



**LABCORP 2019-2020  
CORPORATE RESPONSIBILITY REPORT:**

# Making a Difference When It Counts

**labcorp**

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About Labcorp





# A Message from Labcorp's Chairman and CEO

The hallmark of a great company is being there for employees, customers and communities when it counts. Labcorp has worked to be that kind of company for more than 50 years. We provide diagnostic, drug development, and technology-enabled solutions for more than 160 million patient encounters per year. That's more than 3 million per week. We support clinical trial activity in approximately 100 countries through our industry-leading clinical laboratory, preclinical, and clinical development businesses. Our employees carry with them a keen awareness that the work they do makes a profound difference to the healthcare of people and families around the world.

This year's corporate responsibility report comes in the midst of the greatest health challenge the world has faced in more than 100 years. Across our enterprise, Labcorp is deeply focused on every aspect of fighting COVID-19, from new developments in testing, to groundbreaking research partnerships, large-scale public awareness and education campaigns, and involvement in leading clinical trials. During the myriad of challenges we have faced in 2020, I have been heartened by the work of our more than 70,000 colleagues across this extraordinary enterprise. From the technicians at our Patient Service Centers to the scientists involved in the search for vaccines and therapeutic agents, all have gone above and beyond under extraordinary circumstances.

Beyond COVID-19, this report also presents highlights of our corporate responsibility efforts across the company, both in 2019 and in 2020. From our bedrock corporate governance practices to our sustainability initiatives, our work in promoting inclusion and diversity, and our many community partnerships, we are committed not only to acting responsibly, but to placing ethics and integrity at the heart of all we do.

We know the road ahead will contain more challenges. We stand ready to meet them and will continue to be there for patients, customers and communities when it counts.

Adam Schechter  
Chairman and Chief Executive Officer

# Labcorp and COVID-19: One Company's Journey

## COVID-19 Testing: A Chronology

### China: On the Frontline in the New Year

It was early January in 2020 when the news broke about the outbreak of a novel coronavirus in Wuhan, the capital of Central China's Hubei Province. Action was needed in China but we did not yet know the ramifications for the rest of the world.

With Wuhan on lockdown, the Lunar New Year approached, with the entire country on vacation through January 30. Leaders in China from Labcorp's drug development business, Covance by Labcorp, worked throughout the holiday, identifying immediate needs and planning next steps. As the gravity of the situation grew clearer, the Chinese government announced an extension of the holiday period until February 4, and then again through February 9.

With the support of company leaders around the world, Labcorp was able to secure a supply of personal protective equipment (PPE) for employees in China. The China team also implemented an enhanced cleaning and sanitization process across its facilities.



Drug Development R&D Center  
Shanghai, China

Within that first week, local and global teams began developing business continuity plans for clinical trials, for sites, for patients, and for communications with clients at the local, national, and global levels. It was imperative to understand every potential challenge and devise a solution.

The team placed intense focus on our employees. In China, team members who either resided in or were visiting friends and family in Wuhan City or Hubei Province, which had been identified as ground zero for the virus, could not leave the city at the time of the lockdown. Human Resources representatives and line managers stayed in regular contact, offering the services of the Employee Assistance Program (EAP) and other measures to provide assistance to our colleagues.

At the global level, the company began using our experiences in China to create global emergency management processes. These practices were put into place as the pandemic began spreading across the globe.

With the exception of those under a 14-day quarantine following travel from highly infected areas, most employees in China returned to work with the rest of the country on February 10. With schools still closed, employees with children who could work from home began to do so.

At our Covance by Labcorp sites in China, security guards began measuring temperatures and making sure employees had a mask before entering the facility. In conference rooms, break areas, and cafeteria spaces, social distancing was enforced at six feet, and in-person meetings kept to a minimal number of attendees. The company would learn a great deal from these practices in the coming weeks.

### **The Rapid Development of COVID-19 Testing**

When the first cluster of coronavirus cases was reported in China, that country's scientists immediately began working to identify the genetic sequence of the disease, publishing their findings online on January 12, 2020. From that moment, the race was on to develop testing, treatments, and vaccines.

While Labcorp would rely on proven and familiar methods to develop a high-quality, reliable, scalable test to detect the underlying virus that causes COVID-19, the approval process would be vastly different. The U.S. Food and Drug Administration (FDA) had declared the novel coronavirus pandemic an emergency, enabling a fast-track approach for approvals known as Emergency Use Authorization (EUA).

