

Quest Diagnostics  
**Environmental, Social, and Governance**

Annual Report 2019



## All hands on deck: Quest's response to the COVID-19 pandemic

More than ever, Americans are relying on us to deliver the answers that matter most

As we prepared our 2019 Environmental, Social, and Governance report, the COVID-19 outbreak began to spread rapidly around the globe. Within months, the pandemic was having a devastating impact on communities worldwide and drastically altering our daily lives. It became clear that while we intend to cover Quest's most inspiring 2019 activities in the following pages, we had to include the public health crisis that will be gripping us all when this report is published.

As the world's leading clinical laboratory, Quest was tasked early on by the federal government to play a central role in the national response to COVID-19. We received Emergency Use Authorization (EUA) from the FDA to deploy our COVID-19 molecular test on Feb. 29, 2020. Ten days later, we processed the first 1,000 tests. In the 5 months following, we have processed 10.2M molecular tests and 3M antibody tests. Our 47,000 colleagues are doing amazing work every day to expand COVID-19 testing capacity to serve our patients, customers, and communities. We continue to ramp up our testing capacity to meet increasing demand.

Behind the scenes, meeting COVID-19 testing needs has required a herculean effort across the organization. Whether rapidly developing testing, implementing safety measures for employees and customers, or deploying urgent training and communications, reaching our goals has required a heavy degree of teamwork and collaboration among all departments. We are deeply grateful to our employees for their tireless, heroic work.

The COVID-19 pandemic has challenged all of us in new ways, both professionally and personally, but we have come together to deliver innovation and critical insights when our communities need us most. As the future unfolds, we are committed to remaining a reliable partner in the fight against COVID-19, adapting to evolving needs. The path forward may not always be easy, but we will forge ahead, anchored by a shared commitment to protecting the health and safety of our communities.

### Rapidly launching SARS-CoV-2 molecular and antibody testing

Quest worked closely with federal and state authorities to swiftly get testing in place across the United States. **We launched our first test for SARS-CoV-2 (COVID-19) within a week—a process that usually takes between 3 and 6**

months—through the collaboration of our research and development, operations, logistics, customer service, and communications departments.

#### Quest's COVID-19 testing timeline

**FEBRUARY 29:** FDA: independent labs can begin COVID-19 testing while pending EUA

**MARCH 9:** Quest launches COVID-19 molecular laboratory-developed test (LDT)

**MARCH 11:** World Health Organization (WHO) publicly characterizes COVID-19 as a pandemic

**MARCH 16-20:** Quest raises testing capacity with high-throughput Roche® test in 2 labs; LDT EUA granted

**APRIL 21:** Quest releases COVID-19 IgG antibody serology test

**APRIL 28:** Quest launches consumer-initiated IgG antibody test through QuestDirect™; 50K tests are sold in the first 2 days

**MAY 27:** Quest granted EUA for nasal swab self-collection kit for molecular testing

**JULY 17:** Quest granted EUA to use pooled specimens in connection with molecular diagnostic testing for COVID-19

### Maintaining safety and stability for our 47K employees

The health and well-being of our employees is our utmost priority. In addition to providing free COVID-19 antibody testing to all employees and their spouses/domestic partners, we prioritized the safety of our front line workers by quickly establishing protocols to mitigate worker-to-worker transmission. Our comprehensive business continuity plan was activated to minimize operational disruption and avoid layoffs.

#### Keeping essential employees safe

- We deployed personal protective equipment (PPE) on a widespread basis for all frontline employees,

including phlebotomists, lab technicians, logistics workers, and courier drivers

- We provided employees who are symptomatic or have had a high-risk exposure access to molecular testing at home via a convenient self-collection kit
- We stepped up environmental safety measures in our Patient Service Centers (PSC)
- We regularly assessed, adjusted, and communicated safety protocols per evolving CDC guidelines and local requirements

### Supporting the underserved populations hit hardest by COVID-19

Quest is committed to supporting racial minorities and other underserved populations disproportionately impacted by COVID-19 by helping to document and close gaps in access to testing and care. Research shows that communities of color have much higher rates of infection and worse outcomes:

- African Americans are dying from COVID-19 at nearly 3x the rate of white Americans. Making up 12.9% of the population, African Americans are suffering 25% of the deaths from COVID-19<sup>1</sup>
- Native Americans have dramatically disproportionate rates of infection and death. In New Mexico, they make up <10% of the population but represent one-third of COVID-19 cases<sup>1</sup>

Quest is helping raise awareness of these disparities to aid in public health planning and is working hard to increase access to COVID-19 testing for all communities.

#### Broadening access to COVID-19 testing

As of July, Quest has provided approximately one-quarter of COVID-19 testing capacity for nearly 2,000 Federally Qualified Health Centers across the country that primarily serve minority and low-income populations. We've also worked with our retail partners to offer no-cost drive-through diagnostic testing, including at 283 Walmart® locations and 1125 CVS® locations.

### Documenting racial disparities in the impact of COVID-19

Quest is part of the Minority and Rural Health Coronavirus Study (MRCS) to assess the impact of COVID-19 on racial minorities and underserved communities across the US. This research partnership with Centene® Corporation and National Minority Quality Forum will run for 5 years and aims to inform the public health response and help reduce racial disparities in access to high-quality, affordable healthcare.

In addition, Quest reports analytics to federal and state governments to aid in public health planning, such as infection rates broken down by state, age, gender, and other demographic data. These insights can play a critical role in helping government agencies identify the hardest-hit communities.

### Helping Americans get back to work and routine care

Quest is committed to supporting us all as we navigate these unusual times and begin to return to our normal schedules. We are assisting patients as they get back to routine care by making it safer to access testing at our Patient Service Center (PSC) locations, and helping organizations get their employees back to work with COVID-19 testing services..

#### Peace of Mind at our Patient Service Centers

As patients start getting back to routine healthcare, Quest's Peace of Mind program is designed to make it easier for them to access the testing they need. Under the program, our PSC locations have implemented enhanced safety precautions, including temperature checks, occupancy limits, and increased site cleaning. In addition, patients can wait in their cars until their appointment to maintain social distancing, and the first hour of operations is reserved for vulnerable populations, including those who are over 60, pregnant, or immunocompromised.



"We are proud to play an essential role in our nation's fight against the COVID-19 pandemic. Through the collaborative efforts of our team, we were able to quickly develop tests and ramp up our capacity to ensure that we serve as many people as we can." **Ruth Clements, Vice President/General Manager, Infectious Disease/Immunology, Quest Diagnostics**



### A heartfelt thank you to our frontline heroes

During the COVID-19 pandemic, our brave frontline employees have come to work every day at our PSCs, in our labs, and in our courier fleet, willing to serve our customers and communities despite the potential risks. Their commitment to healthcare amid a national crisis is nothing short of heroic, and we are all deeply grateful for their outstanding service.





**A letter from our Chairman, President, and CEO, Steve Rusckowski**



We are proud to share the Environmental, Social, and Governance Report for 2019 highlighting Quest Diagnostics' achievements as a corporate citizen and community champion, all anchored by a shared promise to our vision of empowering better health with diagnostic insights. Over the last year, our 47,000 employees have clearly demonstrated their commitment

to promoting a healthier world, creating an inspiring workplace, and building value for our company.

We are dedicated to supporting the communities in which we live and work. We partner with nonprofits, national and local, who share our commitment to addressing public health challenges. Quest collaborates with over 350 organizations across the country in philanthropy, volunteerism, and health programs, and we seek to improve the reach and impact each year. In 2019, we donated over \$155 million in testing services, donations, and co-developed research and education programs focused on tackling disparities and gaps in access to high-quality, affordable healthcare. We continue to make progress on our environmental plan, offsetting our impact through expanded waste reduction programs and consolidating our data center footprint.

Quest is at the forefront of the response to the COVID-19 pandemic, having performed over 13M molecular and antibody tests from March through July 2020. We are dedicated to increasing availability of COVID-19 diagnostic and antibody testing in underserved communities as this pandemic is hitting vulnerable populations the hardest. In concert with nearly 2,000 Federally Qualified Health Centers, we have provided approximately 25% of the COVID-19 testing capacity to those centers. We are deeply grateful to our employees, who have been critical to this effort—quickly developing tests, providing necessary information and communications to our communities, and serving our customers on the front line

In 2019, we implemented a long-term strategic partnership with UnitedHealthcare® and participated in a rigorous review process to become a member of the UHC Preferred Laboratory Network, enabling us to expand our in-network reach to an additional 43 million people.

To enable individuals to take a more active role in managing their healthcare, we have enhanced our customer experience to be more convenient and personal. Our partnerships with Walmart® and Safeway® increased access to testing and basic healthcare services. The number of users registered with our patient app MyQuest™ reached over 10 million, and QuestDirect™, a service that allows customers to purchase their own lab tests online, is now available in nearly every state.

We are proud of our talented employees who are the face of Quest and help improve the quality and efficiency of healthcare. We aim to promote a diverse and inclusive workforce at all levels of our organization. Of our 47,000 employees, 50% are people of color. At the highest levels in the company, 45% of our senior vice presidents and higher are women or minorities, as well as 50% of our board of directors.

We were recognized by Forbes® as one of America's Best Employers for Women and named a DiversityInc Noteworthy Company for the third consecutive year. Other notable accolades include being ranked as one of Forbes 2019 America's Best Large Employers for the third consecutive year, and being named one of Fortune Magazine's 2019 World's Most Admired Companies in the Health Care industry category of Pharmacy and Other Services for the sixth consecutive year.

I am honored to lead Quest Diagnostics. We have achieved much that you will learn about in the coming pages around our efforts to create a healthier world, and I know there is more good we can do in the communities we serve. I hope you enjoy this report.

Steve

**Our Commitment**

At Quest Diagnostics, we take seriously the responsibility of corporate stewardship, which includes promoting a healthier world, building value for all stakeholders, and creating an inspiring and inclusive workplace. The Company has a deep commitment to its patients, employees, communities, and the environment. The Company aims to do business in an environmentally sustainable, socially responsible manner and to make a difference in the communities in which we operate. As we move forward in 2020, we expect to continue to advance our goals.

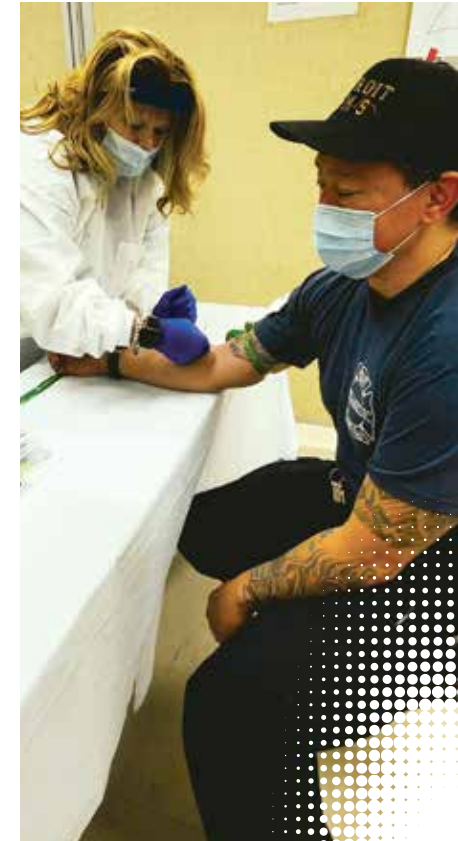


## Awards and recognition

- .....
- Included in the **FTSE4Good, Calvert, KLD, and Ocean Tomo** sustainability indices
- .....
- Named to the most recent **Newsweek Green Rankings**
- .....
- Ranked on **Forbes 2019 America's Best Large Employers** for the third consecutive year
- .....
- Ranked on **Forbes 2019 America's Best Employers for Women**
- .....
- Named a **DiversityInc Noteworthy Company** for the third consecutive year
- .....
- Named to **DEI 2019 Best Places to Work for Disability Inclusion**
- .....
- Achieved **Cancer Gold Standard™** accreditation from the **CEO Roundtable on Cancer**, recognizing our actions to reduce the cancer risk of employees and their families
- .....
- Named to **Fortune Magazine's 2019 World's Most Admired Companies** list in the Health Care industry category of "Pharmacy and Other Services"
- .....



