Core Laboratories Operational Footprint and Value Chain FY-2023

Sustainable1

September 2024

S&P Global

Credits

Sustainable1

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About S&P Global Sustainable1

Sustainable1 is part of S&P Global. A leader in carbon and environmental data and risk analysis, Sustainable1 assesses risks relating to climate change, natural resource constraints, and broader environmental, social, and governance (ESG) factors. Companies and financial institutions use Sustainable1 intelligence to understand their ESG exposure to these factors, inform resilience, and identify transformative solutions for a more sustainable global economy. S&P Global's commitment to environmental analysis and product innovation enables its team to deliver essential ESG investment-related information to the global marketplace. For more information, visit https://www.spglobal.com/esg/Sustainable1.

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Report Highlights

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- Under the location-based approach, the total GHG emissions for FY2023 were 43,702 tCO_2e. Scope 2 (location-based) emissions account for 24% of the total, Scope 1 emissions for 22% and the remaining 54% is associated with Scope 3 which includes Categories 1 to 8, 11 and 12.

- The total operational footprint for Core Laboratories, including both Scope 1 and Scope 2 (location-based) emissions in FY2023, was 19,999 tCO_2e. Out of this, Scope 2 emissions were 10,285 tCO_2e, or 51% of the total, with Scope 1 emissions representing the remaining 49% at 9,714 tCO_2e.

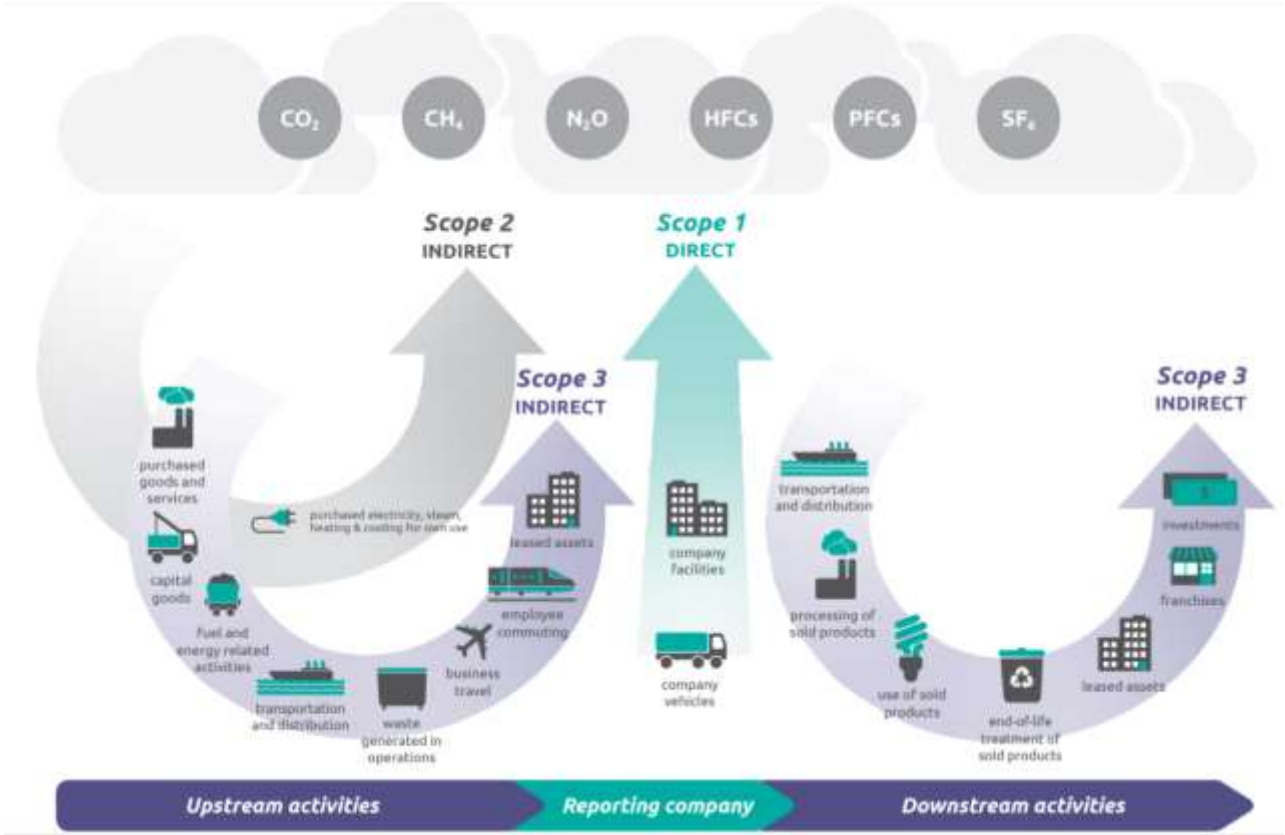
- The total Scope 3 emissions for Core Laboratories, including upstream and downstream emissions, were 23,703 tCO_2e.

- Upstream emissions represented almost all Scope 3 emissions at 23,673 tCO_2e, or 99% of the total, whereas downstream emissions were limited to 30 tCO_2e.

- The total supply chain footprint for Core Laboratories, including Scope 3 Category 1 (Purchased Goods and Services) and Category 2 (Capital Goods and Services) in FY2023 was 6,102 tCO_2e. Out of this, Category 1 emissions were 5,452 tCO_2e and Category 2 emissions 650 tCO_2e, or 23% and 3% of the total, respectively.

- The total value chain footprint for Core Laboratories, which includes all calculated Scope 3 categories except Categories 1 and 2, was 17,601 tCO_2e in FY2023. These emissions include Category 3 (Fuel and Energy Related Activities), Category 4 (Upstream Transportation and Distribution), Category 5 (Waste Generated in Operations), Category 6 (Business Travel), Category 7 (Employee Commuting), Category 8 (Upstream Lease Assets), Category 11 (Use of Sold Products), and Category 12 (End of Life Treatment of Sold Products), and does not include Category 9 (Downstream Transportation and Distribution), Category 10 (Processing of Sold Products), and Category 13 (Downstream Leased Assets), Category 14 (Franchises) and Category 15 (Investment) since no data was provided for these categories.

GHG Emissions



Source: WRI (2015) GHG Protocol: Corporate Value Chain (Scope 3) Accounting and Reporting Standard.

Scope 1

are emissions from

Fuel + Refrigerant

sources which a company owns or controls

Scope 2

are emissions from

Electricity + Heating + Cooling + Steam

procured from outside Company premise

Scope 3

are emissions from

Upstream ← → Downstream

sources not owned or directly controlled by the organization

Introduction

Introduction

- Core Laboratories' business, hereafter called Core Lab, provides reservoir description and production enhancement services and products to the oil and gas industry. It is headquartered in Houston, Texas.
- Core Lab engaged Sustainable1 to assess its Scope 1 and Scope 2 emissions, plus measurement of water usage, in accordance with Scope 1 and 2 GHG Inventory Guidance (GHG Protocol).
- Core Lab also engaged Sustainable1 to assess Scope 3 (Cat 1-8 and 11-12) greenhouse gas (GHG) emissions in line with the WRI/WBCSD Corporate Value Chain (Scope 3) Guidelines (GHG Protocol).
- The assessment allows Core Lab to report its relevant Scope 1, 2 and 3 emissions in accordance with the GHG protocol.
- Greenhouse accounting standard used: GHG protocol

Scope

Sustainable1 assessed Core Lab's Scope 1 and Scope 2 GHG emissions consistent with the GHG Protocol

- 209 sites covered
- Boundary setting approach: Operational Control

Sustainable1 also assessed Core Lab's Scope 3 (Cat 1-8 and 11-12) value chain GHG emissions consistent with the GHG Protocol.

Analysis period: January 2023 - December 2023

Scope 1 and 2 GHG Emission Approach

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- Core Lab provided Sustainable1 with data for calculation of its operational footprint. Data points received from the client were:
  - Operational fuel used – Natural Gas, Diesel, Gas Oil, Petrol, Propane and Kerosene
  - Vehicle fuel used – Diesel, Petrol, LPG and kWh and mile/ km travelled
  - Electricity sourced from grid

- The Greenhouse Gas Protocol methodology for compiling GHG data is used to assess carbon footprint. This includes the following material GHGs: CO_2 (carbon dioxide), N_2O (nitrous oxide) and CH_4 (methane).

- The following emission conversion factor sources are used in calculations:
  - Fossil fuel emission factors (Scope 1 - Stationary and mobile): DEFRA 2023
  - Purchased electricity: EPA eGrid Factors 2023 (for US locations), IEA Electricity Factors 2023 (for locations outside the US)

Scope 3 GHG Emissions Approach

Methodology

- Sustainable1 is estimating the GHG emissions of each category using the Sustainable1 Environmentally Extended Input-Output (EEI-O) model along with primary data, where available, for selected upstream and downstream impact categories. Examples of primary data included in the analysis:
  - Supplier spend
  - Energy consumption
  - Waste disposal
  - Business travel
  - Employee Headcount
  - Floor space

Please refer to Appendix II for the methodology associated with calculating GHG emissions for each Scope 3 category.

Scope of value chain GHG emissions footprint, GHG Protocol

Upstream or downstream	*Scope 3 category*
Upstream scope 3 emissions	1. Purchased goods and services 2. Capital goods 3. Fuel- and energy-related activities (not included in scope 1 or scope 2) 4. Upstream transportation and distribution 5. Waste generated in operations 6. Business travel 7. Employee commuting 8. Upstream leased assets
Downstream scope 3 emissions	9. Downstream transportation and distribution 10. Processing of sold products 11. Use of sold products 12. End-of-life treatment of sold products 13. Downstream leased assets 14. Franchises 15. Investments

Source: GHG Protocol: Corporate Value Chain Accounting Reporting Standard (WRI / WBCSD)

Operational Footprint

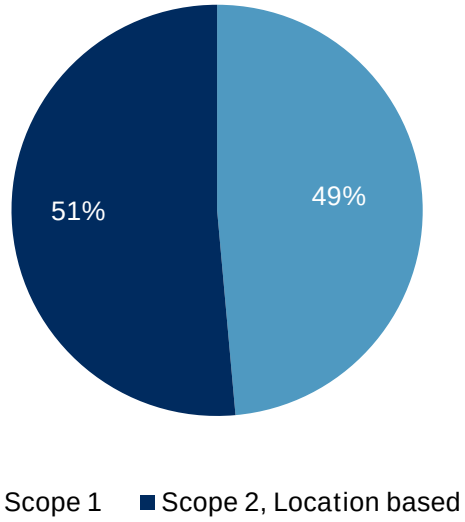
Group level results

Impact category	Impact	Units	FY 2023
Onsite Fuel Use	Burning Oil	litres	37,801
	Diesel	litres	2,200
	Natural Gas	m3	99,958
	Natural Gas	kWh	13,198,358
	Petrol	litres	53,496
Company Vehicle fuel Combustion	Diesel	litres	1,662
	Diesel	km	1,370,536
	Petrol	litres	1,181,940
	Petrol	km	70,350
	Plug-in Hybrid Electric Vehicle	km	78,761
Refrigerants	HCFC-22/R22	kg	1,264
	HFC-134a	kg	983
	R406A	kg	1
	R407C	kg	25
	R410A	kg	131
Electricty	Purchased electricity	kWh	30,320,596
Water	Water abstracted	m3	3,677
	Water supplied	m3	131,582
Waste	Total Non-Hazardous Waste	tonnes	24,069
	Total Hazardous Waste	tonnes	66

Scope	Category	Absolute emissions tCO2e
Scope 1	Stationary Emissions	2,845
	Mobile Emissions	3,070
	Refrigerants	3,799
Scope 2	Electricity: Location Based	10,285
	Electricity: Market Based	10,422
Total Emissions (Location Based)		19,999
Total Emissions (Market Based)		20,136

According to the GHG Protocol Scope 2 Guidance released in January 2015, corporates are now to report two Scope 2 emission totals – location-based and market-based, known as 'dual reporting'. Since market-based emission factors (such as renewable energy certificates, supplier emission factors or other tracking mechanisms) are not available to any of Core Lab's locations, Sustainable1 adopted residual emission factors where they are available. Future calculations shall be updated upon the release of residual factors for public use.

Core Lab's Scope 2 emissions calculated using market-based approach are 20,136 tCO_2e, slightly higher than the 19,999 tCO_2e derived with a location-based approach. This is due to many geographies having higher residual emission factors than the average grid mix because a lot of renewable power generation is associated with contractual obligation and removed from residual calculations.

