



# CORPORATE ENVIRONMENTAL, SOCIAL, AND GOVERNANCE REPORT

2025



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# 2024

## A LETTER FROM OUR CO-FOUNDER AND CEO

Dear Shareholders,

**As I reflect on 2024 and look forward to 2025, I am filled with a deep sense of pride for what our team has accomplished so far and excitement about the momentum and possibility in our next chapter. Our unwavering commitment to and leadership in using technology to create better medicines faster is firmly rooted in our mission to decode biology to radically improve lives.**

This mission, audacious in its scope, is more than just a business strategy. It's a commitment to improve lives, drive efficiency in healthcare, and contribute positively to the world. While much work remains in front of us, it is clear that we are leading the TechBio sector and our increasing catalog of successes is helping to pull the rest of the pharmaceutical industry forward. We couldn't be happier with that - when we lead and help catalyze a growing movement in the broader industry to discover better treatments more quickly, we win, the industry wins, and perhaps most importantly, patients will win. And now, as we read out our first clinical programs, we are confident we will demonstrate our ability to improve success rates and efficiency at each step of the process, including in critical proof of concept clinical studies. With our efficiencies, and the echoes we are helping to create across our industry, we ultimately aim to make the healthcare system more equitable and sustainable.

Our decisions continue to be bold in the face of capital market headwinds because we believe the upside of leading in TechBio is massive. For example, in November 2024, we marked a key milestone in our journey with the business combination of Recursion and Exscientia, which has accelerated our path to radically improve lives. The combined company stands as a clear leader in TechBio, catalyzing the future of healthcare with an expanded pipeline of programs. Now that we've combined, we're accelerating the build out of our sustainable operating system that learns and improves with every cycle. With the inclusion of Exscientia's precision chemistry capabilities and our push into clinical development technologies in 2024, our Recursion OS now spans the entire drug discovery and development life cycle.

But as excited as I am about what we are doing at Recursion, on our path to building an iconic company, it is also critical to stay true to ourselves in *how* we build. In the face of lots of volatility in markets and culture, one thing is true; our values may evolve, but their direction will never change. We will do well by doing good, and we will do it the right way. While others are rescinding commitments they've made, we won't. We believe that achieving our mission and realizing the incredible positive impact we can have on the world requires a diverse team to succeed, and we feel a profound duty to minimize the negative effects on our environment whenever possible when we build.

**We've cultivated a vibrant and inclusive culture**, attracting world-class talent from around the globe. Our best ideas and innovations come from a diversity of thought, experience, and backgrounds. Our commitment to diversity is reflected in our approach to pay parity and representative leadership teams and we aren't taking a step back from our commitment to achieve rough gender parity across our levels by 2030.

**We've built a thriving community of TechBio innovators.** Our initiatives, like Altitude Lab and our commitment to open science, are contributing to a flourishing global TechBio ecosystem. In 2024, the impact of this ecosystem was undeniable, and while this work supports everyone in our sphere, we are making extra space for those who haven't had as many opportunities but every bit as much drive, tenacity, and talent.

**We remain steadfast in our commitment to reducing our environmental impact.** Our pledge to reduce our carbon footprint and achieve net-zero emissions by 2030 underscores our dedication to sustainable growth and environmental responsibility - because we want to be sure there is a beautiful world for us all to inhabit as we help to improve the healthspan of the population at scale.

In the decade ahead, our goal is not only to sustain our growth but also to lead by example in demonstrating what a modern, sustainable healthcare ecosystem can be. Our commitment to you, our stakeholders, is to continue this journey with integrity, vision, and resolve, building a company whose impact is measured not just by financial success but by the good it does in the world. And so while we must all adjust our sails to the winds around us, our destination remains the same and we are doubling-down across both our *what* and *how* at Recursion. I wish to convey my heartfelt gratitude for your continued trust and support of Recursion.

Here's to a successful 2025, a year we anticipate will be marked by boldness, collaboration, and transformation.



THANK YOU

CHRIS GIBSON, PH.D.  
RECURSION  
CO-FOUNDER &  
CHIEF EXECUTIVE OFFICER



# ABOUT

# RECURSION

## SECTION HIGHLIGHTS:

- 05 ABOUT RECURSION
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- 08 2024 PROGRESS AND IMPACT
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# ABOUT RECURSION

## THE CHALLENGE: A BROKEN SYSTEM

The traditional drug discovery process is not only slow, expensive, and inefficient, but it also carries a hidden cost: environmental harm. More than 90% of clinical trials fail, squandering resources and generating significant waste throughout the research and development lifecycle. This unsustainable model leaves many patients without effective treatment options and undermines our ability to address pressing global health challenges.

## RECURSION'S SOLUTION: INDUSTRIALIZING DRUG DISCOVERY FOR A MORE SUSTAINABLE AND ACCESSIBLE FUTURE

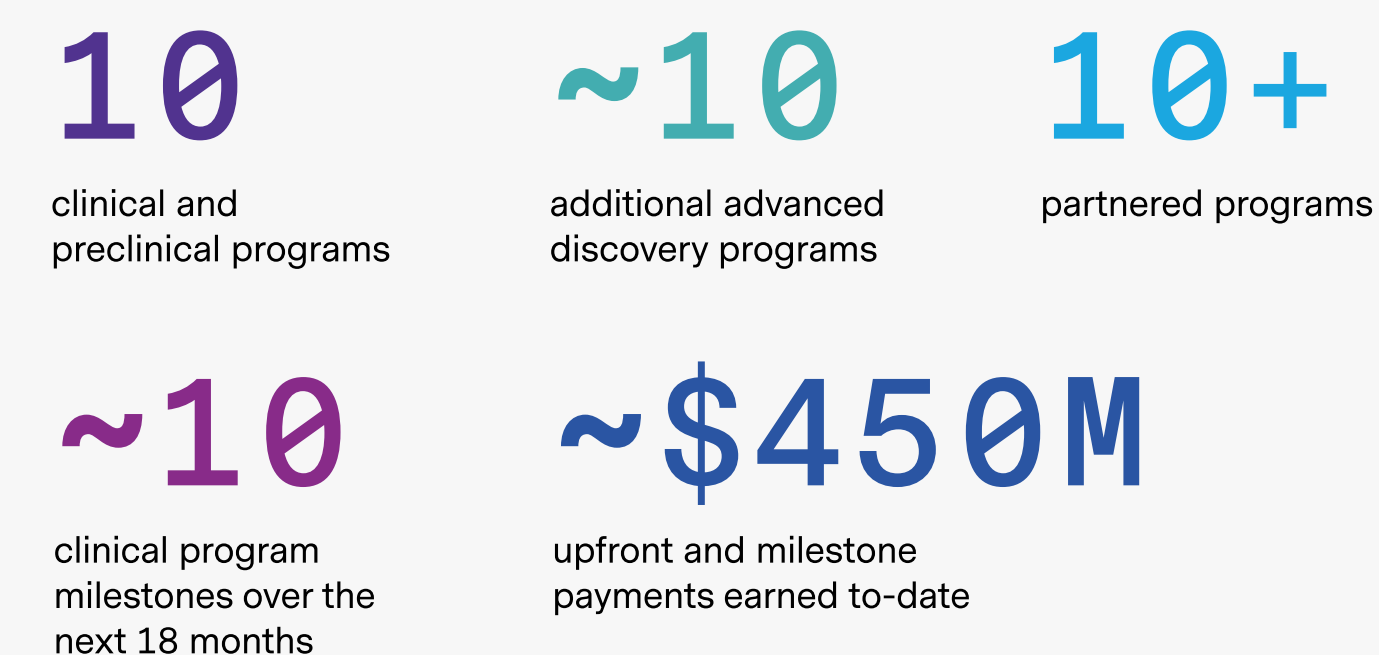
Founded in 2013, Recursion is tackling the broken system head-on by industrializing drug discovery. We combine cutting-edge technologies—automation, AI, and machine learning—with massive biological and chemical datasets to decode biology and accelerate the development of new medicines.

## AT A GLANCE

### Numbers



### Recursion OS



### Headquarters

**SLC**  
SALT LAKE CITY

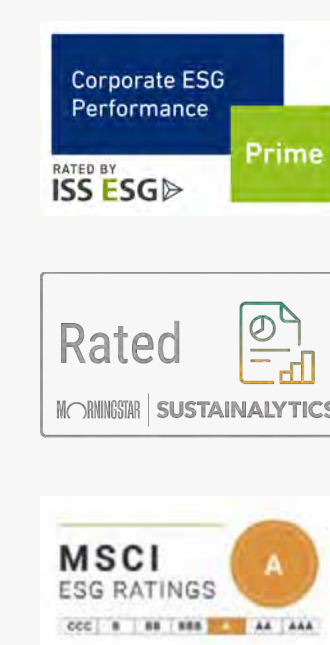
### Additional Sites

**USA**  
MILPITAS, CALIFORNIA  
NEW YORK, NEW YORK

**CAN**  
TORONTO, ONTARIO  
MONTRÉAL, QUEBEC

**UK**  
LONDON, ENGLAND  
OXFORD, ENGLAND

### Highlights



### Large Pharma Collaborations



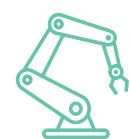
\*At a glance data is reported as of March 15, 2025.



ABOUT RECURSION *CONTINUED*

## INDUSTRIALIZING DRUG DISCOVERY

Recursion is a leading clinical-stage TechBio company driven by a powerful mission: Decode biology to radically improve lives. We're fundamentally changing drug discovery and development with our vision to leverage technology to map and navigate the complexities of biology and chemistry, ultimately delivering better medicines faster. Our unique approach includes:



**Some of the world's most sophisticated automated wet-laboratories:** Robots and automation are used in conducting and digitizing millions of experiments weekly, generating vast amounts of data.



**Industry-leading computational capabilities:** BioHive-2, the most powerful supercomputer wholly owned and operated by a biopharma company, powers our advanced AI models.



**A world-class team:** Hundreds of data scientists, software engineers, and AI researchers collaborate to build our technology and analyze our data.

These elements combine to form the Recursion OS, a powerful operating system for drug discovery that enables us to identify promising drug candidates more efficiently and effectively.



## SUSTAINABILITY, ACCESSIBILITY, AND SOCIAL IMPACT

By industrializing drug discovery, Recursion is not only accelerating the development of new medicines but also making them more sustainable and accessible. Our technology-driven approach reduces waste, lowers costs, and increases the efficiency of drug development. We believe this will ultimately lead to more affordable treatments and broader access for patients in need. Furthermore, our commitment to open science and collaboration, exemplified by the release of publicly available datasets and models like **Open Phenom**, fosters a more inclusive and equitable research ecosystem.

We're committed to building a strong, diverse workforce, supporting our local communities, and promoting environmental sustainability. We believe that by integrating these values into our operations, we can create a more positive social impact and contribute to a healthier, more equitable future for all. We also believe it is good for business given our significant growth in our pipeline and partnerships.



# ABOUT THIS REPORT

RECURSION'S ANNUAL ESG REPORT OUTLINES OUR CURRENT SUSTAINABILITY AND ESG INITIATIVES AND OBJECTIVES, HIGHLIGHTING PROGRESS IN THE AREAS FUNDAMENTAL TO OUR BUSINESS.

Unless otherwise noted, all quantitative data provided throughout this report covers our FY2024, reflecting data for the period from January 1, 2024, through December 31, 2024. Throughout the report, we guide readers to additional sources of information on our corporate website and other references for convenience.

We align our disclosures with Sustainability Accounting Standards Board (SASB) Standards, now part of the International Financial Reporting Standards (IFRS) Foundation, related to Biotechnology and Pharmaceuticals as well as Software and IT Services to ensure we address the ESG factors most relevant to our business. Our disclosures are also shaped by the Task Force on Climate-Related Financial Disclosures (TCFD) now part of IFRS, and the United Nations Sustainable Development Goals (UN SDGs). Please refer to the **Metrics, Frameworks, and Standards** section at the end of this report for more information.

## NOTE ON COMPANY EXPANSION

In November 2024, Recursion combined with Exscientia, headquartered in Oxford, UK, to create a leading technology-first, end-to-end drug discovery platform. This report does not include Exscientia-specific data or information unless otherwise noted, as the combination of teams and platforms continues into 2025. We have included high-level pipeline data, updated locations, and some more recent Board of Directors information, as that information had previously been shared. Future reports will incorporate the efforts of the combined companies under Recursion.



Recursion®



Exscientia



# 2024 PROGRESS AND IMPACT

OUR LONG-TERM ESG COMMITMENTS FOCUS ON MINIMIZING OUR ENVIRONMENTAL IMPACT, FOSTERING A DIVERSE AND INCLUSIVE WORKFORCE, AND STRENGTHENING OUR COMMUNITIES. BELOW ARE SOME HIGHLIGHTS FROM 2024:

## Net-Zero Greenhouse Gas (GHG) Emissions

- Completed a GHG emissions reduction roadmap and calculated Scope 3 emissions for the first time
- Began engaging key suppliers around emissions measurement and target setting
- Continued investing in renewable energy credits (RECs) to offset 100% of our energy usage at our Salt Lake City headquarters

## Workforce Diversity

- Interview stage for VP-level and above positions met our Parity Pledge commitment for 80% of roles
- Established a third Employee Resource Group (ERG) focused on supporting employees of color
- Conducted pay equity analysis which showed no material systemic pay differences between genders (women earn \$0.99 for every \$1.00 earned by men in comparable roles), and enhanced pay transparency efforts, including providing training on our pay philosophy and total rewards statements

## Accelerate Community Impact

- Altitude Lab startups secured over \$29 million in seed and series A funding, accounting for 41% of all early-stage healthcare financing in Utah
- Released RxRx3-core, a streamlined dataset of microscopy images for AI model development and continued open-source contributions with new models like SAFE-GPT and OpenPhenom-S/16

## ESG Recognition

**PRIME RATING**

**FOR ESG PERFORMANCE**

from Institutional Shareholder Services (ISS) in 2024

**TOP RATED**

**IN PHARMACEUTICAL CATEGORY**

by Morningstar Sustainalytics, ranking 6 out of over 350 companies as of January 2025

**A RATING**

**FOR ESG PERFORMANCE**

in the MSCI ESG Ratings assessment in January 2025

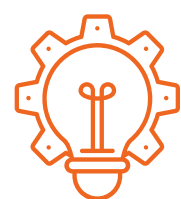




# 2024 ESG OVERSIGHT

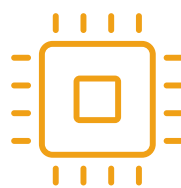
WE BELIEVE IN INTEGRATING OUR ESG STRATEGY WITH OUR CORPORATE STRATEGY TO BENEFIT THE LONG-TERM SUSTAINABILITY OF RECURSION. THIS STARTS WITH OUR BOARD OF DIRECTORS, WHO IS RESPONSIBLE FOR GUIDANCE AND OVERSIGHT OF ESG WITHIN THE ORGANIZATION.

## BOARD COMMITTEES



### RESEARCH AND DEVELOPMENT COMMITTEE

Oversees the company’s R&D portfolio, evaluating the quality, direction, and competitiveness of its programs. It reviews the progress of preclinical and clinical pipelines. The committee advises the Board on clinical development operations and identifies critical areas of need for the development team.



### TECHNOLOGY COMMITTEE

Evaluates emerging technology trends, including machine learning, artificial intelligence, and sophisticated computational tools. It reviews the company's internal and external technology investments, platforms, and capabilities to ensure the company remains at the forefront of innovation.



### NOMINATING & CORPORATE GOVERNANCE COMMITTEE

Responsible for elements of Recursion’s Governance (G) strategy, setting the company’s corporate governance framework and guidelines; evaluating Board, Committee, and Director performance; and the search for and nomination of new directors.



### AUDIT COMMITTEE

Has oversight not only of Recursion’s fiscal reporting, but also of our enterprise risk management function, including information security, and our internal audit function. It is also designated as the body to which whistleblower complaints and other key disclosures that safeguard Recursion’s mission and employees are directed.



### STRATEGIC TRANSACTIONS AND FINANCE COMMITTEE

Has the authority, as delegated by the Board, to review, structure, negotiate, approve, and recommend to the Board for approval specified strategic and financing transactions involving the company.



### CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Oversees Recursion’s Environmental and Social (ES) strategy and implementation, including diversity, equity, and inclusion in technology and biotechnology; growth of the life sciences and technology ecosystems; sustainable environmental practice; the company’s responsible use of artificial intelligence; and caring for the communities in which we work.



### COMPENSATION COMMITTEE

Oversees Recursion’s compensation practices, which are designed to drive performance and achieve equity for equal contributions regardless of gender, race, sexual orientation, or religion.

### EMPLOYEE ESG COMMITTEE

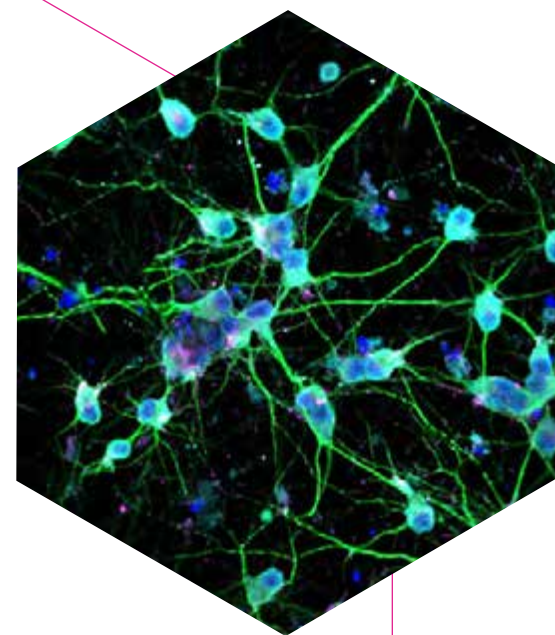
Our ESG Committee is an executive-sponsored working group charged with implementation of our ESG strategy. The committee has cross-functional representation from our Operations, Communications, Legal, People, and Engineering divisions and meets monthly.



# STAKEHOLDER ENGAGEMENT

ACHIEVING OUR AUDACIOUS MISSION OF DECODING BIOLOGY TO RADICALLY IMPROVE LIVES WILL NOT BE POSSIBLE WITHOUT THE SUPPORT, GUIDANCE, AND COMMITMENT OF ALL OUR STAKEHOLDERS.

We care deeply about the work we do and the expansive impact we can have on humanity, and we take seriously our responsibility to engage regularly with our stakeholders to inform and drive various aspects of our business strategy. In 2024, we advanced more programs into the clinic, and began to incorporate real world data into our decision making around new targets and patient selection for trials. The table to the right provides more details on our stakeholder engagement.



STAKEHOLDER	METHOD OF ENGAGEMENT	OWNERS	OUTCOMES
<b>Recursionauts</b>	<ul style="list-style-type: none"> <li>Weekly All-Hands</li> <li>Internal Communications</li> <li>Surveys</li> <li>Events</li> </ul>	<ul style="list-style-type: none"> <li>Management Team</li> <li>People Operations</li> <li>Communications</li> </ul>	<ul style="list-style-type: none"> <li>Achieving goals</li> <li>Building culture</li> <li>Improving benefits &amp; employee services</li> <li>Learning &amp; development</li> </ul>
<b>Patients, Advocacy Organizations, and Healthcare Providers</b>	<ul style="list-style-type: none"> <li>Patient Speakers</li> <li>Patient Advocacy Activities</li> <li>Sponsorships &amp; Grants</li> <li>Therapeutic Advisory Board</li> <li>Medical Conferences</li> <li>Meetings</li> </ul>	<ul style="list-style-type: none"> <li>Clinical Development</li> <li>Medical Strategy &amp; Communications</li> <li>Regulatory Affairs</li> <li>Patient Engagement Committee</li> </ul>	<ul style="list-style-type: none"> <li>Ethical &amp; effective design of clinical trials &amp; development plans</li> <li>Medicines that meaningfully improve the things patients care about</li> <li>Medicines that are valuable to society and patients alike</li> </ul>
<b>Investors</b>	<ul style="list-style-type: none"> <li>Conferences</li> <li>Meetings</li> <li>Press Releases</li> <li>Public Disclosures</li> <li>Website &amp; Social Media</li> </ul>	<ul style="list-style-type: none"> <li>Investor Relations</li> <li>Communications</li> <li>Management Team</li> </ul>	<ul style="list-style-type: none"> <li>Disclosure strategy</li> <li>Information transparency</li> <li>ESG strategy</li> </ul>
<b>Partners and Collaborators</b>	<ul style="list-style-type: none"> <li>Meetings</li> <li>Website</li> <li>Conferences</li> </ul>	<ul style="list-style-type: none"> <li>Business Development</li> <li>Project Teams</li> </ul>	<ul style="list-style-type: none"> <li>OS platform expansion and development</li> <li>New disease areas</li> <li>New assets &amp; programs</li> </ul>
<b>Suppliers and Vendors</b>	<ul style="list-style-type: none"> <li>Meetings</li> <li>Service &amp; Quality Agreements</li> <li>Audits</li> <li>External Committees</li> <li>Strategic Partnerships</li> </ul>	<ul style="list-style-type: none"> <li>Procurement &amp; Supply Chain</li> <li>Business Operations</li> <li>Quality Assurance</li> <li>Relevant Functional Areas</li> </ul>	<ul style="list-style-type: none"> <li>Enabling company growth &amp; goal achievement</li> <li>Risk mitigation</li> <li>Supply chain management</li> </ul>
<b>TechBio Industry</b>	<ul style="list-style-type: none"> <li>Trade Organizations</li> <li>Conferences</li> <li>Events</li> <li>Recruitment Activities</li> <li>Altitude Lab</li> <li>Website &amp; Social Media</li> </ul>	<ul style="list-style-type: none"> <li>Management Team</li> <li>Communications</li> <li>Technology</li> <li>Science</li> <li>Clinical Development</li> <li>Talent Acquisition</li> </ul>	<ul style="list-style-type: none"> <li>Talent acquisition</li> <li>Strengthen innovation ecosystem</li> </ul>
<b>Local Communities</b>	<ul style="list-style-type: none"> <li>Recursion Foundation</li> <li>Events</li> <li>Donations</li> <li>Volunteerism</li> <li>Sponsorships</li> </ul>	<ul style="list-style-type: none"> <li>Facilities Management</li> <li>Sponsorship Committee</li> <li>Management Team</li> <li>People Operations</li> <li>Business Operations</li> <li>Communications</li> </ul>	<ul style="list-style-type: none"> <li>Philanthropy strategy</li> <li>Community partnerships</li> <li>Sustainability strategy &amp; environmental impact</li> </ul>
<b>Government</b>	<ul style="list-style-type: none"> <li>Meetings</li> <li>Company Educational Materials</li> <li>Professional/Industry Organizations</li> </ul>	<ul style="list-style-type: none"> <li>Regulatory Affairs</li> <li>Management Team</li> </ul>	<ul style="list-style-type: none"> <li>Compliance</li> <li>Regulatory strategy</li> <li>Strengthen innovation ecosystem</li> </ul>



# COMMITMENT TO PATIENTS

## SECTION HIGHLIGHTS:

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# OUR PIPELINE

## PIPELINE OF 10 CLINICAL AND PRECLINICAL TECHNOLOGY-ENABLED PROGRAMS

ALL OF THE PROGRAMS IN OUR INTERNAL PIPELINE ARE BUILT ON UNIQUE BIOLOGICAL AND CHEMICAL INSIGHTS SURFACED THROUGH THE RECURSION OS, WHERE:

1. The etiology of the disease is well defined but the subsequent impacts of the disease are generally obscure, the primary targets are typically considered undruggable, or the primary targets are extensively recognized in association with a particular disease and

2. There is a high unmet medical need, no approved therapies, or significant limitations to existing treatments. Recursion focuses specifically on rare disease, areas of significant unmet medical needs, and previously undruggable oncology indications.