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**Our approach to Inclusion and Diversity**

Harnessing the unique mix of capabilities, talents, cultures, beliefs, and experiences of our 47,000 employees to foster unique opportunities in the marketplace

**Workforce/workplace**

Creating a workforce that is demographically diverse at all levels of the organization, and building a culture in which all employees are valued for their strengths, experiences, and unique perspectives



**Value creation/value delivery**

Creating and delivering products and service experiences that reflect the preferences, needs, and values of our diverse consumer base

**Our approach to Corporate Social Responsibility**

Empowering our employees, patients, and communities to take informed actions to achieve better health



**Community health**

Closing the health literacy gap by empowering communities, patients, providers, and clients to take the actions necessary to better manage health

**Environmental health**

Reducing our environmental impact and protecting our planet to safeguard a healthy world for future generations

**Employee health**

Supporting Quest employees with information and resources to make the right health decisions for themselves and their families



## Our 1-2-3 Plan

### Our values

Quality      Accountability  
 Integrity      Collaboration  
 Innovation      Leadership



### 1 Vision

Empowering better health with diagnostic insights



### 2 2-Point Strategy

#### Accelerate growth

- Grow General Diagnostics
- Expand Advanced Diagnostics
- Extend Diagnostic Services

#### Drive operational excellence

- Enhance the Quest customer experience
- Deliver Invigorate operational efficiencies



### 3 Goals

Promote a healthier world  
 Build value  
 Create an inspiring workplace

## About Quest Diagnostics

Quest Diagnostics empowers people to take action to improve health outcomes. Derived from the world's largest database of clinical lab results, our diagnostic insights reveal new avenues to identify and treat disease, inspire healthy behaviors, and improve healthcare management. Quest annually serves 1 in 3 adult Americans and half the physicians and hospitals in the United States, and our 47,000 employees understand that, in the right hands and with the right context, our diagnostic insights can inspire actions that transform lives.

Quest has approximately 47,000 employees with 99% based in the United States of America. We file a report annually with the Department of Labor, our Equal Opportunity Report, that outlines our workforce data by race/ethnicity, gender, and job category.

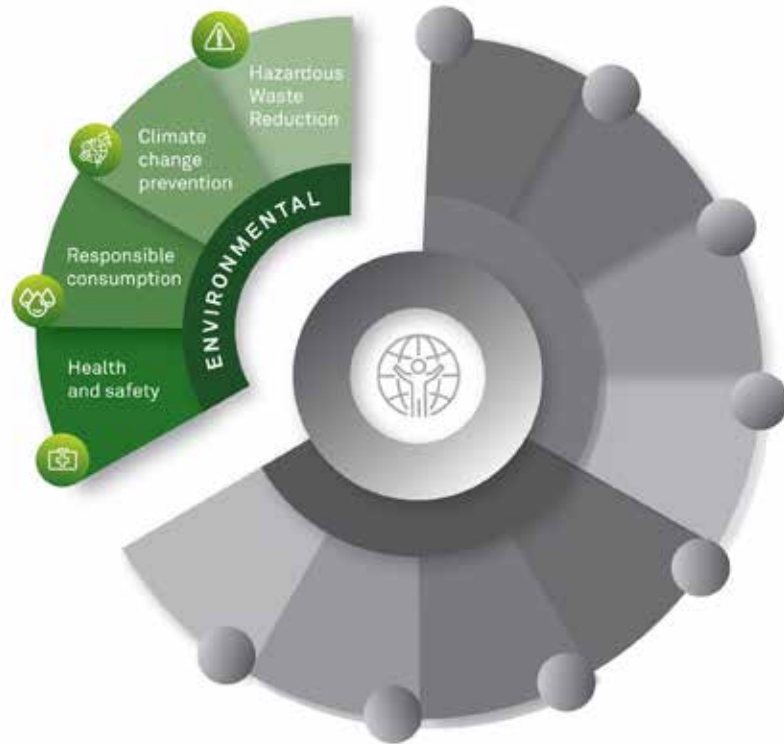
### EEO Data 2019

	Male (%)	Female (%)	White (%)	People of color (%)	Black (%)	Hispanic (%)	Asian (%)	Other people of color & 2 or more races
<b>Exec/Senior Mgr</b>	60.6%	39.4%	78.5%	21.5%	4.8%	3.3%	11.5%	1.9%
<b>First/Mid Lvl Mgr &amp; Professionals</b>	39.6%	60.4%	65.2%	34.8%	10.1%	7.6%	13.9%	3.3%
<b>Technicians</b>	17.8%	82.2%	37.2%	62.8%	25.5%	17.3%	15.5%	4.5%
<b>Sales</b>	35.6%	64.4%	74.4%	25.6%	7.9%	11.3%	4.1%	2.2%
<b>All other roles</b>	34.4%	65.6%	43.8%	56.2%	25.3%	15.1%	11.6%	4.2%
<b>Total</b>	27.8% ↓	72.2% ↑	44.8% ↓	55.2% ↑	22.7% —	14.9% ↓	13.5% ↓	4.1% ↑

Data excludes employees who did not elect to disclose their gender or race/ethnicity.



## Environmental



As the world’s leading laboratory business, it is our responsibility to preserve a healthy environment for our patients, communities, and future generations. Reaching 1 in 3 individuals in the United States, we amass and share insights from our database of more than 40 billion data points and growing to help raise awareness of public health concerns that impact our world. We continue to take steps to reduce our environmental footprint through initiatives such as large-scale infrastructure improvements and digital paperless solutions that provide information more seamlessly. We’re proud to share our impact towards promoting a healthier world.

10 million

Registered users in our MyQuest™ health portal and mobile connectivity

250,000 ft<sup>2</sup>

Flagship lab underway in Clifton, NJ

175 million test orders

Processing approximately 175 million test orders in 2019

> 364,000 clinicians & hospital accounts using ~720 electronic system interfaces

Provide connectivity solutions to > 364,000 clinicians & hospital accounts using ~720 electronic system interfaces

## Reducing paper waste across our operations

### Switching to electronic documents in labs and Patient Service Centers

Quest continues to invest in ways to reduce our environmental impact, including limiting paper waste across our operations. In our laboratories, we’ve implemented electronic “review and release,” in which technologists can review test results and release to a provider digitally instead of via printout. In our Patient Service Centers (PSCs), we’ve launched a “Paperless PSC” initiative that aims to eliminate paper use at various touchpoints, including:

- **Order forms**—We encourage healthcare providers to place orders electronically and we scan any paper orders brought in by patients
- **Health insurance forms**—We have patients electronically sign Advanced Beneficiary Notice (ABN) and Advanced Written Notice (AWN) forms before their testing, as needed
- **Quality check forms**—We have patients electronically sign this form after a blood draw to confirm their sample is correctly labeled with their information



### Choosing nitrile gloves to better protect people and the environment

Each month, Quest sees about 5 million patients at our PSCs, requiring the use of 10 million gloves. As a company-wide standard, we chose rubber-based nitrile gloves over plastic-based latex gloves. In addition to being more hypoallergenic, nitrile gloves are biodegradable and more environmentally sound to produce. We’re also currently investigating the opportunity to implement a glove recycling program with the manufacturer. “Nitrile gloves are safer for our phlebotomists and patients, and are innately more sustainable because they are plastic-free,” says **Adria Marallo, Director, Technical Excellence, Patient Services, Quest Diagnostics**. “They’re the best compromise we have found between latex and vinyl, as nitrile is made from an allergy-safe compound that feels a lot like latex but is much stronger, costs less, and is more comfortable to wear.”



“Quest is always seeking new ways to reduce waste in our operations,” says **Rich Congersky, Director, HTAS Strategy & Digital Transformation, Quest Diagnostics**. “We will continue to seek innovative methods to be more environmentally conscious.”



## Environmental goals

Key Performance Indicator (KPI)	Goal	Progress update (2018)	Progress update (2019)
<b>Energy/resource use</b>			
<b>Renewable energy Use (%)</b>	<b>Use at least 5% (on avg) green energy for electricity sourcing for the next 3 years.</b>	Since 2015, we have purchased Renewable Energy Certificates (RECs) representing 20% of primarily wind-generated power, which accounted for 4.5% of our electrical use in 2018.	In 2019, the RECs accounted for 5.7% of our electrical use.
<b>East region energy use (utility use % off baseline)</b>	<b>Consolidate the majority of East Region lab operations into a new LEED-equivalent lab by 2022, which will reduce Regional Lab energy use by ~25% while increasing capabilities</b>	Construction began in 2018.	We are on schedule to occupy the laboratory in 2021.
<b>Patient Service Centers (PSC) consolidation (utility use % reduction)</b>	<b>By 2021, reduce utility use by 3% in our Patient Services division</b>	Since 2016, we have consolidated numerous PSCs, which reduced our PSC square footage while increasing patient visits.	We are currently meeting our goal of a 3.0% reduction in utility use
<b>Lab platform consolidation (KWH &amp; gallons water/test performed)</b>	<b>By 2020, evaluate our lab testing platforms for improved efficiency/impact; establish a baseline and publish an energy/water reduction goal for the effected instruments; and start to roll out the lower impact solution</b>	The evaluation started in 2018 and is 50% completed.	The enterprise testing platform for immuno-fluorescence testing was chosen in 2019. Site assessments and improvements were completed for instrument implementation in early 2020.
<b>Waste creation</b>			
<b>Paper waste reduced in tons</b>	<b>Reduce the amount of paper waste in our PSCs by 60% in 3 years, saving greater than 500 tons of paper and associated expenses exceeding \$0.5M from our baseline in 2016</b>	In 2017, we began our e-technology efforts in the Patient Service Centers (PSCs) with the implementation of e-registration. In 2018, we started converting several other documents to electronic forms, and recognized first-year reduction of 12 US tons.	With expanded implementation in 2019, we reduced an additional 146 US tons of paper.
<b>Plastic waste reduced in tons</b>	<b>Continue to implement waste minimization initiatives and will reduce our single-use plastic waste generated by 250 US tons in 3 years from our baseline in 2017</b>	In 2018, we converted a high-volume urine specimen container to a lighter weight container, diverting 95 US tons of plastic from the landfill.	In 2019, we converted to a different urine specimen cup and converted our stool specimen cup to a smaller specimen tube. The 2019 plastic savings was 105 US tons. Our 2-year cumulative savings is 200 US tons over the 2017 baseline.
<b>ISO standardization</b>			
<b>(ISO 14001 Elements in place; lab certification)</b>	<b>Have at least 1 lab ISO 14001-certified by 2022</b>	Starting in 2017, we initiated a comprehensive enterprise auditing program and completed 1 audit. In 2018, we completed an additional 7 audits and began laying the framework for an ISO program.	In 2019, we completed 8 facility audits and continued building the framework for an ISO program. We implemented the Local Environmental Inventory (LEI) assessment in Q1 2019, and 60% of our core labs completed the assessment. We added environmental initiatives to the regional strategic plan template, updated our Environmental Policy Statement, and developed an EMS SOP as part of the system documentation. Our San Juan Capistrano Laboratory, which is currently 9001 (QMS) certified, is aiming to become ISO 14001 (Environmental Management) and ISO 22301 (Business Continuity Management) certified by 2022.
<b>MTCO<sub>2</sub>e reduction</b>			
<b>MTCO<sub>2</sub>e reduction</b>	<b>Reduce our waste per million patient encounters cumulatively by 15 MtCO<sub>2</sub>e within the next 3 years</b>	This target incorporates paper waste reduction in our Patient Service Centers and plastic waste reduction through our new urine specimen container. In 2018, we reduced MtCO <sub>2</sub> e equivalents by more than 1.6 metric tons.	2018 to 2019 2-year totals: <ul style="list-style-type: none"> <li>Plastic waste savings (urine and stool) = 379.3 MtCO<sub>2</sub>e</li> <li>Paper savings = 1,300 MtCO<sub>2</sub>e</li> <li>Total = 1679 MtCO<sub>2</sub>e reduced per 1M patient encounters = 9.7 MtCO<sub>2</sub>e</li> </ul>