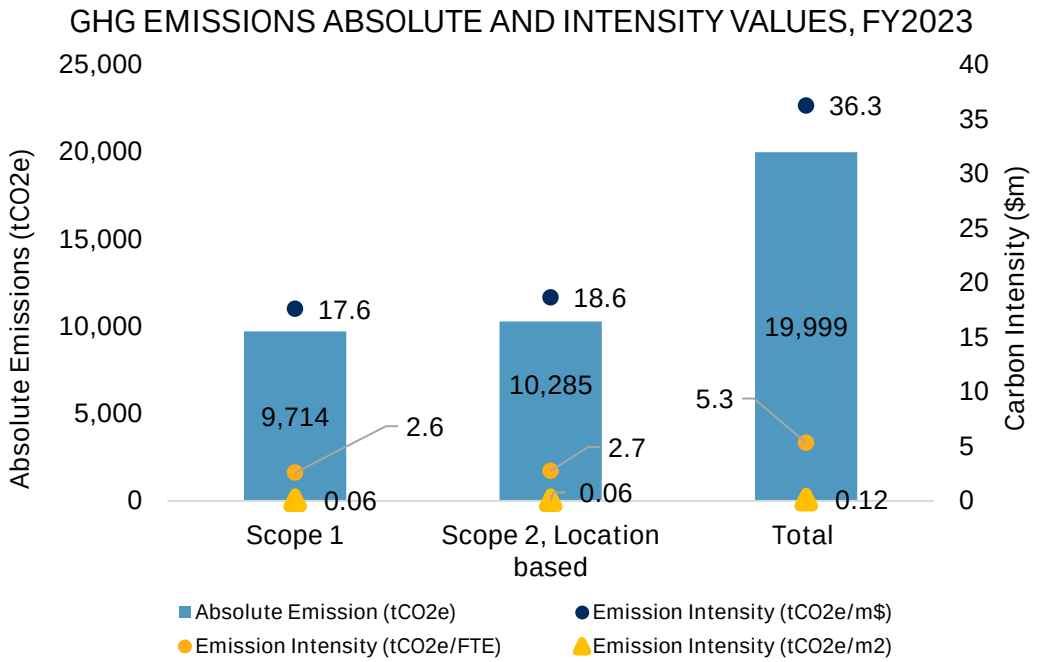


Environmental Impact

Greenhouse Gas Emissions

Sustainable1 reviewed Core Lab's environmental data for FY2023 and the table below summarizes the key environmental impacts. These impacts are described in absolute terms and in intensity terms by revenue (551.52 mUSD) and by employees (3,759). The intensities of GHG emissions, normalized by revenue and total employees, were 36.3 tCO_2e/mUSD and 5.3 tCO_2e/employee, respectively.

SCOPE	Emissions (tCO_2e)	Contribution %	tCO_2e per revenue (mUSD)	tCO_2e per employee
Scope 1	9,714	49%	17.6	2.6
Scope 2 – Location Based	10,285	51%	18.6	2.7
Total (Location Based)	19,999	100%	36.3	5.3



Direct (Scope 1) GHG Emissions

Direct emissions are GHG emissions from organizational operations (or Scope 1) are generally derived from natural gas and diesel for heating and backup generation, owned transportation and refrigeration processes. For Core Lab, we received data for backup generation and owned transportation. Core Lab's Scope 1 emissions during FY2023 were 9,714 tCO_2e.

Indirect (Scope 2) GHG Emissions

The second component of Core Lab's GHG emissions relates to indirect (or Scope 2) emissions from the consumption of purchased electricity. Core Lab's Scope 2 emissions (location based) during FY2023 were 10,285 tCO_2e.

Operational Footprint:
Water and Waste

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Operational Water Footprint

Water Use

Sustainble1 reviewed the data received from Core Lab on water procured for its operations. Core Lab's aggregated water consumption for FY 2023 is 135,258 m^3, which is comprised of abstracted and supplied water sources.

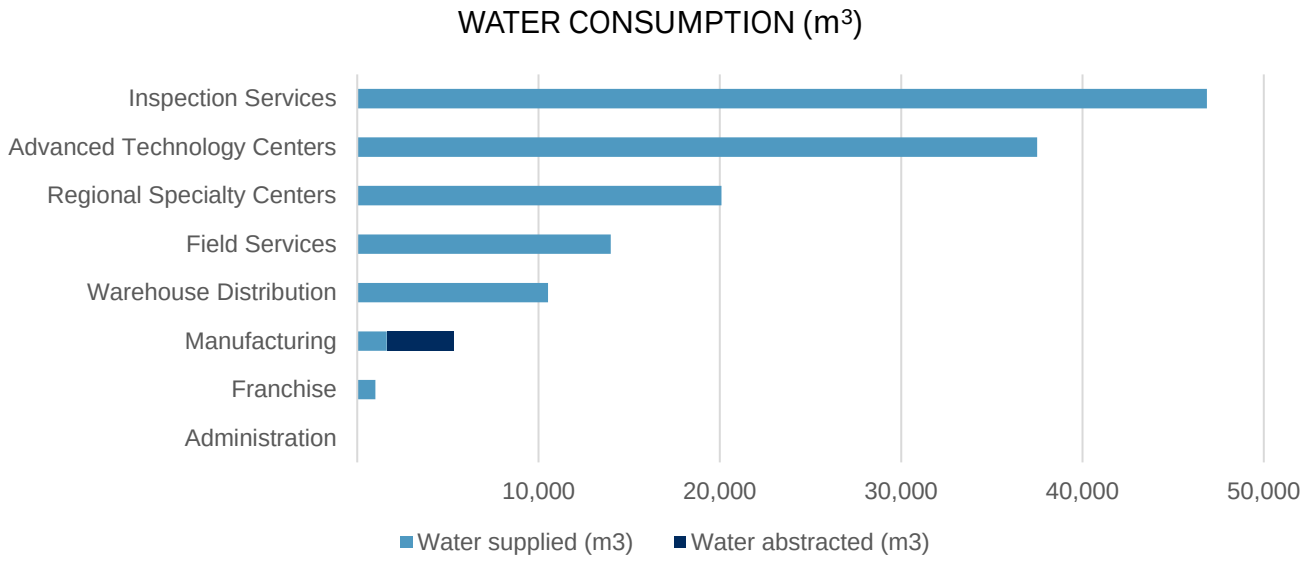
The table below highlights the absolute water use for FY 2023. The water intensity of Core Lab per mUSD of revenue generated is 245.2 m^3 of water. Water use per employee is 36.0 m^3.

ABSOLUTE WATER USE, FY2023

Nature of Supply	Water Consumption (m^3)	Contribution (%)	Intensity m^3/mUSD	Intensity m^3/Employee
Water supplied	131,582	97%	238.6	35.0
Water abstracted	3,677	3%	6.7	1.0
Total	135,258	100%	245.2	36.0

WATER CONSUMPTION BY DIVISION, FY2023

	Water supplied (m^3)	Water abstracted (m^3)
Inspection Services	46,865	0
Advanced Technology Centers	37,498	0
Regional Specialty Centers	20,092	0
Field Services	13,981	0
Warehouse Distribution	10,520	0
Manufacturing	1,626	3,677
Franchise	1,000	0
Administration	0	0
Total	131,582	3,677



Waste Footprint

Waste Generated and Disposal Expenditures

Absolute non-hazardous waste generated in FY2023 was 24,069 tonnes. Absolute non-hazardous waste was 66 tonnes. Almost all (99%) of this waste was disposed of through incineration at Core Lab's Estonian sites.

TOTAL WASTE GENERATED BY TYPE OF WASTE , FY2023

Waste	Tonnes of waste	Waste Intensity (tonnes/m$)	Waste Intensity (tonnes/FTE)
Total Non-Hazardous Waste	24,069	43.64	6.40
Total Hazardous Waste	66	0.12	0.02
Total	24,134	43.76	6.42

TOTAL WASTE GENERATED BY DISPOSAL ROUTE, FY2023

Disposal Route	Total Hazardous Waste	Total Non-Hazardous Waste	Waste Intensity (tonnes/m$)	Waste Intensity (tonnes/FTE)
Landfill	0	29	0.05	0.01
Combustion with energy recovery	23	10	0.06	0.01
Recycled	42	22	0.12	0.02
Incinerate	1	24,008	43.53	6.39
Total	66	24,069	43.76	6.42

Total Value Chain Emissions

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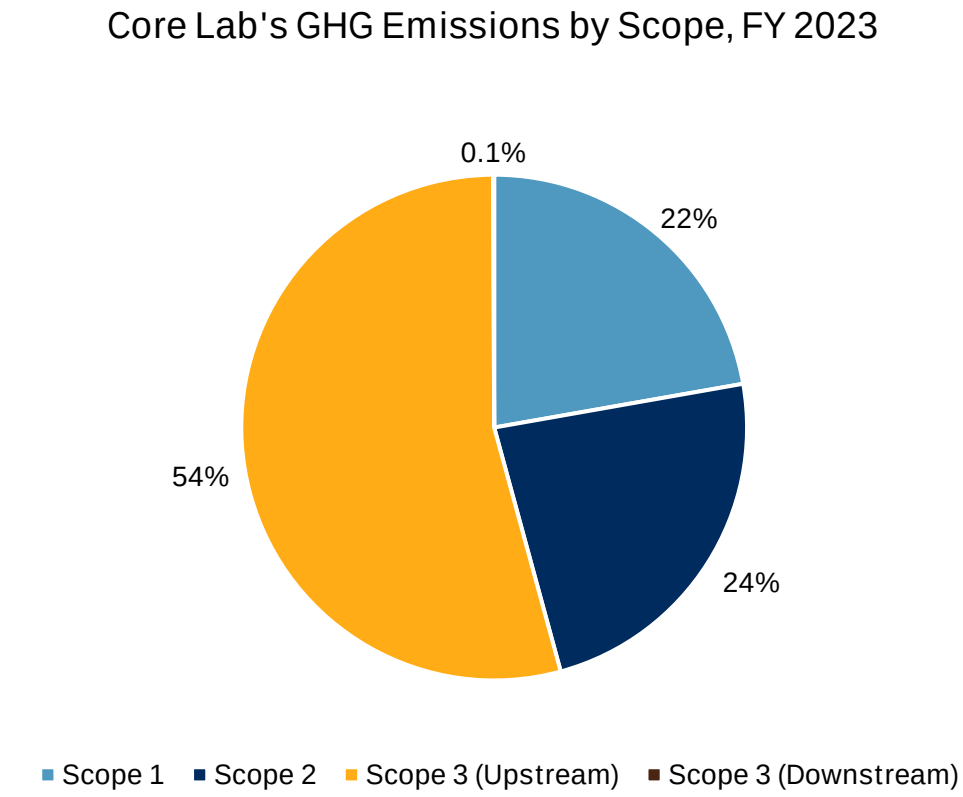
Core Lab's total GHG emissions were 43,702 tCO_2e in FY2023. Scope 3 is the largest contributor to the GHG footprint, accounting for 58% of total emissions. The table below displays the split among Scope 1, Scope 2 (location-based approach) and Scope 3 (value chain emissions). All Scope 1, 2 and 3 emissions were calculated by Sustainable1 from the data provided by Core Lab.

EMISSION SCOPE	FY 2023 TOTAL GHG (tCO2e)	CONTRIBUTION (%)
Scope 1	9,714	22%
Scope 2	10,285	24%
Scope 3 (Upstream)	23,673	54%
Scope 3 (Downstream)	30	0.1%
Total	43,702	100%



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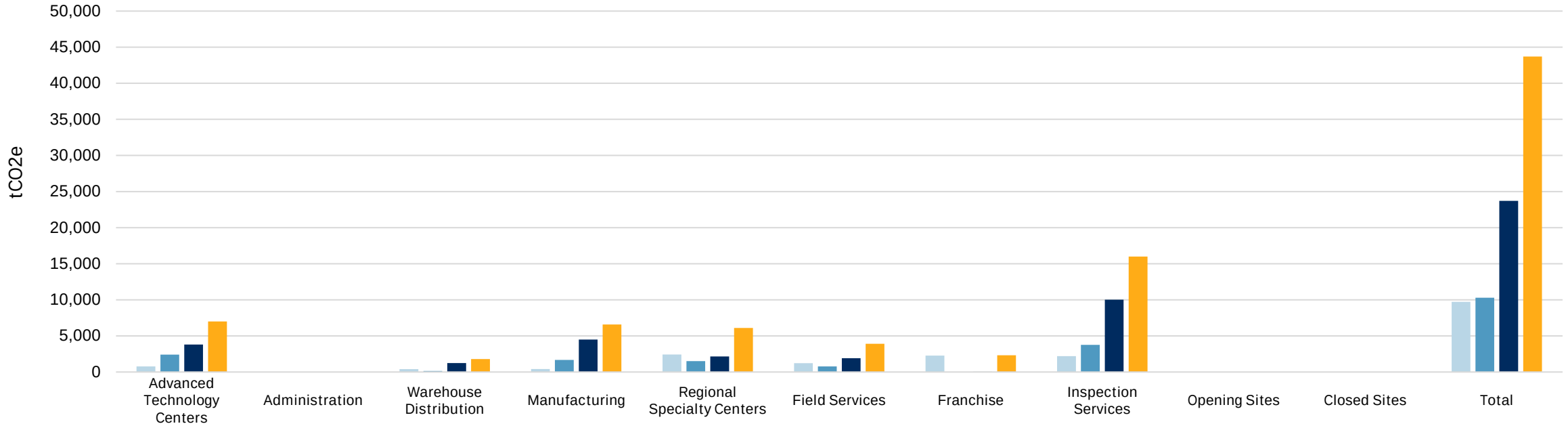
Value Chain Footprint

GHG Emissions by Division

The largest contribution to Core Lab's total GHG emissions in FY2023 came from Inspection Services with 37% of the company share, followed by Advanced Technology Centers with 16%, Manufacturing with 15%, and Regional Specialty Centers with 14%. The Administration division, as well as Opening and Closed sites had contributions less than 1%, whereas the contribution from Warehouse Distribution, Franchise, and Field Services remained below 10% each.