After our business combination with Exscientia in late 2024, our combined pipeline represents more than 10 clinical and preclinical programs. In addition there are approximately 10 advanced discovery programs ongoing and 10 partnered programs.

To learn more about our pipeline, visit our website here: <https://www.recursion.com/pipeline>

	CANDIDATE	TARGET	INDICATION	PRECLINICAL	IND-ENABLING	PHASE 1/2	PIVOTAL/PHASE 3	NEXT ANTICIPATED MILESTONE
ONCOLOGY	REC-617	CDK7	Advanced solid tumors <sup>1</sup>	ELUCIDATE				Combination study initiation - 1H25
	REC-1245	RBM39	Biomarker-enriched solid tumors & lymphoma	DAHLIA				Ph 1 dose-escalation update - 1H26
	REC-3565	MALT1	B-cell malignancies	EXCELERIZE				Ph 1 FPD - 1H25
	REC-4539	LSD1	Small-cell lung cancer (SCLC)	ENLYGHT				Ph 1 FPD - 1H25
RARE	REC-994	Superoxide	Cerebral cavernous malformations (CCM)	SYCAMORE				Program update - 2H25
	REC-4881	MEK1/2	Familial adenomatous polyposis (FAP)	TUPELO				Ph 1b/2 safety & early efficacy - 1H25
	REC-2282	HDAC	Neurofibromatosis type 2 (NF2)	POPLAR				PFS6 futility - 1H25
	REV102 <sup>2</sup>	ENPP1	Hypophosphatasia (HPP)					IND-enabling studies initiated
OTHER	REC-3964	TcdB	Prevention of recurrent <i>C. difficile</i> (rCDI)	ALDER				Ph 2 update - 1Q26
	REC-4209	Undisclosed	Idiopathic pulmonary fibrosis (IPF)					IND-enabling studies ongoing
	~10 advanced discovery programs including a PI3Ka H1047Ri							

1. Includes non-small cell lung cancer (NSCLC), colorectal cancer, breast cancer, pancreatic cancer, ovarian cancer, head and neck cancer  
 2. Joint venture with Rallybio



# PATIENT SUPPORT

AS WE CONTINUE TO DEVELOP A NEW WAY TO DISCOVER AND BRING MEDICINES TO PATIENTS, WE HOPE TO MAKE THEM MORE ACCESSIBLE TO THE PEOPLE WHO NEED THEM.

Currently, we do this by reducing barriers to participation in our clinical studies and supporting patient communities through education, sponsorships, and industry partnerships.

## PATIENT ADVOCACY

We support the patient community by partnering with patient advocacy groups through sponsorships, scientific and patient presentations, and hosting events like Rare Disease Day.

Recursion partners with organizations that are aligned with our corporate strategy and goals, including:

- **Alliance for Artificial Intelligence in Healthcare (AAIH)**  
Our engagements have focused on modernizing the FDA process to consider data derived from AI-enabled drug discovery. We have been corporate board members since 2020.
- **National Organization for Rare Diseases (NORD)**  
We are focused on bringing awareness to rare disease indications and educating patients about the value of participation in clinical trials. Recursion participates in NORD’s regulatory and patient engagement working groups, and in 2024, we expanded this relationship to include working with the rare cancer working group in the US and internationally. We have been corporate council members since 2021.

In addition, we partner with organizations that are specific to the indications in which we have active clinical programs, including:

- **American Cancer Society** in support of people impacted by various oncology indications, this is a new partnership for 2024
- **Children’s Tumor Foundation** in support of people living with NF2
- **Alliance to Cure & Cavernoma Alliance UK** in support of people living with CCM
- **Desmoid Tumor Research Foundation** in support of people living with FAP
- **The Peggy Lillis Foundation** to bring awareness to *C. difficile* risk and support survivors





PATIENT SUPPORT *CONTINUED*

## 2024 PATIENT ENGAGEMENT HIGHLIGHTS



### EXPANDING OUR EFFORTS INTO CANADA & UK

In June, we hosted the head of the UK CCM patient advocacy group at our London office opening.

In July, we hosted both the Patient Advocacy group for CCM in the US & Canada at our Toronto office. For the first time in our Toronto office, we heard directly from patient advocates at our all-hands meeting, a compelling reminder of the real-world difference our CCM drug development program could make.



### SHINE A LIGHT NF WALK WITH CHILDREN'S TUMOR FOUNDATION

To continue our annual support of CTF's Shine A Light NF Walks, in 2024 we supported the Salt Lake City walk by providing a cotton candy truck for all participants as well as face painting. Recursion also supported walks in Houston, NJ, Arizona, and Florida to broaden our support of this community.



### RARE DISEASE DAY EVENT FOR THE SALT LAKE CITY COMMUNITY

Every February, we host a Rare Disease Day hybrid event to raise awareness of the impacts of rare and undiagnosed diseases in our SLC HQ and via livestream. In 2024, partnered with the Alliance to Cure to offer 10 satellite events across the US where patients could participate in their own communities. We were able to support an additional 100 participants across the US.



PATIENT SUPPORT *CONTINUED*

## CLINICAL TRIAL DIVERSITY

Our vision is to conduct clinical research in a way that reduces barriers to participation for underrepresented groups while supporting diverse clinical trial investigators and patient recruitment.

Including a geographically, socioeconomically, and ethnically diverse population in clinical trials gives us confidence that our clinical trials will produce results that are generalizable to a representative patient population. Our Diversity, Equity, and Inclusion (DEI) in Clinical Development Council amplifies and supports DEI and Health Equity efforts across our clinical development programs. This cross-functional committee includes senior leaders from our Clinical Development, Medical Strategy and Communications, People, Data Sciences, and Regulatory teams to ensure our strategy and initiatives are considerate of all potential stakeholders. In 2024, we welcomed a new Executive Sponsor for this group, the Senior Vice President of Clinical Development & Data Science, to integrate our DEI & Health Equity efforts across all development phases and clinical programs. This includes leveraging multi-modal datasets, AI/ML, and community engagement to operationalize recruitment efforts focused on increasing diversity of location, socioeconomic status, and ethnicity in patient populations across our clinical programs.

Over the next several years, we aim to integrate community engagement strategies informed by data analytics to address historical distrust and improve participation among underrepresented groups. By combining our expertise in AI and data science with a renewed focus on community engagement, our goal is to set a new standard for inclusive clinical trials in the biopharmaceutical industry.

## ACCESS TO MEDICINES

We believe that the best way to develop potential treatments is through well-designed, ethical clinical trials that determine the safety and effectiveness of investigational medicines.

We understand that in some rare and specific circumstances, when enrollment into a clinical trial is not possible, physicians caring for patients with serious or life-threatening conditions or diseases may seek special access to investigational medicines.

Our full Expanded Access Policy is publicly available on our [website](#) and the [Reagan-Udall Foundation](#) website. In addition to our Expanded Access program, we have long-term extension (LTE) studies for multiple programs.





# ETHICAL CLINICAL RESEARCH AND PATIENT SAFETY

## CLINICAL TRIALS

We are committed to maintaining the highest level of integrity and ethics across all clinical trials and investigational programs.

We adhere to the international codes, guidelines, and regulations where our trials are conducted and throughout the drug supply chain, including:

- Declaration of Helsinki
- International Council for Harmonisation of Technical Requirements for Pharmaceuticals for Human Use (ICH)
- United States Code of Federal Regulations (CFR)
- European Union Regulations and Directives
- UK Statutory Instruments
- Relevant Food and Drug Administration (FDA), European Medicines Agency (EMA), and Medicines and Healthcare Products Regulatory Agency (MHRA) guidance
- Health Insurance Portability and Accountability Act of 1996 (HIPAA)
- European Global Data Protection Regulation (GDPR)

We maintain timely and transparent disclosure of clinical trial information and results, as stipulated in our [Clinical Trial Transparency Policy](#).



## PATIENT SAFETY

We are committed to designing and conducting ethical clinical research and ensuring patient safety and well-being in our clinical trials.

We have a multi-layered approach to ensure the safety of study participants in our clinical programs. As safety data are collected, they are reviewed by a multidisciplinary safety management team, which includes the Medical Monitor and Safety Officer. This is independent of any review by the clinical research organization (CRO).

In some Recursion clinical studies, an external independent review body, the Data Monitoring Committee (DMC), is charged with safety oversight of a clinical trial. The DMC advises Recursion regarding the continuing safety of trial subjects and those yet to be recruited to the trial, as well as the continuing validity and scientific merit of the trial.

In addition to monitoring safety data, we conduct ongoing clinical monitoring of our trials and prepare regulatory determined submission to remain in compliance and maintain transparency.



# QUALITY AND SAFETY OF CLINICAL PROGRAMS

OUR QUALITY POLICY IS CENTERED ON THREE PRINCIPLES THAT GUIDE OUR DECISION-MAKING TO ENSURE QUALITY, SAFETY, AND INTEGRITY IN OUR CLINICAL PROGRAMS:

**Chart a novel path to better serve humanity.** We root every action in an unwavering commitment to patient safety, product quality, and data integrity regardless of the industry status quo.

**Challenge traditional approaches to uncover fundamental truths.** We embrace regulations as our baseline in developing high-impact quality processes but also seek to deeply understand the purpose, meaning, and objectives of regulations and guidance.

**Innovation enables quality at scale.** We emphasize the Good Clinical Practice principle of critical thinking to challenge assumed constraints and institutional norms and design quality processes that promote scalability and exceptional outcomes.

## QUALITY MANAGEMENT

Our Quality Management System (QMS) brings people, processes, and systems together to facilitate excellence in drug development. It is aligned with the principles of ISO9001 and has been intentionally designed to ensure quality and safety, promote continuous improvement, and maintain compliance in our clinical programs.

### Policies, Procedures, and Training

Our quality standards and processes are communicated in user-friendly Policies and Standard Operating Procedures (SOPs). Employees are required to complete training on these policies and procedures, commensurate with their role.

### Investigations and Corrective Action/Preventive Action (CAPA)

We take a risk-based approach to managing incidents and quality issues. The impact of the issue on patient safety, data integrity, and product quality guide the intensity of our investigations and CAPAs. In our operating model, where we work closely with Contract Research Organizations (CROs) and Contract Manufacturing Organizations (CMOs), we collaborate to identify, investigate, and remediate issues and leverage our partners' quality systems to govern the process.

As a company that values a data-driven approach to drug development, we internally monitor investigation and CAPA data to identify trends and failure modes that then feeds into our QMS for continuous improvement.

### Auditing

We leverage audits as one mechanism to ensure quality and monitor clinical trials and the manufacturing supply chain. Our audit program leverages a combination of:

1. Intelligence tools, records and data review, interviews, and physical observation
2. Compliance with regulatory and ethical standards
3. Adherence to written agreements, procedures, protocols, and specifications

This multi-dimensional approach enables us to thoroughly, efficiently, and routinely evaluate our vendors, clinical investigators, and processes.

### Partnering and Sponsor Oversight

We provide sponsor oversight for our clinical programs and manufacturing operations. We partner with CROs and CMOs to manage our clinical studies and manufacture and distribute our clinical trial materials, respectively.

We maintain ongoing oversight and monitoring of our vendors from the initial qualification audit and throughout the lifetime of our partnership through our Vendor Qualification and Oversight program.



QUALITY AND SAFETY OF CLINICAL PROGRAMS *CONTINUED*

## DRUG QUALITY AND SAFETY

As a clinical-stage company, Recursion works closely with qualified, reputable, and specialized CMOs to manufacture, test, and package all clinical products.

We provide ongoing sponsor oversight and monitoring across our entire drug supply chain. We establish and adhere to Quality Assurance Agreements (QAAs) with each CMO that define quality and operating standards that ensure the quality, safety, and integrity of our clinical trial material (CTM) is maintained from inception to use in a clinical trial. We also provide final disposition for all CTM prior to distributing it to clinical trial sites. As an additional oversight measure, we have a person-in-plant during critical manufacturing events.

To ensure quality and safety across our drug supply chain, we continuously monitor risks, deviations, investigations, temperature excursions, and product complaints to inform mitigation, remediation, and continuous improvement of manufacturing processes. When potential quality or safety-related issues related to clinical trial material arise, the Material Review Board (MRB) promptly convenes to evaluate the potential issue and determine what subsequent actions should be taken to mitigate or reduce the impact of the issue.





# ETHICAL USE OF ANIMALS IN RESEARCH

**WE MAINTAIN HUMANE AND ETHICAL TREATMENT OF ANIMALS WITHIN OUR IN-HOUSE RESEARCH TESTING AND IN PARTNERSHIP WITH THIRD PARTIES.**

In vivo studies are an important tool for providing an assessment of the efficacy and safety of a compound within the context of a complete, complex biological system. Our Digital Vivarium uses continuous video feeds and sensor technology to survey animals, significantly improving data quality and animal welfare. The vivarium was assessed and accredited by the American Association for Accreditation of Laboratory Animal Care (AAALAC) in 2022, with reassessment occurring every 3 years.

With the use of our Digital Vivarium as our primary readout, we can reduce the number of animals needed by >2X in comparison to traditional endpoint parameters.

## OUR COMMITMENT TO THE 3RS

We are committed to replacing, reducing, and refining our animal research by using our technology to enhance both the efficiency of experimentation and the welfare of the subjects involved.

**Replacement:** With machine learning and high-dimensional, multimodal data generation capabilities of our InVivomics platform, we are working to drastically reduce the number of animals typically required for drug discovery.

**Reducing:** Our digital cages collect more holistic and unbiased measurements of an individual animal's behavior, which improves study precision and reduces the overall number of animals required. Our technology can also predict potential compound toxicities faster than traditional studies, condensing the experiment duration and the animals' exposure to experimental conditions.

**Refinement:** Our Digital Vivarium reduces the reliance on widely-used invasive and high-touch methods, reducing stress on the animals and improving data quality by capturing normal animal behaviors, not those modified by fear or stress.





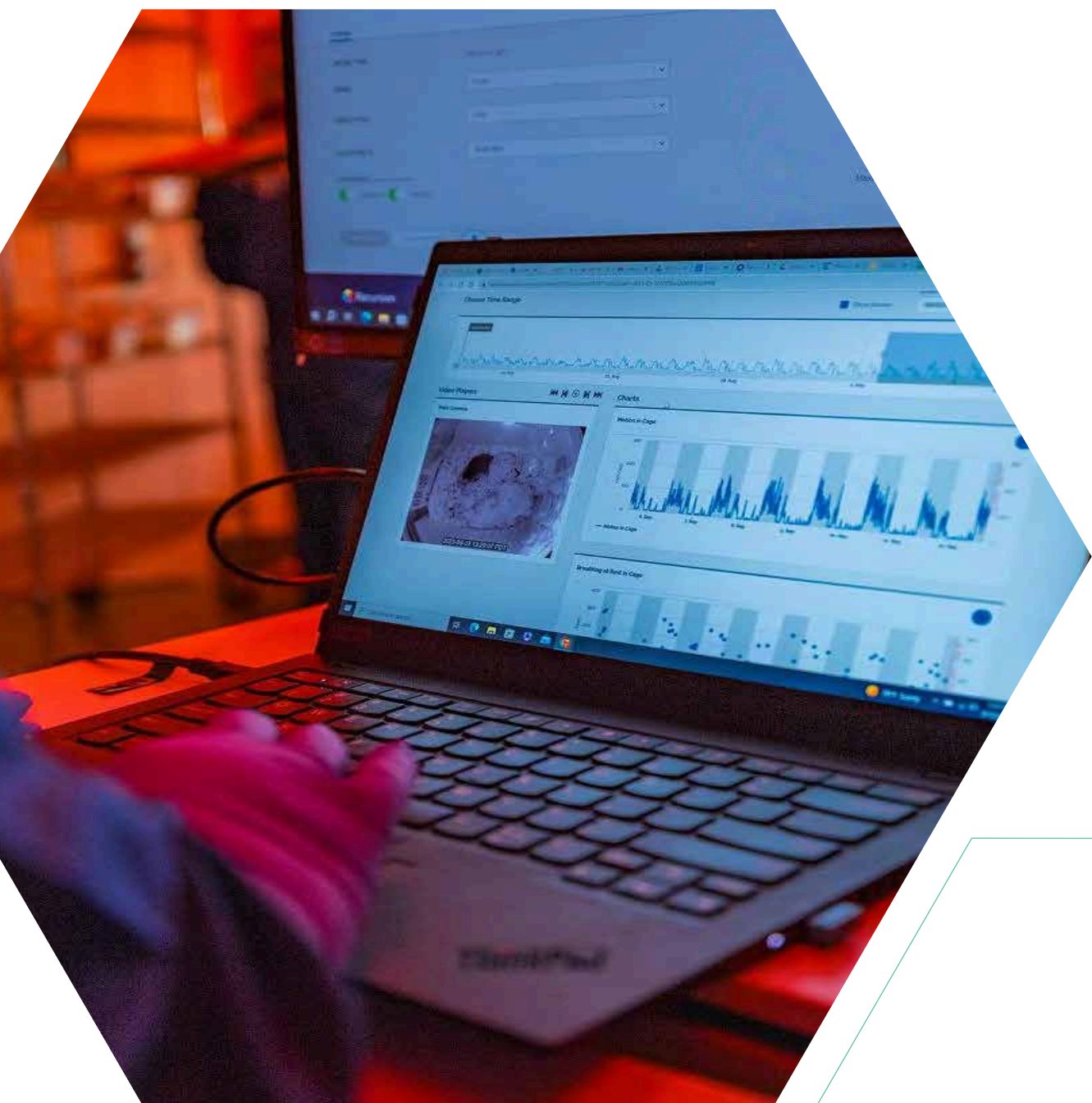
ETHICAL USE OF ANIMALS IN RESEARCH *CONTINUED*

## ACCELERATING AND IMPROVING STUDY READOUTS

The real-time, high-dimensional readouts we gather using our Digital Vivarium technology provide distinct scientific advantages over traditional methods and ultimately allow us to advance potential medicines to patients faster and with higher confidence.

Our **digital tolerability** studies allow us to identify phenotypic responses unique to different modes of toxicity and prioritize which compounds and doses should be used in efficacy studies.

Our **InVivomics** efficacy studies evaluate treatment effects early based on whole-animal digital observations. We have also extended our InVivomics tolerability studies into rats to leverage the advantages of whole-animal digital observations for exploratory non-GLP toxicology studies.



### READOUTS: Industry Standards Vs Recursion

	INDUSTRY STANDARD	VS	RECURSION
DECREASE INDUCTION	1 YEAR	VS	~2 MONTHS
DIGITAL TOLERABILITY	1 WEEK	VS	REAL-TIME
LIABILITY INVIVOMICS	6-8 WEEKS	VS	<1 WEEK



# SOCIAL IMPACT

## SECTION HIGHLIGHTS:

22 COMMUNITY ENGAGEMENT

27 OPEN SCIENCE



# COMMUNITY ENGAGEMENT

RECURSION IS COMMITTED TO MAKING A POSITIVE IMPACT IN OUR COMMUNITIES. OUR COMMUNITY ENGAGEMENT EFFORTS FOCUS ON AREAS WHERE WE CAN LEVERAGE OUR STRENGTHS AND VALUES: DEI IN TECHNOLOGY AND BIOTECH; GROWTH AND SUSTAINABILITY OF LOCAL LIFE SCIENCE AND TECH ECOSYSTEMS; AND SUSTAINABLE ENVIRONMENTAL PRACTICES. WE BELIEVE THIS WORK EXTENDS OUR MISSION OF RADICALLY IMPROVING LIVES.

## PROMOTING STEM EDUCATION

### Supporting The American Indian Science and Engineering Society

In 2024, we supported AISES, a national nonprofit bridging science and technology with traditional Native values. Our Inclusion Council organized an employee donation drive during Native American Heritage Month to support Indigenous communities and encourage STEM inclusion.

### STEM Summer Camp in the Gateway

We partnered with Discovery Gateway Children's Museum, hosting their summer campers for tours of Recursion's headquarters. Elementary students explored our labs and offices, learned about genetics through hands-on activities, and created personalized beaded bracelets celebrating their unique genetic traits.

### Opening Doors to STEM for All

We welcomed students from Latinos in Action and Club Ability, organizations empowering underrepresented youth and children with disabilities. Through interactive tours, career talks, and hands-on activities, we aimed to spark STEM curiosity and inspire future leaders.

## RECURSION FOUNDATION

The Recursion Foundation directs our philanthropic efforts and intentionally invests in our community ecosystems. Our Board of Directors has committed to putting 1% of our equity into the Recursion Foundation, demonstrating a strong commitment to social responsibility and development.