On March 5, the Labcorp 2019 Novel Coronavirus (COVID-19) Test was launched. The qualitative assay was validated for use with either oral or nasopharyngeal specimens. It was at the time a singleplex test, meaning the detection of the virus requires multiple wells on a plate, each tested independently for a particular sequence.

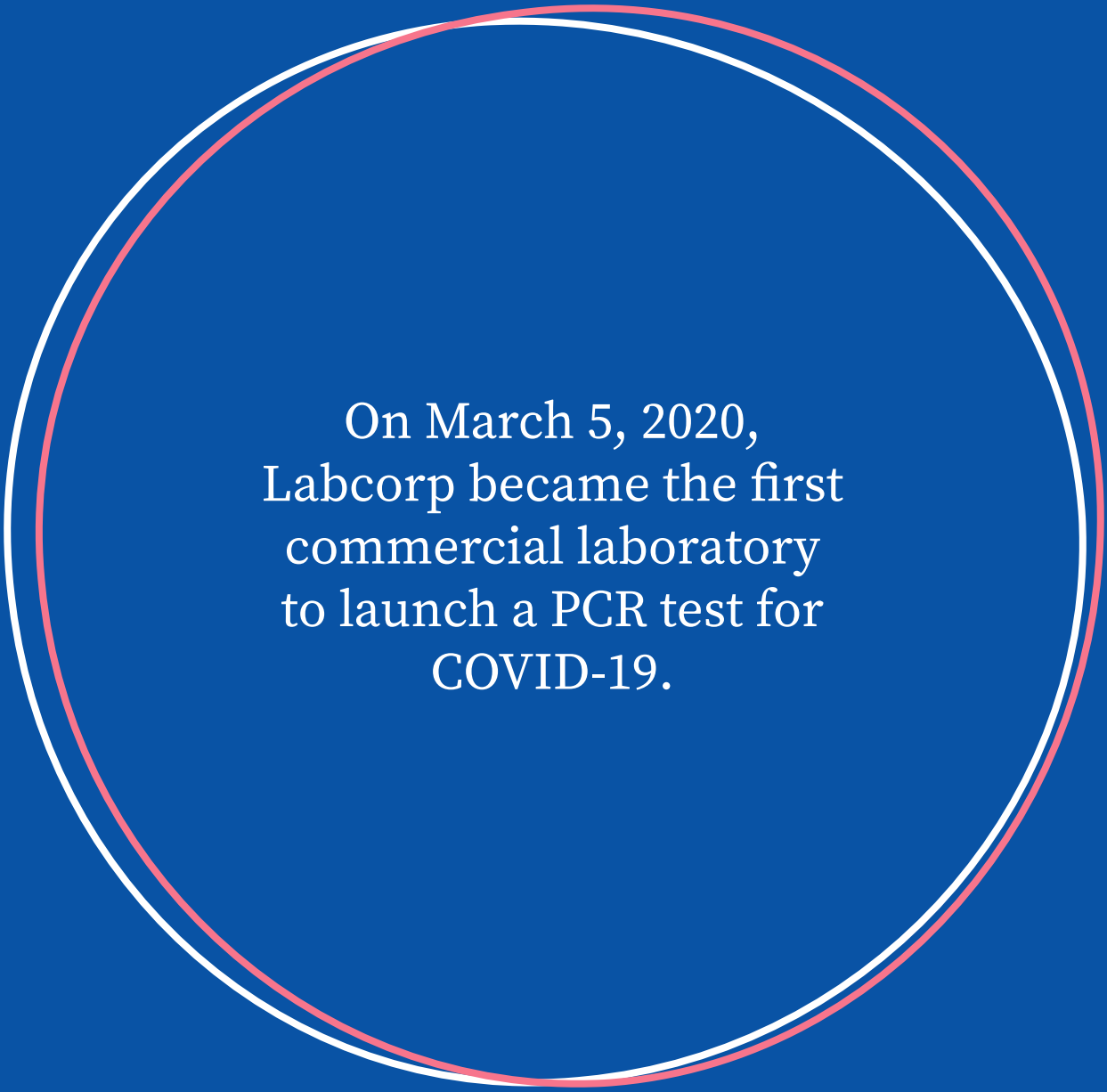
Since the initial assay was developed, the availability of additional scientific data enabled Labcorp to develop a multiplex approach. This means multiple sets of primers and probes can be included in a single run to detect two or more target sequences, substantially speeding up the process. Launched in late March, the multiplex assay significantly increased our throughput, allowing much greater scalability at a time when the demand for COVID-19 testing was escalating exponentially.