GHG Emissions By Division, FY 2023



	Advanced Technology Centers	Administration	Warehouse Distribution	Manufacturing	Regional Specialty Centers	Field Services	Franchise	Inspection Services	Opening Sites	Closed Sites	Total
Scope 1	778	0	406	412	2,419	1,220	2,273	2,207	0	0	9,714
Scope 2	2,409	0	141	1,670	1,516	774	9	3,765	0	0	10,285
Scope 3	3,810	4	1,244	4,502	2,161	1,911	40	10,020	0.1	12	23,703
Total	6,997	4	1,790	6,583	6,096	3,906	2,321	15,992	0.1	12	43,702

Value Chain Emissions by Category

Sustainable1

	VALUE CHAIN (SCOPE 3) CATEGORY	FY2023 TOTAL GHG (tCO_2e)	FY2023 SCOPE 3 GHG SHARE (%)	EVALUATION STATUS[1]
UPSTREAM	1) Purchased goods and services	5,452	23%	Relevant, calculated
	2) Capital goods	650	3%	Relevant, calculated
	3) Fuel- and energy-related activities	4,270	18%	Relevant, calculated
	4) Upstream transportation and distribution	3,010	13%	Relevant, calculated
	5) Waste generated in operations	791	3%	Relevant, calculated
	6) Business travel	1,936	8%	Relevant, calculated
	7) Employee commuting	6,720	28%	Relevant, calculated
	8) Upstream leased assets	844	4%	Relevant, calculated
DOWNSTREAM	9) Downstream transportation and distribution	-	0%	Not calculated
	10) Processing of sold products	-	0%	Not calculated
	11) Use of sold products	20	0.08%	Not relevant, calculated
	12) End-of-life treatment of sold products	10	0.04%	Not relevant, calculated
	13) Downstream leased assets	-	0%	Not calculated
	14) Franchises	-	0%	Not calculated
	15) Investments	-	0%	Not calculated
	Total	23,703	100%	

[1] The materiality threshold is set at 1% of scope 3 emissions.

Overall Value Chain Results

Total GHG Emissions

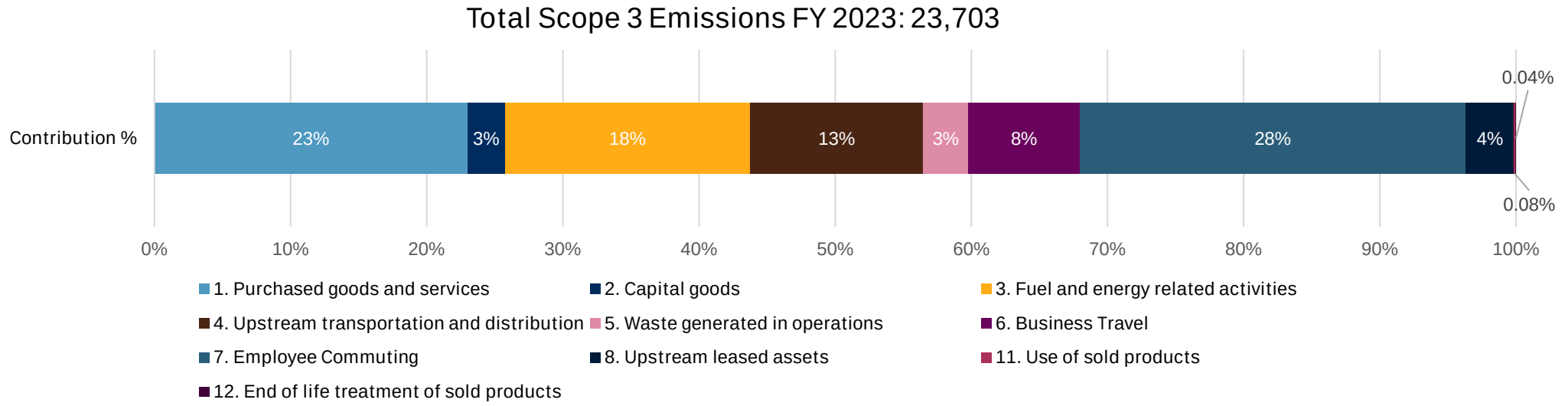
- The total Emissions from Core Lab's value chain are 23,703 tCO_2e. Almost all the calculated emissions come from its upstream value chain, with the remaining coming from downstream activities.

Upstream GHG Emissions

- Emissions from Employee Commuting (Category 7), followed by Purchased Goods and Services (Category 1) and Fuel and Energy related activities (Category 3) are the biggest contributors to Core Lab's upstream value chain, with their combined share accounting for 64% of the total Scope 3 emissions.

Downstream GHG Emissions

- Two downstream categories were calculated in Core Lab's FY2023 GHG analysis – Use of Sold Products (Category 11) and End of life treatment of sold products (Category 12). Together these account for less than 1% of the scope 3 footprint.



Value Chain Footprint by Category

Upstream Value Chain Results: Categories 1and 2

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Data sources

Sustainable1 received data from Core Lab's purchase ledger for FY2023. Key data points provided include supplier names, category of purchase and spend amount.

Methodology

Sustainable1 used Core Lab's supplier spend data and supplier disclosed emissions data from Trucost Environmental Register where available. If supplier data was not available, sector-specific emission factors (tCO_2e/mUSD) from the Trucost EEI-O model was applied, to calculate the supply chain GHG emissions through all tiers up to and including raw material extraction.

Parameter	No. of suppliers	Expenditure (mUSD)
Non-negative expenses provided by Core Lab	6,467	74
Data analysed by Sustainable1	6,206	70
Percentage analysed	96%	94%

Final Activity Data

Sustainable1 has quantified the GHG scope 3 categories: Category 1, Purchased goods and services, and Category 2, Capital goods. This has been done by analyzing Core Lab's expenditures on 6,206 suppliers accounting for $70 mUSD of spend, or 94% of total spend for that period (after eliminating tax spending, financial transactions, personal expenses, and items for Scope 3 categories 3-15, and negative expenditures).

Exclusions

Sustainable1 excluded the following data in accordance with our standard practice and the Greenhouse Gas Protocol:

- All credits/negative spend lines and spend lines with zero or negative value
- Spend related to Scope 3 categories other than Purchased Goods and Services and Capital goods
- All other spend not related to Purchase goods and services and Capital goods such as taxes, fees or employee salary and benefits

Scope 3 Categories 1 and 2 – Expenditure and GHG

Total Purchased Goods and Services and Capital Goods Emissions: 6,102 tCO_2e

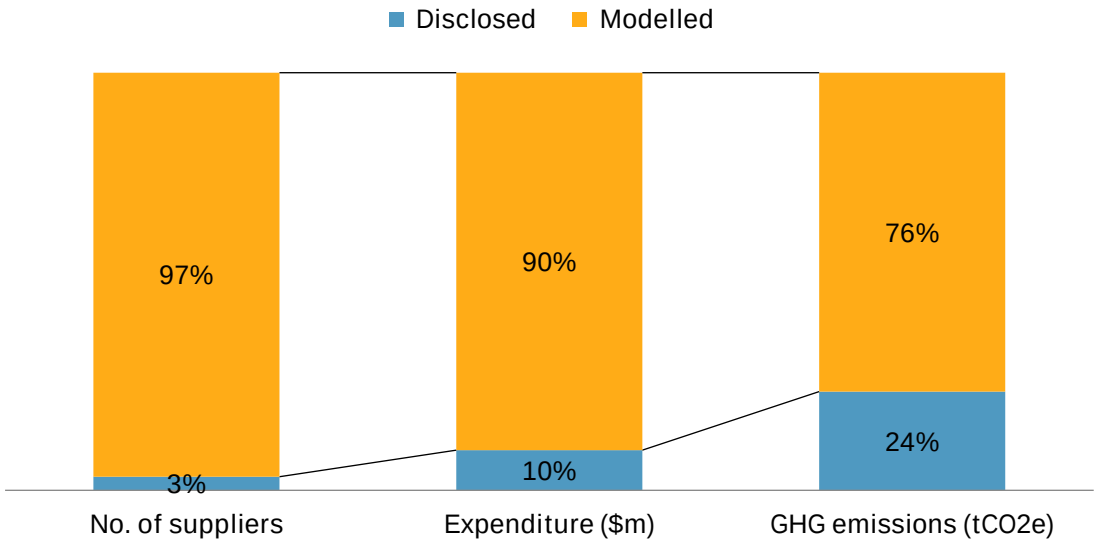
Emissions in this category are associated with the production of products and capital goods purchased by the company.

Total GHG emissions from Category 1, Purchased Goods and Services, and Category 2, Capital goods, are 6,102 tCO_2e, accounting for 27% of total Scope 3 emissions. The average intensity of Core Lab's supply chain is 87 tCO_2e/mUSD of spend.

Currently, 204 of the 6,206 suppliers analyzed disclose Scope 1 emissions. This accounts for 3% of all suppliers. However, these suppliers account for 24% of supplier Scope 1 emissions and 10% of supply chain spend.

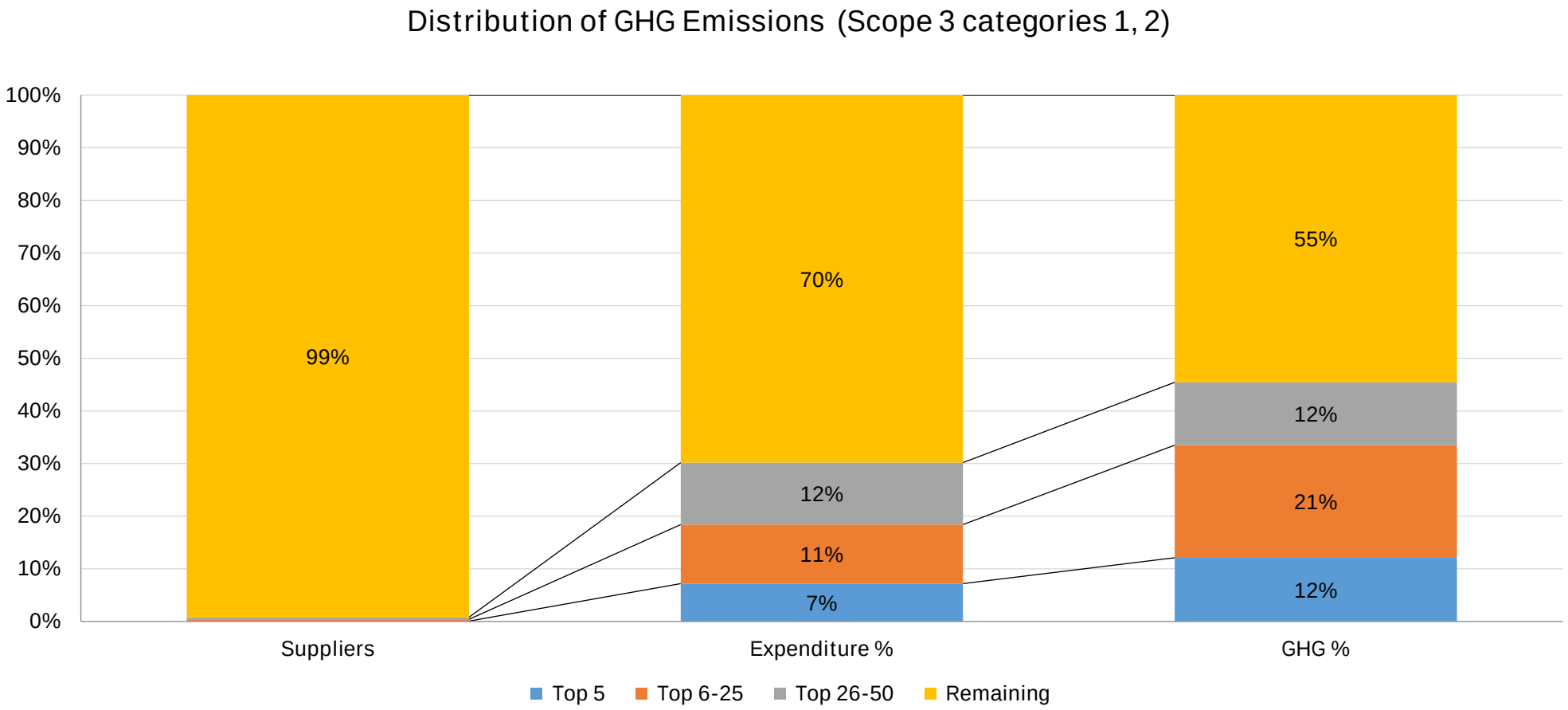
Scope 3 Categories 1 and 2 Summary

Suppliers Analyzed	Total GHG Footprint (tCO_2e)	Average GHG Intensity (tCO_2e/mUSD)
6,206	6,102	87
Data Source	**Number of Suppliers**	**GHG Emissions (tCO_2e)**
Supplier disclosed data	204	1,443
Sustainable1 modeled data	6,002	4,658



