



# 2022 GHG EMISSIONS INVENTORY REPORT



## OBJETIVE

Estimate Genomma Lab's Greenhouse Gas (GHG) emissions in 2022 associated with the operating limits described in this inventory, detailing their sources and calculation methodology. Like the GHG inventories of previous years, this inventory will continue to serve as a basis for developing actions to reduce emissions in the identified opportunity areas.



# METHODOLOGY

Our methodology is based on the methodological framework of the GHG Protocol Corporate Accounting and Reporting Standard, developed in 2001 by the World Business Council for Sustainable Development (WBCSD)<sup>1</sup>, and by the World Resources Institute (WRI), whose second edition was published in Spanish in 2005 and reviewed by the Mexican Ministry of Environment and Natural Resources (Secretaría de Medio Ambiente y Recursos Naturales, SEMARNAT). Genomma Lab accounts, reports and manages its emissions under this guide.

In line with the guidelines of the GHG Protocol, the organizational and operational scopes of the Company were establish to define the scope of the inventory based on the number of facilities and the operations carried out in each one of them. This allows to know the sources of GHG emissions to be reported, while establishing the source of origin to collect the activity data.

Therefore, the estimation method chosen for the calculation of carbon dioxide equivalent emissions was the use of activity data and emission factors. The emission factors published by SEMARNAT were used to calculate Scope 1 and 2<sup>2</sup>. Emission factors used for Scope 3 emissions come from the DEFRA<sup>3</sup> database. The following sections describe steps and associated results in greater detail.



<sup>1</sup> Greenhouse Gas Protocol (GHG Protocol). A Corporate Accounting and Reporting Standard http://ghgprotocol.org/corporate-standard

<sup>2</sup> RENE, SEMARNAT. https://www.gob.mx/semarnat/acciones-y-programas/registro-nacional-de-emisiones-rene

<sup>3</sup> DEFRA.UK Government GHG Conversion Factors for Company Reporting, 2022.

## SCOPE

For the reporting year (2022), Genomma Lab International considers three facilities within its limits: the plant located in the San Cayetano Industrial Complex, a production line in Mexico City called "Langosta" and the "Samara" corporate offices.

The emission sources or activities that generate GHG emissions in the Company were identified considering the control approach shown in Figure 1, and were classified by Scopes, in accordance with the GHG Protocol guidelines.

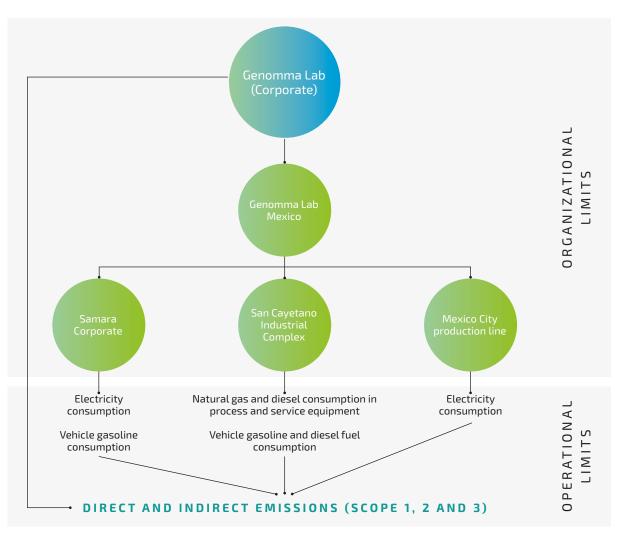


Figure 1. Division of organizational limits and operational limits

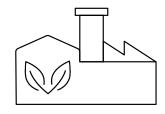


#### **Scope 1: Direct GHG emissions**

Emissions related to Genomma Lab's direct operations are included, i.e., emissions from stationary, mobile, process and fugitive sources, which are owned or controlled by the Company.

### **Scope 2: Indirect GHG emissions**

It includes indirect emissions related to the generation of electricity purchased and consumed at the company's facilities. Purchased electricity is defined as electricity that is purchased or brought within Genomma Lab's organizational limits.



4 For more information on Scope 3 categories see: https://ghgprotocol.org/scope-3-technical-calculation-guidance

#### Scope 3: Indirect GHG emissions in the rest of the value chain

These are indirect emissions generated beyond Genomma Lab's direct operations including electricity consumption, i.e., in the rest of the value chain. Of the 15 existing categories<sup>4</sup>, the following categories are report in this inventory of Mexico:

- Category 1. Purchased goods and services
- Category 3. Other activities related to fuels and energy
- Category 4. Upstream transportation and distribution
- Category 5. Waste generated in operations
- Category 6. Business Travel
- Category 7. Employee commuting
- Category 9. Downstream transportation and distribution

## RESULTS

According to the inventory developed for Scopes 1, 2 and 3, in 2022 the Company emitted **50,838.19 tons of CO**, **equivalent (tCO**,**e)**.