On April 20, Labcorp received an Emergency Use Authorization (EUA) from the FDA on a third COVID-19 assay — the Pixel by Labcorp® COVID-19 home collection kit. The Pixel kit enables patients to collect the specimen and test at home using a nasal swab, which they send back to Labcorp for testing. And in late June, the company launched a new neutralizing antibody test, which can be used to assess the capacity of antibodies in patient plasma to inhibit the virus.

The neutralizing antibody information could be used in the development of COVID-19 vaccines and the screening of convalescent plasma for prophylactic and therapeutic use.

On July 24, Labcorp received an EUA from the FDA permitting diagnostic testing of groups of individuals for active COVID-19 infections utilizing matrixed pooled testing, a method that tests several patient samples at once. Pooled testing can reduce the number of tests required in specific populations, optimize laboratory testing supplies, and increase testing capacity.

On August 10, the company started a three-month program to perform antibody tests at no charge to accelerate COVID-19 blood plasma donation.



On March 5, 2020,  
Labcorp became the first  
commercial laboratory  
to launch a PCR test for  
COVID-19.

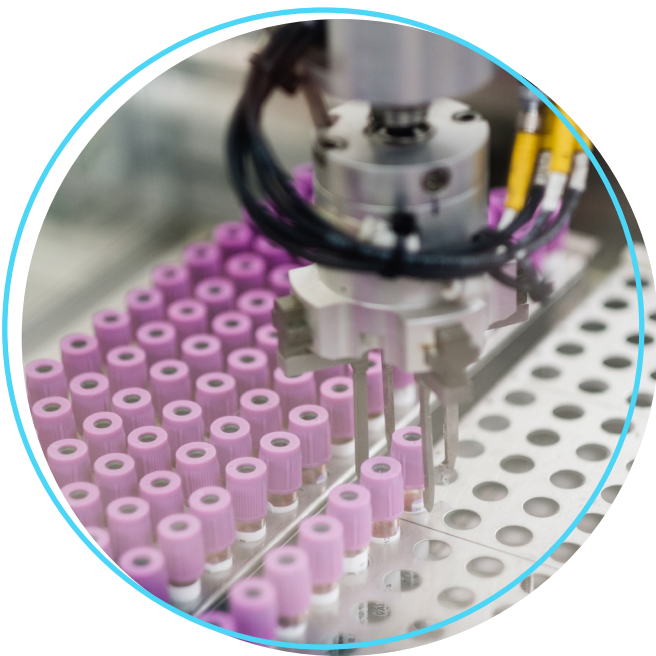
On September 8, with influenza season on the horizon, Labcorp announced the launch of the first testing method to simultaneously detect COVID-19, influenza A/B and respiratory syncytial virus (RSV). The test, which detects multiple types of infections, can help doctors diagnose patients and make decisions about treatment options. The test is available to patients through doctors, hospitals and other authorized healthcare providers nationwide.

On October 2, Labcorp announced that it was the first commercial laboratory to receive an EUA for a new, high-throughput method using heat and technology to extract RNA from samples for COVID-19 testing, improving testing speed and efficiency.

On October 19, Labcorp announced a test that provides a quantitative measurement of an individual's SARS-CoV-2 IgG antibodies. This test, which is available only for use in clinical trials and research, was developed to specifically detect and quantify antibodies to SARS-CoV-2, the virus that causes COVID-19.

On December 1, Labcorp became the first national lab to offer Roche's semi-quantitative testing option in the United States. And on December 9, the Pixel by Labcorp® COVID-19 home collection kit became the first to receive an EUA from the FDA for over-the-counter purchase.

The company remains focused on continually enhancing testing methods, as well as quantitative assays for antibodies and antigens in the ongoing fight against the pandemic.



## **Rising to the Occasion: How Labcorp Scaled Up Testing for COVID-19**

From the moment Labcorp launched its first COVID-19 test on March 5, 2020, the company urgently moved to scale up testing.

The Burlington, North Carolina laboratory would be the first to run an initial PCR (polymerase chain reaction) assay developed by Labcorp scientists, as well as the assay developed by the CDC. From day one, laboratory scientists and staff began working diligently to manage the sudden and unprecedented demand.

Later in March 2020, Labcorp sites in Phoenix, Arizona and Raritan, New Jersey joined Burlington in processing COVID-19 testing. Later, a part of the Covance by Labcorp site operations in Indianapolis, Indiana were repurposed to join in the effort.

