare and scientific robustness ladder. At Evotec, we do not only focus on the research to deliver medical

solutions for patients but also on the way our work is conducted, considering our colleagues' psychological safety when performing animal work and the ethical treatment of animals. Animal welfare is a highly regulated topic in Europe and the UK. We therefore have to comply with a wide variety of regulatory requirements and subject our work to regular audits. This could potentially impact our activities if standards are not met. As a result of our high standards and continued efforts to ensure animal welfare according to laws and regulations, we continue to strive to lower the numbers of animals used and achieve the best possible quality of results. Visits and audits that have been completed in recent years provide evidence of our work's compliance standards, as presented in the following table.

**TABLE 19: AUDITS & VISITS OF IN VIVO UNITS BY REGULATORY BODIES 2021-2023**

	COUNTRY	SITE	DATE	AGENCY
<b>2021</b>	Austria	Orth an der Donau	20 October	Legal authorities unannounced audit (§32(2) TVG 2012)
	Germany	Hamburg	7 July	Legal authorities TierSchTrV
		Göttingen	18 October	Legal authorities unannounced audit TierSchVersV
	France	Toulouse	26, 28 and 29 October	AAALAC
	Italy	Verona	31 May and 1 June	AAALAC
19 October			Legal authorities unannounced visit	
<b>2022</b>	Austria	Orth an der Donau	14 July	Legal authorities unannounced audit (§32(2) TVG 2012)
			10 November	AAALAC
	Germany	Göttingen	21 and 22 April	Internal QM audit
			6 July	AAALAC
		Hamburg	7 April	Legal Authorities Animal Welfare Act §16 (Behörde für Justiz und Verbraucherschutz der Freien und Hansestadt Hamburg; Amt für Lebensmittelsicherheit und Veterinärwesen)
			17 October	Hamburg Board of Veterinarians (Tierärztekammer)
UK	Alderley Park	4 and 18 November	AAALAC	
<b>2023</b>	<b>Austria</b>	<b>Orth an der Donau</b>	<b>14 July</b>	<b>Unannounced competent authority visit</b>
			<b>27 and 28 November</b>	<b>Client audit on research quality</b>

The management of in vivo work follows our global policy (Global Animal Welfare Policy) which is supported by Standard Operating Procedures (SOPs). The policy was first released in 2012 and undergoes a review process annually. All employees that work with animals are obliged to read and acknowledge its content. The day-to-day work with animals is safeguarded by a Veterinary Expert team.

In one harmonisation improvement initiative, we are working on a guideline for RFT assessment and on a global SOP that describes the Association for Assessment and Accreditation of Laboratory Animal Care (AAALAC) process. Furthermore, burden assessment is a topic that should be subject to the same rules at all sites.

**TABLE 20: ANIMAL WELFARE GOALS**

GOAL	MEASURE	SCOPE	MILESTONES (TIMELINE)	STATUS
Right First Time (RFT) > 95%	Evaluation of all studies towards RFT	Evotec Group	Quarterly review	In progress
Veterinary specialisation in Laboratory Animal Sciences	Education towards content of teaching plan from Veterinary Board	Evotec Germany	4–6 years after employee starts the programme – first graduation in 2026	In progress
Harmonisation of common procedures and evaluation guidelines	Identification and preparation of additional global quality documents for relevant topics	Evotec Group	Continuously	In progress

To avoid unnecessary animal testing, we monitor the Right First Time (RFT) rate. At Evotec, it averaged 95.55% in 2023, surpassing our target of 95%. In addition to the RFT, Evotec will commit to prospectively measuring and reporting the number of animals used versus a success-based integrated project KPI, i.e. the number of animals used to achieve a project candidate nomination. This KPI is important because it measures animal use against a successful drug discovery outcome rather than the overall size of the company or how many projects are operating in a given year. Evotec's investment in the 3R's would therefore be expected to result in a reduction in animal use relative to successful candidate drug nominations.

In the field of animal welfare, different stakeholders are involved. This includes, but is not limited to, experts from different disciplines, such as laboratory animal sciences veterinarians, scientists with a specialisation in various disease areas, in vitro scientists, and animal care specialists. To ensure good comparability between sites, we therefore also evaluate the level of harmonisation and use of common criteria when working with animals, so that we can be sure that in the most important areas, we are doing things the same way at all our sites.

We continuously address the topic of internal and external communication of animal work and welfare to meet the current standards of the industry.

### 6.3. SUPPLY CHAIN MANAGEMENT

At Evotec, we procure materials, fixed assets, and services from suppliers all over the world. The selection of the right suppliers and good supplier relationship management is important for ensuring undisrupted and sustainable business continuity.

On the one hand, we target reliable delivery to ensure the continuity of our business, and the procurement of high-quality goods at competitive prices to improve corporate success. On the other hand, we strive to achieve more sustainable procurement and to comply with environmental, social, and corporate governance standards. Our main focus is on preventing human rights violations in the supply chain and fulfilling the requirements of the German Supply Chain Due Diligence Act (LkSG). From 1 January 2024, this compliance is mandatory for all companies with at least 1,000 employees in Germany, including Evotec. Selecting and collaborating with the right suppliers represents a great opportunity to positively influence our carbon footprint and therefore have a positive impact on climate change.

Our supply chain management approach at Evotec is based on three overarching principles: compliance with laws and regulations, collaboration with our suppliers, and prioritising sustainability to make a positive impact on the world and society. Prioritising compliance with laws and regulations as well as ESG help us manage and prevent risks in our Supply Chain and support our business efficiency.

For Evotec, the German Supply Chain Due Diligence Act (LkSG) demands mandatory compliance from 1 January 2024. We have therefore taken the opportunity to partner with a highly trusted business sustainability platform, EcoVadis, to do a complete scan of our supplier base. The tool carries out an initial scan to map supplier risks, based on industry, geographical location, size, our internal metrics and publicly available information. This allows us to prioritise areas of improvement and determine which suppliers need to undergo detailed questionnaire assessments<sup>13</sup> (including human rights and labour, health and safety, anti-bribery, corruption, carbon emissions, etc.).

Via the platform, we are monitoring 5,660 suppliers, all of whom have been Evotec's business partners over a period of 24 months (01.01.2022 – 31.12.2023). In the first step, we are focusing on getting the detailed scorecards for 108 suppliers<sup>14</sup> that are currently classified as risky<sup>15</sup>. In the second step, we will request scorecards for all of our 475 A suppliers. These suppliers cover approximately 80% of Evotec's spend. Finally, and following the EcoVadis methodology, we will work together with our suppliers to establish action plans to improve the areas that have been flagged as a risk in the assessment questionnaire, and we will set target deadlines for fulfilment that align with our own goals.

Our target for 2024 is to integrate a supplier risk assessment into our supplier onboarding process to ensure their compliance before starting a business relationship.