## By the numbers

Measure	2019	2018
<b>Square footage of facilities</b>	<b>10,194,888</b>	<b>9,958,293</b>
<b>Indirect energy (TJ) per 1M test requisitions</b>	<b>6.4</b>	<b>6.7</b>
<b>Direct energy (TJ) per 1M test requisitions</b>	<b>8.3</b>	<b>8.6</b>
<b>Scope 1 CO<sub>2</sub> emissions (metric tons) per 1M test requisitions</b>	<b>525.1</b>	<b>547.4</b>
<b>Scope 2 CO<sub>2</sub> emissions (metric tons) per 1M test requisitions*</b>	<b>580.1</b>	<b>664.4</b>
<b>Scope 3 CO<sub>2</sub> equivalents (metric tons) per 1M test requisitions</b>	<b>278.7</b>	<b>281.5</b>
<b>Water consumption (1,000m<sup>3</sup>) per 1M test requisitions</b>	<b>5.35</b>	<b>5.54</b>
<b>Biohazardous waste (MT) per 1M test requisitions</b>	<b>55.8</b>	<b>55.8</b>
<b>Chemical waste (MT) per 1M test requisitions</b>	<b>16.1</b>	<b>15.6</b>
<b>Recycling (MT) per 1M test requisitions</b>	<b>33.5</b>	<b>35.7</b>

US EIA's Commercial Building Energy Consumption Surveys (CBECS) data and EPA's Emissions & Generation Resource Integrated Database (eGrid) were used to estimate utility usage and related emissions factors for some small locations when not available from other sources. Coverage of the data is 100% of US operations.

\*The Scope 2 CO<sub>2</sub> emissions include a reduction of ~5% based on our use of Renewable Energy Credits (RECs).

### Reducing the footprint of our data centers

Quest's consolidation strategy has continued to reduce our overall data center footprint while optimizing resources. In addition, the use of new technologies, such as cloud, virtualization, and flash storage has enabled Quest to continue delivering new products and services without adding to our total power consumption or physical footprint.

Since 2015, Quest has reduced raised floor space by ~8,000 ft<sup>2</sup> across 14 data centers, leading to an annual savings of \$2.5M.

At our primary data center, we replaced all lighting with LED to reduce power consumption by 75%, and are switching to modern cooling systems with 70% greater efficiency.



Quest has invested in reducing the environmental impact of our new lab in Clifton, NJ. Construction began on the "Lab of the Future" in 2018 and progress is on track for our occupancy in 2021.



Our urine and stool cup conversion project **reduced our plastic use by more than 210,000 pounds annually**—that's **105 US tons of plastic kept out of landfills.**



Route optimization cut fuel consumption by **61,538 gallons** and CO<sub>2</sub> emissions by 1,206,154 lbs (548 metric tons).



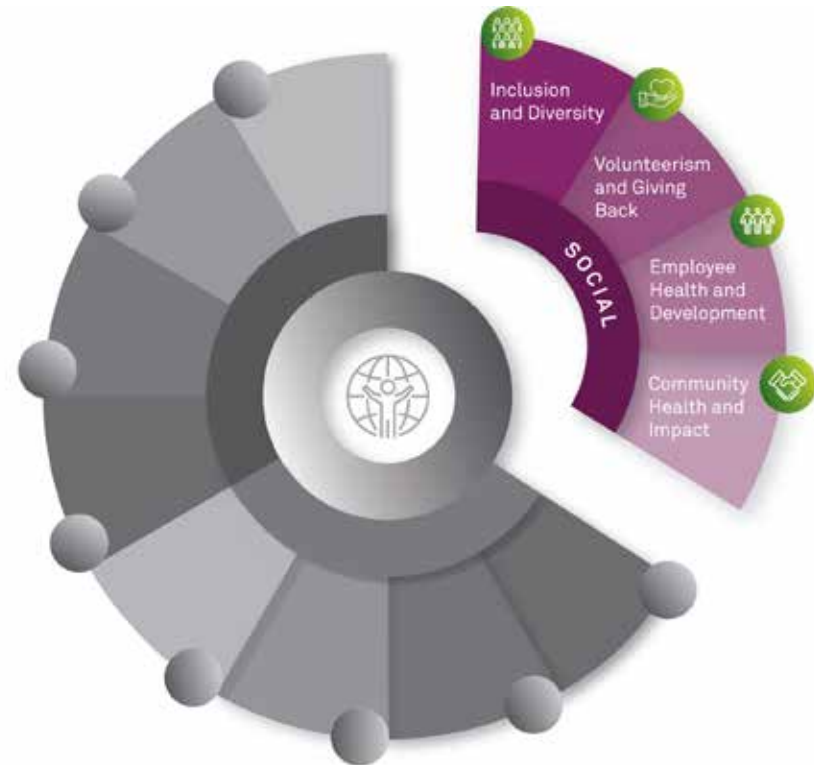
"In addition to reducing our environmental impact, achieving these goals helps lower our operational costs over the long term. It's also a meaningful way to attract new talent who want to work for a socially responsible company."

**Nick Milillo**  
Senior Director, National EHS  
Quest Diagnostics

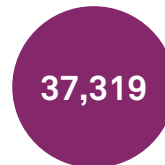










## Social



As the healthcare industry continues to evolve, being an active voice and participant in improving the well-being of our employees, customers, and communities has never been more important. Our greatest asset to meet the needs of our customers and patients is the expertise, experience, and passion that each of our 47,000 employees brings to Quest every day. We prioritize creating an environment where employees feel welcomed, included, valued, and challenged to grow, which fuels a culture of innovation and progress. We also focus deeply on the communities where we live and operate. We collaborate with nonprofits through donated services and charitable giving to improve access to care and help everyone take action to improve their health and live their best lives.

 <p><b>37,319</b></p>	 <p><b>90%</b></p>	 <p><b>9</b></p>	 <p><b>48</b></p>			
<p><b>Employees and their spouses/domestic partners</b> participated in our Blueprint for Wellness® health screening program</p>	<p><b>Of Quest employees</b> participated in our <b>Quest Employee Survey</b></p>	<p><b>Employee Business Networks</b> engaged a collective 6K employees</p>	<p><b>States</b> in which consumers can now order from <b>QuestDirect™</b></p>	<p><b>Quest employees sent thousands of letters</b> to over 500 Members of Congress in support of passing the <b>LAB Act</b></p>	<p>We provided testing to approximately <b>1,100 people in New Jersey</b> at our <b>Annual NBC Expo</b></p>	<p>Approximately <b>430 employees</b> donated to the Quest Employee Disaster Relief Fund</p>

## QuestDirect™ empowers consumers to buy their own lab tests

### Service offers easy and convenient online purchasing

Quest is committed to empowering consumers with the insights they need to make the best decisions for their health. QuestDirect™ is our consumer-initiated testing (CiT) platform, which allows consumers to purchase their own lab tests online—no doctor visit required.

With QuestDirect, consumers can choose from a wide variety of tests with upfront pricing and get the same trusted results their doctor does with our patient portal MyQuest™. By saving time and possibly unnecessary doctor visits, the service makes it easy for consumers to actively engage in their health.

Launched as a pilot in 2016, Quest's CiT offering is now available in 48 states (45 states through QuestDirect). In 2019, demand for QuestDirect increased. QuestDirect testing volume continued to grow throughout 2019, and we expect this trend to continue.

### Here's how QuestDirect works\*

- (1) Pick a test and purchase online.
- (2) Schedule an appointment that's convenient for you at a Quest Patient Service Center.
- (3) Get results delivered directly to your smartphone or desktop with your MyQuest account.

Every order includes a phone consultation with a doctor to discuss your results. You can also easily share results with your own doctor.

Learn more at [QuestDirectTest.com](http://QuestDirectTest.com).

\* QuestDirect is not available in Alaska, Arizona, Hawaii, Indiana, or Oklahoma. You must be over 18 years old, or over 19 years old in Nebraska, to purchase tests with QuestDirect.



“Consumers want to take charge of their health and well-being now more than ever,” says **Ashwini Dumaswala, Executive Director, Consumer Initiated Testing and Sports Diagnostics, Quest Diagnostics**. “QuestDirect empowers them on that journey, and we will continue to add new solutions and enhancements to optimize their experience.”

### In 2019, QuestDirect added 9 new solutions to its test menu:

 <p><b>4 new food allergy panels</b></p>	 <p><b>2 new gout tests</b></p>	 <p><b>3 new STD tests</b></p>
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QuestDirect users skew toward a **millennial demographic**, pointing to a growing trend in this age group of seeking alternative methods of healthcare that allow them to better manage their own health.



In 2019, the most **frequently ordered** QuestDirect solutions were the general health panel and STD testing.

## Most physicians underestimate Rx drug misuse, finds Quest report

### First-of-its-kind study contrasts physician expectations with patient test results

Nearly 3 in 4 physicians trust their patients to take controlled substances as prescribed, yet half of all patient test results show misuse of these drugs, according to Quest's 2019 Health Trends™ report, [Drug Misuse in America 2019: Physician Perspectives and Diagnostic Insights on the Evolving Drug Crisis](#).

This analysis is believed to be the first of its kind. By comparing laboratory data with primary care physicians' beliefs about the use of controlled prescribed medications and illicit drugs in the US, we revealed a significant contrast between physician expectations and actual patient behavior. This information can help physicians and policymakers make informed decisions to combat drug misuse and improve public health.

Among the key findings:

#### Physicians underestimate prescription drug misuse.

**51%** of patient test results showed prescription drug misuse, yet **72%** of physicians trust their patients to take these drugs as prescribed.

#### Drug mixing—combining prescription medications with illicit drugs, other prescriptions, or alcohol—is the most prevalent form of drug misuse.

**53%** of physicians believe **<20%** of patients engage in drug mixing, yet it was found in **24%** of patient test results in 2018.

#### Report findings were drawn from 2 data sets:

- More than 4.4 million deidentified clinical drug monitoring tests performed by Quest in all 50 states and DC from 2011-2018
- A new online survey of 500 primary care physicians conducted by The Harris Poll, and commissioned by Quest in consultation with the Center on Addiction

#### Gabapentin is emerging as an alternative pain therapy to opioids—just as misuse rises.

**78%** of physicians often prescribe gabapentin as a less risky alternative to opioids, and only **34%** are concerned about its misuse.

*Non-prescribed* gabapentin use spiked **40%** in 1 year, making it the most commonly used medication without a prescription.

#### The majority of physicians fear another prescription drug crisis.

**62%** of physicians fear the opioid crisis will be traded for a new prescription drug crisis, and nearly **72%** worry that chronic pain patients will turn to illicit drugs if they do not have access to prescription opioids.