As shown in Figure 2, 5% of total emissions correspond to direct emissions from stationary and mobile sources, 9% to indirect emissions from electricity consumption and 86% to indirect emissions along the value chain or those not controlled by the Company.

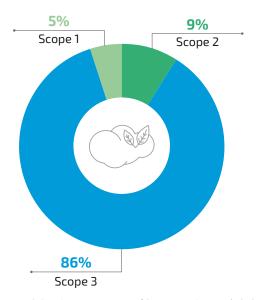


Figure 2. Distribution percentage of Genomma Lab Mexico's GHG emissions in 2022.

Table 1 includes 2022 emissions in terms of carbon dioxide equivalent for each scope for Genomma Lab Mexico.

Table 1. Genomma Lab Mexico's GHG emissions by scope

#### **Total GHG emissions**

Scope	Tons of CO <sub>2</sub> e	
Scope 1	2,788.07	
Scope 2	4,582.53	50,838.19
Scope 3	43,467.58	

It is important to mention that Scope 1 and Scope 2 emissions for the reporting year are mostly derived from the operations of the San Cayetano Industrial Site. Figure 3 shows the distribution percentage of these emissions by source, i.e., 92% correspond to the San Cayetano Industrial Complex, 6% come from Samara Corporate and only 3% originated from the production line in Mexico City ("Langosta").

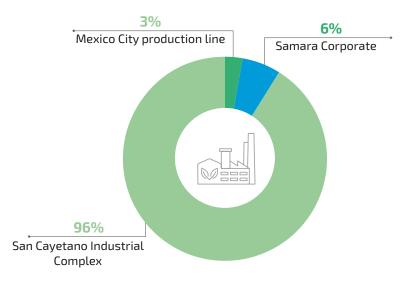


Figure 3. Distribution percentage of Scope 1 and 2 emissions by facility.

To detail the amount of direct (Scope 1) and indirect (Scope 2) emissions corresponding to the percentages represented in the chart above, Figure 4 below shows the amount of carbon dioxide per facility and per scope.





	Scope 1 (tCO <sub>2</sub> e)	Scope 2 (tCO <sub>2</sub> e)
Samara Corporate	50.60	356.70
Mexico City production line	-	185.35
San Cayetano Industrial Complex	2,737.47	4,041.11

Figure 4. Amount of GHG emissions generated by Genomma Lab Mexico in 2022.

Table 2 shows the breakdown of Scope 3 emissions by category, with numbers corresponding to the category established by the GHG Protocol.

Table 2. Breakdown of Scope 3 emissions by emission category

#### Scope 3 - GHG 2022 (tCO,e)

Category	Mexico
1. Purchased Services	32,979.27
3. Energy and fuel-related activities	1,448.84
4. Upstream transportation and distribution	471.88
5. Waste generated in operations	41.05
6. Business travel (flights and car)	225.24
7. Employee commuting	2,975.00
9. Downstream transportation and distribution	5,326.30
Total	43,467.58



The highest GHG emission-generating activity in Genomma Lab Mexico is the purchased goods and services category. It accounts for 75.87% of Scope 3 emissions, being packaging material acquisition the highest source of GHG emissions in this category, with 32,911.14 tCO<sub>2</sub>e. Figure 5 shows the percentage distribution of Scope 3 emissions of the reported categories.

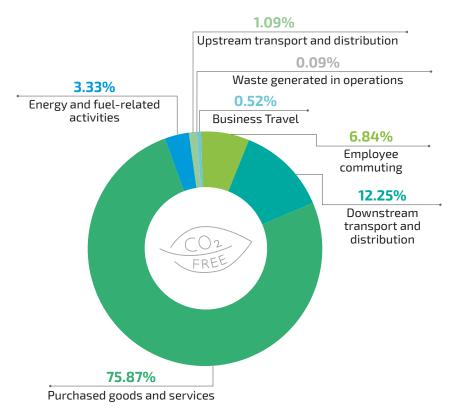


Figure 5. Distribution percentage of Genomma Lab Mexico's GHG emissions in 2022.



To conclude this report, it is important to mention that for Genomma Lab International adopting practices to quantify, report, verify and reduce GHG emissions has acquired special relevance. It is through these initiatives that the organization can design strategies to understand and manage its competitive risks and exposure associated with its GHG emissions levels, assuming that what cannot be measured cannot be managed.

Genomma Lab International strongly believes that accounting for emissions helps identify more effective reduction opportunities, which can lead to increased energy efficiency and the development of new products and services that reduce the GHG impacts of customers or suppliers.



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