Additionally, in Evotec's Supplier Code of Conduct, we have laid out the expected behaviour standards with a view to deploying them along the value chain; our Supplier Code of Conduct is available in the governance section of our external website under the following link: <https://www.evotec.com/en/sustainability/governance>

On the way to achieving our SBTi target, which is to reach net-zero by 2045, key milestones include the commitment for 80% of our suppliers of purchased goods and services and capital goods covering 80% of our emissions to have established science-based emissions targets by 2027 and to reduce scope 3 emissions by 72% by 2032. Our partner will also support and enable us to obtain transparency when it comes to the commitments and actions taken by our suppliers on carbon emissions. This will be taken as a basis to start our supplier engagement campaign from 2024 onwards.

<sup>13</sup> All information related to assessments and their results through this chapter refer therefore to the use of criteria and methodology from the new platform, which means that metrics and KPIs are not comparable to previous disclosures

<sup>14</sup> 5,660 suppliers were screened using environmental and social criteria. Furthermore, 238 suppliers out of our 475 A suppliers have been subject to an in-depth assessment.

<sup>15</sup> Suppliers were identified as risky for environmental and social impacts within the results of the assessment via the platform. These results may be due to lack of policies, certifications and/or assessments in relation to the criteria.

**TABLE 21: GOALS ON SUPPLY CHAIN MANAGEMENT**

GOAL	MEASURE	SCOPE	MILESTONES (TIMELINE)	STATUS
Comply with the German Supply Chain Due Diligence Act (LkSG)	Supplier risk monitoring via partner’s platform	Evotec Group	Continuously	In progress
Reduce scope 3 emissions by 72% by 2032	Supplier Engagement Campaign	Evotec Group	2024–2032	Not started
80% of our suppliers of purchased goods and services and capital goods will have science-based emissions targets by 2027	Supplier engagement campaign	Evotec Group	2024–2027	Not started
Establish human rights/ sustainable procurement policy	Create policy	Evotec Group	2024	In progress
Improve supplier selection	Implement ESG supplier risk assessment into the supplier onboarding process	Evotec Group	2024	In progress

In our governance structure, we have dedicated EcoVadis Champions (usually one per country) to coordinate the sustainability activities and the engagement with suppliers via EcoVadis at the local level.

The EcoVadis Champions get trained and are responsible for training the local procurement teams and supporting them with questions, etc.

In order to increase the company’s internal knowledge, training activities and mandatory courses are available via our partner’s platform for our EcoVadis Champions.

A further target is to establish a policy on human rights and sustainable procurement from 2024 onwards.

To monitor our supply chain management, we have defined KPIs related to each goal. Due to the change to a new sustainability platform and the definition of new goals, we have also adjusted our KPIs and methodologies accordingly.

The first important KPI to assess how much transparency we have on our supplier base is the ratio of suppliers monitored via our partner’s platform based on the spend by receipt date within a 24-month period. To monitor our progress related to the Supply Chain Due Diligence Act we separately check the percentage of critical suppliers in terms of LkSG, which resulted in 2.9% in 2023.

Since one of our first steps for 2023 and 2024 is to obtain the detailed ratings for all our A suppliers, we will track the ratio of A suppliers that have a valid score rating of 45. In 2023, 50.1% of our A suppliers had a valid score card, where 44.4% of them fulfilled the criteria of a score rating of 45.

Moreover, to check our progress on our SBTi target that 80% of our suppliers of purchased goods and services and capital goods covering 80% of our emissions will have science-based emissions targets by 2027, we will monitor the percentage of suppliers that are participating in the SBTi initiative. As of December 2023, a total of 26 out of 295 eligible partners (8.8%) have set science-based targets.

These KPIs allow us to determine whether our new approach and the efforts of our procurement teams working with our suppliers have been successful. Based on the results, we can adjust our approach and use additional tools to improve the above-mentioned KPIs.

We have communicated our EcoVadis initiative to all Evotec employees. Additionally, monthly meetings with “EcoVadis Champions” and procurement country heads have been established in order to align on next steps. Furthermore, we update the most relevant departments (Risk Management, IR & ESG, and Legal and Compliance) on a quarterly basis.

To further improve our communication with all relevant stakeholders, we plan to have a bi-weekly update via the company internal communication systems.

Lastly, a grievance channel is open to external stakeholders via [humanrights@evotec.com](mailto:humanrights@evotec.com) in accordance with Section 8 of the German Supply Chain Due Diligence Act. For more information, please refer to the Governance section of our website: <https://www.evotec.com/en/sustainability/governance>

#### 6.4. INFORMATION SECURITY

The most critical risk when it comes to Information Security is currently to handle a critical, hugely damaging cyber-attack. Evotec experienced such a full-scale attack in April 2023. Extensive areas of IT were infected, and data was encrypted. The attack was communicated both in the press and through Evotec communications.

Beyond this “Ransomware” risk, there are many other risks in the information and cyber security areas, including:



	<b>Compliance Violations</b> (customer, laws, insurance, stock market)
	<b>Reputation Damage</b> (e. g. through data leaks)
	<b>Loss of customers</b> (e. g. due to outage after a cyber attack)
	<b>Financial risks</b> (cost for security incidents, customer loss)
	<b>Risks for the environment</b> if safeguarding technical systems for environmental control fail due to a security incident
	There could be any <b>risk for society</b>

**Opportunities**

A mature information and cyber security implementation can lead to significant business opportunities and Unique Selling Points (USPs):

- ▶ Readiness for highly sensitive customer projects
- ▶ Quick and secure go-to-market approach with new services and products
- ▶ Enhanced reputation through proven cyber trustworthiness

The management of information security at Evotec has been updated when compared with the approach presented in the Sustainability Report 2022. Even though we generally continue to maintain an Information Security Management System with appropriate policies, these policies have been significantly strengthened and communicated throughout Evotec. Together with the policies, we have reorganised our security approach and dedicated the governance part (Information Security Governance) and the operational part (IT Security Operations) to two respective units.

The governance part reports directly to the Management Board and focuses on risk management, audit & control and an implementation of an Information Security Management System (ISMS) based on ISO 27001. The operational part remains within the IT area and focuses on the fulfilment of the information security requirements on an operational level. There is a new roadmap for our ISO 27001 certification programme planned in Q1/2024.

The event that triggered these changes was the targeted ransomware attack mentioned above.

The attack was handled with the utmost professionalism and state-of-the-art incident response methods. The focus was on:

- ▶ In-depth digital forensic analysis by a team of experts
- ▶ Establishment of a dedicated business and IT service recovery structure
- ▶ Conception and implementation of the new, highly secured target IT architecture
- ▶ Transparent communication with external stakeholders and customers

The core objective following the attack was a secure, quality-tested recovery of the business processes. This is achieved through the following core key measures:

- ▶ Secured emergency operations-based containment
- ▶ Establishment of new, clean communication channels to customers via new devices and newly acquired M365 tenant
- ▶ Strict risk management with continuous risk analyses integrated in the recovery processes
- ▶ Establishment of an efficient, dedicated programme management structure with direct Management Board reporting

As part of the immediate measures, the Security Operating capabilities were improved using an external Security Operation Centre (SOC) service provider.

After successfully overcoming the immediate consequences, Evotec is now in the process of continuously improving its security processes and renewing its IT.