#### Physicians seek more education and see prescription drug monitoring as part of the solution.

At least **7 out of 10** physicians want more training on prescription drug monitoring and what to do if a patient shows signs of addiction. **88%** of physicians say prescription drug monitoring is critical to identifying drug misuse, and **77%** believe the stigma surrounding prescription drug addiction impairs patient care.

Quest Diagnostics Health Trends is a series of scientific reports that provides insights into health topics, based on analysis of objective clinical laboratory data, to empower better patient care, population health management, and public health policy. Read the full report at [QuestPDMReport.com](#).



“Quest undertook this research to shed new light on the national opioid crisis, including the perspectives of physicians on the front lines,” says **Kathleen Valentine, VP & GM, Toxicology and Prescription Drug, Quest Diagnostics**. “As prescription drug misuse evolves, Quest will continue to provide the timely insights physicians and policymakers need to better serve their patients and communities.”

## Helping policymakers combat the opioid epidemic



### Quest insights enable targeted response to communities in need

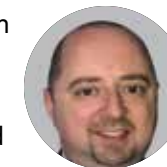
Quest is committed to helping states and communities fight the opioid use epidemic. In addition to publishing our Health Trends™ report as a public service (see article at left), we traveled to state capitols across the country to engage with policymakers on both sides of the political aisle on the importance of drug testing.

First, we educated state officials on best practices regarding drug testing, supported by sources such as the Centers for Disease Control and Prevention (CDC) guideline on prescribing opioids for chronic pain.<sup>1</sup> The CDC recommends the use of drug testing as part of chronic pain treatment.

Second, we revealed state-specific drug misuse trends. This information can help state officials better understand community needs so they can allocate resources to the most critical response and prevention efforts.

Reference:

1. Dowell D, Haegerich TM, Chou R. CDC guideline for prescribing opioids for chronic pain—United States, 2016. *MMWR Recomm Rep*. 2016;65:1-49. doi:10.15585/mmwr.rr6501e1



In 2019, Quest representatives supported the passage of laws in Pennsylvania and Connecticut requiring physicians to establish treatment plans for chronic pain that include drug testing.

“As the opioid epidemic continues to devastate our nation, Quest is uniquely positioned to help track the latest trends,” says **David Reiner, Senior Director, State Government Affairs, Quest Diagnostics**. “By arming policymakers with state-specific data, we enable more targeted response and prevention efforts that reach the communities most in need.”





## Lifesaving answers for newborn babies

For newborn babies fighting to survive in a neonatal intensive care unit (NICU), the turnaround time for lab results can make a critical difference.

In 2019, a 4-day-old baby girl started having seizures and did not respond to treatment. Her family had previously suffered the loss of a newborn who presented similar symptoms, leading her medical team to suspect a genetic disorder. Racing against the clock to prevent another tragedy for this family, the doctors ordered a NewbornDx™ Advanced Sequencing Evaluation—a single test that checks for over 1,000 unique disorders, with rapid results—and was able to identify a simple vitamin supplement that would save the baby’s life.

The NewbornDx Advanced Sequencing Evaluation—an offering from Athena Diagnostics®, a Quest Diagnostics company—is specifically designed to meet the needs of critically ill newborns when every minute counts. In contrast to traditional testing that targets single genes, NewbornDx uses next-generation sequencing to target 1,722 genes at the same time. Results are available in 3 to 7 days, a shorter turnaround time than competing tests that typically take 2 to 12 weeks.<sup>1-3</sup> By expediting an accurate diagnosis, NewbornDx helps doctors start treatment sooner, improve outcomes, and minimize the suffering of newborns and their families.



“For newborn babies—our most fragile patients—each day is critical and the sooner treatment begins, the better,” says **Christopher Scotto DiVetta, Vice President and General Manager, Neurology and Pharma/Diagnostic Services, Quest Diagnostics.** “With its extensive gene panel, the NewbornDx Advanced Sequencing Evaluation enables answers for undiagnosed disorders in newborns at the speed they require and a cost families can afford.”



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1. Swaggart KA et al. Making a genetic diagnosis in a level IV neonatal intensive care unit population: who, when, how, and at what cost? *J Pediatr.* 2019;213:211-217e4.
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3. PerkinElmer. NeoSeq Newborn and Pediatric Genetic Panel. Accessed June 29, 2020. <https://www.perkinelmergenomics.com/testDetails/206-218868>
4. Hoyert DL et al. Annual summary of vital statistics: 2000. *Pediatrics.* 2001;108:1241-1255.
5. Stevenson DA et al. Contribution of malformations and genetic disorders to mortality in a children's hospital. *Am J Med Genet A.* 2004;126A:393-397.
6. National Perinatal Association. NICU awareness month. Accessed May 26, 2020. [http://www.nationalperinatal.org/NICU\\_Awareness](http://www.nationalperinatal.org/NICU_Awareness)
7. March of Dimes. Special care nursery admissions. Accessed May 13, 2020. [https://www.marchofdimes.org/peristats/pdfdocs/nicu\\_summary\\_final.pdf](https://www.marchofdimes.org/peristats/pdfdocs/nicu_summary_final.pdf)

## Quest earns membership in UnitedHealthcare® Preferred Laboratory Network

### Strategic partnership expands access to affordable, high-quality care

On January 1, 2019, Quest started the new year as a national provider of laboratory services for UnitedHealthcare® (UHC).

On July 1, 2019, Quest was also selected as a member of the UHC Preferred Laboratory Network (PLN). Quest and its subsidiary, AmeriPath®/Dermpath Diagnostics®, earned 2 out of the 7 spots in the new network.

Being a PLN member signifies that we meet strict quality and service requirements per UHC’s rigorous review process. Key success markers include:

- Higher quality of care
- Lower average costs
- Easier experience in the lab and online
- Shorter wait times
- Faster turnaround for lab results

The strategic partnership is with parent company, UnitedHealth Group. The 2 organizations will collaborate on a variety of value-based programs rewarding high-quality, easily accessible lab services and real-time data sharing to drive more personalized patient support and reduce gaps in care.



“Quest Diagnostics is proud to be a member of the UHC Preferred Lab Network”



“The PLN is an advanced way for UHC to work with selected lab providers, like Quest, to deliver care that places a greater emphasis on patient outcomes while better managing the total cost of a person’s care,” says **Terry Burke, Vice President, Strategic Relationships, Quest Diagnostics.**



“We believe consumers are best served when they have access to the unmatched convenience, access, quality, and value that Quest offers,” says **Manuel O. Méndez, Senior Vice President and Chief Commercial Officer, Quest Diagnostics.** “We look forward to serving all UnitedHealthcare members.”

## Driving supplier excellence and innovation

### 2019 Supplier Excellence Awards

Quest relies on suppliers to deliver the resources we need to empower better health with diagnostic insights. Each year, we celebrate supplier quality and innovation with our Supplier Excellence awards, recognizing:

- World-class products, systems, or services that provide consistent and reliable performance
- Companies that develop and implement novel solutions to move the business forward
- Individuals who step up to the challenge and excel in creating a proactive partnership
- Organizations that drive positive change in the market

At our 2019 Supplier Forum, we presented Supplier Excellence awards to 4 companies for their contributions to Quest, and their ability to display behavior consistent with our values of quality, integrity, innovation, accountability, collaboration, and leadership. Those companies are:

- Cielo Inc., which provides talent acquisition support to fill vacant positions faster
- Roche® Molecular Diagnostics, which provides specialized molecular testing that enables more efficient operations in many Quest labs
- Sysmex® America, which provides clinical solutions that have yielded improvements to operations and enhanced the customer experience
- Taylor Communications, which provides



enterprise-wide printing, label, and technical solutions “The winners of our Supplier Excellence awards are helping us to grow, innovate, and become even more efficient,” said Tom Plungis, Vice President and Chief Procurement Officer, Quest Diagnostics. “We deeply value our relationships.”

#### Quest's commitment to supplier diversity

Quest is committed to working with large and small businesses, including diverse suppliers, to:

- Support our business objectives and overall diversity vision
- Strengthen our small business communities
- Contribute to the overall economic growth and expansion of our markets

#### New Supplier Code of Conduct

Quest has published a new Supplier Code of Conduct for suppliers and their employees, agents, and subcontractors to communicate our expectations for the following:

- Ethics in all business practices
- Compliance with all legal and regulatory requirements
- Upholding environmental, health, and safety practices
- Safeguarding labor and human rights protections
- Protecting data and intellectual property
- Reporting questionable behavior

You can view the Supplier Code of Conduct here



“Our suppliers have a seat at the table in helping us to deliver on the promise of empowering better health with diagnostic insights,” says **Jim Davis, Executive Vice President, General Diagnostics, Quest Diagnostics**. “Driving operational excellence is a foundational element of our business strategy, and we rely on our supplier partners to help us enhance the customer experience and drive efficiencies.”

## Meeting evolving technology and security needs

### How Quest is simplifying workflow and safeguarding data

As new technology emerges—whether a task automation tool or the latest cybersecurity threat—Quest remains agile and responsive to meet the evolving needs of our company.

Intelligent automation has become an essential tool in driving productivity in the modern workplace. Quest has long used robotic process automation, and can rapidly deploy it to fill gaps when resources are limited. By eliminating repetitive, low-value tasks, process automation allows our human colleagues to do what they do best: solve new problems, start new offerings, and be creative.

Quest also maintains a comprehensive IT Security Program to ensure that our facilities, information systems, and data remain secure. Since our employees are the first line of defense, the Quest IT Security team provides timely training on the latest cybersecurity threats—covering topics such as phishing, ransomware, and social engineering tactics—to help protect their IT assets at work and at home.



“We will continue to invest in innovative tools and training that optimize our workflow, protect our information systems, otherwise advance our ability to empower better health with diagnostic insights,” says **Gabrielle Wolfson, Senior Vice President, Chief Information & Digital Officer, Quest Diagnostics**.







## Investing in employees' emotional Balance

### Quest partners with Johns Hopkins to provide employees access to Balance program

About **4 out of 10** employees in the US are likely struggling with an emotional health condition, such as unmanaged stress, anxiety, depression, or substance abuse.<sup>1</sup> Mental health is an essential part of overall well-being, and Quest is committed to helping employees get the support they need to navigate life's challenges. In September 2019, we launched Balance, an emotional well-being program from Johns Hopkins Medicine that uses a free screening to identify risk, offer treatment options, and provide guidance and resources to employees, regardless of medical plan enrollment.

The Balance program starts with a confidential online questionnaire to identify risk factors. Based on the results, the employee may be eligible to talk with a Balance Care Concierge, a licensed practitioner who can help connect them to the right resources, such as:

- Quest's Employee Assistance Program (EAP), which offers 6 free counseling sessions per year to help manage areas of stress, such as work-life balance, relationships, and finances
- An in-network therapist, psychiatrist, or substance abuse recovery specialist
- Community services

The Balance Care Concierge continues to be available to the employee over the following year to help ensure they get the care they need.

Reference:

1. John Hopkins University School of Medicine. Balance. Accessed June 12, 2020. <https://www.johnshopkinsolutions.com/solution/balance/>



**"The Balance program** is a proactive solution to support employees' emotional health so they can bring their best selves to work," says **Jay Wohlgenuth, MD, Senior Vice President & Chief Medical Officer, Quest Diagnostics.** "By identifying risks early and navigating treatment options, the Balance program helps employees access personalized care that meets their needs."

## The Quest screening that saved an employee's life



### Blueprint for Wellness® panel reveals kidney disease just in time

In 2019, Quest employee Anthony Wallace received a kidney transplant that saved his life—and it may not have happened without his Blueprint for Wellness® screening a few years earlier.