Scope 3 Categories 1 and 2 – Expenditure and GHG

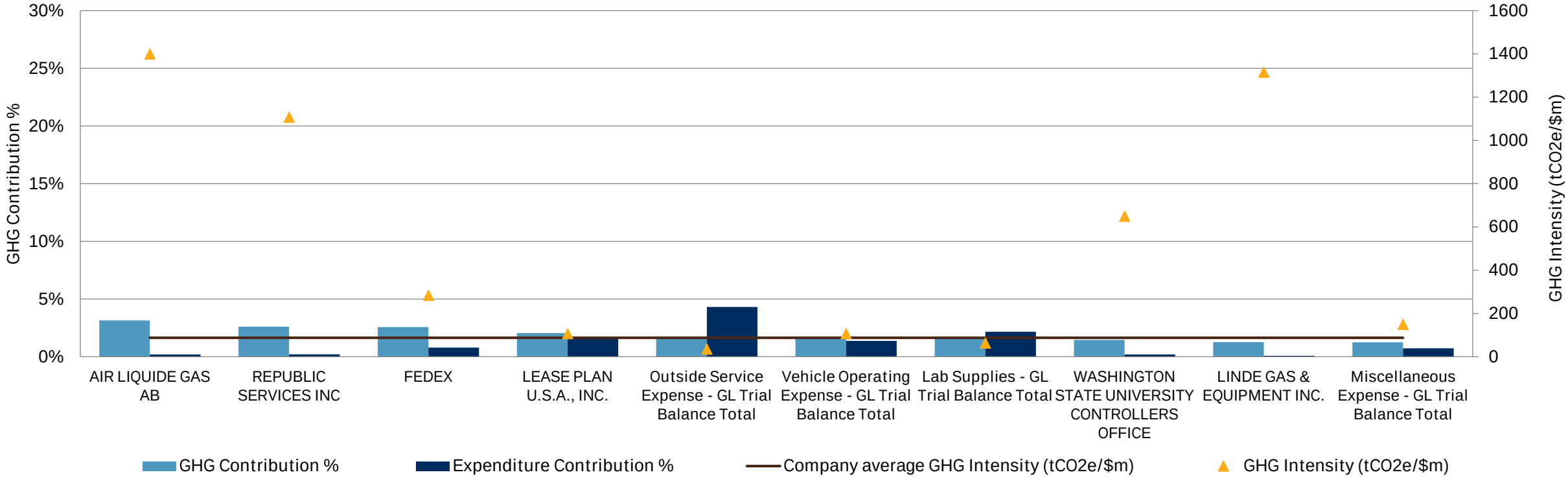
As per the graph below, the top 5 suppliers account for 7% of upstream suppliers' GHG emissions. The top 50 suppliers with the greatest GHG contribution represent 45% of the total upstream supplier emissions. While Core Lab has a diverse supplier set, there is potential to enact impactful management strategies by engaging with a small percentage of top suppliers.



Scope 3 Categories 1 and 2 – Emissions by Key Suppliers

- The top 10 suppliers which contribute the highest emissions account for 19% of Core Lab's total supply chain emissions and 12% of Core Lab's supply chain spend. The suppliers with the highest contribution are AIR LIQUIDE GAS AB, REPUBLIX SERVICES INC, AND FEDEX.
- Seven of the top 10 suppliers have intensities above the overall supply chain average of 85 tCO_2e/mUSD of spend. AIR LIQUIDE GAS AB. has the highest intensity of the top 10 at 1,399 tCO_2e/mUSD of spend.

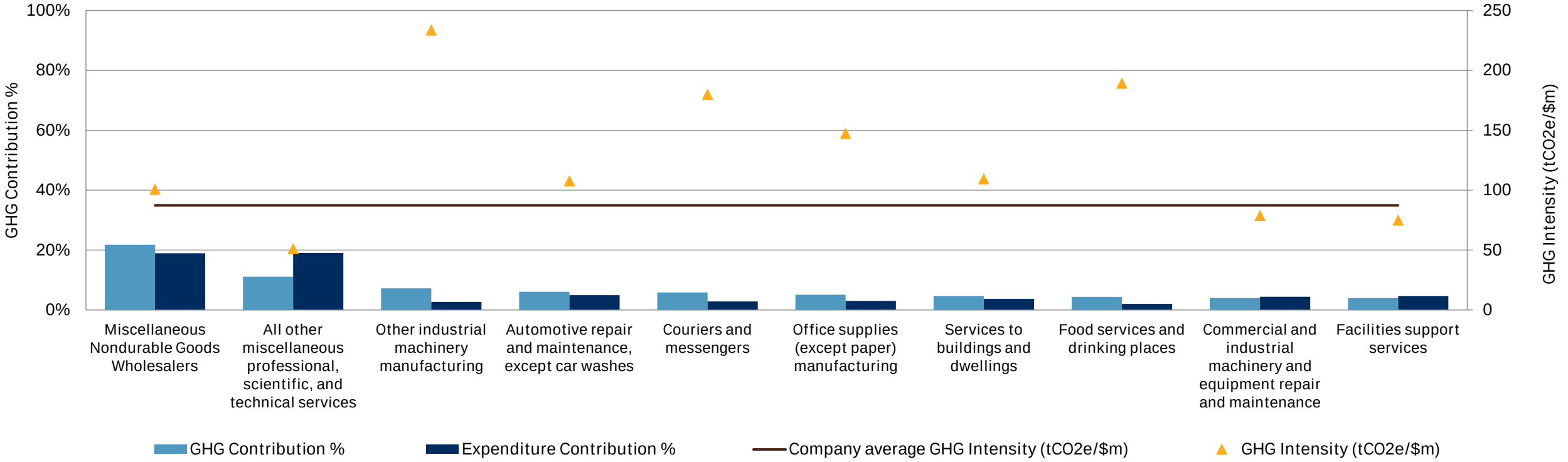
Top ten suppliers, by contribution to the GHG footprint (Scope 3 Categories 1 and 2)



Scope 3 Categories 1 and 2 – Emissions by Key Sectors

- Sustainable1 found that suppliers from the top 10 sectors contribute to approximately 74% of supply chain emissions.
- The sector Miscellaneous Nondurable Goods Wholesalers is the largest contributor in terms of GHG footprint. This sector contributes to 22% of upstream suppliers GHG emissions.
- Seven of the top 10 sectors have intensities above the overall supply chain average of 85 tCO_2e/mUSD of spend.

Top ten sectors, by contribution to the GHG footprint (Scope 3 Categories 1 and 2)



Scope 3 Category 3 – Fuel and Energy Related Activities

Sustainable1

Total fuel and energy related activities emissions: 4,270 tCO_2e

Data sources

Sustainable1 received data from Core Lab including actual fuel and electricity consumption by location.

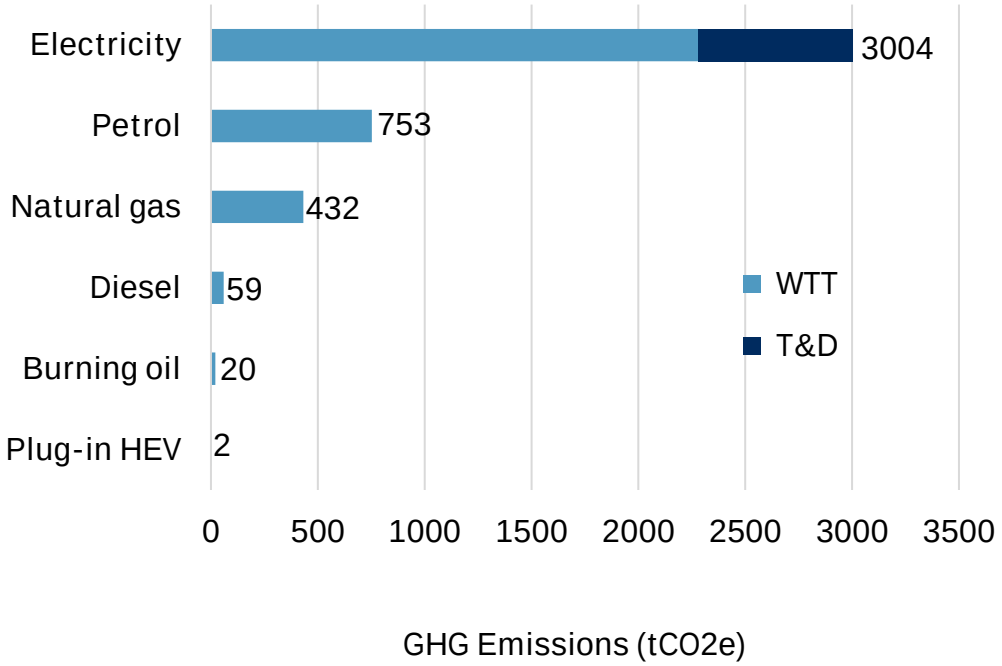
Methodology

Sustainable1 used Core Lab energy consumption and applied location specific Defra emission factors to calculate transmission & distribution (T&D)[1] and well-to-tank (WTT)[2] emissions.

Final Activity Data

Sustainable1 has quantified the GHG emissions of Scope 3 Category 3, Fuel and Energy Related Activities. The chart to the right displays the emissions for each energy type. Energy sources included electricity, petrol, natural gas, diesel, diesel, burning oil, and plug-in hybrid electric vehicles. Electricity consumption accounts for 60% of total emissions, followed by petrol at 24%, natural gas at 14% and diesel at 4%. The remaining sources contribute to less than 5% combined.

Emissions for fuel and energy related activities, by type of fuel



[1] Transmission and distribution (T&D) factors are used to account for emissions associated with grid losses (the energy loss that occurs in getting the electricity from the power plant to the organizations that purchase it).
[2] Well-to-tank (WTT) fuels conversion factors are used to account for emissions associated with extraction, refining and transportation of the raw fuel sources prior to combustion or electricity generation.

Scope 3 Category 4 - Upstream Transportation and Distribution

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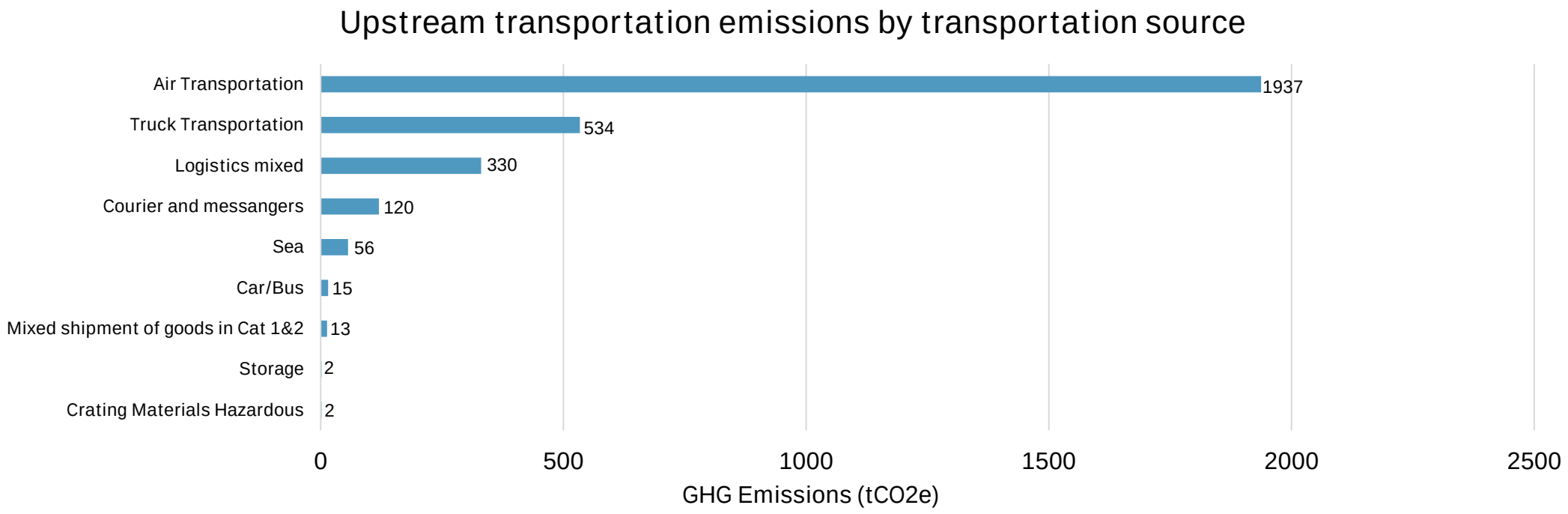
Total upstream transportation and distribution emissions: 3,010 tCO_2e

- Total expenditure were provided by . Sustainable1 estimated the associated emissions using expenditure data and the EEI-O transportation model, largest of which is Mixed Transportation.