This will be accompanied by the ISO 27001 certification programme, which will be resumed in 2024. The previous roadmap needed to be adjusted due to the cyber-attack. Following our certification in England, all Evotec locations worldwide will be certified as part of a programme starting in 2026. Part of the programme is to strengthen the global Information Security Governance organisation with regional responsibilities.

In the first half of 2024, Security Operations will be further expanded towards a “Cyber Defence Centre”. To this end, partnerships with leading international security service providers will be established.

Based on the extensive risk management process in the incident response and recovery phase, an ISO 27001 compliant risk management will be implemented. It will contain risk-related KPIs for board communication.

In the area of security incident management, detected attack attempts were handled successfully. The implemented cyber crisis management process is built upon the capabilities acquired during the attack response and is part of the continuous improvement process.

Focus is also being placed on one of the current leading market-wide risks: supply chain security is being addressed with expanded risk management processes and additional resources.

All measures are continuously compared with and measured against the information security requirements of Evotec customers.

**TABLE 22: GOALS**

<i>GOAL</i>	<i>MEASURE</i>	<i>SCOPE</i>	<i>MILESTONES (TIMELINE)</i>	<i>STATUS</i>
ISO/IEC 27001 certification	Global ISMS roll-out and certification audit	Group Evotec	2023-2024	In progress
Extend Information Security Organisation	Implement Regional Information Security Officer	US and Europe	2023(Q2)–2024(Q4)	In progress
Extend Information Security coverage to R&D, manufacturing	Extend Governance policies	Group Evotec	2023–2024(Q2)	In progress

Following the incident, communication with our customers and their security organisations was expanded and given greater focus. As part of an ongoing close exchange, requirements and implementations were aligned with consistently positive feedback from customers and partners.

Our general approach to communications on information security comprises a continuous exchange with our internal stakeholders including the Management Board via reports, IT management via projects and management committees, and all other users via e-learnings and information mails.

With our business departments we will set up a dedicated, updated communication plan in 2024 (e.g., facility management, HR, purchasing).

# 7. Outlook

2023 taught us that a sustainable business needs to be grounded on resilient structures and dedicated people to be successful, which is why we recovered from the attack within a few months, while keeping the degree of satisfaction of our partners at very high levels, as demonstrated in a retention rate of 93%.

Being successful in our mission to discover, develop, and manufacture medicines that matter, together with our partners, and to positively impact patients' lives around the globe, means that, also in the future, we need to continuously strive to improve governance and to focus on creating a safe working environment for our people. Appointing Sustainability Champions and conducting a group-wide employee survey were the related steps taken in 2023 and we will further build on them in 2024.

The appointment of Aurélie Dalbiez in the newly created Management Board role of a Chief People Officer (CPO) is indicative of our commitment to focus on government structures and people topics at the same time.

In the field of environmental topics, we started 2024 with the submission of our long-term SBTi targets on 31 January 2024, which are aligned with the 1.5°C pathway, aiming to become net zero by 2045 at the latest. To ensure diligent execution and to get a better understanding of climate adaptation steps that may be required in the future, we will prepare a climate transition plan in 2024.

Besides further improving our impact on the environment and refining processes and methodologies to collect robust data, we will continue to dedicate our efforts to predominantly social topics. The feedback of our more than 4,000 colleagues has provided valuable input to help us make Evotec an even more inclusive and equitable workplace in the future. Acting on the most relevant findings in our EVOvoice employee survey is at the top of our agenda. A second measure will be a cross functional in-house project to develop and refine a Diversity, Equity, Inclusion & Wellbeing strategy in 2024.

Our materiality assessment in 2023 has formed the basis of our ongoing effort to continue our execution of a sustainable business strategy. The process will therefore gain further momentum in 2024. Moreover, upcoming preparations for complying with new rules on corporate sustainability reporting, the Corporate Sustainability Reporting Directive (CSRD) as well as publishing an integrated financial and non-financial report for 2024 in spring 2025 will benefit from the materiality assessment.

Developing medicines that matter without compromising our environment is our contribution to humanity. This has been our North Star that has been guiding us over the last 30 years and that will also lead us into the future.

# 8. GRI index

Evotec has prepared this report with reference to the Global Reporting Standards (GRI) for the period between 1 January 2023 and 31 December 2023.

## GRI 1 USED

## GRI 1: FOUNDATION 2021

GRI STANDARD	DISCLOSURE	SASB	LOCATION AND COMMENTS
GRI 2: General Disclosures 2021	2-1 Organisational details		Page 8. How we are organised
	2-2 Entities included in the organisation's sustainability reporting		Page 4. About this report
	2-3 Reporting period, frequency and contact point		Page 3–4. About this report
	2-4 Restatements of information		Page 3. About this report
	2-5 External assurance		Page 48–49. Independent auditor's report on a limited assurance engagement
	2-6 Activities, value chain and other business relationships		Page 9. Our business model
	2-7 Employees		Page 8. How we are organised
	2-9 Governance structure and composition		<a href="#">Governance website</a>
	2-10 Nomination and selection of the highest governance body		<a href="#">Governance website</a>
	2-11 Chair of the highest governance body		<a href="#">Governance website</a>
	2-12 Role of the highest governance body in overseeing the management of impacts		<a href="#">Governance website</a>
	2-13 Delegation of responsibility for managing impacts		Page 12–13. Our ESG approach to implement sustainability
	2-14 Role of the highest governance body in sustainability reporting		Pages 12–13. Our ESG approach to implement sustainability
	2-15 Conflicts of interest		<a href="#">The Evotec Code of Ethics and Business Conduct</a>
	2-16 Communication of critical concerns		<a href="#">Governance website</a>
	2-18 Evaluation of the performance of the highest governance body		<a href="#">Governance website</a>
	2-19 Remuneration policies		<a href="#">Governance website</a>
	2-20 Process to determine remuneration		<a href="#">Governance website</a>
	2-22 Statement on sustainable development strategy		Page 10–14. Our sustainability management
	2-26 Mechanisms for seeking advice and raising concerns		Page 35. Compliance
2-27 Compliance with laws and regulations		No instances of non-compliance have been reported during 2023	
2-28 Membership associations		Page 47. Memberships & initiatives	
2-29 Approach to stakeholder engagement		Page 10. Stakeholders & materiality analysis	
2-30 Collective bargaining agreements		Page 20. Employment	