By late March, the company had the capability to perform more than 20,000 COVID-19 tests per day and was moving quickly to increase capacity with more high-throughput testing. A second in-house COVID-19 test was launched, enabling Labcorp to quadruple output over the initial singleplex assay.

Also in March, Labcorp began offering serological antibody tests. Serological tests are for people who may have had COVID-19 symptoms but are no longer symptomatic. Labcorp began offering these tests to hospitals and healthcare systems on a limited basis in late March, focusing on high-priority healthcare workers. By April 22, we had built up capacity to perform over 50,000 serological tests per day. A few days later the company expanded availability through our patient service centers (PSCs), and in early May we made the test available online through Labcorp.com.



As demand continued to grow, Labcorp introduced the Pixel by Labcorp COVID-19 PCR Test Home Collection Kit, which received an EUA from the FDA on April 21. Initial distribution was prioritized for frontline healthcare workers and first responders, and by mid-May we made it broadly available to individuals who met criteria for being tested.

By the end of 2020, the company had performed more than 31 million COVID-19 PCR tests, with capacity for 275,000 per day. It had also performed nearly 4 million COVID-19 antibody tests, with the ability to do 300,000 per day. Making that happen has taken unprecedented coordination from the entire organization. At the end of 2020, results delivery time was averaging one to two days from specimen pickup.



### **Harnessing Our Collective Power to Fight COVID-19**

In a concerted effort to develop potential new treatments and diagnostics for COVID-19 as quickly and efficiently as possible, Labcorp launched a rapid response team tasked with reviewing every coronavirus-related request received across drug development. This ensured we were progressing opportunities with the utmost urgency and applying the entirety of our expertise and capabilities.

The cross-functional team represents every discipline within the Labcorp organization, from early-phase research and development to commercialization.

To date, 13 Covance by Labcorp sites in China, Germany, Japan, Singapore, Switzerland, the U.S., and the U.K. have been involved in clinical trials supporting vaccine or therapeutic research.

Throughout the pandemic, the support from Labcorp's Information Technology (IT) department has been an essential part of the company's response. IT's many contributions included the rapid transition to a remote working environment, the use of robotics to support PCR testing, enhancing monitoring capabilities to support COVID-19 clinical trials, and configuring instruments designated for analysis of COVID-19 PCR tests.

### **Human Resources (HR) Provides Resources and Support**

Once the pandemic hit, the enormous scope of changes thrust managers and employees into a remote work environment. How best to support a workforce facing fundamental changes not only in their workplace but in their lives?

Labcorp's HR organization quickly built a COVID-19 information hub on the company's intranet. A main component of the hub is a Leader and Employee Toolkit that provides access to resources on a wide variety of topics to help employees navigate through this challenging time.

Manager resources include help for things like leading and communicating through a crisis, maintaining business continuity, onboarding employees remotely, building trust in a virtual environment, and helping employees with work-life balance and other challenges.

### **Employee Recognition**

Everyday heroes stand at the heart of Labcorp's response to the pandemic. The company launched a When It Counts campaign where colleagues can provide online recognition to co-workers who have gone above and beyond. To date, hundreds of employees have been recognized for their contributions. In addition, billboards were placed in multiple locations across the U.S. near major Labcorp facilities to thank Labcorp employees and other essential workers for their contributions.

## **Protecting Our Employees**

For a company deeply engaged in COVID-19 testing, as well as helping to find safe and effective vaccine candidates and therapeutics, the work never ceases, and personal protective equipment (PPE) is essential. In 2020, the company supplied more than 200 million units of PPE to employees, including personal cloth facemasks for each employee. N95 respirators, ear-loop masks, gloves, face shields, and disposable lab coats were provided to applicable staff.



## The Fight Is In Us

Labcorp is proud to be part of The Fight Is In Us, a coalition formed to increase donations of blood plasma with COVID-19 antibodies. Convalescent plasma was given an EUA from the FDA as a potential promising COVID-19 treatment on August 23.

Labcorp is also a founding partner in the Keep Social Distancing Stop Medical Distancing public service campaign, designed to assuage patient fears about seeking appropriate care and treatment for their medical conditions during the pandemic.



# Living Our Mission: Improving Health, Improving Lives

## Who We Are

Labcorp is a leading global life sciences company that provides vital information to help doctors, hospitals, pharmaceutical companies, researchers, and patients make clear and confident decisions. Through our unparalleled diagnostics and drug development capabilities, we provide insights and accelerate innovations to improve health and improve lives. Labcorp has been pursuing its mission of Improving Health and Improving Lives for more than 50 years.