Scope 3 Category 5 – Waste Generated in Operations

Total Waste related emissions: 791 tCO_2e

Data sources

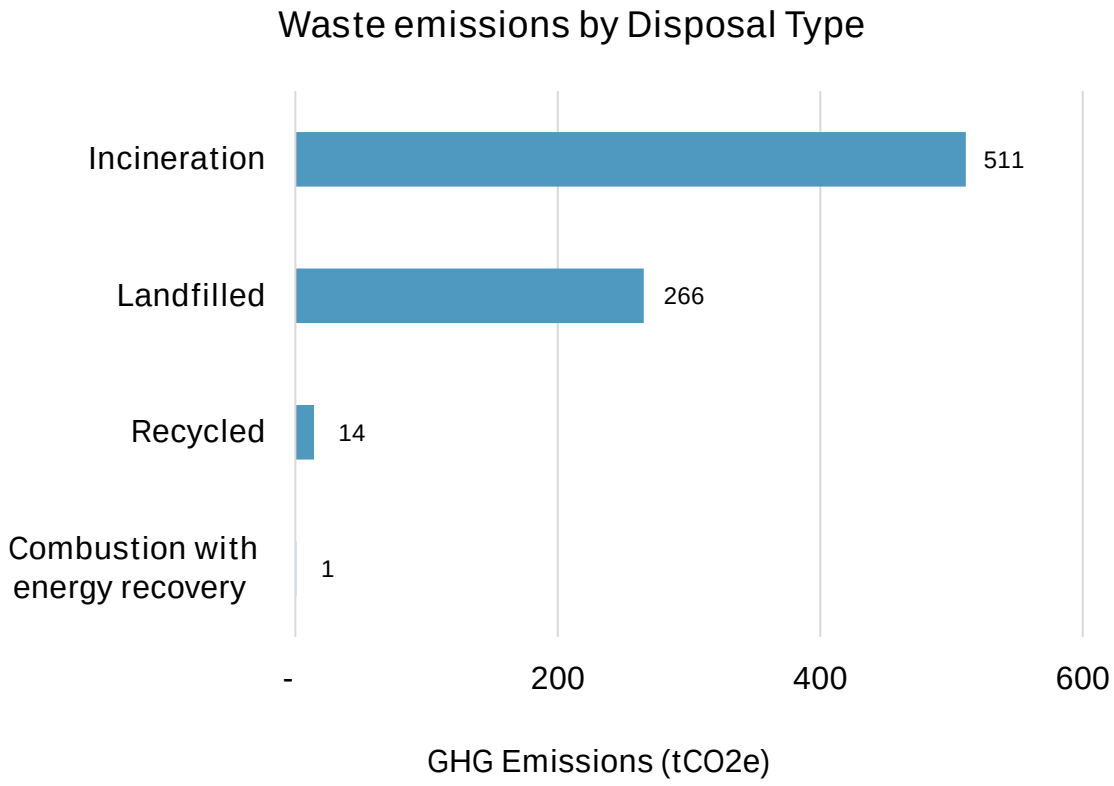
Sustainable1 received waste quantities by disposal route and waste type from Core Lab.

Methodology

Sustainable1 used Core Lab waste data and applied the appropriate or best match among the Defra emission factor based on waste type and disposal route.

Final Activity Data

The chart to the right displays the emissions for each disposal route. More than 70% all of the emissions came from the incineration of waste, with most of the remaining share coming landfill, and recycling.



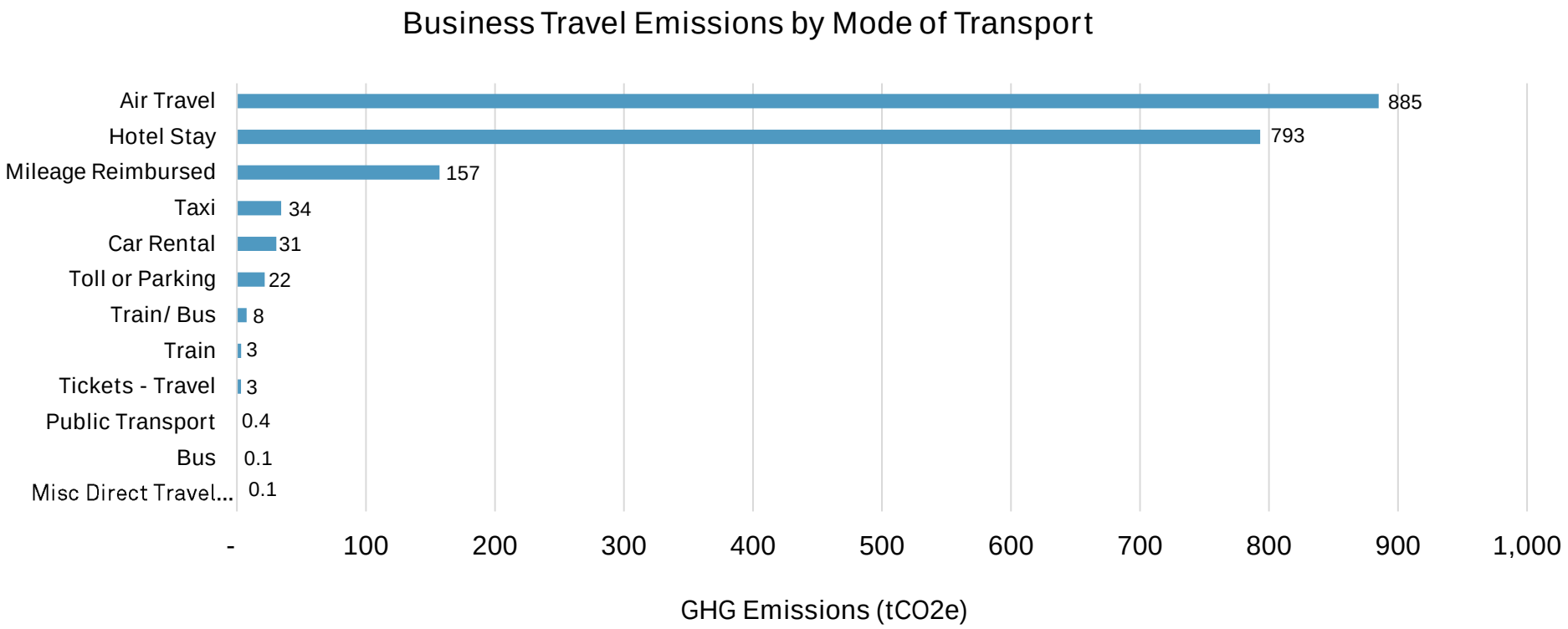
Scope 3 Category 6 – Business Travel

Sustainable1

Total Business Travel emissions: 1,936 tCO_2e

- Emissions from business travel were calculated based on business travel data from Core Lab. The majority of emissions came from air travel during FY2023, contributing to 69% of the total.

- Emissions from hotels and rental vehicles, including mileage reimbursed, represent another 28% combined, with the remaining amount associated to taxi, train/bus and other public transport.



S&P Global

Scope 3 Category 7 – Employee Commuting and WFH

Sustainable1

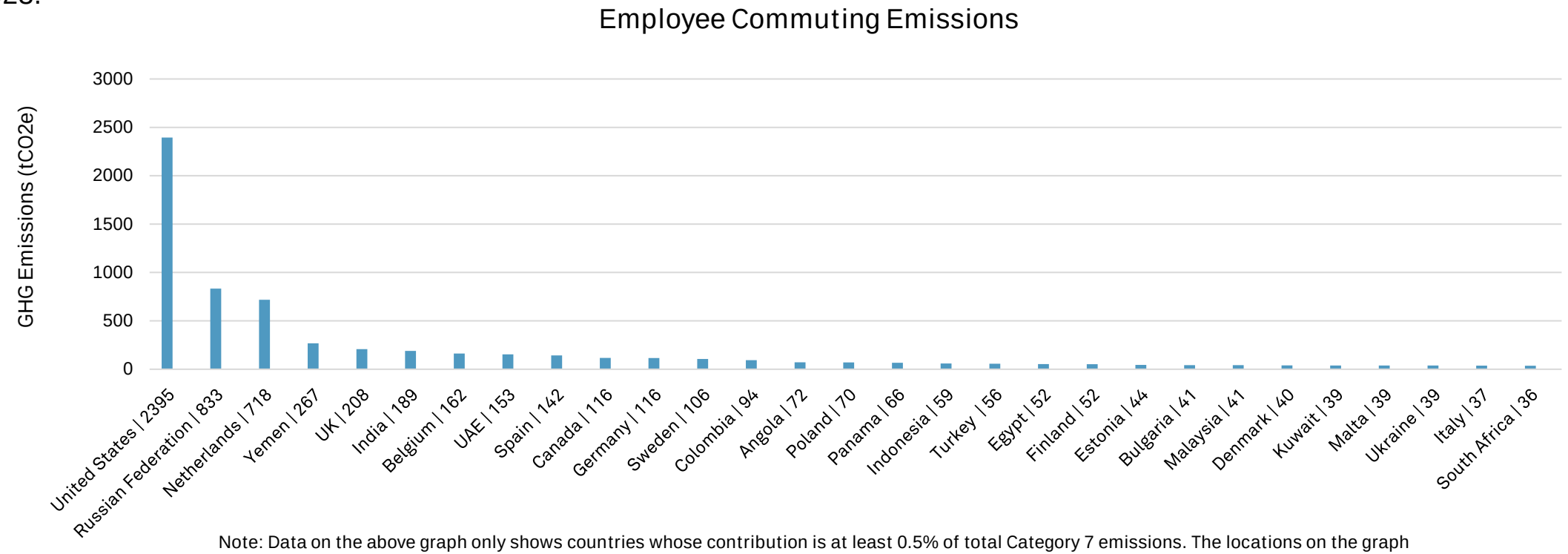
Total Employee Commuting and WFH-Related Emissions: 6,720 tCO_2e

Data sources

Sustainable1 received total headcount (regular and contract employees) from sites in 55 countries.

Methodology

Sustainable1 used Core Lab headcount data, combined with OECD working hours, country level average commuting time, country level transportation mode split survey data, and DEFRA factors by mode of transportation. Core Lab has no employees working from home in FY 2023.



Note: Data on the above graph only shows countries whose contribution is at least 0.5% of total Category 7 emissions. The locations on the graph account for 93% of total Category 7 emissions, the remaining locations included in the analysis account for 7% of category 7 emissions. The horizontal axis shows emissions by country in the format [country name | emissions in tCO_2e]

Scope 3 Category 8 – Upstream Leased Assets

Sustainable1

Total Upstream Leased Assets emissions: 844 tCO_2e

Data sources

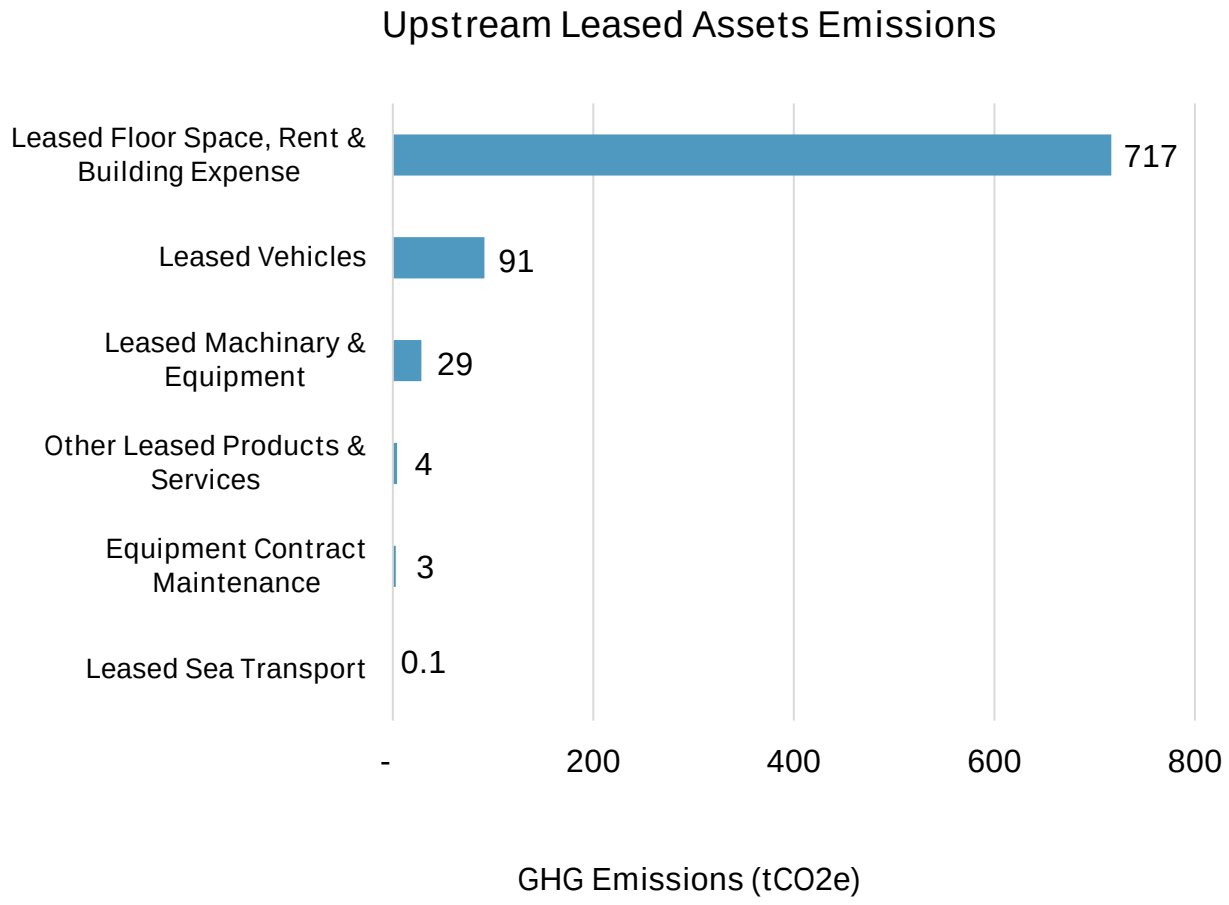
Sustainable1 received building type data and square footage or annual expenditure from Core Lab for all upstream leased buildings not included in Scope 1 and 2. In addition, Core Lab provided annual expenditure for their equipment contract maintenance and expenditure or fuel consumption for leased vehicles.