GRI 1 USED

GRI 1: FOUNDATION 2021

GRI STANDARD	DISCLOSURE	SASB	LOCATION AND COMMENTS
<b>GRI 3: Material Topics 2021</b>	3-1 Process to determine material topics		Page 10. Stakeholder & materiality analysis
	3-2 List of material topics		Page 10. Stakeholder & materiality analysis
<b>GRI 201: Economic Performance 2016</b>	3-3 Management of material topics		Page 28. Annual Report
	201-1 Direct economic value generated and distributed		Page 34–46. Annual Report
<b>GRI 205: Anti-corruption 2016</b>	3-3 Management of material topics		Page 35–36. Compliance
	205-2 Communication and training about anti-corruption policies and procedures		Page 36. Compliance
	205-3 Confirmed incidents of corruption and actions taken	HC-BP-510a.1	There were no confirmed cases of corruption in 2023.
<b>GRI 302: Energy 2016</b>	3-3 Management of material topics		Page 29–32. Climate change
	302-1 Energy consumption within the organisation		Page 31. Climate change
	302-2 Energy consumption outside of the organisation		Page 52. Appendix
	302-3 Energy intensity		Page 32. Climate change
	302-4 Reduction of energy consumption		Page 31. Climate change
<b>GRI 303: Water and Effluents 2018</b>	3-3 Management of material topics		Page 28–29. Water and related impacts
	303-3 Water withdrawal		Page 29. Water and related impacts
<b>GRI 305: Emissions 2016</b>	3-3 Management of material topics		Page 29–53. Climate change
	305-1 Direct (Scope 1) GHG emissions		Page 30, 31 and 53. Climate change and Appendix
	305-2 Energy indirect (Scope 2) GHG emissions		Page 30, 31 and 53. Climate change and Appendix
	305-3 Other indirect (Scope 3) GHG emissions		Page 30, 31 and 53. Climate change and Appendix
	305-4 GHG emissions intensity		Page 30, 31 and 54. Climate change and Appendix
<b>GRI 306: Waste 2020</b>	3-3 Management of material topics		Page 28. Waste management
	306-3 Waste generated		<a href="#">Evotec's Contribution to UN Sustainable Development Goals</a>
	306-4 Waste diverted from disposal		<a href="#">Evotec's Contribution to UN Sustainable Development Goals</a>
	306-5 Waste directed to disposal		<a href="#">Evotec's Contribution to UN Sustainable Development Goals</a>
<b>GRI 308: Supplier Environmental Assessment 2016</b>	3-3 Management of material topics		Page 39–40. Supply chain management
	308-1 New suppliers that were screened using environmental criteria		Page 39. Supply chain management
<b>GRI 401: Employment 2016</b>	3-3 Management of material topics		Page 18–22. Employment
	401-1 New employee hires and employee turnover	HC-BP-330a.1	Page 19. Employment
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	HC-BP-330a.2	Page 20. Employment
	401-3 Parental leave		Page 20. Employment

GRI 1 USED

GRI 1: FOUNDATION 2021

GRI STANDARD	DISCLOSURE	SASB	LOCATION AND COMMENTS
<b>GRI 403: Occupational Health and Safety 2018</b>	3-3 Management of material topics		Page 25-27. Health & safety
	403-1 Occupational health and safety management system		Page 27. Health & safety
	403-2 Hazard identification, risk assessment, and incident investigation		Page 26. Health & safety
	403-4 Worker participation, consultation, and communication on occupational health and safety		Page 27. Health & safety
	403-5 Worker training on occupational health and safety		Page 27. Health & safety
	403-6 Promotion of worker health		Page 27. Health & safety
	403-9 Work-related injuries		Page 27. Health & safety
<b>GRI 404: Training and Education 2016</b>	3-3 Management of material topics		Page 22–23. Skills and talent development
	404-2 Programmes for upgrading employee skills and transition assistance programmes		Page 22. Skills and talent development
	404-3 Percentage of employees receiving regular performance and career development reviews		Page 6. About this report
GRI 405: Diversity and Equal Opportunity 2016	3-3 Management of material topics		Page 24–25. Diversity, equity and inclusion
	405-1 Diversity of governance bodies and employees		Page 25 & 8. Diversity, equity and inclusion, How we are organised and <a href="#">Governance website</a>
GRI 406: Non-discrimination 2016	3-3 Management of material topics		Page 24–25. Diversity, equity and inclusion
	406-1 Incidents of discrimination and corrective actions taken		No discrimination incidents were reported in 2023.
GRI 414: Supplier Social Assessment 2016	3-3 Management of material topics		Page 39–40. Supply chain management
	414-1 New suppliers that were screened using social criteria		Page 39. Supply chain management
GRI 418: Customer Privacy 2016	3-3 Management of material topics		Page 40–41. Information Security

# 9. *Memberships & initiatives*

## **Memberships**

International Society for Biological and Environmental Repositories (ISBER)  
Accelerating COVID-19 Therapeutic Interventions and Vaccines (ACTIV)  
COVID R&D Alliance  
Advanced Oxford  
TB Drug Accelerator Consortium (TBDA)  
European Regimen Accelerator for Tuberculosis (ERA4TB)  
Project to Accelerate New Treatments for Tuberculosis (PAN-TB)  
International Society for Antiviral Research (ISAR)  
International Society for Influenza and other Respiratory  
Viruses diseases (ISIRV)  
American Association for the Study of Liver Disease (AASLD)  
European Association for the Study of Liver (EASL)  
European Society of Clinical Microbiology and Infectious Diseases  
(ESCMID)  
AMR Industry Alliance  
Gram-Negative Antibacterial NOW (GNA NOW) Consortium  
IMI AMR Accelerator Consortium  
Member of ENABLE-2

## **External Initiatives**

Charta der Vielfalt  
Science Based Targets initiative (SBTi)

# 10. Independent Practitioner's Report on a Limited Assurance Engagement of the combined separate non-financial group report<sup>1</sup>

## To Evotec SE, Hamburg

We have performed a limited assurance engagement on the combined separate non-financial group report of Evotec SE, Hamburg (hereafter "Evotec" or "the company") included in the sustainability report, for the period from January 1 to December 31, 2023. The contents of the combined separate non-financial group report are part of the company's sustainability report and are marked accordingly.

Not subject to our assurance engagement are the disclosures made in the combined separate non-financial group report in accordance with Article 8 of REGULATION (EU) 2020/852 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 18. June 2020 on establishing a framework to facilitate sustainable investment and amending Regulation (EU) 2019/2088 (hereinafter the "EU Taxonomy Regulation"), as well as the external sources of documentation or expert opinions mentioned.

## Responsibility of the Executive Directors

The legal representatives of the company are responsible for the preparation of the combined separate non-financial group report in accordance with §§ 315c in conjunction with 289c to 289e HGB and Article 8 of REGULATION (EU) 2020/852 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 18. June 2020 on establishing a framework to facilitate sustainable investment and amending Regulation (EU) 2019/2088 (hereinafter referred to as the "EU Taxonomy Regulation") and the Delegated Acts adopted in this regard, as well as the interpretation of the formulations and terms contained in the EU Taxonomy Regulation and the Delegated Acts adopted in this regard.

These responsibilities of the executive directors include the selection and application of appropriate non-financial reporting methods, and making assumptions and estimates about individual non-financial disclosures of the group that are reasonable under the given circumstances. In addition, executive directors are responsible for such internal control as they have determined necessary to enable the preparation of a combined non-financial group report that is free from material misstatement, whether due to fraud (manipulation of the combined non-financial group report) or error.

## Independence and Quality Assurance of the Assurance Practitioner's Firm

We have complied with German professional regulations on independence as well as other professional conduct requirements.

Our auditing firm applies the national statutory regulations and professional pronouncements - in particular the Professional Code of Conduct for German Public Auditors and Chartered Accountants (BS WP/vBP) and the IDW Quality Management Standards issued by the Institute of Public Auditors in Germany (IDW) and thereby maintains a comprehensive quality management system that includes documented policies and procedures with regard to compliance with professional ethical requirements, professional standards as well as relevant statutory and other legal requirements.