**1%** equity committed for the Recursion Foundation

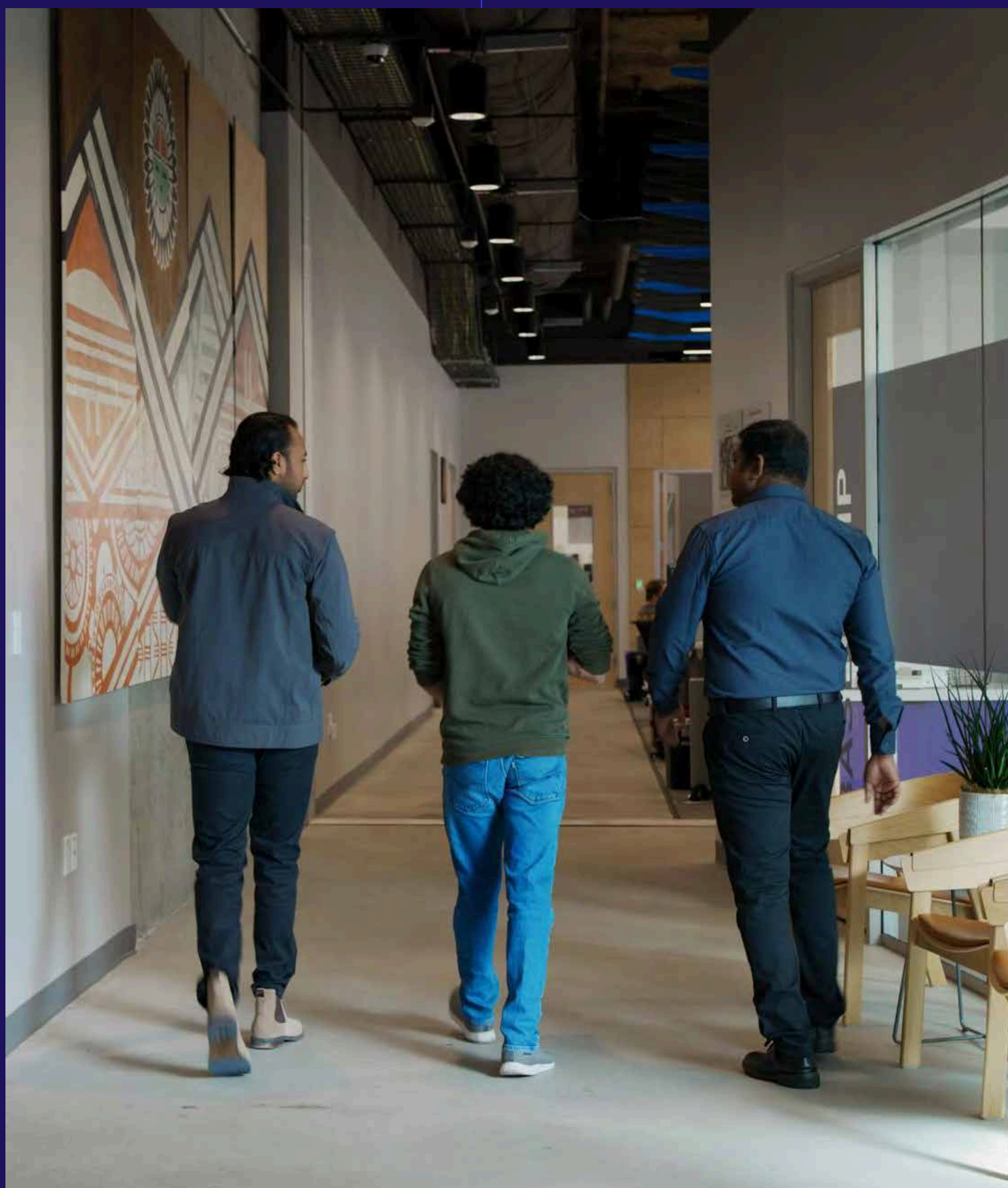




# FOSTERING THE BIOTECHNOLOGY SECTOR IN UTAH

altitude ▲ lab

Since its inception in 2020, Altitude Lab has powered a new, diverse generation of biotechnology founders in Utah through its accelerator program. To date, Altitude Lab has enrolled 31 startups in its 24-month program. Nine of these startups have graduated and are scaling their seed- and series A-funded ventures in Salt Lake City. In 2024 alone, Altitude Lab startups secured over \$29 million in seed and series A funding, accounting for 41% of all early stage healthcare financings in Utah, based on available data.



## KEY FACTS

**>\$153M**

raised by Altitude Lab startups since 2020

**31**

startups supported since Altitude Lab commenced operations

**54%**

of founders are from underrepresented backgrounds

**69%**

of startups are led by at least one underrepresented founder

**50%**

of startups are TechBio platforms

**\$500K**

of annual non dilutive grant opportunities for underrepresented founders



# FOSTERING THE BIOTECHNOLOGY SECTOR IN UTAH

ALTITUDE LAB CONTINUES TO DRIVE GROWTH AND OPPORTUNITY WITHIN UTAH'S BIOTECH ECOSYSTEM THROUGH SEVERAL KEY INITIATIVES:

- **Horizon Roadshow: Awarded federal funding**, Altitude Lab launched Horizon, a commercialization roadshow, taking 15 startups to San Francisco. This provided invaluable access to over 50 biopharma scientists and executives, as well as 25 venture capital funds, connecting Utah startups with previously inaccessible investors and commercialization opportunities.
- **Startup Nitro Library**: To support early-stage founders, Altitude Lab launched the **Startup Nitro** Library, a free, publicly accessible resource platform. Tailored specifically to biotech founders, it offers a wide range of tools, including legal templates, financial models, tutorials, and mentoring content curated by industry experts.
- **Founder Fellowship**: Altitude Lab awarded its inaugural **Chris and Summer Gibson Founder Fellowship** to Carmen Kivisild, CEO and Co-Founder of Elnora AI. This \$150,000 fellowship supports Carmen's relocation from Estonia to Utah to scale her generative scientific protocol software and AI-led drug discovery engine, providing quarterly mentorship with Chris Gibson.
- **National Reach**: Altitude Lab's admission pipeline attracts diverse founders from across the country and the globe, with over 50% of applicants from outside Utah. Entrepreneurs from cities like London, Boston, New York, and Houston are bringing top-tier talent and fresh perspectives to Utah's growing biotech hub.

"WITHIN JUST FOUR TO FIVE MONTHS OF FREYYA JOINING ALTITUDE LAB, WE'VE ALREADY LAUNCHED A CLINICAL STUDY AND ARE A QUARTER OF THE WAY THROUGH OUR FIRST FUNDING ROUND. BEING PART OF ALTITUDE LAB GAVE ME ACCESS TO CRUCIAL RESOURCES—LEGAL GUIDANCE, INVESTORS, AND OTHER KEY ELEMENTS—THAT HELPED ME HIT THE GROUND RUNNING. OUR PROGRESS HAS BEEN INCREDIBLY FAST—FAR BEYOND WHAT WOULD HAVE BEEN POSSIBLE WITHOUT THIS SUPPORT."

**Stefan Niederauer,**  
CTO and Co-Founder, Freyya

"ALTITUDE LAB HAS PROVIDED INTACTIS BIO WITH ESSENTIAL LAB SPACE, ONE-ON-ONE MENTORSHIP, INVESTOR ACCESS, AND NETWORKING OPPORTUNITIES THAT ARE OTHERWISE UNAVAILABLE IN SALT LAKE CITY. STATED PLAINLY, OUR COMPANY COULD NOT EXIST IN UTAH WITHOUT ALTITUDE LAB. INSTEAD, WE HAVE ACCESS TO THE BEST NETWORK AND SUPPORT IN THE BURGEONING TECHBIO COMMUNITY. WE ENTHUSIASTICALLY ENDORSE ALTITUDE LAB'S MISSION AND IMPACT."

**Daniel Rodriguez-Granrose**  
Founder and CEO, Intactis



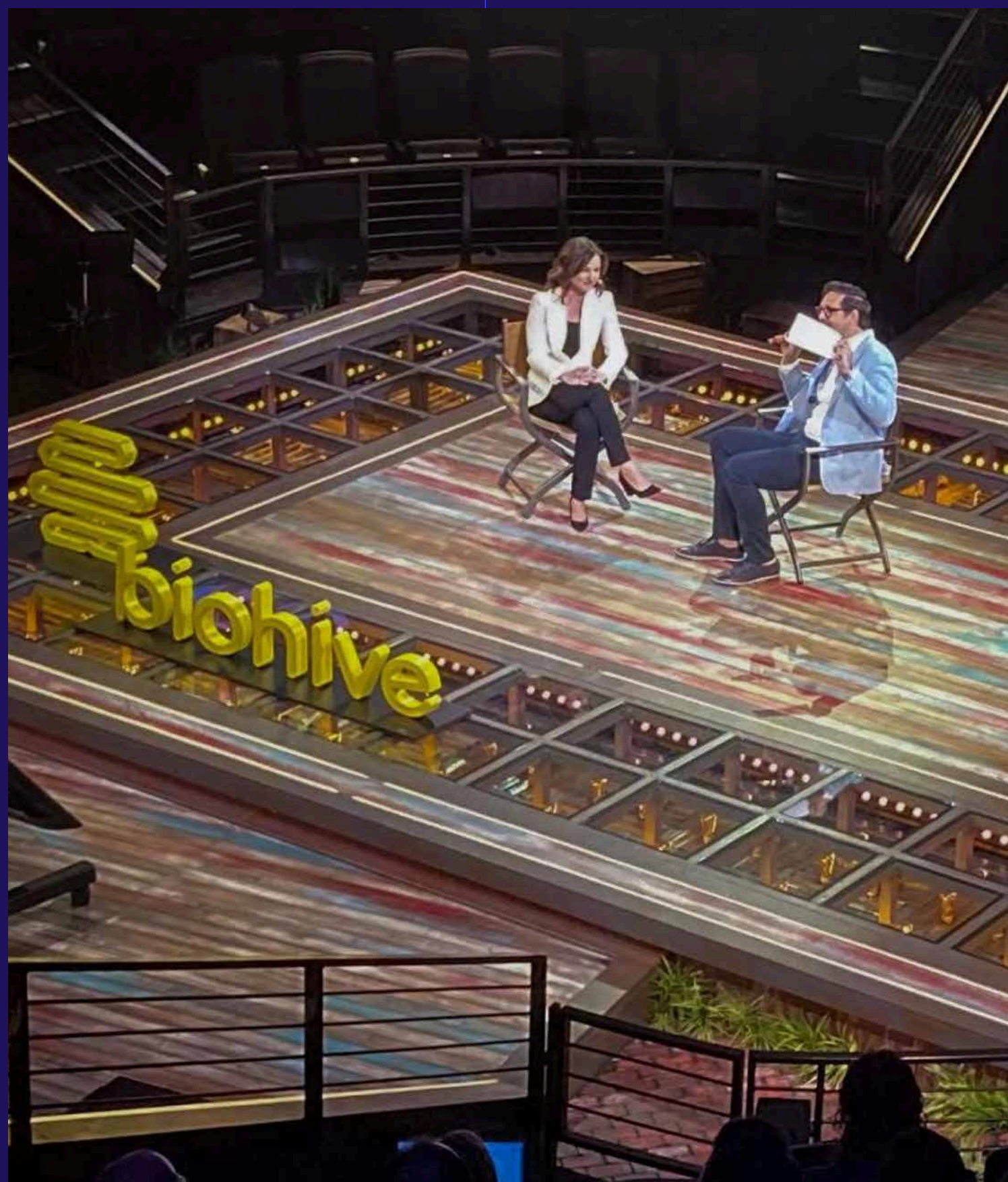
For more updates, visit [altitudelab.org](https://altitudelab.org).



# FOSTERING THE BIOTECHNOLOGY SECTOR IN UTAH



Recursion is a founding member of BioHive, a Utah life sciences ecosystem comprising therapeutics, diagnostics, medical device, pharmaceuticals, and health IT companies, along with the companies that support them and the public sector.



## KEY FACTS

**1<sup>ST</sup>**

Recursion is a founding member alongside Seek Laboratories

**1600+**

companies represented

**>180,000**

people employed directly and indirectly by Utah's life science industry

**\$21B**

direct and indirect GDP from Utah's life science industry

**\$14B**

direct and indirect earnings from Utah's life science industry



# FOSTERING THE BIOTECHNOLOGY SECTOR IN UTAH

## SUPPORTING UTAH’S STEM ECOSYSTEM THROUGH BIOHIVE

Recursion actively collaborates with BioHive to cultivate Utah's growing life sciences community and inspire the next generation of STEM leaders. Our 2024 initiatives include:

- **Student Tours:** We partnered with BioHive to create a formal program connecting students with local STEM companies. Recursion hosted interactive tours for graduate and Ph.D. students from the University of Utah BioHive Chapter, undergraduate students from the BYU BioHive Chapter, and local high school students participating in STEM Innovation Day.
- **Utah STEM Fest Sponsorship:** Recursion sponsored the 2024 Utah STEM Fest, a multi-day event connecting students in grades 5-10 with STEM career opportunities. Recursion employees volunteered at the event, leading engaging activities focused on drug discovery.
- **BioHive Live Sponsorship:** Recursion sponsored BioHive's inaugural BioHive Live event in 2024, bringing together leaders and experts across the life sciences and healthcare sectors. Through this sponsorship and our ongoing partnership with BioHive, we contribute to building and strengthening Utah's vibrant life sciences ecosystem.



## ADVANCING WOMEN IN STEM

Recursion is an active participant in BioHive’s Women In Technology and Science (WITS) chapter. WITS includes several senior women leaders from STEM industries and organizations in Utah.

In 2024, Recursion and BioHive WITS organizations partnered on many initiatives, including:

- The University of Utah’s One Utah Initiative which aims to partner with industries to build the scope and impact of data science and computational biology research and infrastructure in Utah.
- STEM seminars and mentorship networking hosted at Recursion and open to all women in the Salt Lake area.

Recursion also sponsored networking events in partnership with Utah State University’s Society of Women Engineers to help mentor and foster future talent in the tech industry. Additionally, Recursion sent many mentors to the Women Tech Council SheTech Explorer day, where high school-aged girls participate in workshops to explore different science and technology careers. Recursion was a Women Tech Council Shatter List recipient for the 7th year in a row.



# OPEN SCIENCE

WE BELIEVE IN THE BENEFITS OF OPEN-SOURCE DATASETS AND OPEN SCIENCE, AND THAT BY PUBLICLY RELEASING DATASETS, TOOLS, AND RESEARCH, WE HELP ADVANCE THE FIELD OF MACHINE LEARNING RESEARCH, METHODS DEVELOPMENT, AND COLLABORATION.

## VALENCE LABS

Our AI research center, Valence Labs, is a hub for fostering community through open science and academic research. Valence Labs continues to publish research papers at top-tier conferences in areas such as causal representation learning, molecular representation learning, generative flow networks, generative chemistry, atomistic force field estimation, and more. We aim to be open about the basic research we're doing as we relentlessly pursue our mission. Learn more at [valencelabs.com/research](https://valencelabs.com/research).

Beyond research, Valence also strives to be a leader within the machine learning community which includes open-science and open-source efforts like:

- **Portal**, the home of the TechBio community, where you'll find our [reading groups](#), [community blogs](#), and more
- **Polaris**, a pre-competitive industry consortium focused on developing evaluation standards for AI models that more closely reflect the complexities of real-world drug discovery
- Open Source Software, such as [Datamol](#), [Molfeat](#), [Graphium](#), [Medchem](#), [OpenQDC](#), and more
- Events and meet-ups, such as the TechBio mixers we hosted during the 2023 and 2024 International Conference on Machine Learning (ICML)
- Educational events, including co-organizing the [Molecular Machine Learning Conference](#) (MoML) and hosting leading researchers from industry and academia at the [AI for Drug Discovery Summer School](#)

## DATASETS

We have released five open-source datasets since 2019, some of which are the largest of their kind in the world, under terms that allow for broad academic and non-commercial use. To date, our public dataset releases have been cited hundreds of times in research publications. Visit [rxrx.ai/datasets](https://rxrx.ai/datasets) to learn more.

In 2024, alongside a model release (OpenPhenom-S/16), we released RxRx3-core, a streamlined, 18GB dataset of microscopy images, significantly smaller than the original 100TB+ RxRx3 dataset. This curated dataset, available on Hugging Face and Valence's Polaris, provides researchers with a manageable yet powerful resource for developing and testing AI models for image analysis. RxRx3-core includes over 222,000 images representing a wide range of cellular changes induced by genetic modifications and drug candidates. By lowering the barrier to entry for researchers, RxRx3-core is fostering innovation in AI-driven microscopy analysis, as evidenced by its hundreds of downloads from HuggingFace.

## MODELS

Recursion is committed to advancing open science and fostering collaboration within the research community. We believe that sharing our models and tools accelerates progress and benefits all.

- **Phenom-Beta and OpenPhenom-S/16:** To empower researchers working with complex phenomics-based datasets, we released Phenom-Beta, our first publicly available deep learning model, at the JP Morgan Healthcare conference in January 2024. In November 2024, we released its latest iteration, OpenPhenom-S/16. This ready-to-use model outperforms traditional microscopy analysis techniques without needing any extra adjustments or training. It is particularly good at finding known biological connections within public research data. Learn more at [rxrx.ai/phenom](https://rxrx.ai/phenom).
- **SAFE and SAFE-GPT:** Valence Labs shared SAFE and SAFE-GPT, powerful AI models that can design new molecules. These models are versatile and work well for many different molecule design tasks. SAFE (Simplified Assembly of Fragment Encodings) is a clever way of representing molecules that makes it easier to train powerful AI models like SAFE-GPT. SAFE uses a standard format for representing molecules, so other researchers can easily use it with their existing tools. Learn more at [github.com/datamol-io/safe](https://github.com/datamol-io/safe).

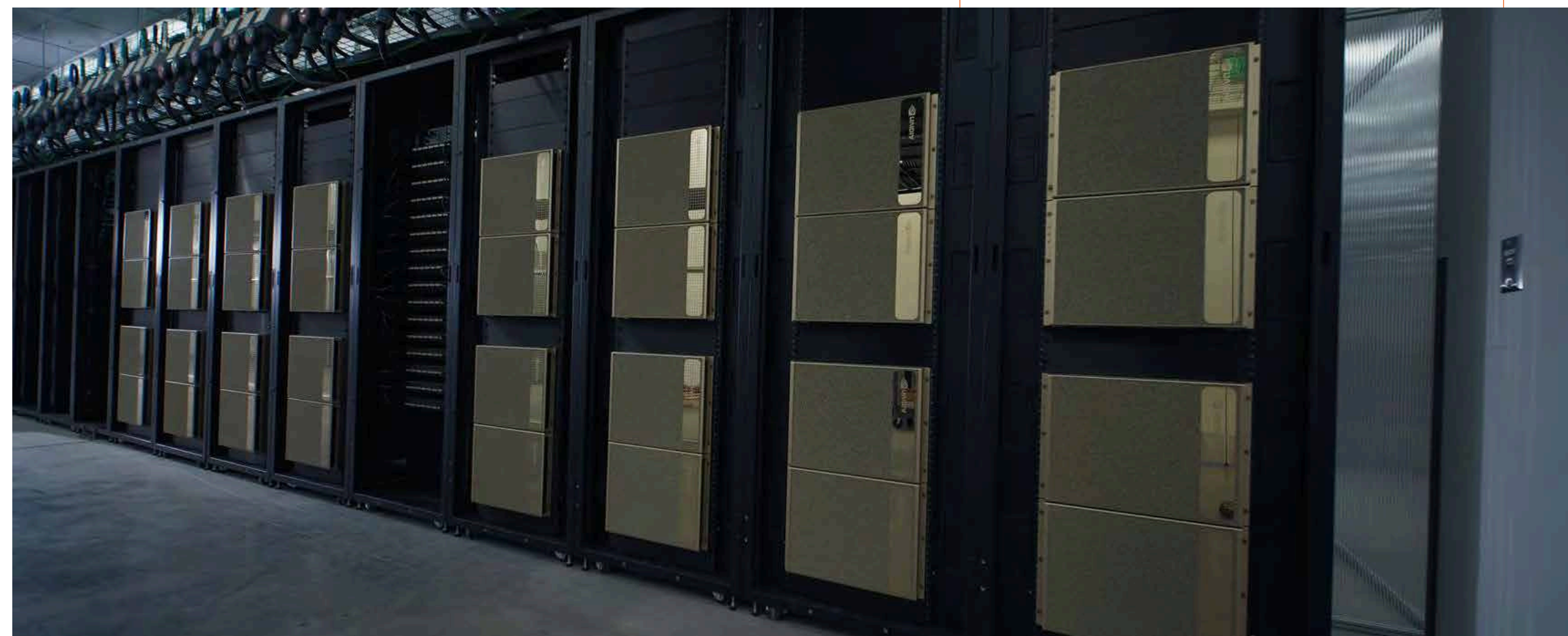


OPEN SCIENCE *CONTINUED*

**COMPUTE**

Through our relationships with research centers such as Mila, we provide access to our computing infrastructure, BioHive-2, to select academic collaborators to enable open-science.

BioHive-2 is the largest supercomputer of its kind in the pharmaceutical industry, which is necessary to run the complex AI workflows that power Recursion’s drug discovery platform. We are proud to support our academic collaborators in the open-science community with the computing resources needed to power their research.



	RXR3 - CORE	RXR3	RXR2	RXR19B	RXR19A	RXR1
<b>RELEASE DATE</b>	November 2024	January 2023	August 2020	August 2020	April 2020	June 2019
<b>CATEGORIES</b>	Genetic perturbations Small molecules	Genetic perturbations (genome-wide CRISPR) Small molecules	Large molecules	Infectious disease Small & large molecules	Infectious disease Small molecules	Genetic perturbations (siRNA)
<b>NUMBER OF IMAGES</b>	222,601	~2.2M	131,953	70,384	305,520	125,510
<b>COMPRESSED DATASET SIZE</b>	18 GB	~83,100 GB	~185 GB	409 GB	~450 GB	~46 GB



# OUR

# PEOPLE &

# CULTURE

## SECTION HIGHLIGHTS:

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36 EMPLOYEE DEVELOPMENT AND TRAINING

39 EMPLOYEE WELL-BEING



# CULTURE

## SUSTAINING OUR CULTURE THROUGH STORYTELLING

In 2024, we published **Recursion Decoded**, a book capturing the essence of who we are, how we operate, and what drives us forward as a company. This comprehensive volume serves as both a reflection of our journey and a guide to our future.

The book is organized into five key sections:

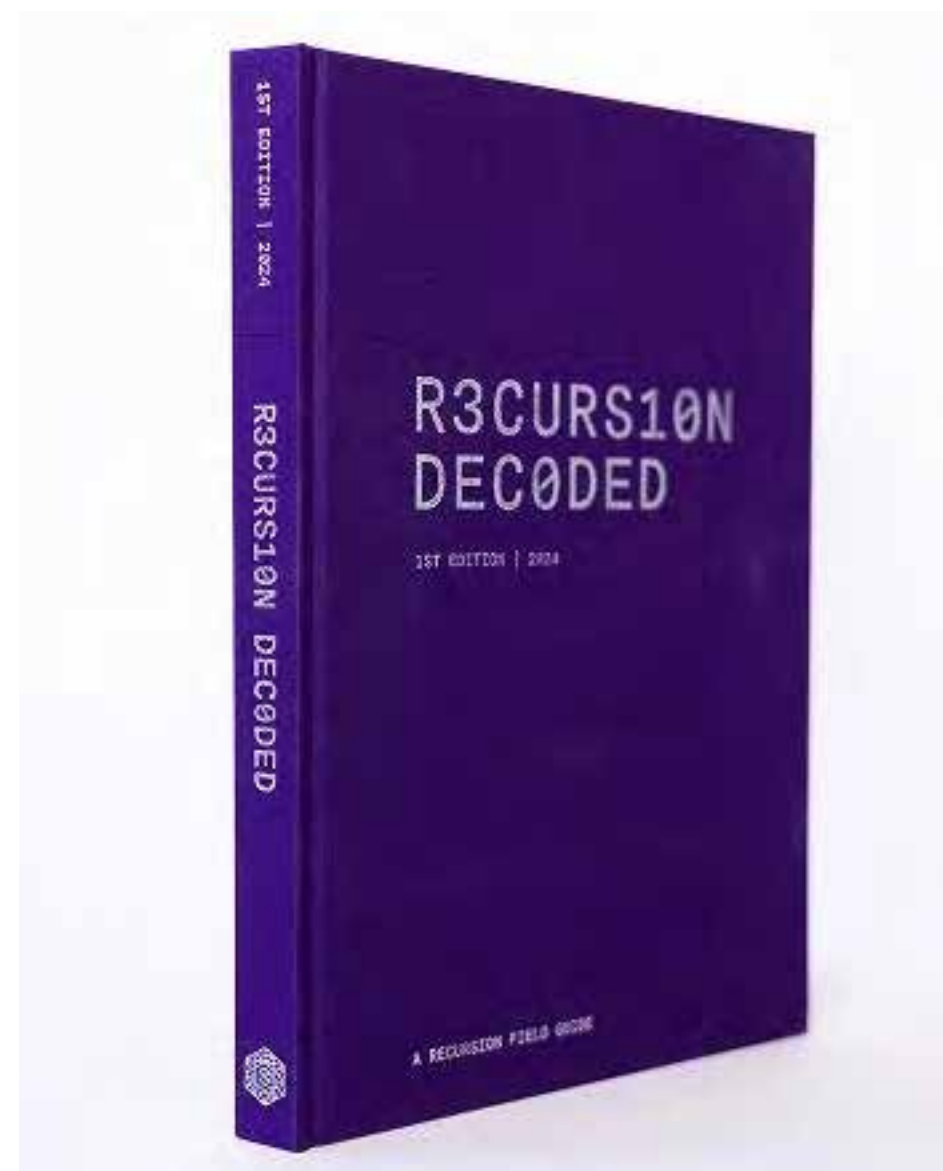
- **Who We Are:** Our mission, values, and the origin story that laid the foundation for our work
- **How We Do It:** A deep dive into the unique Recursion Mindset and the principles that shape our approach to performance and innovation
- **What We Do:** An introduction to the Recursion OS and its impact on biology and drug discovery, including scientific breakthroughs and mindset-driven case studies
- **A Selection of Deeper Dives:** Detailed accounts of cutting-edge research and innovations that showcase our commitment to advancing science and technology
- **How We Work Together:** Insights into our collaborative culture, including practices like blameless postmortems, mindful communication, and goal-setting philosophies

This book embodies our belief in sharing knowledge openly, fostering collaboration, and cultivating a culture of continuous improvement. By documenting our philosophies and practices, we aim to inspire our employees, stakeholders, and the broader community to think boldly, act with integrity, and stay committed to making a meaningful impact on the world.