Methodology

Sustainable1 applied average Scope 1 intensity (tCO2e/sq ft) and Scope 2 intensity (kWh/sq ft) by building type. The scope 2 intensity was combined with IEA emission factors to determine the final Scope 2 emissions of upstream leased assets.

For assets where only expenditure data was provided, emissions were estimated from the EEI-O model.

Defra emission factors by fuel type was applied to fuel consumption for leased vehicles.



Scope 3 Category 11 – Use of Sold Products

Total Use of Sold Products Emissions: 20 tCO_2e

Data sources

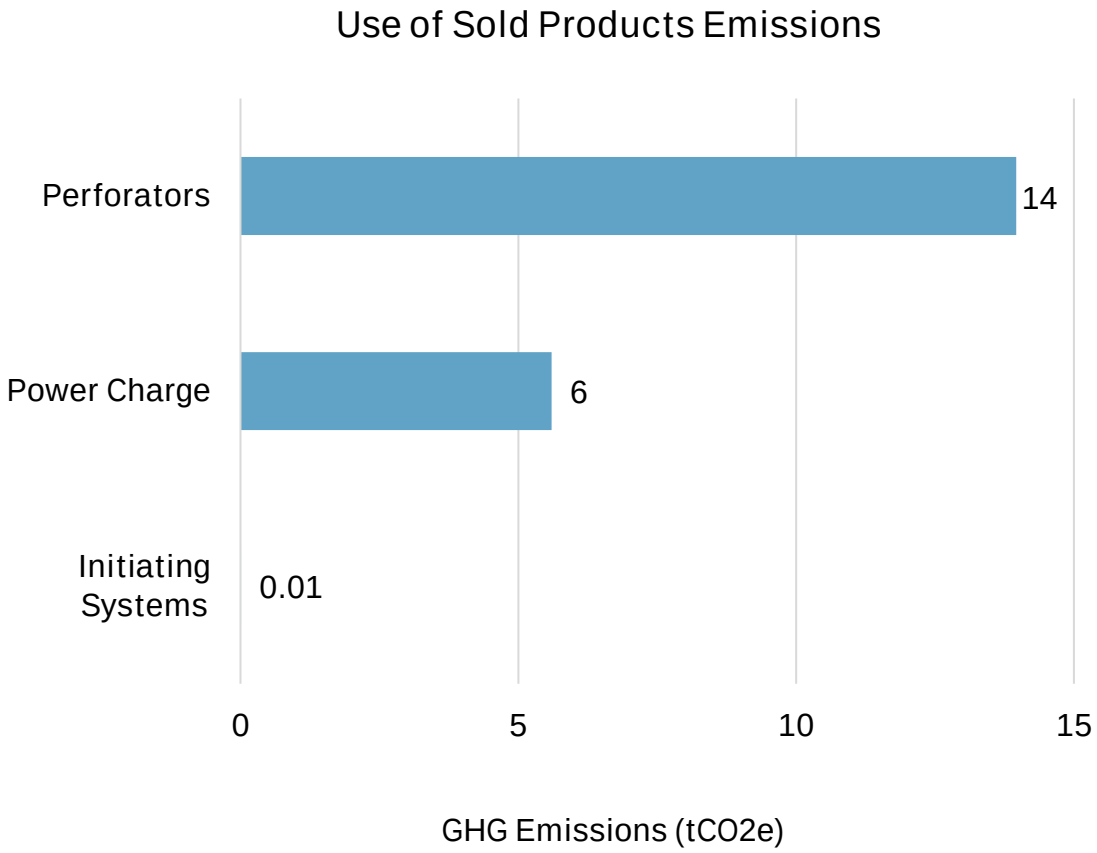
Core Lab provided product specification, quantity and total expenditure for all products.

Methodology

Sustainable1 calculated emissions based on estimated use and type of explosive.

Final Activity Data

Overall emissions from all products is minimal, with perforators accounting for about 70% of total emissions.



Scope 3 Category 12 – End of Life Treatment of Sold Products

Total Product Disposal emissions: 10 tCO_2e

Data sources

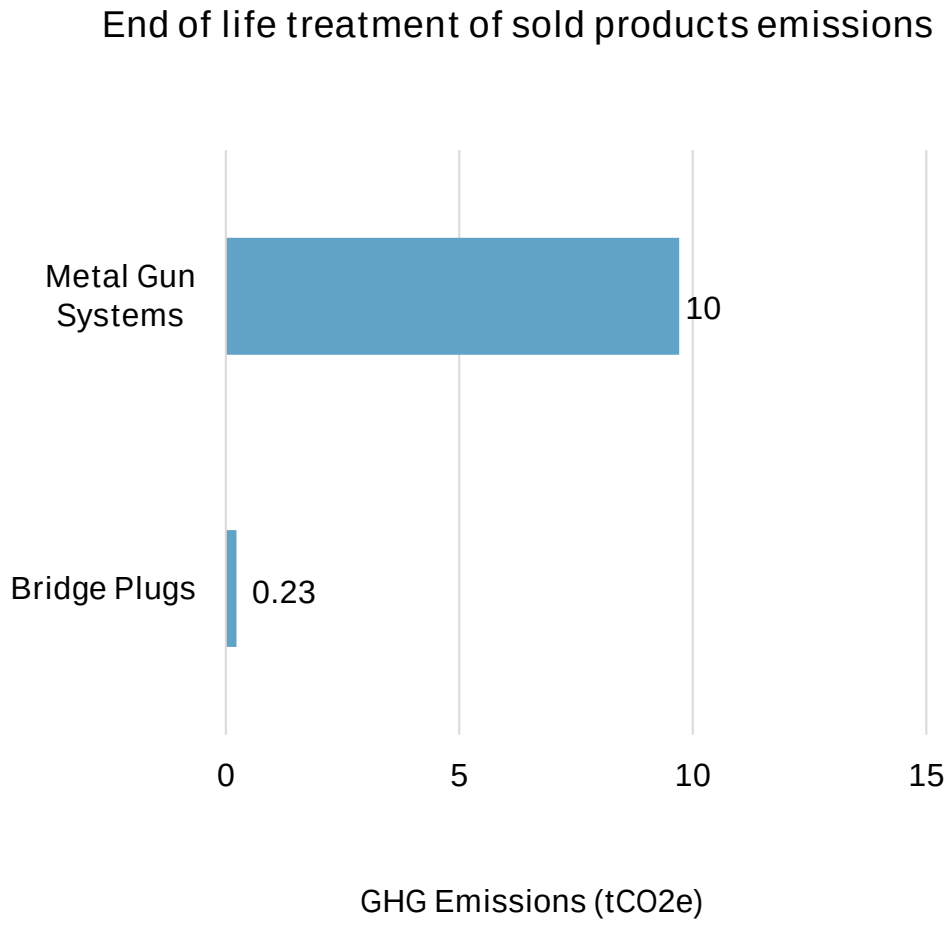
Core Lab provided product specification, quantity and total expenditure for Metal Gun Systems and Bridge Plugs. For all other products Core Lab provided weight of materials and disposal route.

Methodology

Sustainable1 calculated emissions based on disposal route and waste type.

Final Activity Data

The majority of emissions, or 90%, came from the disposal of cardboard boxes, followed by the disposal of wood at 9% and minimal quantities from the disposal of steel tubes and bridge plugs.



Industry Best Practices

Future Reporting and Disclosure Considerations

Sustainable1

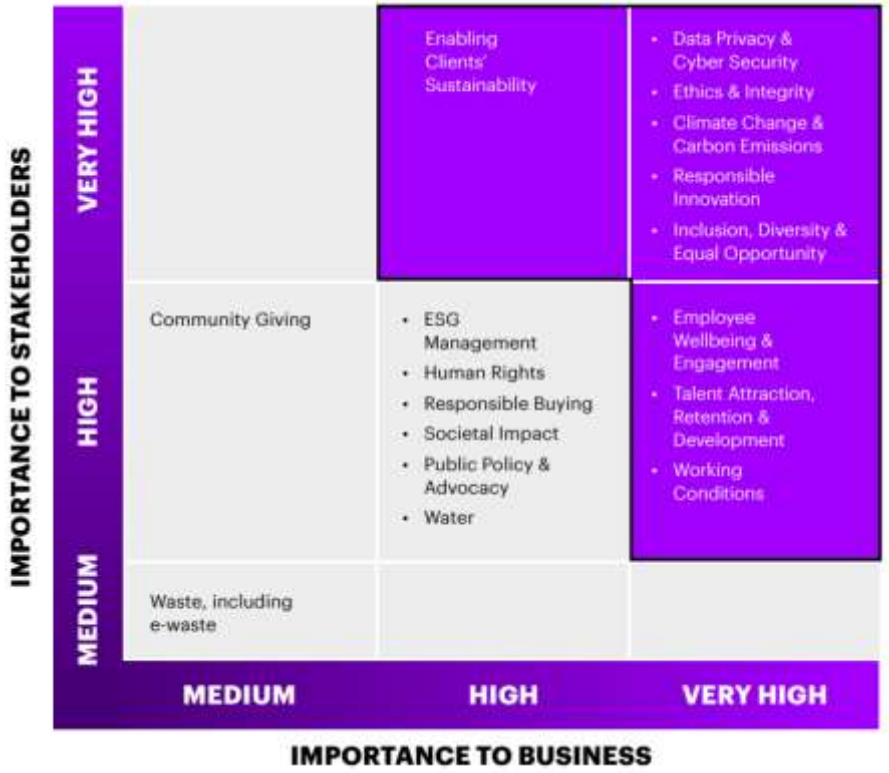
Best practice considerations for setting base for environmental reporting

ESG Report

Reporting ESG performance data in the public domain helps a reporting entity convey its alignment with climate change adaptation and mitigation. It also enables reporting entities to connect with like-minded organizations for collaborative partnerships and foster synergy.

1. Identify Material Aspects

Material aspects are topics that are critical for an organization and its stakeholders (employees, community, government, media). Identifying and reporting on material aspects strengthens an organization's social license to operate.



Accenture Corporate Citizenship Report 2019

2. Create Vision & Policy

After determining material aspects, a reporting entity creates a vision for the future and develops policies on the material aspects that clarifies its position and approach towards creating value under each material aspect.

Future Reporting and Disclosure Considerations

Sustainable1

Best practice considerations for data backed reporting and decision making

Data

A number of quantification approaches are used to assess GHG inventory for an organization. Approaches leveraging on primary data (e.g. fuel and energy consumption, waste disposal tonnage by category and disposal route) are considered to generate emissions data of higher quality compared to methodologies that use secondary data (e.g. spend on upstream transportation or headcount per country to estimate emissions from commuting). To improve the data quality of the inventory, a reporting entity should focus on collecting primary data from all its business sites, suppliers, and other partners.

Data Owners

Assigning data owners at a site level enables easy collection of data at periodic intervals. Consistent data owners are well-versed with the methodology/SOPs and help address any anomaly in data collection right at the source.

Itemized bill

The reporting entity should request its supply chain partners such as lessors of sites, recycling partners, and building management to provide itemized bill instead of an aggregate bill.

Data Assurance

Assurance/internal audit of ESG data builds credibility and accuracy of the reported environmental indicators.