Each year, Quest encourages employees and their dependents to take advantage of Blueprint for Wellness, a comprehensive panel of lab tests designed to evaluate an individual's overall health. The screening is offered to all Quest employees at no charge, as is the opportunity to review their results with a physician who can guide them on any action they may need to take to stay healthy.

After having the screening in 2016, Anthony received a call from a physician who said the results of his kidney filtration test were consistent with end-stage renal failure. In disbelief, he sought out a second opinion. That physician confirmed the diagnosis and urged him to head directly to the emergency room.

At the hospital, Anthony had multiple surgeries. He also immediately started dialysis, which he continued 3 days a week, 4 hours per day, for 20 months. Deciding this wasn't a sustainable long-term plan, he committed to changing his lifestyle habits to become eligible for a kidney transplant. In June 2019, Anthony was able to have the transplant surgery.

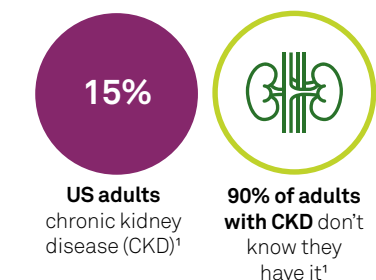
Reference:

1. Centers for Disease Control and Prevention. Chronic kidney disease in the United States, 2019. Accessed June 12, 2020. <https://www.cdc.gov/kidneydisease/publications-resources/2019-national-facts.htm>

### Anthony's message: don't wait to make your health a priority

Receiving a potentially fatal diagnosis from his screening taught Anthony the importance of taking care of himself. When friends and colleagues discuss what scares them about getting tested, he reminds them that the worst option is to do nothing. "You could lose your life, which is more important than any of [that]." He encourages others to not ignore health symptoms, and to not wait to get checked out.

Mental and behavioral health issues are prevalent, underdiagnosed, and undertreated among working adults and in the general population.

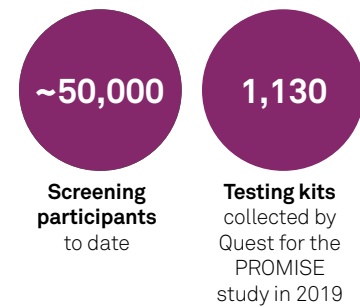






African Americans are 3x more likely to develop a precursor to myeloma.<sup>1</sup>

Reference:  
1. Dana Farber Cancer Institute. About the PROMISE study. Accessed June 1, 2020. <https://www.enroll.promisestudy.org/about>



## PROMISE to help screen for multiple myeloma

### Quest supports research that aims to make the blood cancer preventable

Quest has long championed the importance of early health screenings. We're proud to be the preferred provider of blood draws for PROMISE, a research study to screen individuals at high risk of developing multiple myeloma, an incurable blood cancer found in the bone marrow. Conducted by the Dana-Farber Cancer Institute and funded by Stand Up to Cancer®, PROMISE's mission is to increase early detection and improve survival rates.

Multiple myeloma primarily develops from a precursor condition—such as monoclonal gammopathy of undetermined significance (MGUS) or smoldering multiple myeloma (SMM)—yet there is no routine screening for these conditions. Most people are not diagnosed until active myeloma develops. PROMISE is believed to be the first large-scale population survey in the US for these precursor conditions.

The study targets those at highest risk, including African Americans and individuals with a first-degree relative with multiple myeloma or a related condition. Participants periodically receive a testing kit and visit a Quest Patient Service Center to have their blood drawn and collected, with their results tracked over time.



“The PROMISE study will lead to a better understanding of how to halt the progression of multiple myeloma,” says **Andrea Luker, Marketing Director, Quest Diagnostics**. “It will also help provide a roadmap of therapeutic options that can make the disease a preventable or possibly curable condition.”

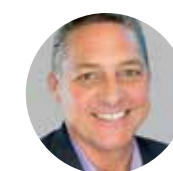
## Quest helps replace the famous #StolenColon

### Inflatable intestine raises awareness for colorectal cancer

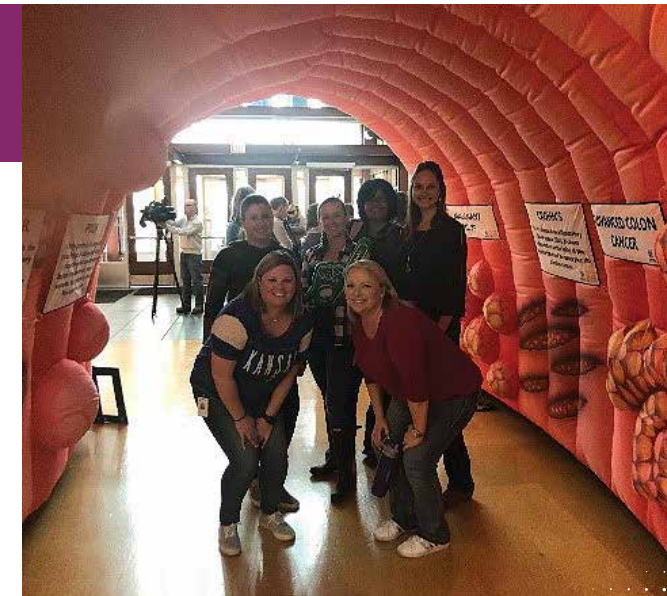
Quest believes in sharing our resources with nonprofits to help build healthier communities. When we heard about the #StolenColon social media campaign, we seized the opportunity to help raise awareness of the importance of screening for colorectal cancer.

The #StolenColon saga started when an inflatable colon used by the University of Kansas Cancer Center as an educational tool went missing on October 18, 2019. The #StolenColon hashtag quickly went viral, helping start conversations around how critical screenings are to saving lives from the disease.

When the Colon Cancer Coalition organized a fundraiser to buy a new inflatable colon, Quest Diagnostics and Salix Pharmaceuticals contributed and helped raise over \$11,000 of its \$4,000 goal—enabling the purchase of not just 1, but 2 replacements. (Since then, the #StolenColon has been returned, giving the University of Kansas a total of 3!)



“Colon cancer can be deadly, but it can also be prevented, which is why education about colon cancer and access to screening are so important,” says **Steve Laczynski, President, Employer Population Health, Quest Diagnostics**. “By contributing to the replacement of the #StolenColon, Quest Diagnostics is able to help the Colon Cancer Coalition bring awareness to the disease and educate the community about screening options.”



The #StolenColon weighed 150 pounds and stretched over 10 feet long.

Quest Diagnostics provides a range of diagnostics services for colon cancer, including fecal immunochemical testing and genetic testing for hereditary risk.

Colorectal cancer is the second leading cancer killer in men and women, claiming more than 50,000 lives each year.<sup>1</sup>

Reference:  
1. American Cancer Society. Key statistics for colorectal cancer. Accessed June 1, 2020. <https://www.cancer.org/cancer/colorectal-cancer/about/key-statistics.html>



## The quest to fight breast cancer in underserved communities



### Quest awards grant to American Cancer Society® to increase screenings

At Quest, we know lab testing can play an integral role in increasing health equity in underserved communities. To help ensure women most at-risk are getting the breast cancer screening they need, we awarded a community equity empowerment grant to the American Cancer Society® (ACS). ACS used this grant to help Federally Qualified Health Centers (FQHCs) implement interventions to improve screening rates.

FQHCs are community-based organizations that deliver high-quality, culturally competent, comprehensive primary care to the nation's most vulnerable individuals and families, regardless of their ability to pay. As the highest incidence of breast cancer is in the Northeast,<sup>1</sup> ACS focused their efforts on the North Hudson Community Action Corporation, a network of FQHCs throughout the Hudson County area in New Jersey.



“Thanks to the generous support of Quest, the ACS was able to work with North Hudson Community Action Corporation to increase access to breast cancer screening for a health system that serves over 70,000 patients,” says **LaToya Williams, Senior Manager, State and Primary Care Systems, American Cancer Society**. “The ACS is committed to saving lives and addressing the unequal burden of cancer, and Quest has played a significant role in furthering this mission.”



ACS helped the North Hudson team implement simple yet powerful interventions to increase mammogram rates, including patient reminders and consistent follow-up after appointments to discuss next steps with those who tested positive or needed additional guidance. To evaluate progress, the targets below were tracked—and North Hudson exceeded all expectations!

	Additional patients who received mammograms	Patient reminders executed
Target	122 (4% increase)	1,197
Actual	675 (an increase of over 550%)	4,243 (close to 200% above target)

Reference:  
1. American Cancer Society. Breast cancer facts & figures 2017-2018. Accessed April 28, 2020. [https://www.cancer.org/content/dam/cancer-org/research/cancer-facts-and-statistics/breast-cancer-facts-and-figures-2017-2018.pdf](https://www.cancer.org/content/dam/cancer-org/research/cancer-facts-and-statistics/breast-cancer-facts-and-figures/breast-cancer-facts-and-figures-2017-2018.pdf)

For American women, breast cancer is the second most commonly diagnosed cancer and has the second highest cancer mortality rate.<sup>1</sup>

## Meeting employee demand for learning and development

### Participation grows in continuing education programs

Quest believes that putting time and resources into our employees' training and development is crucial to creating an inspiring and engaging workplace. We support employees at all levels in expanding their capabilities through learning programs, tuition reimbursement, and partnerships with universities.

In 2019, we saw a significant increase in demand for employee training through our internal e-learning platform, EMPower. In employee surveys, we earned a strong approval rating on content selection and its potential for real-life application.

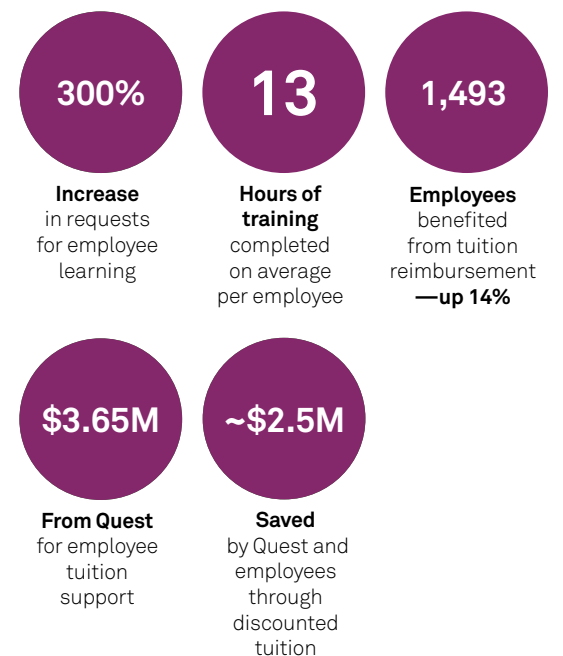
In addition, we launched Leading Quest Foundations, a training initiative for employees at all levels designed to build essential leadership skills. After completing a self-assessment to identify training gaps, employees engage in learning to support their development goals. 239 employees participated in this program.

For employees who want to pursue higher education, we continue to support them through our Education Assistance program, which reimburses tuition of up to \$5,250 per year pending a passing grade. In addition, our partnerships with Ashford and Capella Universities offer employees the opportunity to earn bachelor's or master's degrees at low or no cost.

Our support of higher learning also extends to our employees' families. The Kenneth W. Freeman Scholarship program provides educational assistance to children of eligible Quest employees, awarding 4 scholarships in 2019.



“We believe that building a high-performance culture, as well as enhancing the employee experience, requires meaningful opportunities for our employees to learn new skills and grow their careers,” says **Tovah Stroud, Executive Director, Organizational Effectiveness & HR Business Partner - Advanced Diagnostics, Quest Diagnostics**. “At Quest, our employees develop through a variety of ways including formal instruction, short bursts of learning, and directly on the job, as well as through building strong relationships with mentors and peers. EMPower and technology continue to be important enablers in creating a positive learning experience for our workforce.”