## THE RECURSION MINDSET

At Recursion, we're driven by a mission to decode biology at scale. Our Recursion Mindset guides us to achieve this by embracing automation, systems thinking, algorithms, and data. Our guiding principles and core values inform our actions and define our culture as we work together to revolutionize drug discovery.

To learn more about our guiding principles and values, visit our website at [recursion.com/mindset](https://recursion.com/mindset).





CULTURE CONTINUED

### OUR PEOPLE

Recursion's strength lies in our people: mission-driven, humble, bright, generous, and constructively dissatisfied with the status quo. We embrace intentional diversity across multiple dimensions. Our team members think quickly and nimbly within complex systems, embracing failure as a learning opportunity and demonstrating high adaptability. These qualities enable us to build exceptionally high-performing teams that collaborate with urgency to advance our mission.



#### Awards

### 1ST, 2ND, AND 3RD PLACE

at Foundation Models for Science at NeurIPS 2024

### FINALIST

for AI Best Partnership Alliance Scrip Award 2024

### 2024

Deloitte Technology Fast 500 Listee

### BICYCLE FRIENDLY BUSINESS AWARD

from League of American Bicyclists - 2024 Silver

### FROST & SULLIVAN 2024

Technology Innovation Leadership Award

### 7X

UTAH SHATTER AWARD RECIPIENT, By the Utah Women's Tech Council

### 3X

Equality Leader IN BUSINESS, By Equality Utah in 2024

### 2024 UTAH BUSINESS MAGAZINE

Up & Coming HR Recipient

### 2024 ISSX DISTINGUISHED ACCOMPLISHMENTS

in Drug Discovery & Development

### 2024 DATA INNOVATOR AWARD

at the Women Tech Council's Women Tech Awards





CULTURE CONTINUED

## DIVERSITY, EQUITY, INCLUSION, AND BELONGING

At Recursion, we believe diversity is good for our business and the communities in which we work. We have found that diverse perspectives support better complex decision-making, foster greater innovation, and yield greater company success.

We intentionally work to build an inclusive and equitable culture to unlock the power of our diversity. In 2024, we were proud to be recognized by Equality Utah as a Business Equality Leader for a third year running, demonstrating our ongoing commitment to DEI.

## BUILDING A DIVERSE WORKFORCE

Building a high-performing, diverse workforce is a priority at Recursion. We invest heavily in our recruitment process, focusing on maximizing diversity at the top of the funnel. We proactively engage with underrepresented talent early in the cycle to build a diverse candidate pool. This includes partnering with recruiting agencies aligned with our values and utilizing targeted job boards like Diversityjobs.com, PharmaDiversity.com, Military2Career, iHispano, the Society of Women Engineers, and the Black Career Network.

Our inclusive candidate experience is strengthened by objective, competencies-based interviewing designed to mitigate bias. Our hiring managers complete Inclusive Interviewing training. We compile diverse interview panels to solicit multiple perspectives. To ensure accountability and track our progress, we anonymously collect candidate demographic data, allowing us to measure the effectiveness of our initiatives and identify areas for continuous improvement. This integrated approach allows us to select the most qualified candidates, regardless of background.

### Returnship Program

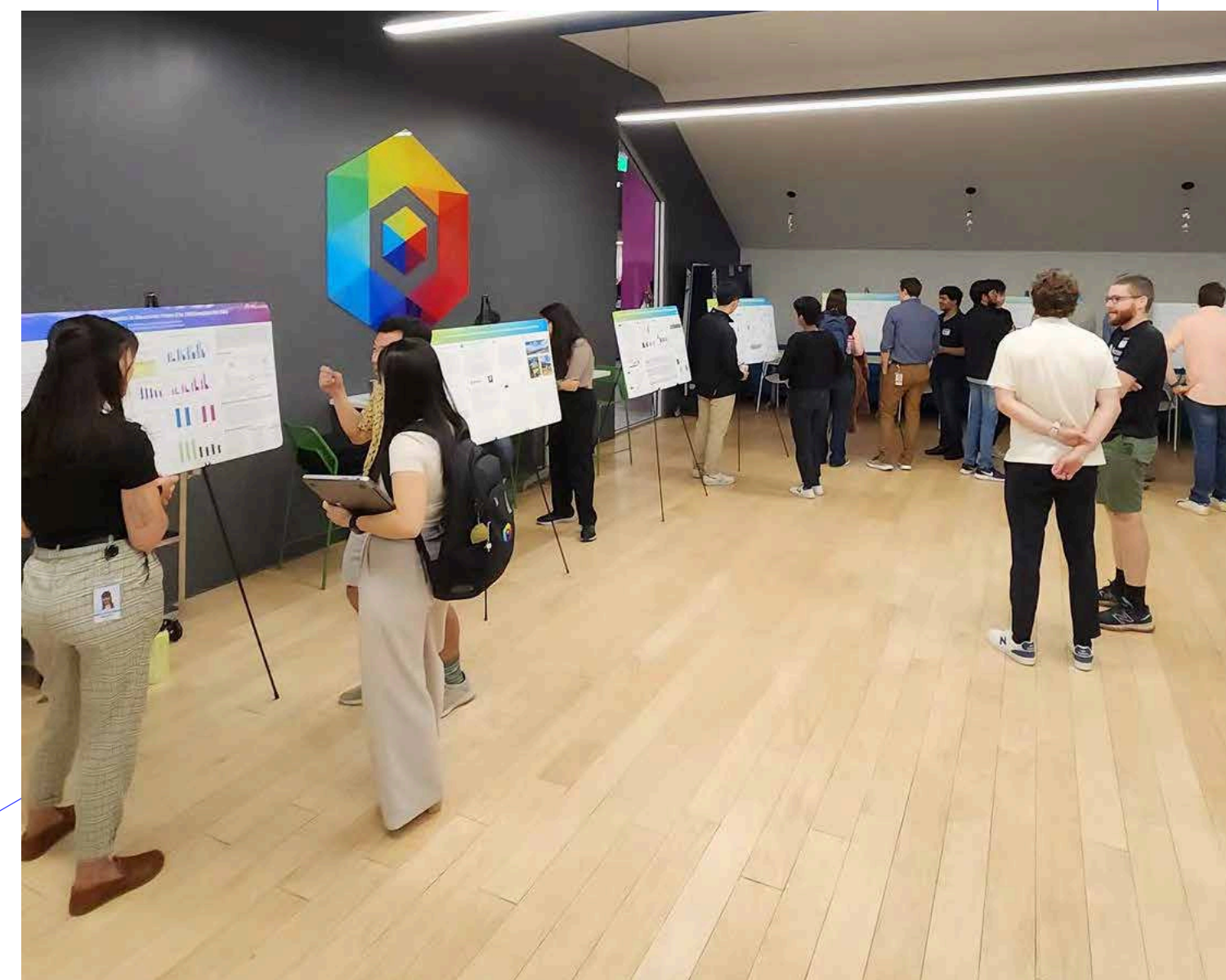
In 2024, Recursion launched a Returnship Program in partnership with our Women at Recursion ERG, Inclusion Council, Talent Acquisition, and BioHive, focused on individuals returning to the industry after a career break of two or more years. This program, open to both men and women, bridges the gap for experienced professionals with less linear career paths. We're thrilled to continue the program in 2025, building on the success of our inaugural cohort, which resulted in one full-time hire. Our second cohort of five returners began in February 2025.

### Parity Pledge

Recursion is a signatory of the Parity Pledge, committed to interview and consider at least one qualified woman and person of color for every open role, Vice President and above. In 2024, we hired nine employees at the VP level or above. All nine positions included a person of color at the full panel interview stage, and seven of the nine included female-identifying candidates (80%). Moving forward, we intend to continue our commitment to the Parity Pledge and equal opportunity.

### Internship Program

Recursion's internship program invests in early career talent that we hope will fuel the future of the company and the industry. In 2024, we hosted 16 interns, over 60% from underrepresented backgrounds. Interns joined our Data Science, Engineering, Chemistry, and Biology teams. Our program included various offsite events within the Salt Lake City area to create camaraderie and ended with a demo day where our interns presented their work and learnings to the business.





CULTURE CONTINUED

GENDER REPRESENTATION

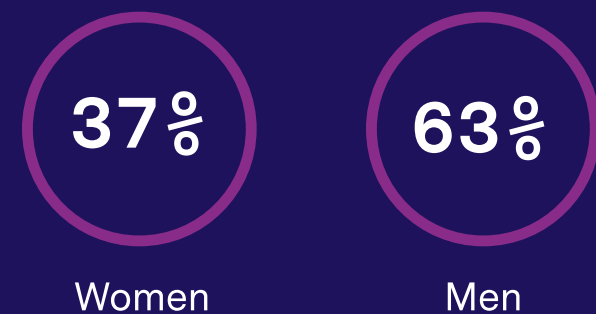
Gender Diversity - All Employees\*



Gender Diversity - Technical Staff



Gender Diversity - Leadership (VP+)



Gender Diversity - Executive Team



RACIAL AND ETHNIC DIVERSITY



- 14% ASIAN
- 2% BLACK OR AFRICAN AMERICAN
- 5% HISPANIC OR LATIN
- 3% MIDDLE EASTERN OR NORTH AFRICAN
- 6% TWO OR MORE RACES
- 49% WHITE
- 21% DID NOT DISCLOSE

FUNCTIONAL BREAKDOWN\*\*



- 37% LIFE SCIENCES
- 44% TECHNOLOGY
- 19% STRATEGIC OPERATIONS

REGIONAL BREAKDOWN\*\*



- 92 CANADA
- 10 EUROPE
- 260 UK
- 436 USA

\*Percentages may not total 100%, as employees who choose not to disclose their gender identity are excluded.

\*\*Data reported as of March 15, 2025.



CULTURE CONTINUED

## EQUITABLE COMPENSATION AND TRANSPARENCY

At Recursion, we believe in fairly compensating all employees based on their role, level, and contributions. Our job architecture supports a market-based compensation structure that allows for objective analysis and adjustments. We have committed to a competitive US minimum annual base salary of \$60,000.

### PAY EQUITY ANALYSIS

Recursion regularly conducts pay equity analyses with outside counsel to ensure fair compensation practices. Our most recent analysis found no material systemic pay differences between genders. For comparable roles, women earn \$0.99 for every \$1.00 earned by men. We target +/- 2.5% equivalency to account for normal variations, and in some years, women have earned slightly more than men in comparable roles.

#### Pay Transparency

In 2024, we enhanced our total rewards communication to ensure employees have a comprehensive understanding of their compensation. Each employee received a total rewards statement with personalized information, both verbally and via letter, detailing their pay range, their current salary within that range, bonus, equity, and the value of their benefits. We also expanded on our pay transparency efforts by providing the entire organization training on our pay philosophy.

## BUILDING A CULTURE OF INCLUSION AND BELONGING

Our Inclusion Council proactively champions and fosters efforts to make Recursion an environment where everyone can contribute, make an impact, and develop professionally. The Inclusion Council has seven members who rotate annually. The Council defines and structures programming and educational resources for our employees. For example, in 2024, the Inclusion Council held an action-oriented training workshop focused on allyship, inclusive language, and transgender lived experiences. Our hope is that by creating programming that first educates, and then engages, we build connections in brave spaces across Recursion.



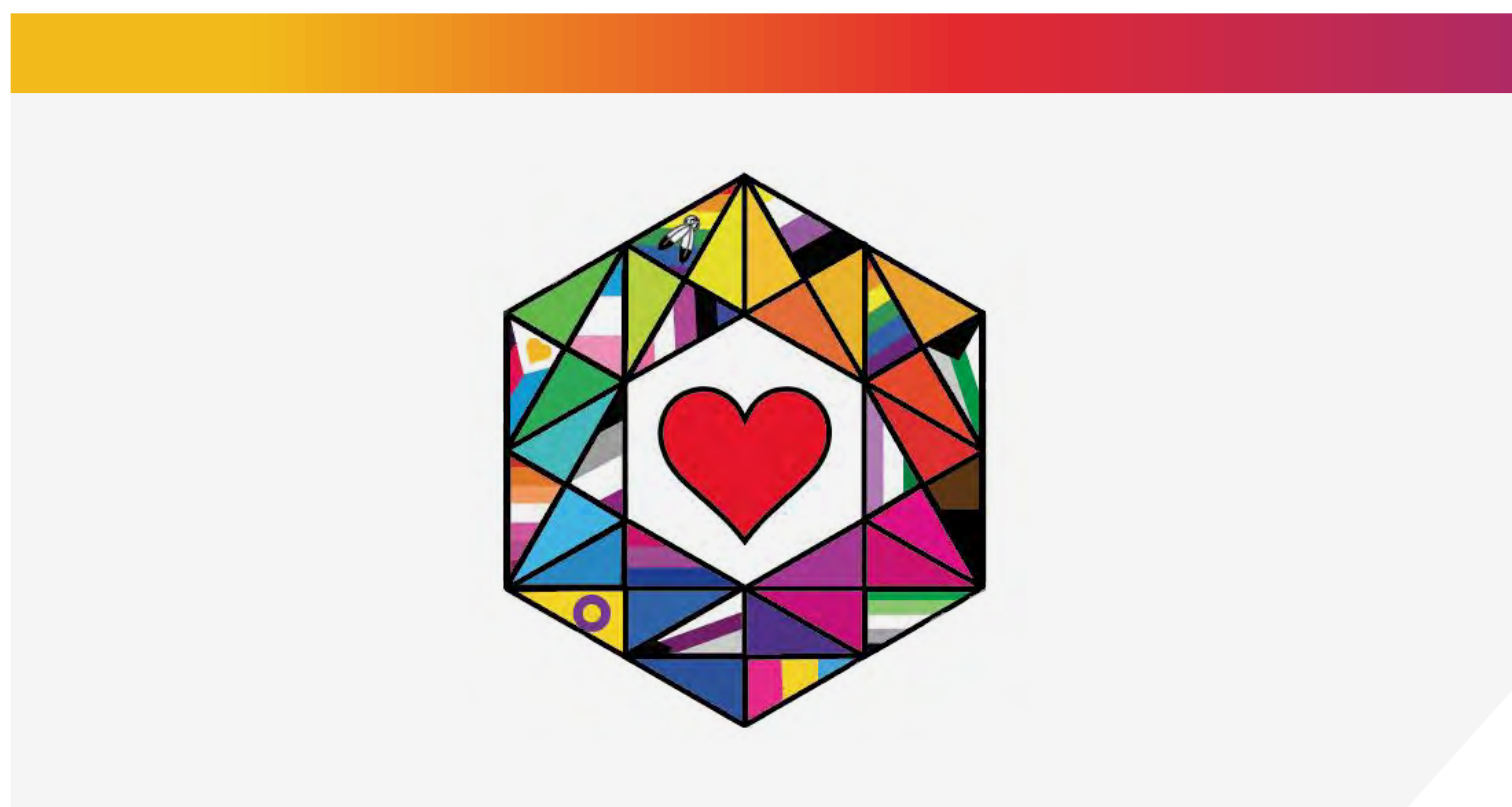


CULTURE CONTINUED

## EMPLOYEE RESOURCE GROUPS (ERGS)

We believe that diverse perspectives fuel innovation and drive our mission forward. In 2024, we proudly established our third ERG designed to support our employees of color. All three ERGs are designed to focus on inclusion and equity efforts around specific underrepresented communities within and outside Recursion.

### PRIDE ERG



**MISSION:**

The Pride ERG’s mission is to ensure that Recursion maintains a deeply inclusive, equitable, and safe environment for 2SLGBTQIA+ employees and the communities we serve. We enable our teams to thrive through education, networking, mentorship, professional development, advocacy, and community outreach.

**KEY INITIATIVES:**

The Pride ERG is partnering with our People Team to ensure equitable recruitment practices by collecting sexual orientation and transgender status data, anonymously via our Applicant Tracking Software. This data-driven approach helps us identify and address any potential biases in our hiring process.

### WOMEN AT RECURSION ERG



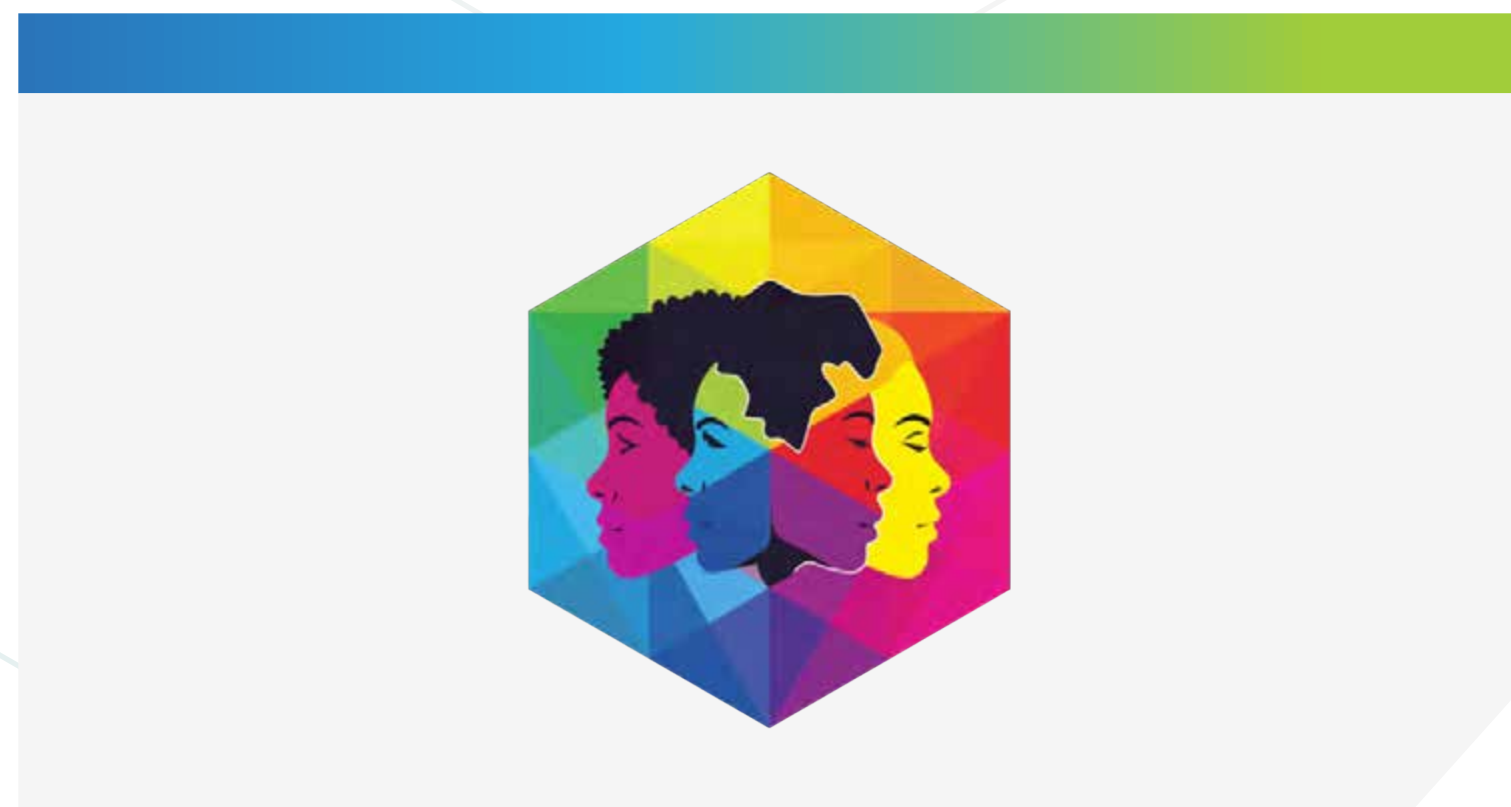
**MISSION:**

Our Women’s ERG is dedicated to advancing a culture where women can thrive, grow, and achieve their full potential. The ERG’s mission is to holistically support women at Recursion, partner with community organizations, and showcase achievements of diverse women in order to celebrate progress and inspire others.

**KEY INITIATIVES:**

The Women at Recursion ERG plays a crucial role in building and maintaining our Returnship program to provide pathways back to the workforce for women. They also collaborate with BioHive to offer valuable seminars on mentorship, returnships, and STEM engagement, extending their impact beyond Recursion.

### PEOPLE OF COLOR ERG



**MISSION:**

The People of Color ERG empowers BIPOC employees at Recursion to thrive, lead, and drive transformative change within the company and beyond. We cultivate a culture of belonging, amplify diverse voices, and advocate for equitable opportunities, creating a workplace where everyone can reach their full potential.

**KEY INITIATIVES:**

The POC ERG conducted an internal survey to gather feedback on the gaps and needs of Recursion’s employees of color. They have established committees focused on BIPOC connections, advocacy, and outreach, ensuring their work is both impactful and sustainable.



# EMPLOYEE DEVELOPMENT AND TRAINING

AT RECURSION, WE FOSTER A CULTURE OF CONTINUOUS LEARNING AND GROWTH, RECOGNIZING THE RAPID PACE OF CHANGE IN OUR INDUSTRY. WE EXPECT AND ENCOURAGE EVERY EMPLOYEE TO LEARN BOTH ON THE JOB AND THROUGH FORMAL LEARNING AND DEVELOPMENT OPPORTUNITIES.

## INVESTING IN OUR PEOPLE: GROWTH AND DEVELOPMENT AT RECURSION

Recursion offers a range of opportunities for employees to build skills and advance their careers.



### SKILL DEVELOPMENT OPPORTUNITIES:

- **Embedded Learning:** Skill development is integrated into day-to-day work through mentoring, access to internal resources and experts, and participation in industry conferences and events.
- **Structured Development:** Employees can engage in formal development activities such as classes and coaching. In 2024, our focus on developmental feedback included workshops with over 50% employee participation, helping employees build and practice these essential skills.
- **Always-On Learning:** All employees have access to LinkedIn Learning for continuous, self-directed development.
- **Collaborative Learning:** We foster peer learning and knowledge sharing through journal clubs (interdisciplinary discussions of recent publications), code review, and paired programming.