Supplier Engagement

The reporting entity may engage with its suppliers to encourage them to disclose their emissions and implement programs to reduce GHG emissions.

Environmental Indicators

The reporting entity may extend the scope of its reporting to other environmental indicators such as water, waste and biodiversity.

Future Reporting and Disclosure Considerations

Sustainable1

Best practice considerations for managing scope 1 and 2 emissions

Managing Scope 1,2 Emissions

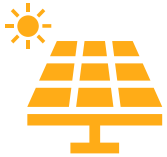
Scope 1 and Scope 2 emissions are in direct control of the reporting entity as the emissions are generated within the its own offices/sites. Some of the best practices adopted by organizations around the world are detailed below:

Fuel Use

- ✓ Implementing an Energy Management System
- ✓ Electricity based heating system instead of Natural Gas based system
- ✓ Periodic maintenance of the HVAC System
- ✓ Comprehensive Insulation (glass wool, double/triple glazed windows)
- ✓ Review use of refrigerant

Electricity Use

- ✓ LED lighting
- ✓ Occupancy sensor-based lighting
- ✓ Centrally controlled heating/cooling
- ✓ Ventilation management
- ✓ ENERGY STAR-certified equipment
- ✓ Programmable thermostats
- ✓ Lease office space in a Green certified building



Renewable Energy

- ✓ Procurement of solar/wind-based energy
- ✓ Procurement of power from low emission suppliers
- ✓ Installation of solar panels on rooftop

Behavioral Change

- ✓ Employee sensitization on responsible use of resources and energy

Future Reporting and Disclosure Considerations

Sustainable1

Best practice considerations for managing Scope 3 emissions

Managing Scope 3 Emissions

An organization has relatively lower control over Scope 3 emissions. Some of the best practices adopted by organizations around the world are detailed below:

Scope 3 Category	Contribution (%)	Best Practices
Employee Commuting	28%	✓ Regular employee survey to collect data on mode of transport and distance travelled to office ✓ Generate employee travel reports in accordance with the overall working days ✓ Utilization of Public transport
Purchased Goods and Services and Capital Goods	23%	✓ Procurement from suppliers with lower emission profile ✓ Encourage suppliers to disclose environmental performance
Fuel and Energy related Services	18%	✓ Source Renewable Energy ✓ Procurement of electricity from suppliers with lower emission factor
Upstream Transportation	13%	✓ Use of electric vehicles ✓ Request suppliers and customers to share distance travelled and mode of transport, and track weight of shipment
Business Travel	8%	✓ Choose the most carbon efficient route when possible (avoid stopovers, fly economy, buy into sustainable aviation services when possible) ✓ Look for environmentally certified travel organizations or services ✓ Avoid travel when possible

Appendices

Appendix I – Primary information provided by Core Lab for emission calculations by company division
Appendix II – Scope 1 & 2 Glossary
Appendix III – Scope 3 Methodology

Appendix I

Primary information provided by Core Lab for emission calculations by company division

Scope 1

Sustainable1

	Operational Fuel				
	Burning Oil	Diesel	Natural gas		Petrol
Facility Type	litres	litres	m3	kWh	litres
Advanced Technology Centers	0.00	0.00	0.00	2,067,077.79	0.00
Administration	0.00	0.00	0.00	0.00	0.00
Warehouse Distribution	4,290.00	0.00	11,737.33	934,578.77	0.00
Manufacturing	0.00	0.00	0.00	1,415,417.24	0.00
Regional Specialty Centers	0.00	0.00	0.00	5,376,364.01	39,440.00
Field Services	2,800.00	0.00	71,572.59	3,071,325.12	0.00
Franchise	0.00	0.00	0.00	0.00	14,056.00
Inspection Services	30,711.00	2,200.00	16,648.08	333,595.22	0.00
Opening Sites	0.00	0.00	0.00	0.00	0.00
Closed Sites	0.00	0.00	0.00	0.00	0.00
Total	37,801.00	2,200.00	99,958.00	13,198,358.15	53,496.00

	Vehicle Fuel				
	Diesel		Petrol		Plug-in HEV
Facility Type	km	litres	km	litres	km
Advanced Technology Centers	0.00	0.00	0.00	5,312.99	0.00
Administration	0.00	0.00	0.00	0.00	0.00
Warehouse Distribution	0.00	0.00	0.00	85,026.02	0.00
Manufacturing	0.00	0.00	0.00	64,836.56	0.00
Regional Specialty Centers	0.00	1,662.00	0.00	87,179.90	0.00
Field Services	0.00	0.00	0.00	215,628.97	0.00
Franchise	0.00	0.00	0.00	46,956.00	0.00
Inspection Services	1,370,536.00	0.00	70,350.00	676,999.10	78,761.00
Opening Sites	0.00	0.00	0.00	0.00	0.00
Closed Sites	0.00	0.00	0.00	0.00	0.00
Total	1,370,536.00	1,662.00	70,350.00	1,181,939.53	78,761.00

Scope 1 – continued, Scope 2

	Refrigerants				
	HCFC-22/R22	HFC-134a	R406A	R407C	R410A
Facility Type	kg	kg	kg	kg	kg
Advanced Technology Centers	54.40	136.08	0.00	0.00	59.51
Administration	0.00	0.00	0.00	0.00	0.00
Warehouse Distribution	0.00	0.00	0.00	0.00	0.00
Manufacturing	0.00	0.00	0.00	0.00	0.00
Regional Specialty Centers	0.00	847.00	0.00	0.00	17.24
Field Services	0.00	0.00	0.00	0.00	0.00
Franchise	1,210.00	0.00	0.00	0.00	0.00
Inspection Services	0.00	0.00	1.21	25.40	54.40
Opening Sites	0.00	0.00	0.00	0.00	0.00
Closed Sites	0.00	0.00	0.00	0.00	0.00
Total	1,264.40	983.08	1.21	25.40	131.15

	Electricity	Scope 2	
	Grid	Location Based	Market Based
Facility Type	kWh	tcO2e	tcO2e
Advanced Technology Centers	6,243,644.99	2,409.28	2,408.47
Administration	0.00	0.00	0.00
Warehouse Distribution	419,788.11	140.84	151.33
Manufacturing	5,475,738.74	1,670.07	1,678.57
Regional Specialty Centers	4,848,961.98	1,516.31	1,537.72
Field Services	2,294,342.66	774.32	878.62
Franchise	14,400.00	8.82	8.82
Inspection Services	11,023,719.56	3,765.28	3,758.22
Opening Sites	0.00	0.00	0.00
Closed Sites	0.00	0.00	0.00
Total	30,320,596.04	10,284.92	10,421.76

Scope 3

Sustainable1

	Categories 1 and 2		
	Cat 1 Expenditure	Cat 2 Expenditure	Total
Facility Type	mUSD	mUSD	mUSD
Advanced Technology Centers	17.27	0.48	17.76
Administration	0.00	0.00	0.00
Warehouse Distribution	1.44	0.38	1.82
Manufacturing	7.43	1.09	8.52
Regional Specialty Centers	6.13	0.22	6.35
Field Services	5.08	0.61	5.69
Franchise	0.00	0.00	0.00
Inspection Services	28.63	0.98	29.62
Opening Sites	0.00	0.00	0.00
Closed Sites	0.11	0.00	0.11
Total	66.10	3.76	69.86

	Category 3								
	Electricity	Natural gas		Burning oil	Petrol		Diesel		Plug-in HEV
Facility Type	kWh	kWh	cubic metres	litres	litres	km	litres	km	km
Advanced Technology Centers	6,243,644.99	2,067,077.79	0.00	0.00	5,312.99	0.00	0.00	0.00	0.00
Administration	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Warehouse Distribution	419,788.11	934,578.77	11,737.33	4,290.00	85,026.02	0.00	0.00	0.00	0.00
Manufacturing	5,475,738.74	1,415,417.24	0.00	0.00	64,836.56	0.00	0.00	0.00	0.00
Regional Specialty Centers	4,848,961.98	5,376,364.01	0.00	0.00	126,619.90	0.00	1,662.00	0.00	0.00
Field Services	2,294,342.66	3,071,325.12	71,572.59	2,800.00	215,628.97	0.00	0.00	0.00	0.00
Franchise	14,400.00	0.00	0.00	0.00	61,012.00	0.00	0.00	0.00	0.00
Inspection Services	11,023,719.56	333,595.22	16,648.08	30,711.00	676,999.10	70,350.00	2,200.00	1,370,536.00	78,761.00
Opening Sites	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Closed Sites	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	30,320,596.04	13,198,358.15	99,958.00	37,801.00	1,235,435.53	70,350.00	3,862.00	1,370,536.00	78,761.00

Scope 3 - continued

Sustainable1

	Category 4								
	Air Transportation	Car/Bus	Courier and messengers	Crating Materials Hazardous	Logistics mixed	Mixed shipment of goods in Cat 1&2	Sea	Storage	Truck Transportation
Facility Type	mUSD	mUSD	mUSD	mUSD	mUSD	mUSD	mUSD	mUSD	mUSD
Advanced Technology Centers	0.0506	0.0000	0.0057	0.0003	0.4572	0.0000	0.0000	0.0025	0.1031
Administration	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Warehouse Distribution	0.2691	0.0037	0.0139	0.0000	0.4778	0.0002	0.0000	0.0001	1.1951
Manufacturing	1.1912	0.0000	0.0944	0.0132	0.1909	0.0817	0.0545	0.0002	1.0161
Regional Specialty Centers	0.1166	0.0550	0.1248	0.0000	0.1326	0.0002	0.0000	0.0075	0.2236
Field Services	0.0411	0.0037	0.0127	0.0000	0.3841	0.0000	0.0000	0.0000	0.1109
Franchise	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Inspection Services	0.1232	0.0097	0.5045	0.0073	0.0038	0.0002	0.0036	0.0000	0.0116
Opening Sites	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Closed Sites	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Total	1.79	0.07	0.76	0.02	1.65	0.08	0.06	0.01	2.66

	Category 5					
	Combustion with energy recovery	Incineration	Landfilled		Recycled	
Facility Type	tonnes	tonnes	tonnes	mUSD	tonnes	mUSD
Advanced Technology Centers	18.19	0.00	28.17	0.11	1.86	0.00
Administration	0.00	0.00	0.00	0.00	0.00	0.00
Warehouse Distribution	0.00	0.00	0.00	0.00	0.00	0.00
Manufacturing	0.00	0.00	0.00	0.57	19.52	0.00
Regional Specialty Centers	0.00	0.00	0.00	0.02	1.90	0.00
Field Services	0.00	0.00	0.00	0.07	0.00	0.00
Franchise	0.00	0.00	0.00	0.00	0.00	0.00
Inspection Services	14.85	24,008.52	0.80	0.94	40.59	0.09
Opening Sites	0.00	0.00	0.00	0.00	0.00	0.00
Closed Sites	0.00	0.00	0.00	0.03	0.00	0.00
Total	33.04	24,008.52	28.97	1.74	63.87	0.09

Scope 3 - continued

Sustainable1

	Category 6													
	Air Travel		Bus	Car Rental	Hotel Stay		Mileage Reimbursed	Misc Direct Travel Costs	Public Transport	Taxi	Tickets - Travel	Toll or Parking	Train	Train/ Bus
Facility Type	mUSD	passenger miles	mUSD	mUSD	mUSD	room per night	vehicle miles	mUSD	mUSD	mUSD	mUSD	mUSD	mUSD	mUSD
Advanced Technology Centers	0.18	977,672.89	0.00	0.06	0.46	2,852.00	116,996.90	0.00	0.00	0.05	0.00	0.03	0.00	0.00
Administration	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Warehouse Distribution	0.02	106,100.37	0.00	0.01	0.10	292.00	45,819.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Manufacturing	0.04	355,107.42	0.00	0.01	0.14	1,399.00	122,865.18	0.00	0.00	0.01	0.00	0.01	0.00	0.00
Regional Specialty Centers	0.07	180,822.02	0.00	0.01	0.14	1,497.00	102,331.31	0.00	0.00	0.03	0.00	0.01	0.00	0.00
Field Services	0.00	449,037.00	0.00	0.01	0.14	1,336.00	55,795.10	0.00	0.00	0.01	0.00	0.02	0.00	0.00
Franchise	0.00	0.00	0.00	0.00	0.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Inspection Services	0.14	401,235.53	0.00	0.04	0.49	10,521.00	110,972.80	0.00	0.00	0.07	0.06	0.04	0.00	0.01
Opening Sites	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Closed Sites	0.00	0.00	0.00	0.00	0.00	0.00	2,870.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	0.45	2,469,975.24	0.00	0.14	1.48	17,898.00	557,650.69	0.00	0.00	0.16	0.06	0.10	0.01	0.02