We provide diagnostic, drug development, and technology-enabled solutions for more than 160 million patient encounters per year or more than 3 million patients per week. We also support clinical trial activity in approximately 100 countries through our industry-leading clinical laboratory, preclinical, and clinical development businesses.

## Putting our mission into action, since 2019 we have:

- Continued our emphasis on scientific innovation and leadership with the introduction of significant test menu and automation enhancements and by launching at least 100 new diagnostic tests each year.
- Collaborated on 87 percent of the novel drugs approved by the U.S. Food and Drug Administration in 2020, including 86 percent of the novel oncology drugs and 88 percent of rare and orphan disease medicines.
- Advanced precision medicine delivery through collaboration with 30 clients on more than 150 companion diagnostics projects in 2019 and with more than 60 clients on more than 180 such projects in 2020. Drug Development and Diagnostics together have supported more FDA-approved companion diagnostics than any other company.
- Supported healthcare's transition to value-based care through collaborations with multiple organizations focused on quality of care and outcomes, helping customers determine the right medication at the right dosage and helping deliver the next generation of lifesaving drugs.
- Invested in new tools, technologies and services to support the growing role of the consumer in healthcare, including an expansion of the Pixel by Labcorp program and the Labcorp at Walgreens partnership. Labcorp at Walgreens is now in 24 states.

# Conducting Our Business Responsibly

**As a leading global life sciences company, Labcorp is committed to compliance with all applicable laws and regulations and conducting our business with the highest integrity and ethics.**

## **Environmental, Health and Safety, Social and Governance (ESG) Steering Committee**

In 2020, Labcorp chartered an ESG Steering Committee whose purpose is to support the company's on-going commitment to environmental, health and safety, corporate social responsibility, corporate governance, sustainability, and other public policy matters relevant to the company. The committee will assist the CEO and Executive Committee in setting the company's general ESG strategy and will consider and recommend policies, practices and disclosures that conform with the strategy. The chair of the ESG committee reports to the Executive Committee and Board of Directors on ESG matters.

## **Code of Conduct and Ethics**

Labcorp's Code of Conduct and Ethics provides the framework for how we do business. Every employee, officer and director, as well as our agents, representatives, consultants, vendors, and contractors must fully commit to the standards outlined in our Code of Conduct and Ethics. The document has been translated into multiple languages and is provided to all employees.

In addition, we maintain rigorous policies to govern ethical behavior, including our Global Compliance Action Line, Anti-Corruption Policy, and Ethical Labor and Anti-Human Trafficking Policy.

## **Promoting Fundamental Human Rights**

Labcorp recognizes the importance of maintaining and promoting fundamental human rights in our operations and throughout our supply chain. Derived from the principles and guidance of the United Nations, the International Labor Organization, and the Organization for Economic Cooperation and Development, Labcorp operates under programs and policies that:

- Provide fair and equitable wages, benefits and other conditions of employment in accordance with local laws.
- Recognize employees' right to freedom of association.
- Provide humane and safe working conditions.

- Support a work environment that is free from human and sexual trafficking, forced and bonded labor and unlawful child labor.
- Promote a workplace free of discrimination and harassment.
- Address the human rights and environmental issues connected with the mining and trading of conflict minerals.

## **Compliance Program**

Our company maintains a comprehensive global compliance program that develops, implements, monitors, and updates compliance safeguards relating to the laws and regulations of the U.S. and the other countries in which it operates. Although we are subject to a broad range of regulations, our compliance program has a particular focus on regulations related to healthcare fraud and abuse, anti-kickback, physician self-referral, government reimbursement, anti-bribery/anti-corruption, anti-human trafficking, and trade sanctions. Emphasis is placed on developing and implementing compliance policies, guidelines, and personnel training programs; investigating suspected misconduct; and monitoring and auditing activities. The compliance program demonstrates our commitment to conducting business at the highest standards of ethical conduct and integrity.

Annual compliance training is required for all employees.

## **Commitment to Ethical Labor Practices**

As we work to improve health and improve lives around the world, we must do our part to be able to address issues like human trafficking. Our company has policies, procedures, and training in place to help avoid, detect, and address issues of modern slavery (human trafficking, forced labor, unlawful child labor and commercial sexual exploitation) and other unethical or illegal labor practices by our employees, agents, and subcontractors or anywhere in our supply chain.