### COACHING AND MENTORSHIP:

- **Manager Coaching:** We provide personalized coaching for managers, supporting over 100 engagements in 2024. Popular coaching topics include communication effectiveness, influence, decision-making, and strategies for working parents.
- **Executive Coaching:** Executive coaching is available for our senior leaders.
- **Mentorship:** In 2024, we initiated a formal mentorship program, organized by our Women at Recursion ERG, to connect employees with different skillsets for guidance and support.

### PERFORMANCE:

Recursion is committed to building high-performing teams. Our annual Reflection Cycle supports this goal through self-reflection, performance assessment, and 360-degree feedback. This process empowers employees and managers to identify opportunities for growth, contribute to our mission, and understand their impact on others.



EMPLOYEE DEVELOPMENT AND TRAINING *CONTINUED*

**ONBOARDING AND CONNECTION:**

**Decoding Recursion**

To accelerate onboarding, we host an immersive, two-day offsite called Decoding Recursion. This experience, facilitated by senior leaders (including our Co-Founder and CEO), focuses on our values, principles, and the Recursion mindset. It's designed around storytelling, connection, and interactive activities.

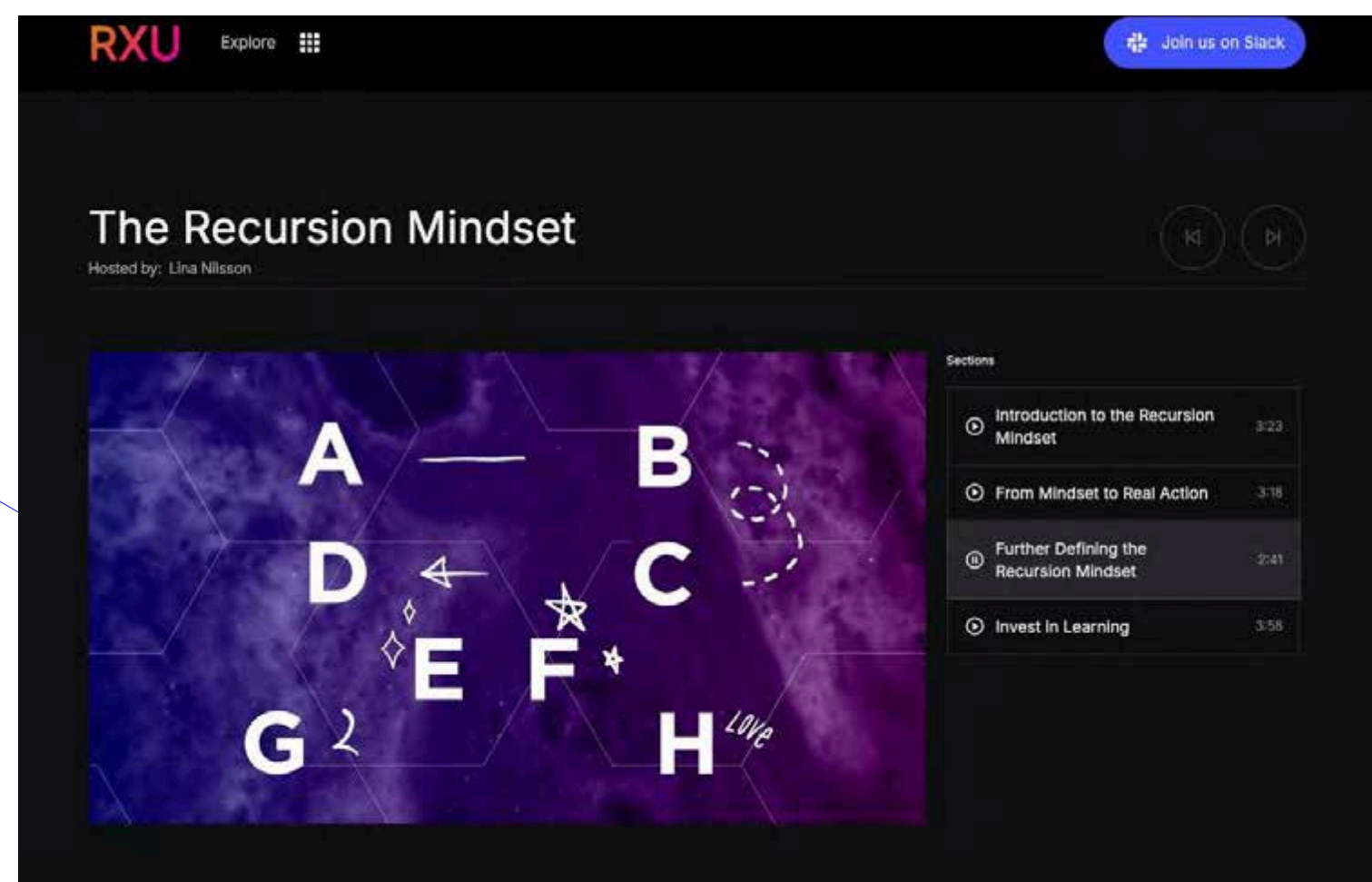
**Recursion University**

Recursion University (RXU), launched in February 2024, is our internal learning platform designed to connect employees with the core elements of our culture, skills, and expertise. RXU programs provide immersive experiences focused on our mission, values, and founding principles. The platform's impact is evident in the overwhelmingly positive feedback, with an average recommendation score of 9/10, highlighting its success in fostering a deeper understanding of what it means to be a Recursionaut.

**CULTURE OF COLLABORATION AND FEEDBACK**

We believe in a culture where every employee is seen, heard, and celebrated. Open communication and shared understanding are vital to our success. Here are some key examples:

- **The Ritual of Gatherings:** Our weekly all-hands meeting unites Recursionauts across roles and locations. This forum fosters alignment, connection, and reflection on our shared mission, progress, and challenges. With active participation from senior leaders, we share updates, deepen knowledge, connect with our patient community, and reinforce our sense of belonging.
- **Hack Week:** Our annual Hack Week empowers grassroots innovation and cross-functional collaboration. By minimizing non-essential commitments, we create dedicated time for teams to explore, learn, connect, and build. Open to all employees, Hack Week 2024 featured 39 projects centered on "Connecting Loonshots to the Recursion OS"—big ideas with big impact.
- **TechBio Symposium:** Our annual TechBio Symposium fosters innovation, collaboration, and learning. Evolving from a technology-focused event to a company-wide gathering, the Symposium welcomes Recursionauts from all disciplines and locations. The 2024 Symposium, with over 350 attendees and 111 speakers, showcased diverse ideas from drug discovery to machine learning, uniting science and technology in pursuit of better patient outcomes.



“NOW I UNDERSTAND THE MISSION AND MINDSET SIGNIFICANTLY BETTER. I LOVE THE IDEA THAT WE'RE AMBITIOUS WITH OUR DATA AND EXPECTATIONS. I THINK SETTING GOALS TOO EASY IS SHORT SIGHTED AND LIMITS THE EXPANSION OF DRUG DISCOVERY. WITH THE RECURSION MINDSET OF SETTING GOALS HIGHER THAN I THINK I CAN REACH I'LL BE DRIVEN TO PUSH MYSELF AND MY EXPECTATIONS TO REACH THOSE GOALS AND IN TURN HELP ACCELERATE DRUG DISCOVERY. DECODING BIOLOGY IS AN AMAZING AND AMBITIOUS GOAL AND I'M HAPPY TO BE A PART OF THE JOURNEY”

**RXU**  
participant feedback



EMPLOYEE DEVELOPMENT AND TRAINING *CONTINUED*

## EMPLOYEE ENGAGEMENT SURVEYS

Employee engagement is a proven driver of performance and business results. We measure engagement using an industry standard index. We target a company-wide score of 75-85%. This goal acknowledges that some amount of friction is healthy as we move and change at a relentless pace.

**OUR AGGREGATE 2024 SCORE OF 77% IS ABOVE THE TECH, SCIENCE & RESEARCH BENCHMARK\* OF ~200 GLOBAL ORGANIZATIONS.**

## EMPLOYEE TURNOVER

Annual turnover for 2024 was 17%, a decrease from 24% in 2023. In November 2024, Recursion and Exscientia combined companies and workforces. While almost 800 employees will be continuing with Recursion, this deal resulted in role redundancy for some teams. Prior to this change, the average monthly turnover was 1%, with a total turnover of 10% as of October. Annual voluntary turnover was 5%. This low voluntary turnover demonstrates the strong culture and ability to retain top talent.

**77**

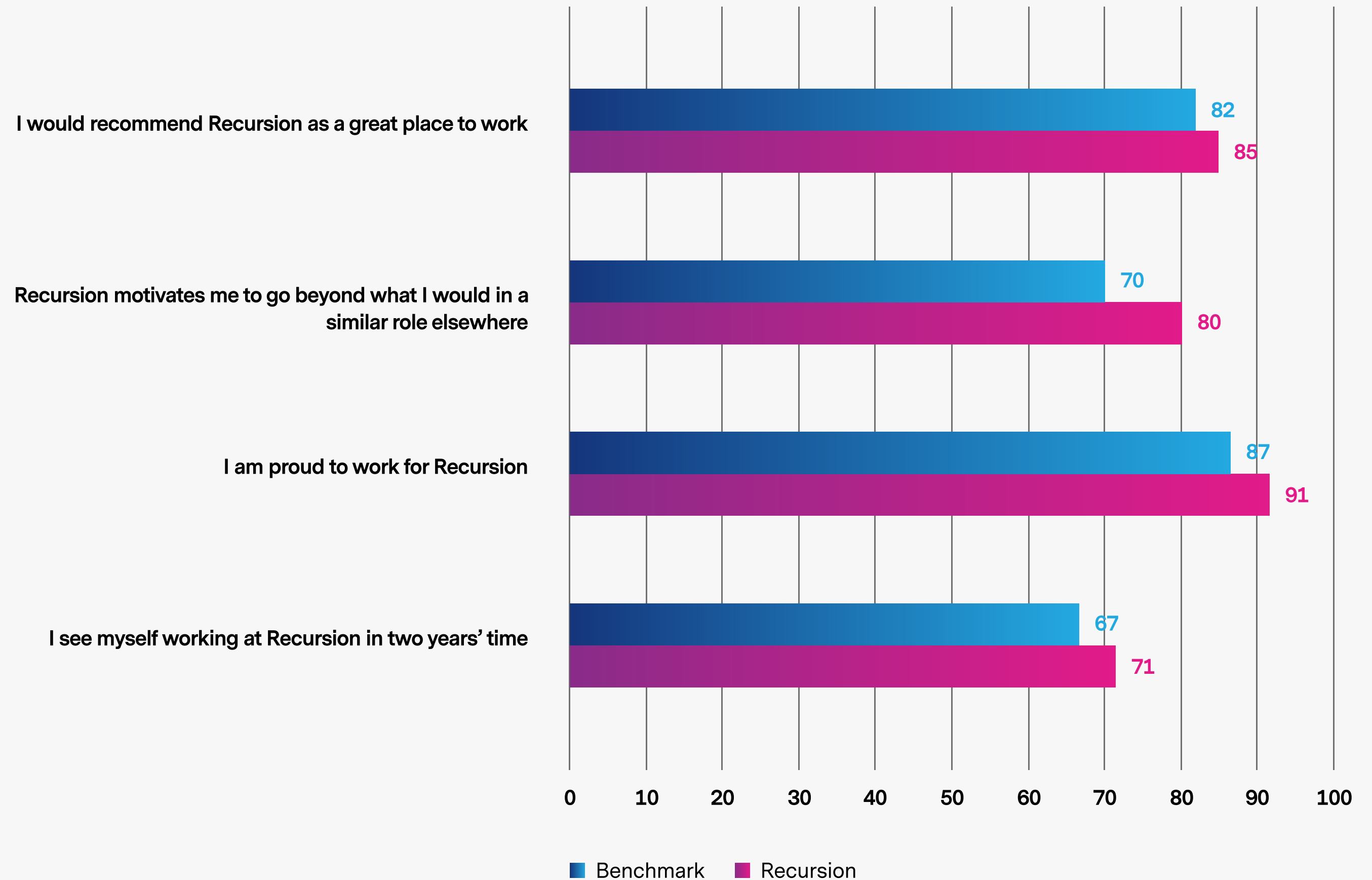
Employee Engagement Score

**5%**

Annual voluntary turnover

\*Our benchmark is derived from over 20,000 survey responses from comparable companies during the preceding 12 months. Source: <https://support.cultureamp.com/en/articles/7048704-overview-of-culture-amp-benchmark-insights>

### 2024 RECURSION ENGAGEMENT INDEX SCORES VS BENCHMARK





# EMPLOYEE WELL-BEING

AT RECURSION, WE RECOGNIZE THAT OUR EMPLOYEES' WELL-BEING IS ESSENTIAL TO THEIR SUCCESS AND HAPPINESS. WE STRIVE TO CREATE A SUPPORTIVE ENVIRONMENT WHERE EVERYONE CAN THRIVE, BOTH PERSONALLY AND PROFESSIONALLY.

## Benefits

We expect an exceptional commitment to Recursion's mission and the work to deliver on it from our people, and therefore we commit to taking care of them and their families. We believe healthcare and wellbeing are essential benefits where we aim to be exceptional.

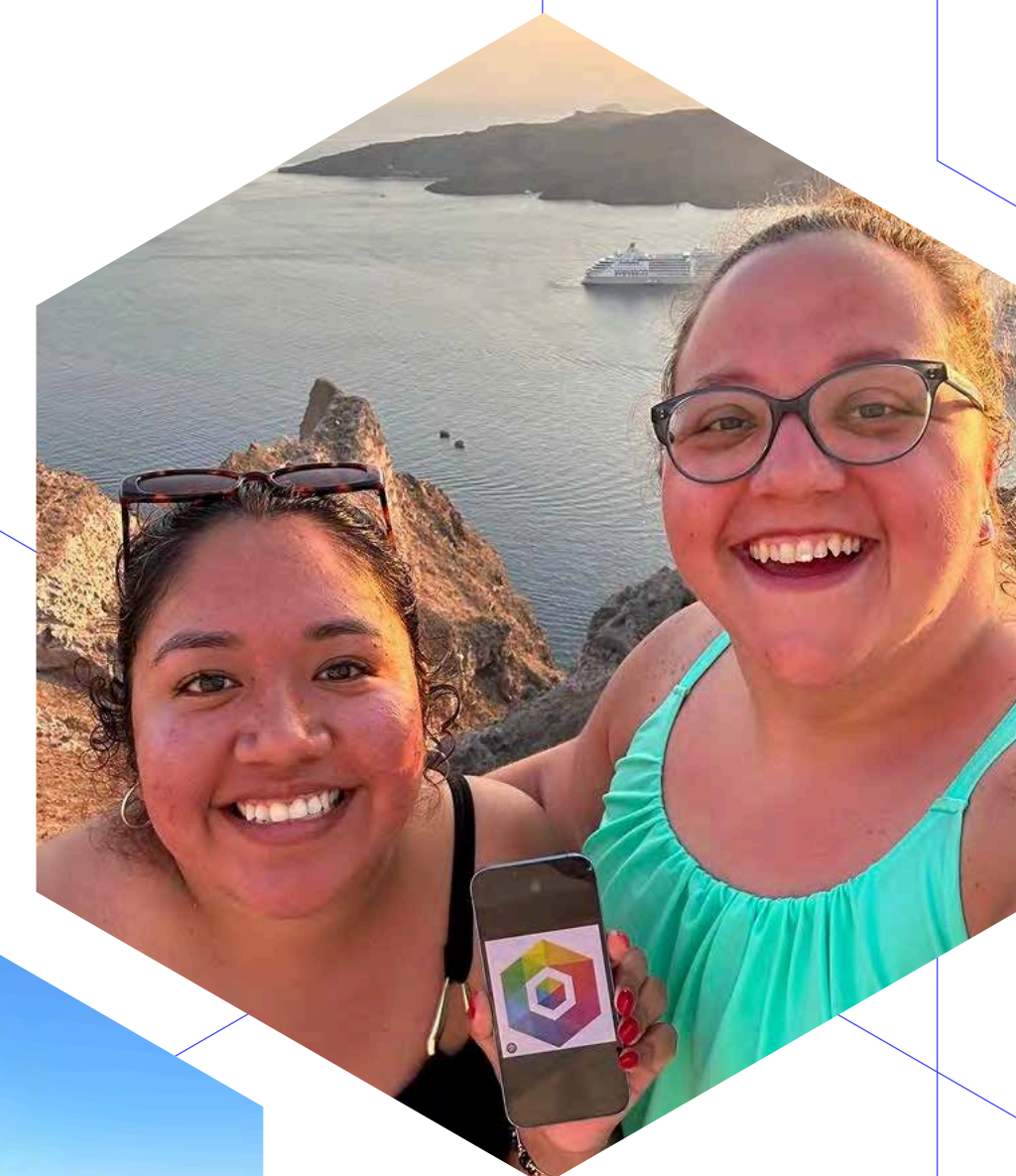
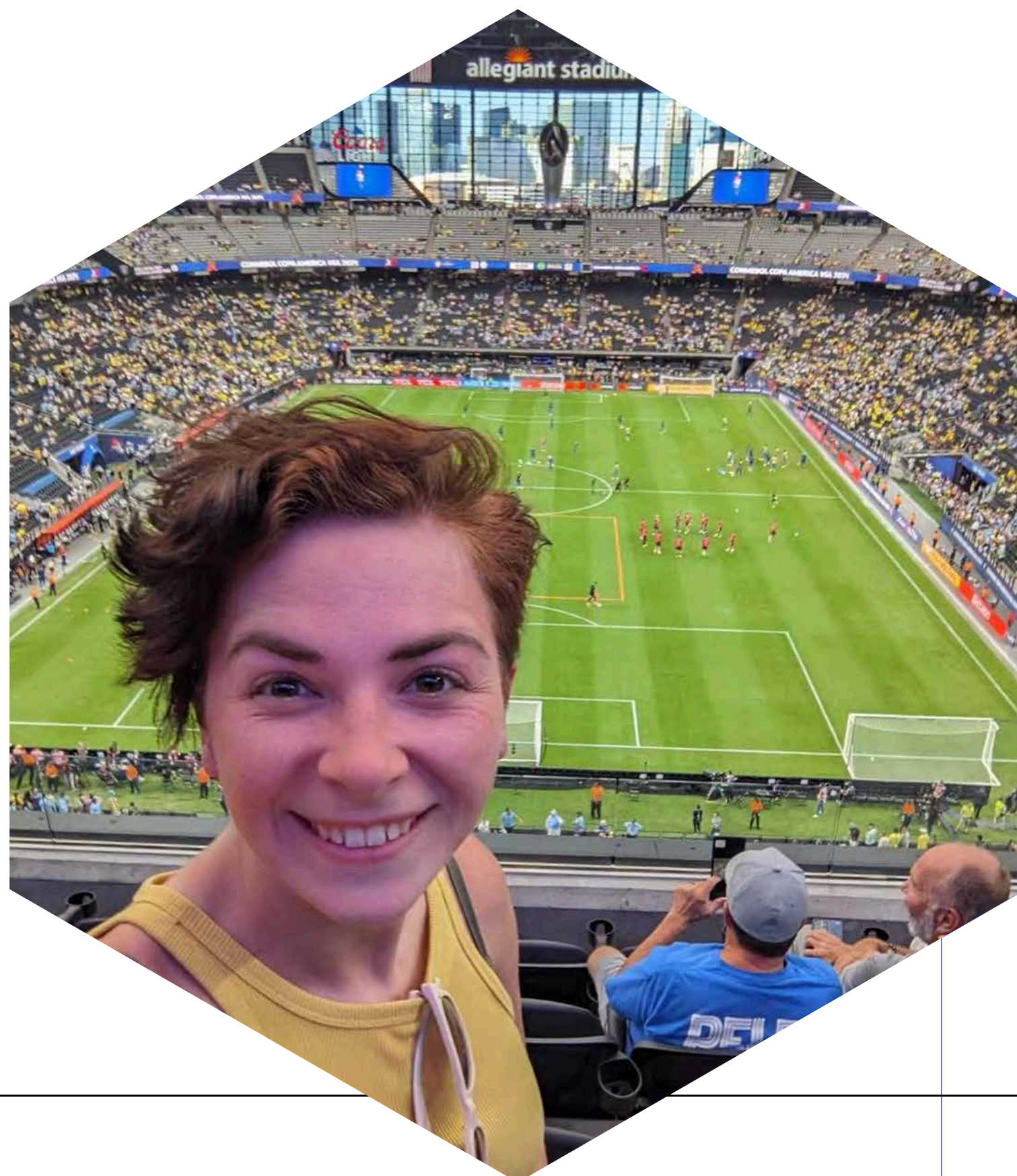
To learn more about our benefits, visit our website at [recursion.com/careers](https://recursion.com/careers).

## Annual Company-wide Breaks

To encourage rest and balance, we implement two annual company-wide breaks. During the week before the New Year and the week of the Fourth of July, all employees who are not essential to live experiment operations enjoy a full week off. This allows our team to truly unplug and recharge, returning refreshed and ready to contribute without facing a backlog of work.

## Modern Health

We provide access to Modern Health, a comprehensive mental health platform, for all employees and their families. Modern Health offers a range of resources, including personalized coaching, therapy sessions, and digital tools to support mental well-being. We recognize the importance of mental health in fostering a positive and productive workplace.





# ENVIRONMENT

## SECTION HIGHLIGHTS:

- 41 GREENHOUSE GAS EMISSIONS
- 43 SUSTAINABLE FACILITIES AND OPERATIONS
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- 47 WASTE MANAGEMENT AND PRODUCT LIFE CYCLE MANAGEMENT
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# GREENHOUSE GAS EMISSIONS

We are committed to reducing and offsetting our Scope 1 and 2 greenhouse gas (GHG)\* emissions across our operations to become a net-zero business by the year 2030.

In 2024, we completed a GHG emissions reduction roadmap to prioritize reduction levers and improve our data collection. We calculated our Scope 3 emissions for the first time and are beginning to explore a program to engage key suppliers around measurement and target setting.