	Category 7	
	Number of Employees	Toll or Parking
Facility Type	#	mUSD
Advanced Technology Centers	519.00	1,128.68
Administration	2.00	3.65
Warehouse Distribution	66.00	105.82
Manufacturing	359.00	736.05
Regional Specialty Centers	410.00	476.69
Field Services	231.00	468.22
Franchise	0.00	0.00
Inspection Services	2,334.00	3,801.08
Opening Sites	0.00	0.00
Closed Sites	0.00	0.00
Total	3,921.00	6,720.19

	Category 8									
	Equipment Contract Maintenance	Leased Floor Space, Rent & Building Expense			Leased Machinery & Equipment	Leased Sea Transport	Leased Vehicles			Other Leased Products & Services
Facility Type	mUSD	sq ft	kWh	mUSD	mUSD	mUSD	km	Litre - Petrol	mUSD	mUSD
Advanced Technology Centers	0.02	160.49	0.00	0.46	0.46	0.000	0.00	0.00	0.06	0.00
Administration	0.00	0.00	0.00	0.00	0.00	0.000	0.00	0.00	0.00	0.00
Warehouse Distribution	0.00	26,160.00	0.00	0.00	0.06	0.000	0.00	0.00	0.00	0.01
Manufacturing	0.07	40,350.00	0.00	0.00	0.29	0.000	0.00	0.00	0.00	0.00
Regional Specialty Centers	0.00	0.00	0.00	0.00	0.19	0.002	0.00	0.00	0.02	0.00
Field Services	0.03	6,471.23	0.00	0.00	0.18	0.000	0.00	0.00	0.02	0.00
Franchise	0.00	0.00	0.00	0.00	0.00	0.000	0.00	0.00	0.00	0.00
Inspection Services	0.07	30,331.22	309,747.00	0.00	0.61	0.000	315,000.00	9,311.16	0.99	0.08
Opening Sites	0.00	0.00	0.00	0.00	0.00	0.000	0.00	0.00	0.00	0.00
Closed Sites	0.00	0.00	0.00	0.00	0.00	0.000	0.00	0.00	0.00	0.00
Total	0.20	103,472.94	309,747.00	0.46	1.80	0.00	315,000.00	9,311.16	1.08	0.09

Scope 3 - continued

Sustainable1

	Category 11		
	Perforators	Power Charge	Initiating Systems
Facility Type	# of Units	# of Units	# of Units
Advanced Technology Centers	0.00	0.00	0.00
Administration	0.00	0.00	0.00
Warehouse Distribution	3,978,771.00	9,976.00	64,869.00
Manufacturing	2,804,334.00	3,167.00	94,280.00
Regional Specialty Centers	0.00	0.00	0.00
Field Services	0.00	0.00	0.00
Franchise	0.00	0.00	0.00
Inspection Services	0.00	0.00	0.00
Opening Sites	0.00	0.00	0.00
Closed Sites	0.00	0.00	0.00
Total	6,783,105.00	13,143.00	159,149.00

	Category 12	
	Bridge Plugs	Metal Gun Systems
Facility Type	# of Units	# of Units
Advanced Technology Centers	0.00	0.00
Administration	0.00	0.00
Warehouse Distribution	823.00	21,834.00
Manufacturing	1,447.00	22,211.00
Regional Specialty Centers	0.00	0.00
Field Services	0.00	0.00
Franchise	0.00	0.00
Inspection Services	0.00	0.00
Opening Sites	0.00	0.00
Closed Sites	0.00	0.00
Total	2,270.00	44,045.00

Water & Waste

	Water	
	Water supplied	Water abstracted
Facility Type	m3	m3
Advanced Technology Centers	37,497.87	0.00
Administration	0.00	0.00
Warehouse Distribution	10,519.68	0.00
Manufacturing	1,625.54	3,676.77
Regional Specialty Centers	20,092.44	0.00
Field Services	13,981.32	0.00
Franchise	1,000.00	0.00
Inspection Services	46,864.82	0.00
Opening Sites	0.00	0.00
Closed Sites	0.00	0.00
Total	131,581.66	3,676.77

	Waste	
	Total Hazardous Waste	Total Non-Hazardous Waste
Facility Type	Tonnes	Tonnes
Advanced Technology Centers	18.19	30.03
Administration	0.00	0.00
Warehouse Distribution	0.00	0.00
Manufacturing	0.00	19.52
Regional Specialty Centers	1.90	0.00
Field Services	0.00	0.00
Franchise	0.00	0.00
Inspection Services	45.49	24,019.26
Opening Sites	0.00	0.00
Closed Sites	0.00	0.00
Total	65.58	24,068.80

Appendix II

Scope 1 & 2 Glossary

Glossary

Sustainable1

Term	Description
Carbon footprint	The total amount of greenhouse gases produced by direct or indirect human activities, usually expressed in equivalent tons of carbon dioxide.
Dual reporting	According to the GHG Protocol Scope 2 Guidance released in January 2015, companies are required to report two Scope 2 emission totals – location-based and market-based, known as 'dual reporting
Emission intensity	Emission intensity is the level of GHG emissions per unit of economic activity.
Global warming potential (GWP)	GWP is the ratio of the warming of the atmosphere caused by one substance to that caused by a similar mass of carbon dioxide, which is assigned a reference value of 1.
Greenhouse gases	Gases that trap heat in the atmosphere are called greenhouse gases.
Location based	A location-based method reflects the average emissions intensity of grids on which energy consumption occurs (using mostly grid-average emission factor data).
Market based	A market-based method reflects emissions from electricity that companies have purposefully chosen (or their lack of choice). It derives emission factors from contractual instruments, which include any type of contract between two parties for the sale and purchase of energy bundled with attributes about the energy generation, or for unbundled attribute claims. Markets differ as to what contractual instruments are commonly available or used by companies to purchase energy or claim specific attributes about it, but they can include energy attribute certificates (RECs, GOs, etc.), direct contracts (for both low-carbon, renewable, or fossil fuel generation), supplier-specific emission rates, and other default emission factors representing the untracked or unclaimed energy and emissions (termed the residual mix)

Glossary

Term	Description
Residual Emission Factor	A residual mix emission factor represents the emissions and generation that remain after certificates, contracts, and supplier-specific factors have been claimed and removed from the calculation. A residual mix emission factor can be a regional or national factor.
Scope 1	Scope 1 includes direct emissions from sources, which a company owns, or controls. This includes direct emissions from fuel combustion and industrial processes.
Scope 2	Scope 2 covers indirect emissions relating solely to the consumption of electricity that is purchased by the owned or controlled equipment or operations of the company. Scope 2 emissions are reported in both location-based and market-based approach in alignment with the latest GHG Protocol guidance.
Scope 3	Scope 3 covers other indirect emissions including third-party provided business travel and purchased goods and services.
Scope 1 - Stationary Combustion Emissions	These emissions result from combustion of fuels in stationary sources, e.g., boilers, furnaces, turbines
Scope 1 Fugitive Emissions	Emissions not caught by a capture system which are often due to equipment leaks, evaporative processes and windblown disturbances. For example, emission from refrigerants
Scope 1 Mobile Emissions	These emissions result from the combustion of fuels in company owned/controlled mobile combustion sources (e.g., trucks, trains, ships, airplanes, buses, and cars). These vehicles can be used for transportation of materials, products, waste, and employees.

Appendix III

Scope 3 Methodology

Methodology

SOURCE OF SCOPE 3 EMISSIONS	EMISSIONS CALCULATION METHODOLOGY
1) Purchased goods and services	Sustainable1 used Core Lab's FY2023 supplier spend data, combined with supplier disclosed emissions data from Sustainable1 Environmental Register and the Sustainable1 EEI-O model, to calculate the supply chain GHG emissions through all tiers up to and including raw material extraction.
2) Capital goods	
3) Fuel- and energy-related activities	For fuel-and energy related activities, emissions were calculated based on Core Lab's actual electricity and fuel usage data. Energy consumption data was combined with Transmission & Distribution and Well To Tank Defra emission factors.
5) Waste generated in operations	Sustainable1 calculated emissions using Core Lab's waste data and emission factors from Defra (2023) – UK Government GHG Conversion Factors for Company Reporting.
6) Business travel	Sustainable1 used Core Lab's spend data by mode of transport and distance travelled combined with Sustainable1 EEI-O model, to calculate GHG emissions related to business travel. Sustainable1 also used number of room nights for hotel stay and combined it with DEFRA hotel stay factors to estimate emissions from hotel stay.
7) Employee commuting	Sustainable1 used Core Lab's global employee head count by country, combined with OECD's published country averages for commuting time, transportation mode and distance, to calculate GHG emissions from employee commuting.
8) Upstream leased assets	Core Lab provided Sustainable1 with fuel data or expenditure for its leased vehicles and occupied floor space or expenditure for rented facilities and equipment contract maintenance and DEFRA conversion factors were used to estimate emissions
9) Downstream transportation and distribution	N/A

Methodology

SOURCE OF SCOPE 3 EMISSIONS	EMISSIONS CALCULATION METHODOLOGY
10) Processing of sold products	N/A
11) Use of sold products	Sustainable1 used Core Lab's product specification, quantity and spend data for perforators, power charges and initiating systems.
12) End-of-life treatment of sold products	Sustainable1 used Core Lab's product specification, quantity and spend data for Metal Gun Systems and Bridge Plugs.
13) Downstream leased assets	N/A
14) Franchises	N/A
15) Investments	N/A

Methodology – Category 8

- The table to the right outlines the taxonomy used to group Core Lab's spend/ data categories within value chain Category 8 – Upstream Leased Assets.
- S1 grouped each category for data visualization purposes only. Each spend categorization outlined by Core Lab was analyzed independently.

CORE LAB CATEGORY	S1 GROUPINGS
Leased Floor Space	Leased Floor Space, Rent & Building Expense
Leased vehicles	Leased Vehicles
Leased cars	Leased Vehicles
Leased truck	Leased Vehicles
Leased Machinary	Leased Machinary & Equipment
Equipment Lease Expense - Short Term	Leased Machinary & Equipment
Leased laboratory equipment	Leased Machinary & Equipment
Vehicle Lease Expense	Leased Vehicles
Equipment Lease Expense Below $100	Leased Machinary & Equipment
Equipment Lease Expense	Leased Machinary & Equipment
Leased laboratory gas/liquid	Leased Machinary & Equipment
Leased water systems	Leased Machinary & Equipment
Leased Safety Equipment	Leased Machinary & Equipment
Vehicle Lease Expense - Short Term	Leased Vehicles
Leased uniforms	Other Leased Products & Services
Leased storage containers	Leased Machinary & Equipment
Leased maintenance equipment	Leased Machinary & Equipment
Office Rent - G&A	Leased Floor Space, Rent & Building Expense
Leased office electronics	Other Leased Products & Services
Leased forklifts	Leased Machinary & Equipment
Leased office equipment	Leased Machinary & Equipment
Leased refrigerations unit	Leased Machinary & Equipment
Leased sea transport	Leased Sea Transport
Building Lease Expense - Short Term	Leased Floor Space, Rent & Building Expense
Leased parts cleaner	Other Leased Products & Services
Leased portable toilets	Other Leased Products & Services
Leased bicycles	Other Leased Products & Services
Building Lease Expense	Leased Floor Space, Rent & Building Expense
Equipment Contract Maintenance	Equipment Contract Maintenance

The Sustainable1 EEI-O Model

Since its founding in 2000, Sustainable1 developed an environmental economic input output (EEI-O) life cycle based model for quantifying environmental impacts. The EEI-O model uses an economic modelling technique based on extensive government census data to analyze the products used and produced by over 464 business activities or sectors. The model also describes the economic interactions between each sector. Sustainable1 is able to assess the environmental impacts of companies across their own operations and their entire supply chains, including primary resource extraction secondary processing and final product assembly.

Sustainable1 has improved upon standard EEI-O models in several ways, resulting in what we believe is a best in class model for analyzing environmental performance. These improvements include the following:

- Sustainable1 has integrated the use and emissions of over 700 environmental resources. By applying a price to each environmental resource, based on the environmental value of that resource, the model is able to analyze, in financial terms, the economic and environmental performance of each sector. This environmental performance measure incorporates the indirect, supply chain impacts by using the information on the interactions between sectors.

- Sustainable1 maintains and updates its model annually to reflect market commodity flows. We annually update our sector revenue for all sectors, producer prices and annual production quantities for all primary sectors in our model.

- Sustainable1 reviews the environmental intensities for all sectors annually against companies' public disclosures from our annual engagement programs. Sustainable1 engages with more than 15,000 companies directly to obtain environmental performance metrics and considers them against the specific sector's environmental intensity. As a result, we are able to test this model against many years of data on quantitative environmental disclosures from thousands of companies.

The EEI-O methodology extends the analysis of corporate environmental performance by using the segmental revenue data contained in company accounts to map each company to a set of sectors. Sustainable1 has modeled the environmental impacts of over 464 different sectors and proportionally allocated these impacts to the company by calculating the company's market share of that sector. This provides a baseline of environmental resource use that Sustainable1 can improve by adding company-specific environmental information, either from public disclosure in the company's annual or environmental reports, or from direct communication with the company itself.

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