## Responsibility of the Independent Practitioner

Our responsibility is to express a conclusion with limited assurance on the combined separate non-financial group report based on our assurance engagement.

<sup>1</sup> We have performed a limited assurance engagement on the German version of the combined separate non-financial group report and issued an Independent Practitioner's Report in German language, which is authoritative. The following text is a translation of the original German Independent Practitioner's Report.



We conducted our assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised): "Assurance Engagements other than Audits or Reviews of Historical Financial Information", issued by the IAASB. This standard requires that we plan and perform the assurance engagement to obtain limited assurance about whether any matters have come to our attention that cause us to believe that the group's combined separate non-financial report, other than the external sources of documentation or expert opinions referred to in the combined separate non-financial group report and the disclosures pursuant to Article 8 of REGULATION (EU) 2020/852 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 18. June 2020 on the establishment of a framework to facilitate sustainable investment and amending Regulation (EU) 2019/2088 (hereafter the "EU Taxonomy Regulation"), is not prepared, in all material respects, in accordance with §§ 315c in conjunction with 289c to 289e HGB.

In a limited assurance engagement, the procedures performed are less extensive than in a reasonable assurance engagement, and accordingly, substantially lower level of assurance is obtained. The selection of the assurance procedures is subject to the professional judgment of the assurance practitioner.

In the course of our assurance engagement, we have, among other things, performed the following assurance procedures and other activities:

- ▶ Gaining an understanding of the structure of the group's sustainability organization and the involvement of stakeholders
- ▶ Inquiries of employees responsible for the materiality analysis in order to gain an understanding of the procedure for identifying material topics and corresponding reporting boundaries
- ▶ Inquiries of the legal representatives and relevant employees involved in the preparation of the disclosures about the preparation process, the internal control system relating to this process and the disclosures in the combined separate non-financial group report
- ▶ Identification of potential risks of material misstatement
- ▶ Assessment of the suitability of the internally developed definitions
- ▶ Analytical assessment of selected data
- ▶ Comparison of selected disclosures with the corresponding data in the consolidated financial statements and group management report

- ▶ Inspection of selected internal and external documents
- ▶ Assessment of the overall presentation of the combined separate non-financial group report

#### **Practitioner's Conclusion**

Based on the work performed and the evidence obtained, nothing has come to our attention that causes us to believe that the combined separate non-financial report for the period from January 1 to December 31, 2023, included in the sustainability report is not prepared, in all material respects, in accordance with § 315c in conjunction with § 289c to § 289e HGB.

We have not audited the other information included in the sustainability report outside the combined separate non-financial group report and the disclosures pursuant to Article 8 of REGULATION (EU) 2020/852 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 18. June 2020 on the establishment of a framework to facilitate sustainable investment and amending Regulation (EU) 2019/2088 (hereinafter the "EU Taxonomy Regulation"). We do not express an opinion on the external documentation sources or expert opinions referred to in the combined separate non-financial group report.

#### **Restriction of Use and Reference to Limitation of Liability**

We draw attention to the fact that the assurance engagement was conducted for the company's purposes and that the report is intended solely to inform the company about the result of the assurance engagement. Consequently, it may not be suitable for any other purpose than the aforementioned. Accordingly, the report is not intended to be used by third parties to make (financial) decisions based on it. Our responsibility is to the company alone. We do not accept any responsibility to third parties. Our conclusion was not modified in this respect.

#### **General Engagement Terms**

This engagement is based on the "Special Engagement Terms of BDO AG Wirtschaftsprüfungsgesellschaft" of March 1, 2021, agreed with the company as well as the "General Engagement Terms and Conditions for Auditors and Auditing Firms" of January 1, 2017, issued by the IDW (<https://www.bdo.de/en-gb/engagement-terms-conditions>).

Berlin, April 22, 2024

BDO AG Wirtschaftsprüfungsgesellschaft

**Julia Wirth**  
Public Auditor

**Viola Möller**  
Partner Sustainability Services

# 11. Appendix

## A. PREVALENCE OF INDICATIONS

The data presented were taken from official sources such as the World Health Organisation (WHO) and the Pan American Health Organisation (PAHO), or from academic and research sources such as the National Library of Medicine.

THERAPEUTIC AREA	INDICATION	TYPES	PREVALENCE WORLDWIDE (ESTIMATED AVERAGE YEARS 2019–2023)	NOTES
Global Health	Tuberculosis (TB)	-	10.6 m	
	Chikungunya	-	911,715	According to the WHO "Due to the challenges in reporting and diagnosis, the number of people affected by chikungunya is underestimated".
Metabolic	Heart failure	-	64 m	
	Diabetes	Type 1	8.75 m	
		Type 2	462 m	
	Chronic Kidney Disease (CKD)	-	> 800 m	
	Obesity	Adults (over 18 years)	890 m	
		Children (5-19 years)	160 m	
		(Class I, II and III) $\geq 30\text{kg/m}^2$	764 m	
		(Class II and III) $\geq 35\text{kg/m}^2$	238 m	
	(Class III) $\geq 40\text{kg/m}^2$	77 m		
	Metabolic syndrome (MetS)	-	1 bn	According to the NCBI the data for MetS is hard to measure but "the global prevalence can be estimated to be about one quarter of the world population" for the year 2018
Non-alcoholic steatohepatitis (NASH)	-	100 m	"1.5%–6.45% population and at least 100 million people" (Xu, H.E., Guo, Js. All about NASH: disease biology, targets, and opportunities on the road to NASH drugs. Acta Pharmacol Sin)	
Inflammatory Bowel Disease (IBD)	-	6.8 m	Estimated for year 2017	
Gaucher	-	1 in 40,000	1 in 40,000 live births in general population	
Neurology	Neuro-inflammation	E.g. Multiple sclerosis	1.8 m	
	Neurodegeneration	ALS	4.1–8.4 per 100,000 persons	
		Alzheimer	33 m	Approximately 33 MLL (According to WHO "more than 55 million people have dementia worldwide, and Alzheimer disease is the most common form of dementia and may contribute to 60–70% of cases")
		Parkinson's disease	8.5 m	