### Ongoing Initiatives Include:

- Investing in Renewable Energy Credits to offset 100% of our usage at our Salt Lake City headquarters
- Implementing greener biology and chemistry methodologies through automations and technology that utilize less consumables and lower waste production
- Identifying, assessing, and managing climate-related risks (refer to the TCFD table in the **Metrics, Frameworks, and Standards** section of the report for more information)
- Investing in new facilities that align with our Scope 1 & 2 net-zero 2030 goal

### 2024 Greenhouse Gas Inventory

<b>586</b>	<b>2,630</b>	<b>28,135</b>
<b>SCOPE 1</b> (METRIC TONS CO2E)	<b>SCOPE 2</b> MARKET-BASED (METRIC TONS CO2E)	<b>SCOPE 3</b> (METRIC TONS CO2E)

## Scope 1 & 2

mt CO2e

### SCOPE 1 EMISSIONS

Stationary Combustion	464.47
Natural Gas	464.47
Mobile Sources	0.05
Fugitive Source	121.32
<b>TOTAL SCOPE 1 EMISSIONS</b>	<b>585.83</b>

### SCOPE 2 EMISSIONS

Electricity (Market Based)	1,792.25
Electricity (Location Based)	2,504.17
Purchased Heat and Cooling	837.77
<b>TOTAL SCOPE 2 EMISSIONS (MARKET BASED)</b>	<b>2,630.01</b>
<b>TOTAL SCOPE 2 EMISSIONS (LOCATION BASED)</b>	<b>3,341.93</b>

### SCOPE 1 & 2 TOTALS

<b>TOTAL SCOPE 1 &amp; 2 (MARKET BASED)</b>	<b>3,215.85</b>
<b>TOTAL SCOPE 1 &amp; 2 (LOCATION BASED)</b>	<b>3,927.77</b>

Our Scope 1 direct GHG emissions occur from sources that are owned or controlled by Recursion, including:

- Natural gas combusted on-site within our facilities
- Refrigerant fugitive emissions from owned and/or operated equipment

Our Scope 2 indirect GHG emissions occur from the consumption of purchased electricity and district-hot/chilled water within our facilities, including our supercomputer.

From 2023 to 2024 we saw an increase in our total Scope 1 & 2 emissions, primarily due to the addition of new facilities.

The above inventory boundaries align with the Greenhouse Gas Protocol Corporate Standard, providing an internationally accepted framework for consistency and transparency in our GHG accounting and reporting efforts.

\*In our ongoing efforts to improve data quality, some historic numbers may be revised.



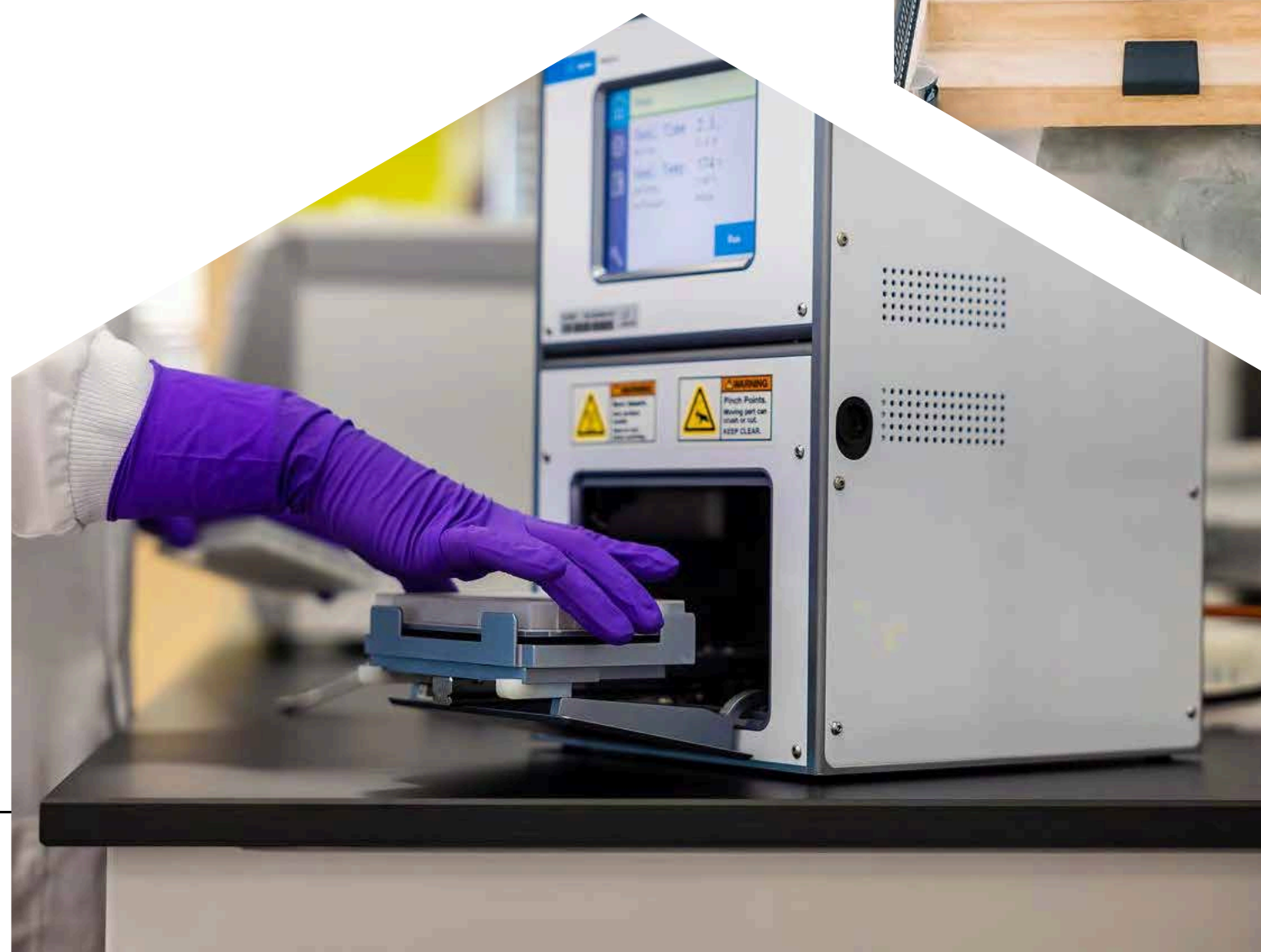
ENVIRONMENT *CONTINUED*

In 2024, we expanded our GHG emissions calculations to include the Scope 3 categories relevant to our business operations, following a Scope 3 screening process. The following categories were identified as relevant and were calculated in alignment with the GHG Protocol's reporting boundaries:

Scope 3 Category	mt CO2e
<b>SCOPE 3</b>	
1. Purchased goods and services	23,157
2. Capital goods	1,287
3. Fuel and energy related activities	2,605
4. Upstream transportation and distribution	12
5. Waste generated in operations	16
6. Business travel	593
7. Employee commuting (including telecommuting)	682
<b>TOTAL SCOPE 3</b>	<b>28,135</b>

Our 2024 GHG inventory excluded new sites from our Exscientia acquisition. These sites will be accounted for in future reporting years.

Each reporting year we aim to pursue stronger data quality for our Scope 1, 2, and 3 emissions calculations to inform meaningful reduction strategies.





# SUSTAINABLE FACILITIES AND OPERATIONS

Recursion is a global company with a physical footprint in the United States, Canada, and the United Kingdom. Our facilities include state of the art wet laboratories in addition to offices that fuel our discovery. Our global facilities footprint is further broken down below:

## US Facilities

- **Bay Area, CA:** a digital vivarium and office
- ★ **Salt Lake City, UT:** Headquarters and our primary wet laboratory center
- **New York City, NY:** Clinical Development office and a key location for Executive, Board, and Business Development meetings\*

## Canada Facilities

- **Toronto, Ontario:** An office space for recruiting and retaining top data science and machine learning talent
- **Montréal, Quebec:** An office space that houses our Valence Labs team

## United Kingdom Facilities

- ★ **London, England:** UK HQ and our primary European office
- **Oxford, England:** Primary UK wet laboratory and research center\*\*

\*Denotes new offices that we signed a lease in but did not open in 2024

\*\*Denotes offices added as part of our combination with Exscientia in late 2024





ENVIRONMENT CONTINUED

### BUILDING CERTIFICATION AND SELECTION

As we continue to expand our business and facilities, we take environmental considerations into account in selecting new sites. Our criteria for new sites includes evaluating key quality of life indicators in addition to physical climate risks. Key environmental considerations include, but are not limited to, access to local and regional public transportation, environmental certifications, material transfers, parking, bicycle and pedestrian access, zoning, and building type. Environmental certifications for Recursion are being investigated for existing and future locations.



### FOCUSING ON SMART GROWTH

In June 2024, we opened a 6,700-square-foot office in London to provide Recursion and Valence Labs access to world-class talent across Europe’s rapidly growing TechBio sector and embed Recursion in a thriving innovation ecosystem of leading technology and life science companies.

Located within a 5-minute walk from King’s Cross Station and St. Pancras International, the site offers excellent transit access. The building includes an onsite cafe, bicycle storage, showers, prayer room, and mothers room. The building meets the requirements for an “Excellent” rating by BREEAM building standards and is linked to a site-wide district heating and cooling network that results in net-zero carbon emissions.

In September 2024, we entered into a lease for a new 11,655-square-foot office in Manhattan’s Hudson Yards neighborhood. The office is located in “The Spiral” building, a 66-story skyscraper with a LEED GOLD certification. The building incorporates features like outdoor terraces with greenery, efficient HVAC systems, rainwater collection, and optimized lighting to achieve environmental goals.

In 2025, we’re prioritizing the environmental assessment of our new locations associated with the Exscientia business combination to ensure alignment with our 2030 net zero decarbonization goal. This includes complying with new regulatory requirements in the United Kingdom, such as the mandatory Energy Savings Opportunity Scheme.

# 2030

net zero decarbonization goal





ENVIRONMENT CONTINUED

## BUILDING MANAGEMENT AND EFFICIENCY

Recursion is dedicated to a healthier, more sustainable future for our employees, patients, and communities. We achieve this through energy efficiency, smart technology, and continuous improvement. Our full environmental policy is available on our [website](#).

We maximize energy efficiency in our facilities through:

- Occupancy sensors and LED lighting
- Light-sensing fixtures that dim lights based on natural light
- Automated "off" settings for interior lights
- Unoccupied mode settings and after-hours programming

### Air Quality Monitoring:

We prioritize air quality through:

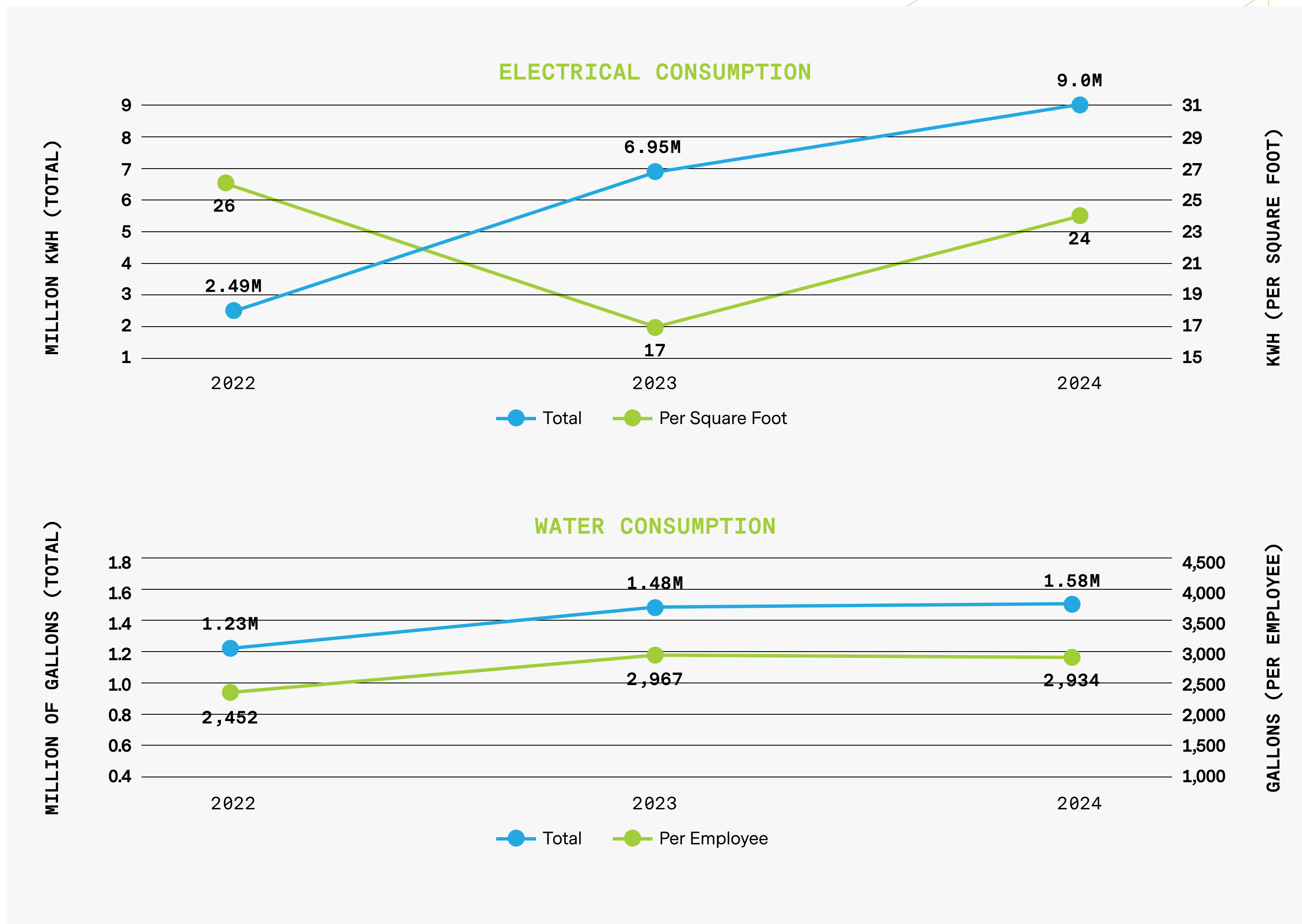
- Smart office solutions and upgraded ventilation systems
- HEPA filtration in all labs
- Routine air quality and particulate monitoring
- Heat recovery systems to reduce energy consumption

These efforts promote employee well-being, lab safety, and energy efficiency.

### Instrumentation and Equipment Efficiency:

We minimize the environmental impact of our technology and instrumentation without compromising speed or quality:

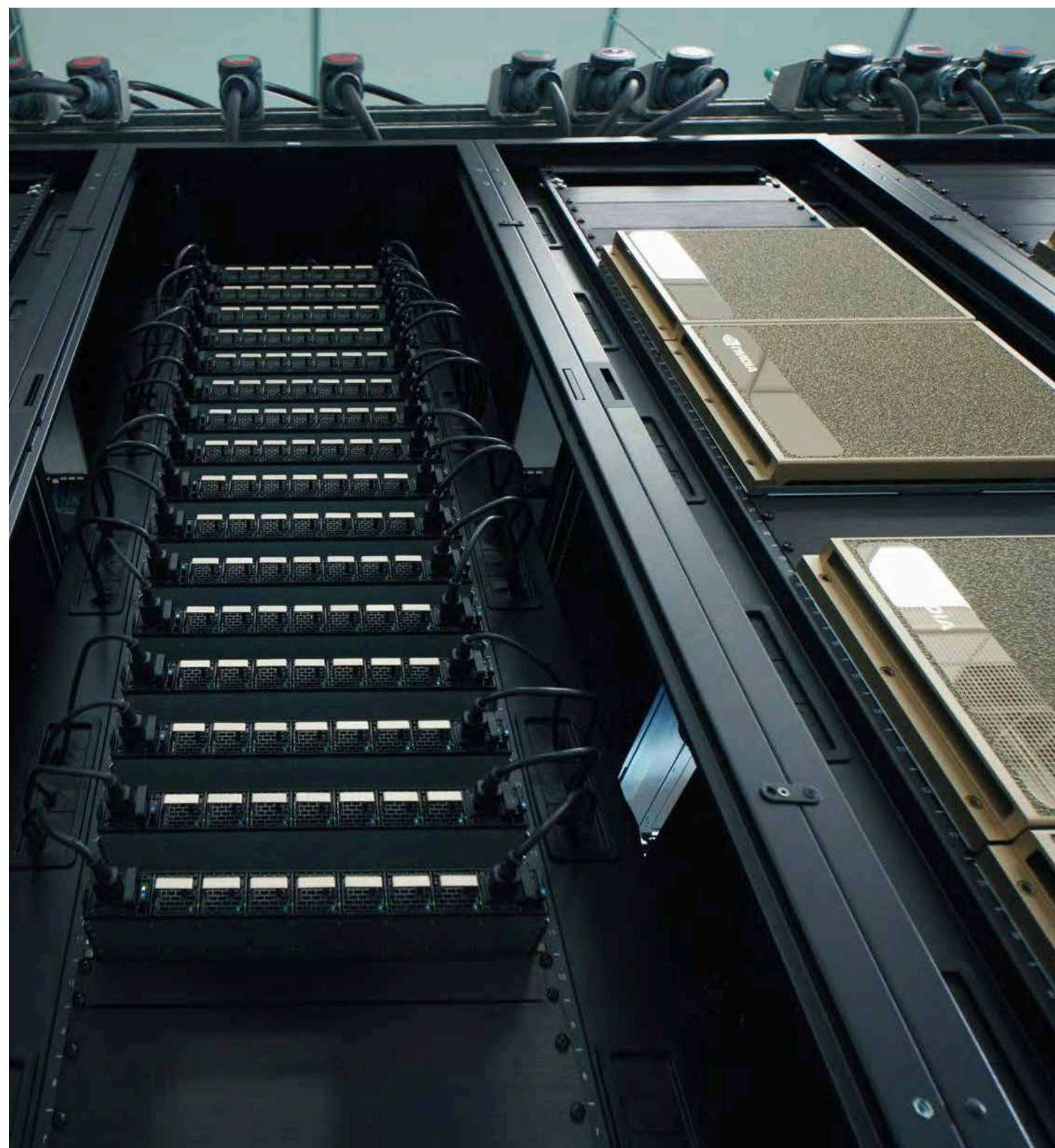
- Automated fault detection and diagnostics for real-time performance monitoring
- Refrigeration and environmental monitoring systems
- Comprehensive assessments for electrical safety, energy consumption, and efficiency before purchase and installation





# ENVIRONMENTAL FOOTPRINT OF HYBRID CLOUD COMPUTING

WE CONTINUE TO DRIVE TOWARD OUR GOAL OF NET-ZERO CARBON COMPUTING THROUGH MIGRATION TO OUR PRIMARY CLOUD PROVIDER AND INTO LOWER CARBON INTENSITY REGIONS.



In 2024, we expanded our compute capabilities with the completion of BioHive-2, which effectively merged our BioHive-1 supercomputer with a new NVIDIA DGX SuperPod AI supercomputer, powered by 64 DGX H100 systems. BioHive-2 is run at an external third party facility that also incorporates energy efficient practices such as leveraging renewable energy and using efficient cooling practices through a closed loop system to exclude net water usage. In 2024, 100% of electricity consumed by BioHive-2 was generated from renewable sources.

**100%**

of electricity consumed by BioHive-2 was generated from renewable sources.

## Carbon Emissions From Cloud Computing

	2022	2023	2024
Gross Emissions (mtCO <sub>2</sub> e)	293	643	672
Net Emissions (mtCO <sub>2</sub> e)	3	2	2
Cloud Computing Operations with Netzero Carbon Emissions	97%	99%	99%



# WASTE MANAGEMENT AND PRODUCT LIFE CYCLE MANAGEMENT

RECURSION PRIORITIZES ENVIRONMENTALLY RESPONSIBLE WASTE MANAGEMENT AND PRODUCT LIFE CYCLE PRACTICES, ENSURING THAT OUR OPERATIONS SCALE SUSTAINABLY AS WE GROW.

## SUSTAINABLE MANUFACTURING

We utilize environmentally friendly design principles to minimize waste and reduce the use of harmful reagents in our drug discovery and manufacturing processes. For example, our High-Throughput Screening (HTS) platform now uses imaging techniques that decrease the need for cell staining, significantly reducing the use of hazardous chemicals like formaldehyde. While prioritizing sustainability, we maintain rigorous quality standards and adhere to all regulatory requirements to ensure patient safety and the efficacy of our medicines.

## LABORATORY WASTE MANAGEMENT PROGRAM

Our in-house experts enforce strict protocols for hazardous and non-hazardous waste management, ensuring compliance with all regulations. We have comprehensive training programs and a detailed Hazardous Waste Policy. Hazardous waste is either treated in-house or by a certified third-party vendor. We utilize validated autoclave equipment for solid biological waste treatment and continuously evaluate our processes to minimize hazardous waste generation. Effluent and air emissions are carefully monitored and disclosed to local authorities to ensure compliance and minimize environmental impact.

## LAB AND OFFICE RECYCLING

We actively recycle non-contaminated lab materials through our company recycling program and partner with Corning's recycling program for specific lab supplies. In our offices, we recycle glass, plastics, paper, and cardboard. Confidential materials are securely shredded before recycling. We also have a program for collecting and properly recycling batteries and other universal wastes. Recursion partners with **Momentum Recycling** to divert food waste from landfills to their facility where it is converted to biofuel.



WASTE METRICS	TONS
Hazardous Waste	1.19
RECYCLING METRICS	
Food Composted	4.36
Mixed Recyclables	0.93
Glass Recycled	0.15
Total Waste Recycled	5.44



# ENVIRONMENT, HEALTH, AND SAFETY

RECURSION IS COMMITTED TO PROTECTING THE HEALTH AND SAFETY OF OUR EMPLOYEES BY PROVIDING A SAFE AND HEALTHY WORK ENVIRONMENT. WE ACHIEVE THIS THROUGH COMPREHENSIVE SAFETY PROTOCOLS, TRAINING PROGRAMS, AND A PROACTIVE APPROACH TO HAZARD IDENTIFICATION AND MITIGATION.

## WORKPLACE SAFETY

Our robust safety program includes detailed Standard Operating Procedures (SOPs) that document workplace hazards, control strategies, and safety training requirements. We conduct regular internal inspections to identify and address potential hazards and utilize incident and near-miss reporting to analyze and prevent future incidents. A Chemical Hygiene Plan (CHP) manages risks associated with using chemicals, and biological safety procedures, including a Bloodborne Pathogens Exposure Control Plan, ensuring the safe handling of biological materials. Our Chemical Hygiene Officer oversees the daily management of chemical hygiene, ensuring compliance with all safety regulations.

## EMPLOYEE TRAINING

All new hires receive mandatory safety training, including site-specific instruction on location-specific hazards, security protocols, and emergency procedures. Online training modules and resources are available on the company intranet, and we conduct periodic in-person training events and emergency response drills.

### Laboratory Safety Training

Laboratory employees undergo specialized safety training, including mandatory training on chemical and biological safety and laboratory-specific hazards. In-person training with the EH&S department during onboarding covers topics like respiratory protection, bloodborne pathogens, chemical hygiene, and hazardous waste management. Refresher training ensures that employees stay current on best practices and policy updates. All labs are secured with badge access, limited to trained personnel.

HEALTH & SAFETY METRICS	2024
Global Total Recordable Incident rate (TRIR) (Recordable injuries per 100 full-time employees during a one-year period)	0.39
Global Days Away Restricted or Transferred (DART) Rate (Injuries and illnesses resulting in lost time per 100 full-time employees during a one-year period)	0.19
Fatalities	0

## SAFETY EQUIPMENT INSPECTIONS AND CERTIFICATIONS

To ensure we operate under the highest levels of safety, we conduct a variety of safety checks and certifications on systems and equipment.

- Annual third-party certifications are performed to verify equipment (such as biosafety cabinets and chemical fume hoods) is functioning properly.
- Autoclave validation is performed monthly to ensure biological waste is treated appropriately.
- Oxygen sensors are placed near any area where compressed gases and cryogenic liquids are used, and are verified on an annual basis to eliminate risks of exposure to low oxygen levels.
- Eyewash and safety shower systems undergo individual weekly checks and annual system testing.
- Annual certification is performed on all elevators on-site.
- Fire suppression systems, along with all other lifesaving systems (horns, strobes, smoke detectors, flow switches, risers, and fire extinguishers) are tested annually.