## Supplier Sustainability

Labcorp is committed to the highest standards of ethics and integrity and expects the same of its suppliers. The Labcorp Supplier Code of Conduct covers the global Labcorp business, creating one common Supplier Sustainability Program (SSP) across the global Labcorp business.

Strategic suppliers are expected to:

- Conduct business in accordance with the highest ethical standards and act with integrity.
- Uphold the human rights of their workers and treat them with respect and dignity.
- Provide safe working conditions and a healthy work environment.
- Implement management systems to facilitate compliance with applicable laws and company policies.
- The Labcorp Supplier Sustainability Governance Committee is responsible for implementing and providing oversight for the SSP. Strategic suppliers are expected to foster and acknowledge the principles of the Code of Conduct, and responsible Labcorp employees receive rigorous training in the application of the SSP.

## Supplier Diversity

Labcorp continued its support of small, diverse businesses by conducting approximately \$1 billion worth of work with small enterprises owned by minorities, women, veterans and the economically disadvantaged in both 2019 and 2020.

## Our Focus on Quality

Labcorp follows comprehensive quality systems and processes. This includes licensing, credentialing, training, and competency of professional and technical staff, and internal auditing. In addition to our quality programs, our laboratories, facilities, and processes are subject to on-site regulatory agency inspections and accreditation evaluations, surveys by local and national government agencies and external proficiency testing programs, and inspections and audits by customers.

Virtually all facets of our services are subject to quality programs and procedures, including accuracy and reproducibility of tests, turnaround time, customer service, data integrity, patient satisfaction, and billing. Our quality program includes measures that compare current performance against desired performance goals to monitor critical aspects of service to our customers and patients.

We also participate in numerous externally administered quality surveillance programs, including the College of American Pathologists (CAP) program. CAP is an independent non-governmental organization of board-certified pathologists that offers an accreditation program to which laboratories voluntarily subscribe. The CAP program involves both on-site inspections of the laboratory and participation in a CAP-accepted proficiency testing program for all categories in which the laboratory is accredited. A laboratory's receipt of accreditation by CAP satisfies the U.S. government's required certification. Our diagnostics laboratories and Covance by Labcorp's central laboratory facilities are accredited by CAP.

Multiple labs have also received ISO 15189 accreditation. ISO 15189 is an international standard that specifies requirements for the quality and technical competence of medical laboratories.





# Safety, Health and Respect for Our Planet

**Managing our health, safety and environmental footprint for sustainability goes hand-in-hand with prudently managing our resources.**

## Employee Safety

Employee safety is deeply rooted in our operations. We continually seek to improve processes to reduce the number of work-related injuries to employees around the world.

We have programs in place to protect all employees in all roles, whether in the lab, warehouse, PSC, the office, or the substantial number of employees who are on the road for their job. This includes couriers, contract research associates, and people traveling for business. Driving and general traveler safety are regularly incorporated into safety training, and Human Resources and Global Security have resources in place to assist travelers on the road in the event of injury, illness, or other emergency.

Safety Performance	2018	2019	2020
<b>Recordable Injury/Illness Rate</b>	1.29	1.12	0.95
<b>% Change</b>	-19.6%	-12.8%	-15.0%
<b>Serious Injury/Illness Rate</b>	0.24	0.22	0.26
<b>% Change</b>	-23.2%	-7.9%	18.6%



## Fleet Sustainability

During 2019 and 2020, Labcorp's U.S. corporate fleet has placed a growing focus on sustainability. More specifically, the company has worked to increase efficiencies in applicable areas of vehicle performance that may create a positive impact on our carbon footprint.

- Our goal was to increase average vehicle miles per gallon (mpg) by 4 percent, which we achieved. We accomplished this through in-depth vehicle research and working to right-size our fleet. The combination of those actions led us to selecting vehicles that were ergonomically functional for our drivers, fuel efficient, affordable, and had good remarketing value.
- In January 2020, we set out to add approximately 350 hybrid SUVs to our courier fleet, our most heavily driven sector. Once fully integrated, we anticipate increasing our fleet average mpg another 8 percent to 27 mpg.

In a U.S. fleet of more than 5,800 vehicles, even slight increases in efficiency will have continued benefits both sustainably and economically.

## Energy Conservation

Labcorp is committed to making its facilities more energy efficient. We have invested capital in facilities and equipment with resulting energy efficiency benefits, including boilers, chillers, air handling units, cooling towers, and LED lighting at multiple locations around the globe. In addition, our waste-to-energy efforts are helping to reduce the amount of material sent to landfills.