## Growing our own Clinical Laboratory Scientists in California

### Quest training program helps lab-focused graduates get licensed

While the demand for laboratory scientists continues to grow nationwide, training opportunities have yet to catch up.<sup>1</sup> In California, Quest stepped up to meet this critical need with the Clinical Laboratory Scientist (CLS) Training Program at our San Juan Capistrano campus.

Approved and regulated by the state of California, the CLS Training Program provides a year of laboratory training as part of the state's requirement for CLS licensure. Participants undertake both academic didactic instruction and hands-on practical training across the full spectrum of diagnostic tests in the specialty areas of clinical chemistry, molecular biology, cytogenetics, and microbiology. Upon completion, graduates have the theoretical and technical knowledge they need to sit for the American Society for Clinical Pathology (ASCP) California exam—and we're proud to have achieved a 100% pass rate.

The CLS Training Program is helping to address a severe shortage of clinical lab professionals in the US. Some factors impacting this shortage include<sup>1</sup>:

- The retirement of the aging workforce
- An increase in demand for lab services
- Changes in the practice of clinical laboratory science due to technology advances



“The CLS Training Program instills a focus on quality and leadership and a love of continuous learning,” says **Cecilia McKenney, Senior Vice President and Chief Human Resources Officer, Quest Diagnostics.** “The entire California healthcare system benefits with the added talent pool needed to provide quality medical testing for hundreds of thousands of patients.”

## Developing a new generation of leaders

### Quest trains recent graduates in lab operations

Quest is building a strong pipeline of talent through the Operations Leadership Development Program (OLDP), our 2-year rotational program designed to attract and develop university graduates for future leadership roles.

OLDP recruits recent graduates with degrees in medical laboratory science, supply chain and operations, biomedical and industrial engineering, and life sciences, with recruitment areas spanning Atlanta, Boston, Chicago, Dallas, Los Angeles, New York, and Tampa.

Every 6 to 12 months, a new cohort of graduates begins. Each participant completes 4 rotations of 6 months across 2 or more Quest regions. The program offers a comprehensive, well-rounded training, providing the opportunity to gain real experience within 5 areas of Quest operations:

- Patient Services
- Logistics
- Lab Operations
- Supply Chain
- Quest Management System
- National Customer Services

At the end of the program, successful participants are eligible for supervisory roles in operations and other key functional areas.



“OLDP is a targeted strategy to develop a new generation of leaders at Quest,” says **Rafael Irizarry Rodriguez, OLDLP Leader and Director, QMS Continuous Improvement, Quest Diagnostics.** “The program develops the capabilities that we need in our talent, and aligns with our strategy to optimize operations.”



At the 2019 OLDLP Summit, attendees engaged in workshops, presentations, volunteer work with Habitat for Humanity, and a visit to the Magic Castle in Los Angeles.



## Quest Employee Business Networks

### Empowering a diverse workforce to drive employee and business success

At Quest, we know inclusion and diversity are integral to the success of our employees and our business. In addition to creating an inspiring work environment, having an inclusive, diverse workforce elevates our business strategy by filling our ranks with employees reflective of the customers, communities, and markets we serve.

To empower our diverse workforce, Quest sponsors employee-led groups known as Employee Business Networks, or EBNs. EBNs create a platform for all employees to engage senior leaders, access career development opportunities, share new perspectives that may influence customer solutions and company policies, build their personal network, and drive education, advocacy, and community involvement. By branding these groups as Employee Business Networks, Quest highlights the irreplaceable role they play in our business success and employee development.

Quest currently has 9 EBNs that anyone can join to celebrate and lift the voices of employees across gender, age, race and ethnicity, veteran and disability status, and sexual identity:



Some of our EBN accomplishments in 2019 include:

- An 8% increase in employee engagement scores for employees involved in EBNs
- 100+ networking events hosted across the US, both virtually and locally
- 100+ donation drives and volunteer events
- 200+ mentoring relationships
- Up to a 50% membership increase for developing EBNs
- An expanded diversity hiring initiative in our Tampa lab
- Increased self-identification of our employees with disabilities
- Participation at a dozen veterans' career fairs
- Over a dozen new or relaunched chapters

At EBN events, members raise awareness of critical issues, bond over common experiences, and share tips for living our best lives—whether career advice, support resources, or fun family recipes celebrating a cultural heritage. In 2019, some key EBN events include:

- An Ally Workshop was hosted in our Marlborough office in partnership with GE
- Our CEO, President, and Chairman Steve Rusckowski hosted a Veteran's Day event at our company headquarters
- For Transgender Day of Remembrance, Quest held candlelight vigils in multiple locations across the country
- A Women's Health & Wellness Summit in Chantilly, VA

Quest is grateful for our dozens of volunteer EBN leaders, and takes great pride in the accomplishments of the EBNs across the country in 2019—we are better because of what they do.

## Strengthening our communities with QuestCAN

### Employees volunteer to raise funds and awareness for critical causes

As our company continues to grow and evolve, we remain committed to positively impacting the communities we serve. The Quest Community Action Network, also known as QuestCAN, empowers our employees to engage with a variety of nonprofits that align with our business and support employee passions.

In 2019, our employees supported local and national organizations in a number of ways, including participation in awareness walks, winter supply drives, back-to-school book collections, animal shelter fundraising, food drives, a holiday basket raffle, and Salvation Army angel adoptions. Some additional highlights include:

#### Quest Diagnostics and ExamOne® donate \$10,000 to a local family shelter

We were pleased to kick off another year of giving by presenting \$10,000 to the Rose Brooks Center, a Kansas City shelter that protects, supports, and provides resources to hundreds of adults, children, and their pets who need emergency shelter to escape life-threatening domestic abuse. The donation was made by our ExamOne laboratory in Lenexa, KS, after the facility was given the Quest Diagnostics Quality Award and received funds to donate to a nonprofit of choice. Quest and ExamOne plan to continue building their partnership with Rose Brooks through volunteer projects and continued assistance.



#### Quest's Great Midwest Region donates \$100K to support Domestic Violence Awareness Month

Members of our Women in Leadership and QuestCAN employee business networks in 6 of our largest markets joined together to identify local shelters to support in honor of Domestic Violence Awareness Month. Quest awarded a total of \$100,000 divided among multiple shelters and programs, including Connections for Abused Women and their Children (CAWC), House of Good Shepherd, Bethany House, The Gathering Place, Rose Brooks Center, First Step, and The Women's Safe House.

#### Quest proudly sponsors AIDS Walk in Fort Lauderdale

Quest sponsored the 2019 Fort Lauderdale AIDS Walk to bring awareness to HIV—a diagnosis affecting more than 1.1 million American adults, with 15% unaware of their infection. With Quest's participation, the event raised a total of \$3,321,752! The proceeds went to multiple local organizations to fund community programs, including mobile HIV testing vans, free HIV testing, HIV awareness and prevention education, and providing free or low-cost medical care for those in need who are living with an HIV-positive diagnosis.



"The Rose Brooks Center is a safe place for so many families. I've seen firsthand how the work there has put smiles on many faces and given people hope and respect, something they desperately need during tough times."

**LaCheak Fletcher, ExamOne Regional Account Manager and Rose Brooks volunteer, Quest Diagnostics**

## Recognizing Quest Heroes who go above and beyond

Everyone loves a good hero story, and there's no shortage of them at Quest. In 2019, we recognized 4 winners of our Quest Heroes award, all from our logistics operations team and all who potentially saved a life. We celebrated these colleagues during our national **#ThankYouTour**, where we honored their compassion, kindness, and courage in going above and beyond for someone else.

The 2019 winners of the Quest Heroes Award are:

- **James Mayo**  
Route Services Representative  
Marlborough, Massachusetts, North Region
- **Maria Ruiz Chagolla**  
Group Lead, Route Service Representative  
Portland, Oregon, West Region
- **Johnathon Smith**  
Advanced Route Service Rep  
Maryland Heights, MO, Great Midwest Region
- **Ulysses Jeffries**  
Route Service Rep  
Maryland Heights, MO, Great Midwest Region



“By exemplifying compassion and composure in highly stressful situations, all of our Heroes Award winners demonstrated Quest’s guiding principles and goals,” says **Karthik Kuppusamy, PhD, VP/GM, North Region, Quest Diagnostics**. “These include ‘Promoting a Healthier World’ by helping an individual in need of medical attention, ‘Creating an Inspiring Workplace’ by jumping into action without hesitation, and ‘Building Value’ by going above and beyond their normal job responsibilities.”

## Shining a spotlight on Inspirational Leaders at Quest

2019 marks the seventh year that we’ve recognized Inspirational Leaders at Quest. This award focuses on outstanding colleagues who inspire and engage employees within and across departments, foster enthusiasm, build trust, develop themselves and others, support the work/life needs of colleagues, and demonstrate success in linking vision, effort, and achievement of stellar results.

This year’s winners share common characteristics:

- They **coach**
- They **demonstrate the utmost integrity**
- They **recognize and reward** their team members
- They **challenge us, and inspire Quest colleagues** to reach higher and achieve more

After receiving more than 350 nominations, we are proud to present these 5 winners of the 2019 Inspirational Leadership Quest Excellence Award:

- **Carolyn VanWinkle**  
Senior HR Business Partner—Great Midwest
- **Bob Severini**  
Executive Director, National Logistics Operations
- **Komal Desai**  
Lab Supervisor—Tucker, GA
- **Karla Caramella**  
Field Operations Manager—Central New York
- **Joycee Richardson**  
Manager, Specimen Processing/Technical Operations/  
Imaging/Referral Testing—Houston, TX



Maria Ruiz Chagolla (center)



Ulysses Jeffries (center left), Johnathon Smith (center right)



James Mayo (center)



Carolyn VanWinkle (middle)



Bob Severini (center left)



Komal Desai (center left)



Karla Caramella (center)



Joycee Richardson (center left)

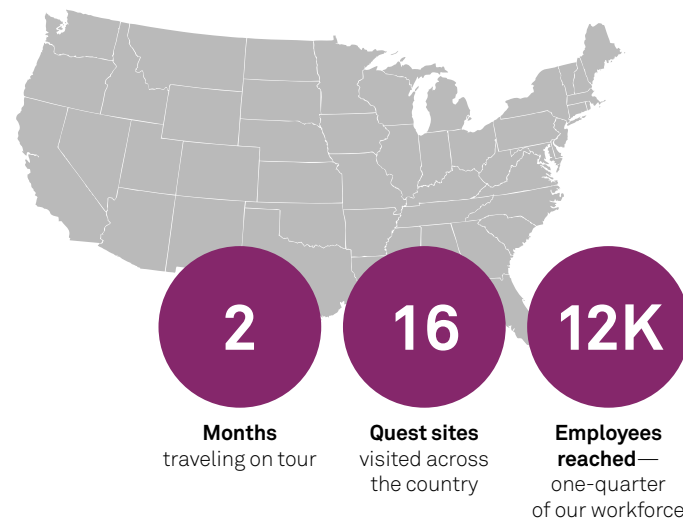


## Quest CEO and senior leaders hit the road on #ThankYouTour



### Employees at all levels engage in open dialogue on workplace needs

In late 2019, Quest Diagnostics Chairman, CEO and President Steve Rusckowski and our Senior Management Team (SMT) traveled to Quest sites across the country in a #ThankYouTour to express gratitude to employees in all job categories for their hard work. At each stop, leaders and employees engaged in an open dialogue on what is working well at Quest and what we can do better. A consistent response was heard everywhere—that our employees are proud to work at Quest and want our company to continue to improve. Steve and the SMT gathered thoughtful feedback on a variety of topics—from compensation and recognition to leadership training and career development—and are working to address these concerns to ensure our employees have what they need to be successful.