Our occupational injury rates fall well below industry averages\* and reflect our commitment to a healthy and safe workplace.

\*Industry source: <https://www.bls.gov/web/osh/table-1-industry-rates-national.htm>



# GOVERNANCE AND RESPONSIBLE BUSINESS PRACTICES

## SECTION HIGHLIGHTS:

- 50 BOARD INDEPENDENCE AND DIVERSITY
- 51 BUSINESS ETHICS AND COMPLIANCE
- 52 RISK MANAGEMENT
- 53 DATA SECURITY AND CUSTOMER PRIVACY



# BOARD INDEPENDENCE AND DIVERSITY

OUR BOARD POSSESSES A WIDE ARRAY OF EXPERIENCE AND SKILLS TO GUIDE THE COMPANY EFFECTIVELY.

The Nominating and Corporate Governance Committee considers diversity in expertise, gender, race, and ethnicity as part of the holistic evaluation of candidate profiles, including broader evaluation of professional ethics and integrity, business acumen, proven achievement, and competence in one’s field relevant to the needs of guiding and governing Recursion’s business.

Eight of ten directors are classified as independent according to Nasdaq listing standards, including our Board Chair and members of our Audit, Nominating and Corporate Governance, Compensation, and Corporate Social Responsibility committees\*.

To learn more about our board, please refer to [the Board of Directors](#) section of the Investor Relations section of our website.



Board size

47.5

Average age

8 / 10

Independent directors

5.6

Average tenure



\*Board metrics are reported as of March 15, 2025.



# BUSINESS ETHICS AND COMPLIANCE

WE UPHOLD THE HIGHEST LEVELS OF ETHICAL CONDUCT, GUIDED BY OUR CODE OF BUSINESS CONDUCT AND ETHICS, WHICH PROMOTES A CULTURE OF INTEGRITY AND ACCOUNTABILITY THROUGHOUT THE COMPANY. DURING THE ONBOARDING PROCESS, ALL NEW EMPLOYEES MUST SIGN AN ACKNOWLEDGMENT FORM CONFIRMING THAT THEY HAVE READ THE CODE AND THAT THEY UNDERSTAND AND AGREE TO COMPLY WITH ITS PROVISIONS.

## COMPLIANCE PROGRAM AND POLICIES

We maintain specific policies related to legal and ethical standards to ensure we operate with integrity internally and externally. These include Anti-Bribery and Anti-Corruption, Insider Trading, Whistleblower, Trade Secret and Confidentiality, External Communication, and Investment policies.

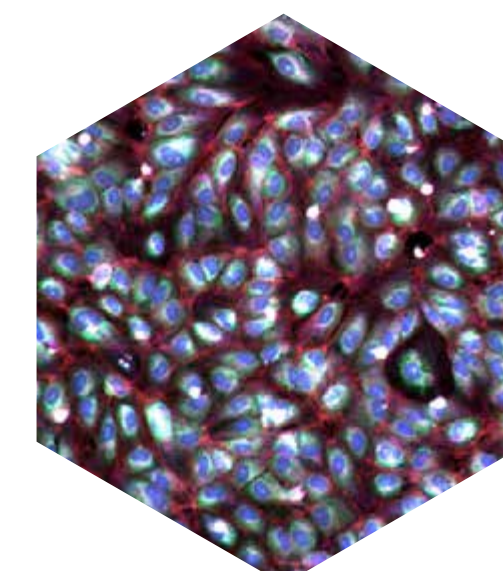
Our Global Anti-Bribery and Anti-Corruption Policy is overseen by our Compliance Officer and requires annual reviews to confirm adequacy and effective implementation, as well as annual certifications from all team members attesting that they have read and understand the policy and agree to comply with it. All third-party representatives are also required to comply with the policy.

To ensure all employees can raise concerns free from harassment, discrimination, or retaliation, we have adopted a Whistleblower Policy for receiving, investigating, and retaining complaints. Employees can use our confidential and secure web portal or reporting hotline, which are both available 24 hours per day, seven days per week, to anonymously report any concern including known or suspected violations of law or policy.

Reported violations are promptly and thoroughly investigated. As a general matter, the Board oversees investigations of potential violations by directors or executive officers, and the Compliance Officer oversees investigations of potential violations by other employees. Once complaints are logged, the Compliance Officer reports all material complaints promptly to the Chairperson of the Audit Committee of the Board. The Compliance Officer also provides the full Audit Committee with a quarterly report of all received complaints and their investigations. We also maintain a specific Insider Trading Policy with written acknowledgment of the policy required by all employees.

## TRAINING

As part of our compliance program, we utilize a third-party platform to conduct annual employee training on topics such as anti-harassment, inappropriate conduct, intellectual property, responsible business communication, insider trading, and data security. These trainings occur upon hire and annually thereafter. Our People team tracks completion percentages and follows up with any employees to ensure 100% participation.





# RISK MANAGEMENT

AS RECURSION CONTINUES TO GROW AND SCALE, WE MANAGE THE RISK EXPOSURE OF THE ORGANIZATION STRATEGICALLY AND CONTINUE TO EVOLVE OUR RISK MANAGEMENT PRACTICES TO ALIGN WITH OUR OPERATING MODEL. RISKS ARE ASSESSED, STRATIFIED, AND TRACKED BY THE DIFFERENT RISK MANAGEMENT FUNCTIONS WITHIN THE ORGANIZATION ACROSS MULTIPLE RISK DOMAINS. WE ALSO USE INSURANCE AS A RISK MANAGEMENT TOOL AND HAVE ROBUST BUSINESS INTERRUPTION INSURANCE.

## Incident Management & Business Continuity

Recursion is committed to effectively managing cybersecurity incidents. Our Cybersecurity Incident Response Plan (SIRP) outlines clear procedures for event classification, escalation, detection, analysis, containment, recovery, and post-incident activities. Regular tabletop exercises with technical and executive teams ensure our teams are prepared to execute the SIRP and mitigate potential impacts.

We take a proactive approach to business continuity. Our disaster recovery and continuity plan for critical systems is regularly tested and updated through tabletop exercises simulating critical events. This comprehensive plan addresses both our cloud-based data storage and hardware infrastructure to ensure minimal disruption.

## Climate Risk

Climate-related risks are identified through our Enterprise Risk Management process with a cross-functional leadership team who meets to prioritize, assess risks, and develop mitigation measures. Our climate-related risk management approach is aligned with the Taskforce on Climate-Related Financial Disclosures (TCFD) framework. For more information, refer to the TCFD table in the **Metrics, Frameworks, and Standards** section of the report.

## Artificial Intelligence (AI)

Recursion leverages AI and machine-learning algorithms to infer trillions of searchable relationships across biology and chemistry unconstrained by human bias. As an AI company, we continue to be bullish on the benefits of AI/ML in our industry and we are committed to educating and enforcing responsible uses of AI across our business.

To this purpose, Recursion formed an AI Safety Committee in 2024, with representatives from Tech, Machine Learning, Information Security, Legal, and Communication teams to ensure we have an ethical, reliable and secure approach to AI systems. The committee also provides guidance to teams around responsible use of AI in building the Recursion OS and also the adoption of commercially available AI tools across the organization.

## Supply Chain Management

We have relationships with more than 500 suppliers and partners, who provide products and services that support our operations. We are committed to fostering procurement relationships that extend the positive impact of our business and manage potential risks.

Our **Supplier Code of Conduct** outlines expectations for our partners around topics including, but not limited to, ethics, product quality, data privacy and security, human rights and labor, environmental sustainability and responsible sourcing, and health and safety. We are implementing systems that allow our suppliers to self register as diverse vendors and strive to include at least one diverse supplier in 50% of every bid.



# DATA SECURITY AND CUSTOMER PRIVACY

RECURSION MAINTAINS ROBUST OVERSIGHT AND CONTROLS OF CYBERSECURITY AND PATIENT PRIVACY SYSTEMS OVERSEEN BY THE AUDIT COMMITTEE OF THE BOARD. OUR CHIEF INFORMATION SECURITY OFFICER PROVIDES A REPORT ON DATA SECURITY METRICS AND UPDATES TO THE AUDIT COMMITTEE ON A QUARTERLY BASIS.



## SOC2 Compliance

Recursion undergoes regular SOC2 Type II attestation efforts through an AICPA-accredited auditor on a regular basis. We have designed, built, and operationalized controls around the Recursion OS and our technology infrastructure, system, and vendors to manage risks and protect our critical data from cyber threats that target companies in the pharmaceutical, biotech, and technology industries. This SOC2 Type 2 attestation provides assurance to our partners of the effectiveness of our information security controls and demonstrates our ongoing commitment to protecting data.

## Information Security Program

We consider a strong Information Security and Compliance program essential to our success. Our program follows the NIST Cybersecurity Framework, enabling us to assess our security posture, implement capabilities, and measure progress. Key elements include strategic governance (addressing regulatory obligations like SEC, SOX, GDPR, and HIPAA), a robust framework of processes and technologies, a risk-based approach, and regular metrics and reporting. All new hires receive comprehensive IT and Security training, covering systems usage, VPNs, phishing simulations, and physical security.

Our multi-year roadmap focuses on strengthening the program through policy and procedure implementations, risk identification and action planning, and continued third-party audits and testing.

## Privacy

Recursion complies with all applicable US state and federal laws and ex-US privacy laws. Our Privacy Policy sets out general privacy compliance guidelines and the process for obtaining required approvals. The policy applies to all Recursion personnel, regardless of location, position, and whether they are permanent, temporary, contractors, consultants, interns, or secondees. At Recursion, we expect all employees to be respectful and protective of personal information gathered in the course of business, treat it lawfully, explain the intended use of the information whenever possible, and limit requests to the minimum amount required for the business purpose. The Privacy Policy is maintained by our Chief Legal Officer.



# METRICS, FRAMEWORKS, AND STANDARDS

## SECTION HIGHLIGHTS:

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# PERFORMANCE METRICS

BUSINESS <sup>1</sup>	2022	2023	2024
CLINICAL-STAGE PROGRAMS	5	5	10
DATASET SIZE	>21 petabytes	~50 petabytes	~65 petabytes
INFERRED RELATIONSHIPS	>3 trillion	>5 trillion	>6 trillion
LOCATIONS	4	4	7
COLLABORATIONS	2	5	10

PEOPLE & CULTURE <sup>2</sup>	2022	2023	2024
<b>EMPLOYEES</b>	500	500	537
<b>GENDER DIVERSITY - ALL EMPLOYEES</b>	43% women; 1% non-binary; 54% men	43% women; 1% non-binary; 55% men	44% women; 1% non-binary; 54% men
<b>GENDER DIVERSITY - TECHNICAL STAFF</b>	43% women; 1% non-binary; 55% men	42% women; 1% non-binary; 56% men	39% women; 2% non-binary; 59% men
<b>GENDER DIVERSITY - LEADERSHIP (VP+)</b>	33% women, 67% men	25% women; 75% men	37% women; 63% men
<b>GENDER DIVERSITY - EXECUTIVE TEAM</b>	44% women, 56% men	33% women; 67% men	44% women; 56% men
<b>RACIAL AND ETHNIC DIVERSITY - ALL EMPLOYEES</b>	13.7% Asian 1.6% Black or African American 5.5% Hispanic or Latino 1.4% Middle Eastern or Northern African 4.1% Two or More Races 47.7% White 25.5% Did not Disclose	14% Asian 2% Black or African American 5% Hispanic or Latinx 3% Middle Eastern or Northern African 6% Two or more races 49% White 21% Did not disclose	14% Asian; 3% Black or African American; 6% Hispanic or Latinx; 3% Middle Eastern or Northern African; 6% Two or more races; 53% White; 15% Did not disclose
<b>TURNOVER - ALL EMPLOYEES</b>	15.1%	24%	17%
<b>TURNOVER - MANAGEMENT (VP+)</b>	16.90%	25%	19%
<b>PAY EQUITY (FEMALE TO MALE RATIO)</b>	\$1.00 for every \$1.00	\$0.99 for every \$1.00	\$0.99 for every \$1.00
<b>EMPLOYEE ENGAGEMENT SCORE</b>	79%	78%	77%

ENVIRONMENT	2022	2023	2024
<b>ENERGY CONSUMPTION</b>			
TOTAL ELECTRICAL CONSUMPTION	2,494,499 kWh	6,954,503 kWh	9,051,381 kWh
ELECTRICAL CONSUMPTION PER EMPLOYEE	4,989 kWh	13,909 kWh	16,855 kWh
ELECTRICAL CONSUMPTION PER SQUARE FOOT <sup>3</sup>	26 kWh	17 kWh	24 kWh
<b>WATER CONSUMPTION</b>			
TOTAL WATER CONSUMPTION	1,225,972 gallons	1,483,568 gallons	1,575,813 gallons
WATER CONSUMPTION PER EMPLOYEE	2,452 gallons	2,967 gallons	2,934 gallons
<b>CLOUD COMPUTING-RELATED EMISSIONS</b>			
CLOUD COMPUTING GROSS CARBON EMISSIONS	294.8 mtCO <sub>2</sub> e	643 mtCO <sub>2</sub> e	672 mtCO <sub>2</sub> e
CLOUD COMPUTING NET CARBON EMISSIONS	3 mtCO <sub>2</sub> e	2 mtCO <sub>2</sub> e	2 mtCO <sub>2</sub> e
CLOUD COMPUTING OPERATIONS WITH NET-ZERO CARBON EMISSIONS	97%	99%	99%
RENEWABLE ENERGY FUELING BIOHIVE SUPERCOMPUTER	100%	100%	100%

1. Business metrics are presented for the combined company following the Exscientia transaction. People and Environment metrics reflect the pre-transaction Recursion data.  
 2. Percentages may not total 100% as employees who choose not to disclose their gender identity are excluded. Employee data as of December 31, 2024; Board of Directors as of March 15, 2025.  
 3. Electricity consumption per square foot is for offices and lab spaces.





CONTINUED

ENVIRONMENT	2022	2023	2024
<b>WASTE</b>			
HAZARDOUS WASTE	1,407 lbs	0.89 tons	1.19 tons
NON-RCA REGULATED WASTE	5,480 lbs	14.51 tons	11.05 tons
TOTAL WASTE RECYCLED	740 lbs/month	Food composted – 5.85 tons Glass – 0.56 tons Mixed recyclables – 1.73 tons <b>Total waste recycled – 8.14 tons</b>	Food composted – 4.36 tons Glass – 0.15 tons Mixed recyclables – 0.93 tons <b>Total waste recycled – 5.44 tons</b>
<b>GHG EMISSIONS</b>			
TOTAL SCOPE 1 GHG EMISSIONS	270.30 mtCO2e	854 mtCO2e	586 mtCO2e
STATIONARY COMBUSTION (NATURAL GAS)		741 mtCO2e	464 mtCO2e
MOBILE SOURCES		0.3 mtCO2e	0.05 mtCO2e
FUGITIVE SOURCES		112 mtCO2e	121 mtCO2e
<b>TOTAL SCOPE 2 GHG EMISSIONS (MARKET BASED)</b>	916.81 mtCO2e	2,1318 mtCO2e	2,630 mtCO2e
<b>TOTAL SCOPE 2 GHG EMISSIONS (LOCATION BASED)</b>		2,521 mtCO2e	3,342 mtCO2e
ELECTRICITY (MARKET BASED)		1,474 mtCO2e	1,792 mtCO2e
ELECTRICITY (LOCATION BASED)		1,864 mtCO2e	2,504 mtCO2e
PURCHASED HEAT AND COOLING (HOT AND CHILLED WATER)		657 mtCO2e	838 mtCO2e

CONTINUED

ENVIRONMENT	2022	2023	2024
<b>TOTAL SCOPE 3 GHG EMISSIONS</b>			28,135 mtCO2e
PURCHASED GOODS AND SERVICES			23,157 mtCO2e
CAPITAL GOODS			1,287 mtCO2e
FUEL AND ENERGY RELATED ACTIVITIES			2,605 mtCO2e
UPSTREAM TRANSPORTATION AND DISTRIBUTION			12 mtCO2e
WASTE GENERATED IN OPERATIONS			16 mtCO2e
BUSINESS TRAVEL			593 mtCO2e
EMPLOYEE COMMUTING (INCLUDING VIRTUAL)			682 mtCO2e
<b>HEALTH &amp; SAFETY</b>			
<b>TOTAL RECORDABLE INCIDENT RATE (TRIR)</b>	0.2	0.2	0.39
<b>DAYS AWAY RESTRICTED OR TRANSFERRED (DART) RATE</b>	0.2	0	0.19
<b>FATALITIES</b>	0	0	0



# TASKFORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD)

## GOVERNANCE

### DESCRIBE THE BOARD'S OVERSIGHT OF CLIMATE-RELATED RISKS AND OPPORTUNITIES.

Recursion's Corporate Social Responsibility Committee (CSR) of the Board has oversight of Recursion's environmental and social strategy, including sustainable environmental practices. The CSR Committee assists the Board in processes of accountability, reporting, and advisory. This Committee provided oversight and guidance in the development of Recursion's Scope 1 & 2 net zero 2030 target along with the Board of Directors when Recursion established our goal.

Recursion's **Audit Committee** has direct oversight of the company's enterprise risk management strategy. This includes reviewing and discussing the company's guidelines and policies to identify, monitor, and address enterprise risks. The Committee also oversees the company's major financial risk exposures and the steps management has taken to monitor and control such exposures. This includes any climate-related risks that are identified as material or significant to our business.

More information about ESG oversight can be found in the [ESG Governance](#) section of our report.

### DESCRIBE MANAGEMENT'S ROLE IN ASSESSING AND MANAGING CLIMATE-RELATED RISKS AND OPPORTUNITIES.

Recursion's ESG cross-functional, mid-level working group leads the process for setting climate targets, seeking approval from the Board, and ensuring accountability. The cross-functional ESG working group reports to our Chief People and Impact Officer and CEO and includes members from the Engineering and technical teams, Communications, Operations, Legal, and HR. The ESG working group is responsible for the day-to-day monitoring and management of climate-related issues.

Recursion has four cross-functional teams, called Hubs, through which we deliver on company objectives. Each hub integrates risk management principles - identification, assessment, and mitigation - into its decision-making processes.

Risks identified are assessed through a variety of lenses, including market standards, scenario planning, technology and IP-related infrastructure considerations, and surveys within our industry.

More information about ESG oversight can be found in the [ESG Governance](#) section of our report.

## STRATEGY

### DESCRIBE THE CLIMATE-RELATED RISKS AND OPPORTUNITIES THE COMPANY HAS IDENTIFIED OVER THE SHORT, MEDIUM, AND LONG TERM.

Recursion has identified physical and transition risks related to climate change.

Physical risks, such as more frequent severe weather events, changes in precipitation patterns, and extreme weather variability, may lead to negative impacts on our operations as well as those of our vendors, suppliers, and collaborators, thus putting at risk our financial condition.

Climate-related transitional risks include lower greenhouse gas emissions technology, the effects of carbon prices, changes in public opinion, public mandates and regulations, taxes, climate-related lawsuits, insurance premiums, and the implementation of disaster recovery and business continuity plans. These risks could increase costs to maintain or resume our operations or achieve any of our sustainability commitments. If we fail to make a climate change commitment by 2030 and adopt policies and practices to enhance environmental, social, and governance initiatives, our reputation and our customer and other stakeholder relationships could be negatively impacted and it may be more difficult for us to compete effectively or gain access to financing on acceptable terms when needed, which would have an adverse effect on our results of operations, financial condition, reputation, and prospects.

Recursion has identified opportunities to increase resilience against climate impacts. According to the CDC, "climate change, together with other natural and human-made health stressors, influences human health and disease in numerous ways. Some existing health threats will intensify, and new health threats will emerge." Recursion's unique position as a leader in technology-enabled drug discovery creates a long-term opportunity for our business to continue advancing our products and services to meet the needs of the global shifts in increasing and emerging diseases with a technology platform that we believe may more rapidly and efficiently develop potential treatments. In the short term and medium term, we have also identified opportunities to adopt renewable technologies and improve the energy efficiency of our operations and cloud computing, both of which will drive our climate strategy, including our commitment to have net-zero Scope 1 & 2 GHG emissions by 2030. We have assessed the opportunity for managing ESG and sustainability-related risks within our business to drive access to capital and define best practices for our industry.

Material risks are disclosed in our [Annual Report](#) on Form 10-K.



CONTINUED

STRATEGY

Climate-related risks and opportunities have influenced our business strategy and financial planning in a number of ways, including:

- **Transitioning to a low carbon economy:** As a company driven by science, we recognize the need to act with urgency to mitigate our impact on climate change. We are committed to reducing and offsetting our greenhouse gas emissions across our operations with the goal of becoming net-zero for our Scope 1 & 2 emissions by the year 2030.
- **Operations:** Recursion encourages energy efficiency and Smart Office technologies through a whole-building approach that enables agencies and organizations to improve the efficiency of an entire facility rather than specific laboratory or office components. We incorporate energy and workstream efficiency planning in both office and laboratory settings and are committed to continuing to find new ways to uncover inefficiencies and boost the utilization of smart technology to improve sustainability, save resources, and boost productivity. Recursion has sought out ways to reduce our environmental impact by adopting more energy-efficient building, office, and lab practices. These include: efficiency upgrades, air quality monitoring, HVAC improvement program and retrofitting, instrumentation and equipment efficiency and monitoring systems, and building certification and selection process that accounts for environmental considerations.
- **Cloud Computing Operations:** In 2022, Recursion moved several large databases from a third-party cloud platform that did not offer full carbon offsetting into one that did. This has significantly driven down net carbon emissions. To further reduce emissions, we determined we were primarily operating in a region with high carbon intensity. As a result, we started to shift our services into a region with some of the lowest carbon intensity in the US. In 2024, 99.9% of our cloud computing operations were net-zero carbon emissions. We will continue to evaluate the efficiency of our computing practices to look for opportunities to continue to drive down our carbon footprint. Our supercomputer, known as BioHive-2, which powers the critical work we do at Recursion, is run by an external third party that also incorporates energy efficient practices, such as leveraging renewable energy and using efficient cooling practices through a closed loop system to exclude net water usage. In 2024, 100% of electricity consumed by BioHive-2 was generated from renewable sources.
- **Financial Planning:** In 2024, we undertook a comprehensive assessment of climate-related risks and opportunities, culminating in the development of our GHG Reduction Roadmap. This roadmap directly informs our strategic planning for achieving our 2030 net-zero target, and has impacts on our business and financial planning. Key findings and strategic implications include:
  1. Our analysis quantified the financial investment to offset our Scope 1 and 2 emissions. This information enables us to incorporate climate-related financial considerations into our long-term financial planning.
  2. Identifying electricity as a major emission source allows us to prioritize renewable energy investments, mitigating risks from energy cost fluctuations and carbon pricing. Additionally, our new lease evaluation checklist proactively addresses future climate-related risks associated with building operations.
  3. The assessment found that 40% of our top vendors have existing GHG targets presenting an opportunity for strategic collaboration and supply chain engagement. This allows us to strengthen our supply chain resilience and mitigate risks associated with future regulatory pressures and market shifts towards sustainable practices.