THERAPEUTIC AREA	INDICATION	TYPES	PREVALENCE WORLDWIDE (ESTIMATED AVERAGE YEARS 2019–2023)	NOTES
Neurology	Insomnia (China)	-	15%	The pooled prevalence of insomnia in China was 15.0%. The studies were conducted between 1996 and 2011
Ophthalmology	Retinal degeneration	Age-Related Macular	196 m	
		Diabetic Retinopathy	103 m	
	Glaucoma	-	7.7 m	
Oncology	Kidney cancer	-	1,369,974	
	Solid tumours	Kaposi Sarcoma	88,122	
		Hodgkin lymphoma	292,256	
		Non-Hodgkin lymphoma	1,738,516	
		Melanoma of skin	1,262,756	
	Liquid tumours	Leukaemia	1,454,585	
		Multiple myeloma	538,948	
Virology	Hepatitis	HBV	296 m	Plus 1.5 m each year
		HDV	48 m / 60 m	According to the WHO "Hepatitis D virus (HDV) affects globally nearly 5% of people who have a chronic infection with hepatitis B virus (HBV)."
	NIPAH	-	209	Since the outbreaks are sporadic, the prevalence can vary over time. As a general approach, WHO has indicated that NiV infection outbreaks have been reported in Malaysia, Singapore, Bangladesh, and India. For instance, up to 31 March, 2012, a total of 209 human cases of NiV infection in Bangladesh were reported; 161 (77%) of them died. The case-fatality rate is estimated at 40% to 75%
	COVID	-	774,699,366	Cases reported to WHO since December 2019 (cumulative total)
	Influenza	Seasonal influenza	1 bn	A billion cases annually, including 3–5 million cases of severe illness
	Epstein-Barr Virus - EBV	-	90%	90% of adult population globally is infected
Women's Health	Polycystic Ovary Syndrome (PCOS)	-	8–13%	According to WHO, it affects an estimated 8–13% of reproductive-aged women but up to 70% of affected women remain undiagnosed worldwide. In 2017, 1.55 million (95% UI: 1.19–2.08) incident cases of PCOS among women of reproductive age (15–49 years) were reported globally, representing an increase of 4.47% (2.86–6.37%) from 2007 to 2017

THERAPEUTIC AREA	INDICATION	TYPES	PREVALENCE WORLDWIDE (ESTIMATED AVERAGE YEARS 2019 - 2023)		NOTES
Anti-bacterials	Urinary Tract Infections - UTI	-	404.61 m		
	Blood stream infection - SPESIS	-	48.9 m		For year 2017
	Hospital-Acquired Pneumonia (HAP)	-	5-10 per 1,000 hospital admissions		According to the American Journal of Respiratory and Critical Care Medicine "Although HAP is not a reportable illness, available data suggest that it occurs at a rate of between 5 and 10 cases per 1,000 hospital admissions, with the incidence increasing by as much as 6- to 20-fold in mechanically ventilated patients"
	Ventilator-associated pneumonia (VAP)	-	7% to 32%		It accounts for 7% to 32% of healthcare-associated infections and 10% of all paediatric device-related infections reported to the National Healthcare Safety Network (NHSN). VAP affected almost half of mechanically ventilated COVID-19 patients (GoleNaz A. Kohbodi; Venkat Rajasurya; Asif Noor, NCBI)

**B. GRI RELATED TABLES**

**GRI 302-1 AND 302-2**

CATEGORY	TYPE	2022	2023	% CHANGE
Purchased Energy	Non-renewable <sup>16</sup>	68,632	41,468	-40%
Purchased Energy	Renewable	18,118	45,058	149%
Purchased Energy	District heating	6,130	22,082	260%
Non-renewable fuel consumption	Diesel	4	53	1136%
Non-renewable fuel consumption	Fue oil	143	206	43%
Non-renewable fuel consumption	Propane	-	0.4	0%
Renewable fuel	Diesel (biofuel blend)	-	1	
Non-renewable fuel consumption	Gas oil	8	-	-100%
Non-renewable fuel consumption	Natural gas	90,260	79,148	-12%
	<b>Total in MWh<sup>17</sup></b>	<b>183,295</b>	<b>188,015</b>	<b>3%</b>

**GRI 302-3**

CATEGORY	2022 ENERGY INTENSITY	2023 ENERGY INTENSITY	UNITS	% CHANGE
Revenue	0.24	0.24	MWh/k€	-20%
Floor area	0.95	0.89	MWh/m2	-11%
Employee	41.82	37.92	MWh/FTE	-25%

**GRI 303-3**

CATEGORY	2022	2023	UNITS	% CHANGE
Third-party water	104,602	97,784	m <sup>3</sup>	-7%
Groundwater	207,788	304,054	m <sup>3</sup>	47%
<b>Total</b>	<b>312,390</b>	<b>401,837</b>	<b>m<sup>3</sup></b>	<b>29%</b>

<sup>16</sup>The non-renewable energy for 2022 has been corrected.

<sup>17</sup>2022 total energy consumption has been corrected.

GRI 305-1

NAME	2022	2023	% CHANGE
<b>Gross Scope 1 Emissions (tCO<sub>2</sub>e)</b>	17,242	15,720	-9%
<b>Gases Included<sup>18</sup></b>	CO <sub>2</sub> , CH <sub>4</sub> , HFCs, N <sub>2</sub> O	CO <sub>2</sub> , CH <sub>4</sub> , HFCs, N <sub>2</sub> O	
<b>Biogenic Emissions (tCO<sub>2</sub>e)</b>	-	-	-
<b>Emission Factor Source</b>	DEFRA, US EPA	DEFRA, US EPA	
<b>Consolidation Approach for Emissions</b>	Operational Control	Operational Control	
<b>Methodology</b>	GHG PROTOCOL	GHG PROTOCOL	

GRI 305-2

NAME	2022	2023	% CHANGE
<b>Gross Scope 2 Emissions Location Based (tCO<sub>2</sub>e)</b>	17,817	19,498	9%
<b>Gross Scope 2 Market-based Emissions (tCO<sub>2</sub>e)</b>	21,308	11,554	-46%
<b>Gases Included<sup>19</sup></b>	CO <sub>2</sub> , CH <sub>4</sub> , HFCs, N <sub>2</sub> O	CO <sub>2</sub> , CH <sub>4</sub> , HFCs, N <sub>2</sub> O	
<b>Emission Factor Source</b>	DEFRA, US EPA, IEA, AIB	DEFRA, US EPA, IEA, AIB	
<b>Consolidation Approach for Emissions</b>	Operational Control	Operational Control	
<b>Methodology</b>	GHG PROTOCOL	GHG PROTOCOL	

GRI 305-3

NAME	2022	2023	% CHANGE
<b>Total Scope 3 Emissions (tCO<sub>2</sub>e)<sup>20</sup></b>	204,344	272,674	-
<b>1. Purchased goods and services (tCO<sub>2</sub>e)<sup>21</sup></b>	115,114	185,479	-
<b>2. Capital goods (tCO<sub>2</sub>e)<sup>22</sup></b>	73,093	68,358	-
<b>3. Fuel and energy related activities (tCO<sub>2</sub>e)<sup>23</sup></b>	8,107	9,309	15%
<b>4. Upstream transportation &amp; distribution (tCO<sub>2</sub>e)</b>	704	454	-35%
<b>5. Waste generated in operations (tCO<sub>2</sub>e)</b>	302	1,500	397%
<b>6. Business travel (tCO<sub>2</sub>e)</b>	3,032	3,210	6%
<b>7. Employee commuting (tCO<sub>2</sub>e)<sup>24</sup></b>	3,819	4,286	12%
<b>8. Upstream leased assets (tCO<sub>2</sub>e)</b>	Not relevant	Not relevant	-
<b>9. Downstream transportation &amp; distribution (tCO<sub>2</sub>e)</b>	Not relevant	Not relevant	-
<b>10. Processing of sold products (tCO<sub>2</sub>e)</b>	Not relevant	Not relevant	-
<b>11. Use of sold products (tCO<sub>2</sub>e)</b>	Not relevant	Not relevant	-
<b>12. End-of-life treatment of sold products (tCO<sub>2</sub>e)</b>	Not relevant	Not relevant	-
<b>13. Downstream leased assets (tCO<sub>2</sub>e)</b>	Not relevant	Not relevant	-
<b>14. Franchises (tCO<sub>2</sub>e)</b>	Not relevant	Not relevant	-
<b>15. Investments (tCO<sub>2</sub>e)</b>	173	77	-55%
<b>Gases Included</b>	CO <sub>2</sub> , CH <sub>4</sub> , HFCs, N <sub>2</sub> O	CO <sub>2</sub> , CH <sub>4</sub> , HFCs, N <sub>2</sub> O	
<b>Biogenic Emissions (tCO<sub>2</sub>e)</b>	-	-	
<b>Scope 3 Categories</b>	1,2,3,4,5,6,7,15	1,2,3,4,5,6,7,15	
<b>Emission Factor Source</b>	DEFRA, US EPA, IEA, AIB	DEFRA, US EPA, IEA, AIB	
<b>Methodology</b>	GHG Protocol	GHG Protocol	