### Bravery Award presented to Quest employees at Walmart® in El Paso

Perla Lozano and Wendy Adame (shown here) served at our Patient Service Center in the El Paso Walmart® that experienced a tragic shooting on August 3, 2019. Perla and Wendy received a heartfelt standing ovation when they were given a Bravery Award for remaining calm under pressure. “We are especially proud of our Patient Service Representatives for their performance under pressure protecting our patients and themselves,” said **Chris Grant, Executive Director, National Patient Services, Quest Diagnostics**. “Thanks to the fast-acting SWAT teams, they are all safe and physically unharmed.”

## Partnerships and alliances

Quest Diagnostics collaborates with a network of nonprofit organizations, professional associations, and civic and economic groups who share our commitment to educating, empowering, and strengthening diverse communities. The groups below, along with many others, help us to engage authentically with customers and promote an inclusive workplace that values a variety of thoughts, beliefs, cultures, and experiences.



**James Emmet & Company**, an organization affiliated with **Autism Speaks**, assists companies with hiring individuals on the autism spectrum and helps set them up for success.



**Healthcare Businesswomen's Association** is a global nonprofit dedicated to furthering the advancement and impact of women in healthcare.



**Human Rights Campaign** is the nation's largest civil rights organization working to achieve lesbian, gay, bisexual, transgender, and queer (LGBTQ) equality.



**National Medical Association** is the largest and oldest national organization representing African American physicians and their patients in the US.



**National Association of Community Health Centers** is a national healthcare advocacy organization for America's medically underserved and uninsured, and for the community health centers that serve as their healthcare home.



**National LGBT Chamber of Commerce (NGLCC)** is a US nonprofit advocacy group with a mission to expand the economic opportunities and advancement of the LGBT business community.



**CEO Roundtable on Cancer**, chartered in 2005 as a nonprofit organization, works to develop initiatives that reduce the risk of cancer, enable early diagnosis, facilitate access to the best available treatments, and hasten the discovery of novel and more effective anticancer therapies to help eliminate cancer as a personal disease and public health problem.



**Partnership to End Addiction** is the only national nonprofit committed to supporting the whole family as they address substance use and addiction from prevention to recovery.



**American Cancer Society (ACS)**, established in 1913 as a voluntary health organization dedicated to eliminating cancer, is organized into 6 geographical regions of both medical and lay volunteers operating in more than 250 regional offices throughout the US.



**American Red Cross**, also known as The American National Red Cross, is a humanitarian organization that provides emergency assistance, disaster relief, and disaster preparedness education.



**Junior Achievement (JA) Worldwide**, a global youth nonprofit founded in 1919, is the nation's largest organization dedicated to giving young people the knowledge and skills they need to ensure economic success, plan for their futures, and make smart academic and economic choices.



**National Sales Network** is a nonprofit membership organization whose objective is to meet the professional and developmental needs of salespeople, sales management professionals, and individuals who want to improve their sales skills.



**Meadowlands Chamber of Commerce** is a dynamic, forward-thinking business service organization dedicated to the success and business growth of its members in the greater Hudson County, NJ area.



**Newark Regional Business Partnership (NRBP)** is a voice for member businesses, focusing on issues that impact economic growth and vitality in the Newark business community.



**Congressional Black Caucus Foundation (CBCF)** is a nonprofit, nonpartisan, public policy, research, and educational institute that seeks to advance the global black community.



**HBCU Hall of Fame (National Black College Alumni Hall of Fame)** is dedicated to the growth and development of historically black colleges and universities (HCBUs) through scholarships, internships, training and technical assistance, alumni recognition, programs that encourage humanitarian involvement, and promoting HCBUs as valuable treasures and critical resources that help transform the seeds of potential into the fruits of possibility.

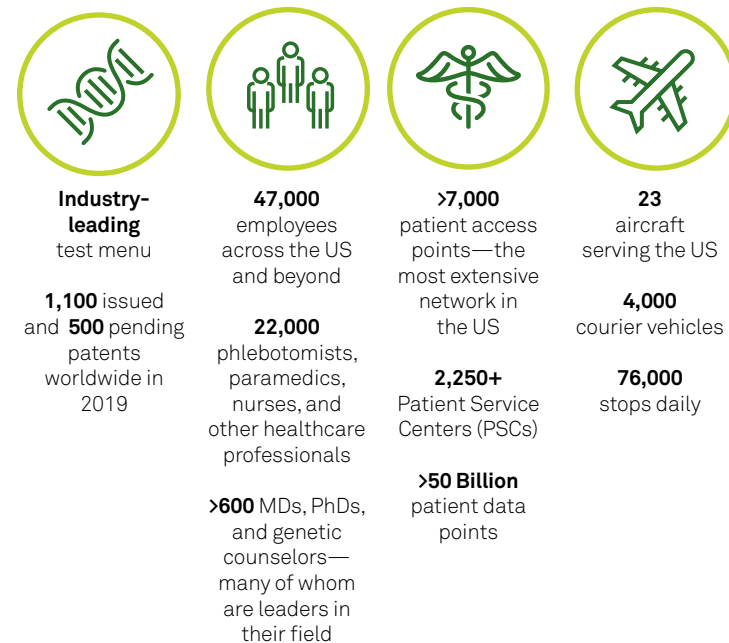
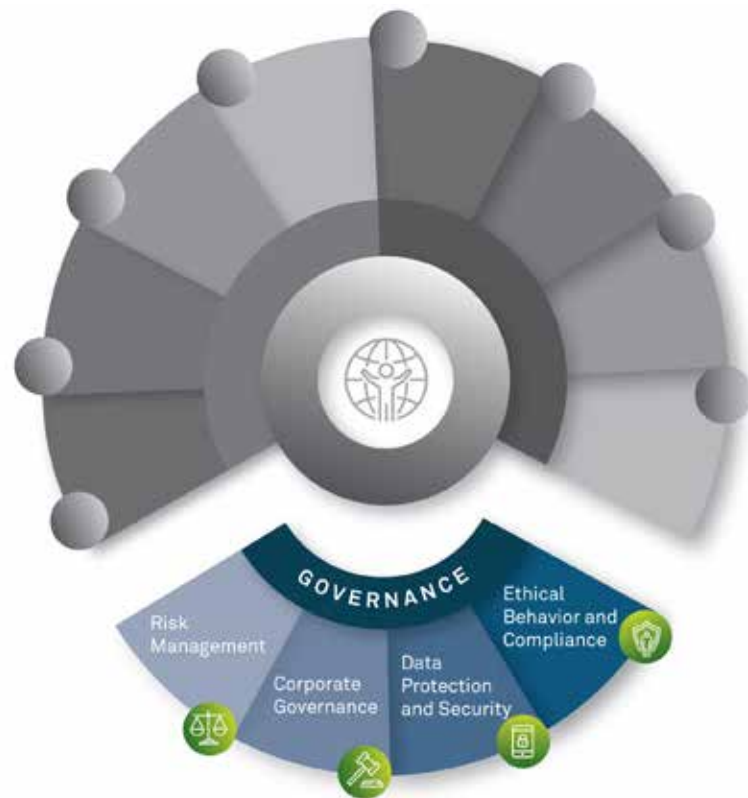




## Governance

Quest Diagnostics is committed to strong and ethical governance. This begins with our 10-member board of directors, of whom 9 are independent and 4 are women. Our directors come from a range of backgrounds across the private sector. Their collective experience, including guiding complex organizations as executive leaders, brings a diversity of qualifications and skills to guiding our business and long-term strategy.

Our 2020 Proxy Statement, found at [ir.questdiagnostics.com](http://ir.questdiagnostics.com), discusses our commitment to governance and our corporate governance programs, policies, and practices in greater detail.



## Our commitment to a diverse workforce and equitable compensation

As a company that believes an inclusive and diverse workforce better positions us to serve our communities and customers, we prioritize offering equitable compensation to all employees and to supporting the advancement of women and minorities. We are composed of approximately 72% women and 55% minorities. Women hold approximately 60% of our management roles, while minorities hold approximately one-third. Additionally, 50% of our Senior Vice Presidents and higher are women or minorities. We are proud to present the following information on our efforts to hire, support, develop, and compensate all employees equitably.

### Promoting an inclusive culture

#### Sourcing, hiring, promotion, and talent management

It is a top priority for Quest's dedicated Talent Acquisition team to proactively source female and minority candidates to fill roles in our employee population. When Quest hires or promotes from within, we consider each candidate's qualifications and experience, as well as market-based information, in order to remain externally competitive and internally equitable. Quest uses narrow role-based salary ranges to ensure that new hires and continuing employees alike are compensated equitably. Our Human Resources function oversees Quest's annual talent review process to ensure that performance reviews are fair and well-documented and to prevent unconscious bias.

#### Employee Business Networks

Our 9 Employee Business Networks, including the award-winning Women in Leadership, African American Business Leaders, Hispanic/Latino, Pride, and Diverse Abilities networks work closely with their Executive Sponsors and Human Resources to provide their members with development opportunities, including networking, mentoring, and job shadowing. Their 2019 activities are highlighted on pages 32-33 of this report.

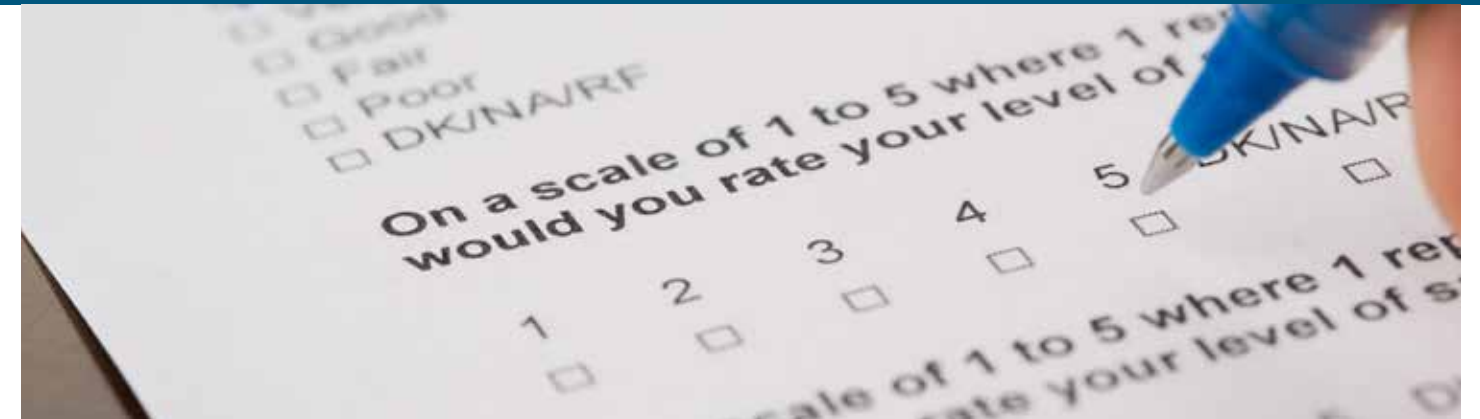
#### Gender Parity Collaborative

Quest is proud to be a founding member of the Healthcare Businesswomen Association's Gender Parity Collaborative, a group of healthcare and life sciences companies dedicated to developing and committing to action steps to





## Our commitment to a diverse workforce and equitable compensation, *continued*



promote women in the workplace and accelerate gender compensation parity. The Collaborative leverages data from McKinsey's "Women in the Workplace" study, which Quest has participated in since 2015.