More information can be found in the [Sustainable Facilities and Operations](#) section of our report.

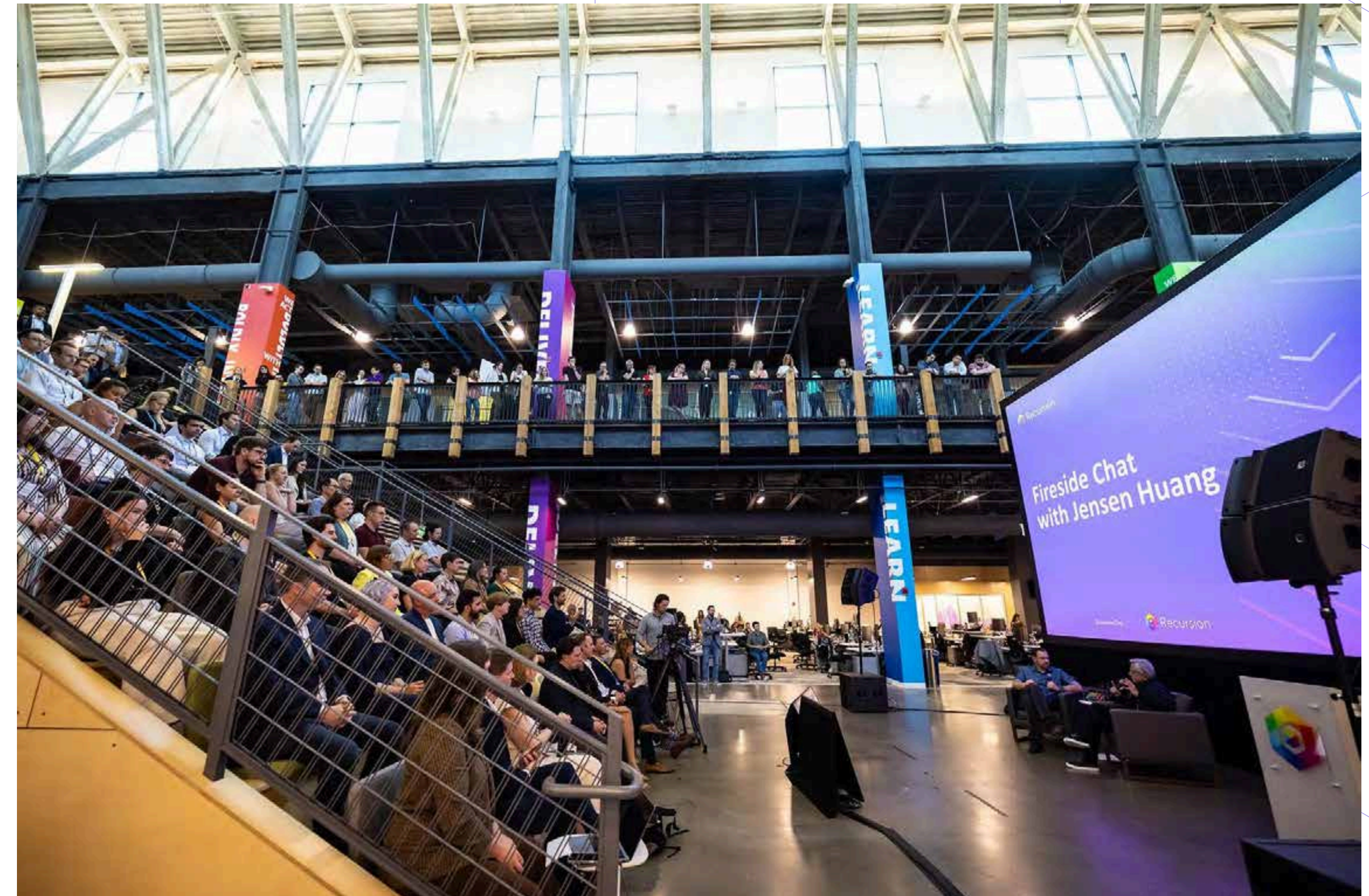
**DESCRIBE THE IMPACT OF CLIMATE RELATED RISKS AND OPPORTUNITIES ON THE COMPANY'S BUSINESSES, STRATEGY, AND FINANCIAL PLANNING.**

CONTINUED

STRATEGY

**DESCRIBE THE RESILIENCE OF THE COMPANY'S STRATEGY, TAKING INTO CONSIDERATION DIFFERENT CLIMATE RELATED SCENARIOS, INCLUDING A 2°C OR LOWER SCENARIO.**

Recursion understands completing a climate-scenario analysis can support our business strategy and climate-resiliency, but we have not formally completed this exercise. Over the last few years, we have formalized a number of working groups and policies with the aim of mitigating climate-related risks and driving GHG reductions, to build climate resilience. As our climate strategy continues to mature, we may consider a climate scenario analysis to inform our future strategy and sustainability disclosures.





**RISK MANAGEMENT**

**DESCRIBE THE COMPANY’S PROCESSES FOR IDENTIFYING AND ASSESSING CLIMATE-RELATED RISKS.**

Climate-related risks are identified through our Enterprise Risk Management process with a cross-functional leadership team who meets to identify, assess, and prioritize risks, and develop appropriate mitigation measures. This committee meets at least monthly and maintains records of the company’s identified risks to inform the monitoring and mitigation strategies. Risks identified are assessed through a variety of lenses, including market standards, scenario planning, technology and IP-related infrastructure considerations, and surveys within our industry.

In 2024, we reorganized our operating model for our risk management approach to better advance our strategy and formalize additional processes in identifying and monitoring risks.

More information on ESG oversight can be found in the [Risk Management](#) section of our report.

Our [Commitment to Environmental Sustainability](#) formalizes our management approach to minimizing our environmental impacts. This includes efforts to achieve our Scope 1 & 2 net-zero 2030 target as well as approaches to energy and waste management. In addition to this policy, both our Risk and Compliance Committee and ESG Working Group oversee the day-to-day management of climate-related risks that have been identified as significant.

We also have a formalized disaster recovery and continuity plan for critical systems to identify intricacies and any potential fail points of the systems. We execute periodic tabletop exercises in response to simulated critical events to validate and update our plans to ensure continuity of our platform and operating system, including in the event of extreme weather events or other system disruptions.

**DESCRIBE THE COMPANY’S PROCESSES FOR MANAGING CLIMATE RELATED RISKS.**

Reducing our GHG emissions has been a core strategy to reducing both our climate impact and climate-related risks our organization has identified. In addition to GHG reduction strategies, our Environmental Health and Safety (EH&S) officer maintains policies and procedures to ensure regulatory compliance for waste, effluents, and emissions. We have also evaluated and submitted possible air pollutants and their concentrations leaving our facility to the city. All emissions fall well below regulatory thresholds.

All of Recursion’s facilities undergo an environmental assessment at least annually. Prior to proceeding with any new facilities, Recursion conducts site assessments to evaluate physical climate risks and establishes design criteria based on these risks. None of our current sites are identified as being located in areas that would be covered by water during real or modeled future flood events. We are increasingly working to ensure that our existing facilities align with our ESG goals. Our office in Toronto meets the Tier 1 Toronto Green Standard and our office in London meets the BREEAM standard “Excellent.” We continue to prioritize green building attributes and certifications as we seek new lease agreements.

More information on ESG oversight can be found in the [Risk Management](#) section of our report.

**DESCRIBE HOW PROCESSES FOR IDENTIFYING, ASSESSING, AND MANAGING CLIMATE-RELATED RISKS ARE INTEGRATED INTO THE COMPANY’S OVERALL RISK MANAGEMENT.**

Recursion’s process for identifying, assessing, and managing climate-related risks are integrated into the company’s overall risk management process through our governance structure (management positions, management committees, and Board oversight) and overarching policies, including both our [Commitment to Environmental Sustainability](#) and Business Continuity Plan.

As our climate strategy continues to mature, we continue to include cross-functional management positions in the discussion and implementation of our strategy.

**METRICS AND TARGETS**

**DISCLOSE THE METRICS USED BY THE COMPANY TO ASSESS CLIMATE-RELATED RISKS AND OPPORTUNITIES IN LINE WITH ITS STRATEGY AND RISK MANAGEMENT PROCESS.**

Recursion collects and discloses many environmental metrics on an annual basis, including those related to climate change. In our annual sustainability report, we disclose our Scope 1, 2, and 3 GHG emissions, energy consumption and intensity, cloud computing emissions, and more. Our energy consumption and cloud computing emissions drive our progress on our climate target and inform internal cost assessments and roadmaps continue to drive GHG reduction. Internally, we also conduct project-specific cost assessments to inform our planning.

Refer to the Environment and [Performance Metrics](#) sections of our report for data and more information.

**DISCLOSE SCOPE 1, SCOPE 2, AND, IF APPROPRIATE, SCOPE 3 GREENHOUSE GAS (GHG) EMISSIONS, AND THE RELATED RISKS.**

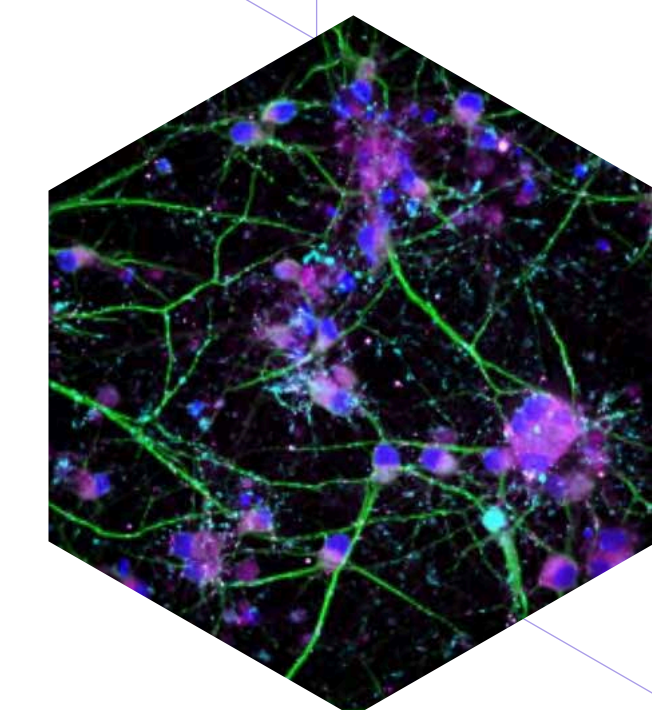
Our Scope 1, 2, and 3 GHG emissions are disclosed annually in our sustainability report. This year we calculated our baseline Scope 3 emissions for the first time. We understand a significant portion of our emissions occur in our value chain, and we are eager to better understand our baseline emissions to inform opportunities for value chain engagement and emission reduction opportunities.

Refer to the Environment and [Performance Metrics](#) sections of our report for data and more information.

**DESCRIBE THE TARGETS USED BY THE COMPANY TO MANAGE CLIMATE-RELATED RISKS AND OPPORTUNITIES AND PERFORMANCE AGAINST TARGETS.**

We are committed to reducing and offsetting our greenhouse gas emissions across our operations with the goal of becoming net-zero in Scope 1 and 2 by the year 2030.



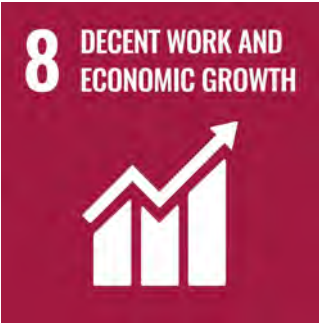
For more updates on our progress on this goal, please see the [Greenhouse Gas Emissions](#) section of our report.








# UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (SDGs)

IN 2015, THE UNITED NATIONS DEVELOPED 17 SUSTAINABLE DEVELOPMENT GOALS (SDGS) WITH THE AIM OF ACHIEVING A MORE SUSTAINABLE FUTURE FOR THE WORLD. SIX SDGS IN PARTICULAR ALIGN TO OUR ESG PRIORITIES AND ARE OUTLINED BELOW. THIS TABLE REFERENCES SECTIONS OF THIS REPORT RELATED TO EACH GOAL.

GOAL	DESCRIPTION	ALIGNMENT TO RECURSION	REPORT SECTION
 <p><b>3</b> GOOD HEALTH AND WELL-BEING</p>	<p>Ensure healthy lives and promote well-being for all at all ages</p>	<ul style="list-style-type: none"> <li>Core mission: Decode biology to radically improve lives</li> <li>Leveraging technology to build the world's largest biological dataset, enabling us to improve the scale and efficiency of drug discovery</li> <li>Public release of datasets and models like Phenom-Beta and OpenPhenom-S/16.</li> <li>Ten ongoing clinical trials</li> </ul>	<p><b><u>Commitment to Patients</u></b></p>
 <p><b>5</b> GENDER EQUALITY</p>	<p>Achieve gender equality and empower all women and girls</p>	<ul style="list-style-type: none"> <li>DEI efforts and progress</li> <li>Recruitment, retention, and development of women leaders at all levels</li> <li>Onsite childcare center to support working parents and address one of the greatest barriers in the pursuit of an equal and equitable society</li> </ul>	<p><b><u>Diversity, Equity, Inclusion &amp; Belonging</u></b></p>
 <p><b>8</b> DECENT WORK AND ECONOMIC GROWTH</p>	<p>Promote sustained, inclusive and sustainable economic growth, full and productive employment, and decent work for all</p>	<ul style="list-style-type: none"> <li>Fast-growing company capitalizing on technological innovations and employing high tech and advanced degree workers</li> <li>Altitude Lab focused on advancing underrepresented entrepreneurs</li> <li>BioHive focused on building our life sciences ecosystem</li> </ul>	<p><b><u>Employee Recruitment, Development &amp; Training</u></b></p> <p><b><u>Community Engagement</u></b></p>

GOAL	DESCRIPTION	ALIGNMENT TO RECURSION	REPORT SECTION
 <p><b>9</b> INDUSTRY, INNOVATION AND INFRASTRUCTURE</p>	<p>Build resilient infrastructure, promote inclusive and sustainable industrialization, and foster innovation</p>	<ul style="list-style-type: none"> <li>Industrialization of drug discovery through the continued interdisciplinary integration of broad technologies across biology, chemistry, automation, and computation</li> <li>Commitment to investing in novel scientific innovations like Recursion's maps of biology and AI models</li> <li>Majority (81%) of employees work in R&amp;D and are balanced between life scientists and computational and technical experts - highlighting confluence of biology, chemistry, and technology to industrialize drug discovery</li> </ul>	<p><b><u>Employee Recruitment, Development &amp; Training</u></b></p>
 <p><b>10</b> REDUCED INEQUALITIES</p>	<p>Reduce inequality within and among countries</p>	<ul style="list-style-type: none"> <li>DEI efforts and progress, specifically those focused on promoting equity for underrepresented racial/ethnic minorities</li> </ul>	<p><b><u>Diversity, Equity, Inclusion &amp; Belonging</u></b></p>
 <p><b>13</b> CLIMATE ACTION</p>	<p>Take urgent action to combat climate change and its impacts</p>	<ul style="list-style-type: none"> <li>Commitment to achieving net-zero greenhouse gas emissions in Scope 1 and 2 by 2030</li> <li>Investments in renewable energy sources and net-zero greenhouse gas data centers</li> </ul>	<p><b><u>Environment</u></b></p>



# SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB)

## BIOTECHNOLOGY AND PHARMACEUTICALS

TOPIC	ACCOUNTING METRIC	SASB CODE	COMMENTS	LOCATION IN REPORT
<b>SAFETY OF CLINICAL TRIAL PARTICIPANTS</b>	Discussion, by region, of management process for ensuring quality and patient safety during clinical trials	HC-BP-210a.1	Reference the Ethical Clinical Research and Patient Safety and Quality and Safety of Clinical Programs sections of this report.	<b>Ethical Clinical Research and Patient Safety</b> <b>Quality and Safety of Clinical Programs</b>
	Number of inspections related to clinical trial management and pharmacovigilance that resulted in: (1) entity voluntary remediation or (2) regulatory or administrative actions taken against the entity	HC-BP-210a.2	Recursion has not had any inspections related to clinical trial management and pharmacovigilance that resulted in (1) entity voluntary remediation or (2) regulatory or administrative actions as of year-end 2024.	
	Total amount of monetary losses as a result of legal proceedings associated with clinical trials in developing countries	HC-BP-210a.3	Recursion does not have any legal proceedings associated with clinical trials in developing countries.	
<b>ACCESS TO MEDICINES</b>	Description of actions and initiatives to promote access to health care products for priority diseases and in priority countries as defined by the Access to Medicine Index	HC-BP-240a.1	Recursion does not have this data as we are a clinical-stage company.	<b>Access to Medicines</b>
	List of products on the WHO List of Prequalified Medicinal Products as part of its Prequalification of Medicines Programme (PQP)	HC-BP-240a.2		
<b>AFFORDABILITY &amp; PRICING</b>	Percentage change in: (1) weighted average list price and (2) weighted average net price across product portfolio compared to previous reporting period	HC-BP-240b.2	Recursion does not have anything to report as we are a clinical-stage company.	
	Percentage change in: (1) list price and (2) net price of product with largest increase compared to previous reporting period	HC-BP-240b.3		
	Percentage change in: (1) list price and (2) net price of product with largest increase compared to previous year	HC-BP-240b.3		



**SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB)**

TOPIC	ACCOUNTING METRIC	SASB CODE	COMMENTS	LOCATION IN REPORT
<b>DRUG SAFETY</b>	Products listed in public medical product safety or adverse event alert databases	HC-BP-250a.1	Recursion does not have anything to report as we are a clinical-stage company.	<b>Quality and Safety of Clinical Programs</b>
	Number of fatalities associated with products	HC-BP-250a.2		
	(1) Number of recalls issued, (2) total units recalled	HC-BP-250a.3	Recursion does not have anything to report as we are a clinical-stage company.	
	Total amount of product accepted for take-back, reuse, or disposal	HC-BP-250a.4	Recursion does not have anything to report as we are a clinical-stage company.	
	Number of enforcement actions taken in response to violations of good manufacturing practices (GMP) or equivalent standards, by type	HC-BP-250a.5	Recursion has not had any enforcement actions taken in response to violations of current Good Manufacturing Practices as of year-end 2024.	
<b>COUNTERFEIT DRUGS</b>	Description of methods and technologies used to maintain traceability of products throughout the supply chain and prevent counterfeiting	HC-BP-260a.1	Reference the Drug Quality and Safety section of this report.	<b>Drug Quality and Safety</b>
	Discussion of process for alerting customers and business partners of potential or known risks associated with counterfeit products	HC-BP-260a.2		
	Number of actions that led to raids, seizure, arrests, and/or filing of criminal charges related to counterfeit products	HC-BP-260a.3		
<b>EMPLOYEE RECRUITMENT, DEVELOPMENT, &amp; RETENTION</b>	Discussion of talent recruitment and retention efforts for scientists and research and development staff	HC-BP-330a.1	We take an employee-centric and systems-based approach to building the employee experience at Recursion. We are building a company that's doing something that's never been done where we expect our people to do the best work of their lives in a deeply cross-functional context.	<b>Employee Recruitment, Development, and Training</b>
	(1) Voluntary and (2) involuntary turnover rate for: (a) executives/senior managers, (b) mid-level managers, (c) professionals, and (d) all others	HC-BP-330a.2	Reference the Employee Recruitment, Development, and Training section of this report.	
<b>SUPPLY CHAIN MANAGEMENT</b>	Percentage of (1) entity's facilities and (2) Tier I suppliers' facilities participating in the Rx-360 International Pharmaceutical Supply Chain Consortium audit program or equivalent third-party audit programs for integrity of supply chain and ingredients	HC-BP-430a.1	Reference the Supply Chain Management section of this report.	<b>Supply Chain Management</b>
<b>BUSINESS ETHICS</b>	Total amount of monetary losses as a result of legal proceedings associated with corruption and bribery	HC-BP-510a.1	Recursion has not had any monetary losses as a result of legal proceedings associated with corruption and bribery as of year-end 2024.	<b>Business Ethics and Compliance</b>
	Description of code of ethics governing interactions with healthcare professionals	HC-BP-510a.2	Reference the Business Ethics and Compliance section of this report.	
<b>ACTIVITY METRICS</b>	Number of patients treated	HC-BP-000.A	Reference the Pipeline section of this report.	<b>Our Pipeline</b>
<b>ACTIVITY METRICS</b>	Number of drugs (1) in portfolio and (2) in research and development (Phases 1-3)	HC-BP-000.B		



**SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB)**

**SOFTWARE & IT SERVICES**

TOPIC	ACCOUNTING METRIC	SASB CODE	LOCATION IN REPORT
<b>ENVIRONMENTAL FOOTPRINT OF HARDWARE INFRASTRUCTURE</b>	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	TC-SI-130a.1	<b>Environmental Footprint of Hybrid Cloud Computing</b>
	(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	TC-SI-130a.2	
	Discussion of the integration of environmental considerations into strategic planning for data center needs	TC-SI-130a.3	
<b>DATA PRIVACY &amp; FREEDOM OF EXPRESSION</b>	Description of policies and practices relating to behavioral advertising and user privacy	TC-SI-220a.1	<b>Data Security &amp; Customer Privacy</b>
	Number of users whose information is used for secondary purposes	TC-SI-220a.2	
	Total amount of monetary losses as a result of legal proceedings associated with user privacy	TC-SI-220a.3	
	(1) Number of law enforcement requests for user information, (2) number of users whose information was requested, (3) percentage resulting in disclosure	TC-SI-220a.4	
	List of countries where core products or services are subject to government-required monitoring, blocking, content filtering, or censoring	TC-SI-220a.5	
<b>DATA SECURITY</b>	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of users affected	TC-SI-230a.1	<b>Data Security &amp; Customer Privacy</b>
	Description of approach to identifying and addressing data security risks, including use of third-party cybersecurity standards	TC-SI-230a.2	
<b>RECRUITING &amp; MANAGING A GLOBAL, DIVERSE, &amp; SKILLED WORKFORCE</b>	Percentage of employees that require a work visa	TC-SI-330a.1	<b>Diversity, Equity, Inclusion &amp; Belonging</b>
	Employee engagement as a percentage	TC-SI-330a.2	
	Percentage of gender and racial/ethnic group representation for (1) management, (2) technical staff, and (3) all other employees	TC-SI-330a.	
<b>INTELLECTUAL PROPERTY PROTECTION &amp; COMPETITIVE BEHAVIOR</b>	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations	TC-SI-520a.1	<b>Intellectual Property Protection &amp; Competitive Behavior</b>
<b>MANAGING SYSTEMIC RISKS FROM TECHNOLOGY DISRUPTIONS</b>	Number of (1) performance issues and (2) service disruptions; (3) total customer downtime	TC-SI-550a.1	<b>Risk Management and Business Continuity</b>
	Description of business continuity risks related to disruptions of operations	TC-SI-550a.2	
	(1) Number of licenses or subscriptions, (2) percentage cloud-based	TC-SI-000.A	<b>Environmental Footprint of Hybrid Cloud Computing</b>
(1) Data processing capacity, (2) percentage outsourced	TC-SI-000.B		
<b>ACTIVITY METRICS</b>	(1) Amount of data storage, (2) percentage outsourced	TC-SI-000.C	



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