<sup>18</sup> Refer to our Greenhouse Gas Inventory Methodology available at <https://www.evotec.com/en/sustainability/esg-performance-reporting>

<sup>19</sup> Refer to our Greenhouse Gas Inventory Methodology available at <https://www.evotec.com/en/sustainability/esg-performance-reporting>

<sup>20</sup> Scope 3 emissions are not comparable given changes to the methodology in 2023 data regarding categories 1 and 2.

<sup>21</sup> Scope 3 category 1 emissions are not comparable given changes to the methodology in 2023 data.

<sup>22</sup> Scope 3 category 2 emissions are not comparable given changes to the methodology in 2023 data.

<sup>23</sup> J.POD2 data was added for 2022 leading the change from 8,094 tCO<sub>2</sub>e to 8,107 tCO<sub>2</sub>e.

<sup>24</sup> Data has been corrected in comparison to 2022 disclosure.

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NAME	2022 EMISSIONS INTENSITIES				2023 EMISSIONS INTENSITIES				UNITS	TOTAL EMISSIONS % CHANGE
	Scope 1 emissions	Scope 2 market-based emissions	Scope 3 emissions	Total emissions	Scope 1 emissions	Scope 2 market-based emissions	Scope 3 emissions	Total emissions		
<b>Revenue (k€)</b>	0.02	0.03	0.27	0.32	0.02	0.01	0.35	0.38	tCO <sub>2e</sub> /k€	-
<b>Floor Area (m2)</b>	0.09	0.11	1.06	1.26	0.07	0.05	1.29	1.42	tCO <sub>2e</sub> /m2	-
<b>Employee (fte)</b>	3.93	4.86	46.62	55.41	3.17	2.33	55.00	60.50	tCO <sub>2e</sub> /FTE	-

**C.SCIENCE BASED TARGETS PERFORMANCE RESULTS**

**1. SCOPE 3 NEAR-TERM TARGET PERFORMANCE**

INTENSITY TARGET (PER €M VALUE ADDED)	2021	2022	2023
<b>EBITDA (€k)</b>	107,270	101,654	66,684
<b>Personnel Cost (€k)</b>	319,353	388,050	377,587
<b>EBITDA + Personnel Cost (€k)</b>	426,623	489,704	444,271
<b>1: Purchased Goods and Services (tCO<sub>2e</sub>)</b>	114,046	115,114	185,479
<b>2: Capital Goods (tCO<sub>2e</sub>)</b>	40,233	73,093	68,358
<b>Emissions (tCO<sub>2e</sub>)</b>	<b>154,279</b>	<b>188,207</b>	<b>253,837</b>
<b>Intensity (tCO<sub>2e</sub>/Value Added) (tCO<sub>2e</sub>/€m)</b>	0.362	0.384	0.571
<b>% Change</b>		-	58.0%

**2. SUPPLIER ENGAGEMENT PERFORMANCE**

INTENSITY TARGET (PER €M VALUE ADDED)	2021	2022	2023
<b>1: Purchased Goods and Services (tCO<sub>2e</sub>)</b>	114,046	115,114	185,479
<b>2: Capital Goods (tCO<sub>2e</sub>)</b>	40,233	73,093	68,358
<b>Emissions (tCO<sub>2e</sub>)</b>	<b>154,279</b>	<b>188,207</b>	<b>253,837</b>
<b>Suppliers with SBTs emissions (tCO<sub>2e</sub>)</b>	NA	NA	21,548
<b>Purchased Goods and Services (tCO<sub>2e</sub>)</b>	NA	NA	18,667
<b>Capital Goods (tCO<sub>2e</sub>)</b>	NA	NA	<b>2,881</b>
<b>% change in emissions</b>	-	-	8.5%

**D. TAXONOMY DISCLOSURE**

1. Summary tables

**PROPORTION OF TURNOVER/ TURNOVER**

	<b>TAXONOMY-ALIGNED PER OBJECTIVE</b>	<b>TAXONOMY-ELIGIBLE PER OBJECTIVE</b>
CCM	0%	0%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	10%
BIO	0%	0%

**PROPORTION OF OPEX / OPEX**

	<b>TAXONOMY-ALIGNED PER OBJECTIVE</b>	<b>TAXONOMY-ELIGIBLE PER OBJECTIVE</b>
CCM	0%	0%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	5%
BIO	0%	0%

**PROPORTION OF OPEX / OPEX**

	<b>TAXONOMY-ALIGNED PER OBJECTIVE</b>	<b>TAXONOMY-ELIGIBLE PER OBJECTIVE</b>
CCM	0%	5%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	64%
BIO	0%	0%

2. Proportion of Turnover associated with Taxonomy-Eligible Activities of Evotec - Disclosure Covering 2023

TURNOVER

FINANCIAL YEAR 2023	YEAR	SUBSTANTIAL CONTRIBUTION CRITERIA							DNSH CRITERIA (DOES NOT SIGNIFICANTLY HARM)											
		Code(s) (2)	Absolute turnover (€k)	Proportion of turnover (%)	Climate Change mitigation (5) %	Climate change adaptation (6) %	Water and marine resources (7) %	Circular economy (8) %	Pollution (9)%	Biodiversity and ecosystems (10) %	Climate Change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)	Biodiversity and ecosystems (16)	Minimum Safeguards (17)	Taxonomy aligned proportion of turnover year N-1 (18)	Category (enabling activity) (20) E	Category (transitional activity) (21) T
Economic Activities																				

A. TAXONOMY-ELIGIBLE ACTIVITIES

A.1 Environmentally sustainable activities (Taxonomy-aligned)

Turnover of environmentally sustainable activities	N/A	0	0%	N	N/EL	N/EL	N/EL	N	N/EL	N	N	N	N	N	N	N	0%		
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A.2. Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)