### **Training and resources to fight discrimination**

Quest is serious about fostering an environment that is free of discrimination. Team leaders receive "respect in the workplace" training, which includes unconscious bias training, with the goal of nurturing an equitable workplace. We offer several options for reporting and resolving issues that arise, which are documented in our Human Resources policies. In addition, complaints can be reported through a variety of channels, such as by registering anonymously with our Human Resources Service Center or the CHEQline, our compliance reporting system. Our well-established Open Door Policy provides, among other things, an opportunity for all employees to resolve work-related problems without fear of retaliation or retribution. When we obtain knowledge of possible discrimination, we thoroughly review and address those issues.

### **Our equitable compensation program**

#### **Compensation packages**

Our compensation programs are designed to attract, retain, and motivate talented and diverse employees and to help drive the execution of our business objectives and strategic goals. Our competitive base pay reflects a number of factors, including individual roles and responsibilities, skills, experience, and performance. We also have designed our compensation programs to align with market compensation (in the relevant geography as appropriate) based on robust market benchmarking, ensuring equitability. Beyond salary, Quest's compensation package includes variable pay, other forms of financial recognition, and a comprehensive benefits offering, including 401K, paid time off, workplace flexibility, and healthcare coverage. We also compensate nonexempt employees with overtime pay, and pay shift differentials where appropriate.

#### **Centralized oversight and common review**

We maintain a centralized function to oversee our compensation processes and structures, and to help management ensure that pay outcomes are consistent with role, responsibilities, skills, experience, and performance. Quest generally allocates funds toward salary increases within our annual budget process and conducts an annual salary review for each employee that

enables managers to identify inappropriate disparities. A common review period for all employees, coupled with narrow salary ranges and related guidelines, allow managers to review compensation across teams holistically and help ensure pay equity. Employees brought into the Quest workforce through acquisitions are generally migrated to Quest benefits programs and have their compensation aligned with appropriate Quest pay ranges as soon as practicable following consummation of the acquisition.

#### **Survey participation**

Quest participates in compensation surveys conducted by multiple nationally recognized compensation consulting firms and data providers. These surveys provide valuable insights and help us benchmark compensation, establish market-linked salary ranges, and incorporate market trends, including geographical variation where appropriate.

In addition, Quest annually conducts our own engagement survey of all employees in order to solicit feedback on employee concerns, experiences, and compensation, among other things. The results of the employee engagement survey are analyzed by gender, race, and ethnicity, and we take action to appropriately address ascertained issues. Further, as a federal contractor, our locations are regularly audited by the US Department of Labor.

#### **Reviews and analyses**

We regularly conduct reviews to ensure that the compensation and composition of our workforce remain aligned with our goals. We have performed a targeted, rigorous statistical analysis of our compensation practices (utilizing independent third-party advisors), including with respect to gender, race, and ethnicity. Our reviews and analyses have not uncovered any statistically significant compensation disparities based on these demographics. We also review data regarding the diversity of our work-force on a regular basis.

#### **Compensation Committee**

The Compensation Committee of our Board of Directors establishes the goals and objectives of our executive compensation plans and determines the compensation of our senior leaders under those plans. The Committee regularly receives and considers investor feedback regarding Quest's executive compensation program. The Compensation Committee annually reviews our employee compensation programs to determine whether they encourage excessive risk taking, and to ensure they promote our goals, including with respect to pay equity across gender, race, and ethnicity.

## Cybersecurity and Data Privacy Disclosure



**Quest Diagnostics has a strong commitment to cybersecurity and data privacy. We know that the strength and resilience of our cybersecurity and data privacy oversight and preparedness is important in maintaining the trust of our customers, partners, employees, shareholders, and other stakeholders.**

**We have strong governance practices in place with respect to cybersecurity and data privacy.** Our Board of Directors oversees and is regularly engaged in our cybersecurity and data privacy efforts. In February 2019, our Board of Directors proactively established an ad hoc Cybersecurity Committee, which consists solely of independent directors, for the purpose of evaluating, improving, and assisting the Board's oversight of our cybersecurity program and practices and risks related to cybersecurity. In addition, the Board's Audit and Finance Committee, which is responsible for overseeing our enterprise risk management program, has received updates regarding cybersecurity at least annually. The Board's Quality, Safety and Compliance Committee receives regular updates regarding data privacy. We also maintain robust management oversight of cybersecurity, data privacy, and related risks, including through committees consisting of senior officers of the Company (eg, our Senior Vice President and Chief Information and Digital Officer; our Vice President, Chief Information Security Officer; and our Vice President, Compliance). The Board regularly receives briefings and updates on cybersecurity, data privacy, and related

risks from each of the responsible Board committees and management.

**We maintain robust controls and oversight related to the data privacy and security laws and regulations, as well as contractual obligations, to which we are subject.** As a company operating in a highly regulated industry, we are subject to extensive data privacy and security laws and regulations, including the Health Insurance Portability and Accountability Act (HIPAA), the California Consumer Privacy Act of 2018 (CCPA), other state privacy laws, and the General Data Protection Regulation (GDPR). In addition, as our clients also operate under heavy regulation, we are subject to numerous contractual requirements relating to cybersecurity and data privacy. The committees of the Board discussed above are responsible for overseeing, and management is responsible for our compliance with, these laws, regulations, and requirements, and we regularly evaluate our information technology security and data privacy programs for compliance with relevant laws and evolving standards. Data security incidents are reflected in our financial statements in accordance with accounting standards.

**We maintain a comprehensive, enterprise-wide information technology security program, as well as an extensive data privacy program, which are designed to secure our facilities, information systems, and data. For example:**

- We utilize various industry-standard tools, including tools enabled by artificial intelligence, to protect the confidential information in our systems, as well as processes for managing access to such data
- We employ strong physical security measures at our facilities
- We have a team focused on managing our threat landscape that uses a variety of security technology and threat intelligence tools designed to detect, prevent, block, analyze, and respond to cybersecurity threats
- We have a well-established incident response program
- Due to the constantly changing nature of technologies and security concerns, we conduct audits and risk assessments and review our security and privacy policies and procedures
- We educate employees through technology security awareness and data privacy training programs
- We maintain programs designed to assess and address the security and data privacy risks of our suppliers, outsourcing partners (including with respect to revenue cycle management), potential acquisition targets, and other business partners (both at the beginning of a relationship and on an ongoing basis, as appropriate based on risk)
- Our information technology programs and policies certify to appropriate, widely recognized standards (eg, NIST, PCI credit card protocol, SOC2)
- We are a participating member of the Health Information Sharing and Analysis Center (H-ISAC), a health industry forum focused on cyber and physical security threats
- We are strategically engaging regarding the cyber threat landscape with key members of the United States intelligence community and law enforcement agencies. We carry insurance for cyber incidents with appropriate types of coverage (eg, network interruption, event management) at industry-standard levels, and our types and amounts of coverage are reviewed annually

For more information on our Board committees, including the Cybersecurity Committee, please refer to our 2020 Proxy Statement. For more information on risks relating to cyber security and how we mitigate such risks, please refer to our 2019 Annual Report on Form 10-K.



## Materiality and stakeholder engagement

### Materiality

This report is the result of collaboration among Quest Diagnostics Investor Relations, EHS, Human Resources, Communications, Risk Management, Information Technology, Compliance, and Senior Management teams, and explains our approach to the topics addressed. To ensure relevance to our business and our impact on sustainability, the topics are selected based on stakeholder feedback and industry guidance, including:

- Surveys and internal discussions with Quest Diagnostics leadership
- Reports published by companies in our peer group
- Guidance from GRI and SASB

### Stakeholder engagement

We engage with a full range of stakeholders to gain feedback regarding our business. We regularly receive input via surveys, our website and social media channels, and from patients and customers regarding our services and how to improve them. Our investors participate in ongoing dialogue with us regarding their concerns and suggestions in relation to our company, as do our suppliers per our Supplier Business Engagement Model. Our employees are invited to share feedback through our annual employee survey and throughout the year through their supervisors and our management structure.

We engage with industry organizations by participating in meetings and task forces as members of the CEO Roundtable on Cancer, American Clinical Laboratory Association, College of American Pathologists, National Business Group on Health, and others. We also engage regularly with government officials and regulators in dialogue regarding healthcare policy and other matters that may impact our Company and the patients we serve to understand how we can best contribute with our capabilities.

## Doing the right thing is at our core

### Quest's Code of Ethics provides a roadmap for how we operate

Quest's Code of Ethics is critical to our success, empowering us with the roadmap we need to earn and maintain the trust of our patients, customers, shareholders, and colleagues. Our Code is not merely a set of rules—it defines our approach to making good decisions no matter what our role is and creates a shared sense of pride among all of us.

Our Code and compliance policies apply to employees, vendors, contractors, suppliers, interns, business partners, and representatives who work on our behalf. We expect the best from ourselves and each other, including a commitment to Quest's core values of leadership, integrity, quality and innovation, collaboration, and accountability. In practice, this means always asking questions and taking action if something isn't right. Employees are encouraged to share any concerns with a representative from our Human Resources, Compliance, or Legal departments, and always have the option to speak anonymously or confidentially.

We look to our managers and supervisors to promote our Code and model the right behaviors, even when it's difficult. This includes creating an open-door environment, preventing retaliation when an employee raises concerns, ensuring employees are properly trained, and being present to offer guidance and support.

When violations to our Code are reported, we take them very seriously. We proactively investigate reports of misconduct and take corrective action, which may include discipline up to and including termination, depending on the seriousness of the violation.

### Our Approach to Risk Management

#### Our Board of Directors actively oversees our program

We maintain an enterprise risk management program designed to promote a culture of risk awareness throughout the Company's key business, operations, and support functions.

Our program, which is integrated with the Company's governance, performance management, and internal control frameworks, entails a formal continuous process that identifies, assesses, mitigates, and manages the risks from both internal and external conditions that could significantly impact the Company and influence its business strategy and performance.

The program focuses on the following risk types: operational risk; financial risk; legal and compliance risk; and strategic risk.

As part of our program, we routinely assess our enterprise-level risks, overall Company-level risk tolerance, and the effectiveness of risk management, and monitor the progress of and resources applied to risk mitigation.

Our program is based on the most recent framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).



"Our Enterprise Risk Management Program is designed to ensure that business and operational leadership understand and effectively manage the key risks for which they are responsible," says **Mark Guinan, Executive Vice President, Chief Financial Officer, Quest Diagnostics**. "The program is designed so that these risks are regularly evaluated in consideration of the Company's business strategy and operations, as impacted by internal and external factors."

### Our commitment to human rights

At Quest, we are committed to protecting human rights across our operations, including our supply chain. We're proud to share our human rights policy.

We believe that protecting and supporting human rights is our fundamental responsibility as an employer. We comply with applicable employment and human rights laws and regulations where we have operations to ensure alignment with the following values:

- We provide fair and equitable wages, benefits, and other conditions of employment in accordance with local laws and regulations
- We do not allow child labor in our operations
- We do not use or engage in any form of coerced, indentured, or prison labor
- We provide a safe and healthy work environment including Personal Protective Equipment (PPE) and the tools to work safely
- We promote a workplace that is free of discrimination and harassment and prohibit threats or abuse

We embrace diversity in the workforce and supplier base, create an environment that promotes diverse opinions and equal opportunity for all, and operate with an ethical culture that treats people with respect and dignity.



Quest Diagnostics  
500 Plaza Drive  
Secaucus, New Jersey 07094  
[www.QuestDiagnostics.com](http://www.QuestDiagnostics.com)