Within each major renovation or expansion project, we consider energy and water conservation within the design and take measures to reduce our carbon footprint. Two examples include Raritan, New Jersey, and Shanghai, China.

At the Raritan, New Jersey, facility, a 281,000-square-foot state-of-the-art diagnostic testing laboratory, a digital automation system has been installed to monitor and control all HVAC equipment and design principles have been utilized to improve energy and water use.

Our Shanghai, China, location, a 131,000-square-foot facility, including state-of-the-art clinical trial testing laboratories, was designed in accordance with the WELL Building Standard. This standard incorporates design and construction elements, such as promoting clean air and reducing or minimizing the sources of indoor air pollution. It also promotes safe and clean water through proper filtration techniques and regular testing, providing building occupants with optimal water quality. Additional benefits include a projected reduction of electricity use by nearly 300,000 kwh.



Drug Development R&D Center  
Shanghai, China

**Fast Fact:**

Working with its energy management provider, in January 2020, Labcorp established a 56-month renewable energy agreement for 22 locations in Virginia, which is projected to eliminate 12,000 tons of carbon emissions over the contract term.

Energy (MWh)	2018	2019
<b>Total Energy</b>	1,142,020	1,142,672
<b>% Change</b>	8.1%	0.01%
<b>Energy/Millions Revenue</b>	100.8	98.9
<b>% Change</b>	-1.7%	-1.9%

Data for 2020 was not available at the time of the report.

**Greenhouse Gas (GHG) Emissions**

Labcorp has been participating in the Carbon Disclosure Project (CDP) since the 2017 reporting period. In 2019, we received a “B” grade or management level, demonstrating our understanding of the main risks and impacts of climate change, and are taking actions to reduce those impacts. Covance by Labcorp achieved an 11 percent reduction in carbon emissions from 2014-2019 from replacement of older infrastructure and ongoing energy efficiency and conservation efforts. This placed Covance by Labcorp at 73 percent of its aggregate goal of reducing carbon emissions 15 percent from 2014 to year-end 2020. We are using knowledge gained from CDP participation to refine our carbon and energy reduction strategy in the future, including an enterprise-wide carbon reduction goal.

Metric Tons	2018	2019
<b>Scope 1</b>	161,087	163,089
<b>Scope 2</b>	174,994	160,756
<b>Total</b>	336,081	323,845
<b>% Change</b>	7.1%	-3.6%

Data for 2020 was not available at the time of the report.

**Note:**

**Scope 1:** Direct GHG emissions occurring from sources owned or controlled by the company.

**Scope 2:** GHG emissions from the generation of purchased electricity consumed by the company.

**Reduction and Reclamation**

Reducing and reclaiming waste are priorities throughout Labcorp. In 2020, we reduced our waste per millions revenue, reducing waste to landfill and leveraging waste-to-energy solutions.

Waste (lbs.)	2018	2019	2020
<b>Regulated Medical Waste</b>	26,318,396	27,081,135	27,043,565
<b>Hazardous Waste</b>	4,241,385	3,481,626	2,879,867
<b>Total</b>	30,559,780	30,562,761	29,923,432
<b>Waste/Millions Revenue</b>	2,843	2,845	2,141



### Caring for Animals in Research

The use of animals in research is an essential part of the discovery and development of new medicines and vaccines. Regulatory agencies require that medicines be tested in animals before they can be tested in people.

Covance by Labcorp is committed to protecting the welfare of animals used in research. Animal research is critical to developing new, safe and effective medicines that save the lives of people and animals. We treat the animals used in biomedical research humanely and with compassion and respect. We also adhere to strict standards of care and ethical principles in providing for their welfare.


As part of our Culture of Care, all Drug Development employees who work with research animals must commit to:

- Caring for our animals with the utmost compassion.
- Actively pursuing advances in animal welfare, enrichment and the 3Rs (replacement, reduction, and refinement).
- Delivering high-quality work and recognizing contributions to our Culture of Care.
- Raising any questions or concerns about the care or use of animals through available channels.
- Always meeting and, whenever possible, exceeding our regulatory responsibilities.