7.1. Construction of new buildings	CCM 7.1	0	0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
7.2. Renovation of existing building	CCM 7.2	0	0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
1.1. Manufacture of active pharmaceutical ingredients (API) or drug substances	PPC 1.1	27,099	3%	N/EL	N/EL	N/EL	N/EL	EL	N/EL										
1.2. Manufacture of pharmaceutical products	PPC 1.2	53,160	7%	N/EL	N/EL	N/EL	N/EL	EL	N/EL										
<b>Total (A.1+A.2.)</b>	<b>N/A</b>	<b>80.260.123</b>	<b>10%</b>																

B. TAXONOMY-NON-ELIGIBLE ACTIVITIES

Turnover of Taxonomy non-eligible activities (B)	N/A	700,751	90%																
<b>Total (A+B)</b>		<b>781,011</b>	<b>100%</b>																



3. Proportion of OpEx associated with Taxonomy-Eligible Activities of Evotec - Disclosure Covering 2023

OPEX

FINANCIAL YEAR 2023	YEAR	SUBSTANTIAL CONTRIBUTION CRITERIA								DNSH CRITERIA (DOES NOT SIGNIFICANTLY HARM)										
		Code(s) (2)	Absolute OpEx (€k)	Proportion of OpEx (%)	Climate Change mitigation (5) %	Climate change adaptation (6) %	Water and marine resources (7) %	Circular economy (8) %	Pollution (9) %	Biodiversity and ecosystems (10) %	Climate Change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)	Biodiversity and ecosystems (16)	Minimum Social Safeguards (17)	Taxonomy aligned proportion of Opex year N1 (18)	Category (enabling activity) (20) E	Category (transitional activity) (21) T
Economic Activities(1)																				

A. TAXONOMY-ELIGIBLE ACTIVITIES

A.1 Environmentally sustainable activities

Opex from environmentally sustainable activities	N/A	0	0%	N	N/EL	N/EL	N/EL	N	N/EL	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
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A.2. Taxonomy-Eligible but not environmentally sustainable activities

7.1. Construction of new buildings	CCM 7.1	0	0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL											
7.2. Renovation of existing buildings	CCM 7.2	0	0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL											
1.1: Manufacture of active pharmaceutical ingredients (API) or drug substances	PPC 1.1	10,082	1%	N/EL	N/EL	N/EL	N/EL	EL	N/EL											
1.2: Manufacture of pharmaceutical products	PPC 1.2	27,291	4%	N/EL	N/EL	N/EL	N/EL	EL	N/EL											
<b>Total (A.1+A.2.)</b>		<b>37,373</b>	<b>5%</b>																	

B. TAXONOMY-NON-ELIGIBLE ACTIVITIES

Opex of Taxonomy non-eligible activities		676,927	95%																	
<b>Total (A+B)</b>		<b>714,300</b>	<b>100%</b>																	

4. Proportion of CapEx associated with Taxonomy-Eligible Activities of Evotec - Disclosure Covering 2023

CAPEX

FINANCIAL YEAR 2023	YEAR	SUBSTANTIAL CONTRIBUTION CRITERIA								DNSH CRITERIA (DOES NOT SIGNIFICANTLY HARM)										
		Code(s) (2)	Absolute CapEx (k€)	Proportion of CapEx (%)	Climate Change mitigation (5) %	Climate change adaptation (6) %	Water and marine resources (7) %	Circular economy (8) %	Pollution (9) %	Biodiversity and ecosystems (10) %	Climate Change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)	Biodiversity and ecosystems (16)	Minimum Social Safeguards (17)	Taxonomy aligned proportion of CapEx year N1 (18)	Category (enabling activity) (20) E	Category (transitional activity) (21) T
Economic Activities																				

A. TAXONOMY-ELIGIBLE ACTIVITIES

A.1 Environmentally sustainable activities

CapEx from environmentally sustainable activities	N/A	0	0%	N	N/EL	N/EL	N/EL	N	N/EL	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
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A.2. Taxonomy-Eligible but not environmentally sustainable activities

7.1. Construction of new buildings	CCM 7.1	76	0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL											
7.2. Renovation of existing buildings	CCM 7.2	10,723	5%	EL	N/EL	N/EL	N/EL	N/EL	N/EL											
1.1. Manufacture of active pharmaceutical ingredients (API) or drug substances	PPC 1.1	2,949	1%	N/EL	N/EL	N/EL	N/EL	EL	N/EL											
1.2. Manufacture of pharmaceutical products	PPC 1.2	132,479	63%	N/EL	N/EL	N/EL	N/EL	EL	N/EL											
<b>Total (A.1+A.2.)</b>		<b>146,228</b>	<b>69%</b>																	

B. TAXONOMY-NON-ELIGIBLE ACTIVITIES

Capex of Taxonomy non-eligible activities		64,727	31%																	
<b>Total (A+B)</b>		<b>210,954</b>	<b>100%</b>																	

5. Disclosure to Nuclear energy related activities and fossil gas related activities

**ROW NUCLEAR ENERGY RELATED ACTIVITIES**

1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	No
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat,	No
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	No

**FOSSIL GAS RELATED ACTIVITIES**

4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels	No
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels	No
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	No

***E. LIST OF ACRONYMS***

**AAALAC** – Assessment and Accreditation of Laboratory Animal Care  
**ABC** – Anti-corruption, Bribery and Compliance  
**AMR** – Anti-microbial Resistance  
**API** – Active Pharmaceutical Ingredient  
**CO<sub>2e</sub>** – Carbon dioxide equivalent  
**CRISPR** – Clustered Regularly Interspaced Short Palindromic Repeats  
**CSRD** – Corporate Social Responsibility Directive  
**CSR-RUG** – Corporate Social Responsibility -Richtlinie-Umsetzungsgesetz  
**DEI** – Diversity, Equity & Inclusion  
**EHS** – Environment, Health & Safety  
**EMA** – European Medicines Agency  
**ESG** – Environment, Social, and Governance  
**EUT** – EU Taxonomy  
**FDA** – Food and Drugs Administration  
**FTE** – Full Time Equivalent  
**GDPR** – General Data Protection Regulation  
**GHG** – Greenhouse Gas  
**GNA NOW** – Gram-negative Antibacterial now  
**GRI** – Global Reporting Initiative  
**IAS** – International Accounting Standard  
**IFRS** – International Financial Reporting Standards  
**iPSC** – induce Pluripotent Stem Cells  
**ISBER** – International Society for Biological and Environmental Repositories.  
**ISMS** – Information Security Management System  
**LkSG** - Supply Chain Due Diligence Act  
**NGS** – Next Generation Sequencing  
**OECD** – Organisation for Economic Co-operation and Development  
**PCOS** – Polycystic Ovary Syndrome  
**R&D** – Research and Development  
**RFT** – Right at First Time  
**SASB** – Sustainability Accounting Standard Board  
**SBTi** – Science Based Targets initiative  
**SDG** – Sustainable Development Goal  
**SEC** – Stock Exchange Commission  
**SFDR** – Sustainable Finance Disclosure Regulation  
**WHO** – World Health Organisation



**For further enquiries please contact**

**Volker Braun**

EVP, Global Head of  
Investor Relations & ESG  
+ 49.(0)40.56081-755  
[volker.braun@evotec.com](mailto:volker.braun@evotec.com)