### Our Beliefs in Action

Proper and humane care for research animals is not just the right thing to do, it's also fundamental to testing and analyzing the safety and effectiveness of new medicines that can improve and save lives all over the world. We've taken meaningful steps toward building and maintaining a corporate culture that makes animal welfare a top priority. Some activities that demonstrate our appreciation for animal care and welfare include:

- A global "3Rs" (replacement, reduction, and refinement) recognition program that celebrates employees who have developed innovative ways to improve animal welfare and research results. It also establishes role models within the company. Winners of our Global 3Rs Recognition Awards draw on their inventiveness and scientific expertise to help provide high-quality research, while finding new and more efficient ways to improve how we use and care for research animals.
- Committees that focus on ways to enrich our animals' quality of life through environmental improvements.
- Compassion Fatigue Committees devoted to supporting staff, which includes the creation of memory gardens to provide an area where staff members can reflect on and commemorate the animals with whom they have worked.
- An adoption program where retired canines and felines find homes with employees.



Our corporate culture continues to make  
animal welfare a top priority.



# Safeguarding Our Data: Information Security

## **Information security remains a top priority for Labcorp.**

Information security remains a top priority for Labcorp. Our board of directors and executive leadership team oversee and are regularly engaged in our cybersecurity and data privacy activities. Protecting the information of our patients, customers, partners, and colleagues is critical, and ensures that we earn the trust of our clients as we continue supporting and protecting the development of vaccines and processing diagnostic samples for the COVID-19 pandemic.

In 2020, we enhanced our focus on risk-based decision-making that better supports business outcomes and crisis management activities, in addition to protecting critical infrastructure. We also expanded programs designed to assess and address security and data privacy risks of our valued suppliers, outsourced services providers, and other business partners.

COVID-19 changed Labcorp's work environment. With a large segment of staff forced to work remotely, we broadened and enhanced our cybersecurity efforts to mitigate COVID-19-related and other opportunistic attacks. Our state-of-the-art tools focus on data monitoring and protection with innovative technology, allowing us to proactively identify and mitigate potential threats. We use methodologies, such as advanced analytics, artificial intelligence, and machine learning to reduce the time to detect, contain, and remediate today's ever-increasing cyberattacks. This holistic approach, based on industry standards such as NIST and ISO 27001/27002, secures critical networks and services, prevents loss of sensitive information and service outages, whether intentional or unintentional, and enables us to promptly resume operations if a breach or service interruption should occur.

Labcorp utilizes an enterprise-wide, multi-tiered crisis management framework that provides the guidelines and protocols needed to minimize risk and ensure business resiliency. Our business resiliency program was developed to align with industry better practices and applicable international standards including: ISO 22301:2019, Security and Resilience; ISO/IEC 27031:2011, IT Security Techniques; GxP (Good Practices) Quality Guidelines and Regulations for Health Care; General Data Protection Regulation (GDPR); Health Insurance Portability and Accountability Act (HIPAA); College of American Pathologists (CAP) guidelines and other applicable industry standard regulations.

We continue to expand and enhance our employee awareness through an education program worldwide to empower staff to help protect the enterprise from cyberattacks, whether through technological or human threats, especially while working remotely.

Labcorp combats attacks by cybercriminals to access our systems and data by maintaining a Cybersecurity Operations Center that remains vigilant at all times. As perpetrators' tools and methods increase in sophistication, so does our ability to protect our customers, patients and colleagues through leading edge protection methodologies, such as deception technology, data loss protection, automated incident response and customized assessment algorithms to preempt subversive activities.

By combining sophisticated technology, industry best practices, and human expertise, the Office of Information Security remains laser-focused on supporting Labcorp's mission of improving health and improving lives.



# Investing in Our People

Just as we advance solutions as diverse as the needs of our customers, we also intentionally take steps to create a culture that fundamentally respects and appreciates each employee's unique capabilities. In the workplace, respect can take many forms, including improving inclusion and diversity, promoting employee development, encouraging healthy behaviors, and holding one another accountable for a workplace that does not tolerate abuse or harassment. At Labcorp, it means all of these things.

## **Inclusion and Diversity**

With over 70,000 colleagues around the world at the end of 2020, Labcorp has an incredibly diverse workforce full of unique experiences and talents. We believe that the diversity of our employees and our inclusive programs contribute to a healthy, productive and respectful work environment.

Labcorp has an overall diversity and inclusion strategy framework that guides our programs in place that reflect and reinforce our commitment to inclusiveness and diversity. In 2020 we announced the appointment of our Chief Diversity & Inclusion Officer.

We have been recognized by leading organizations such as the Human Rights Campaign, which, in 2020, named Labcorp one of the Best Places to Work for LGBTQ Equality for the fourth consecutive year. Other recognition in 2020 included the Princess Royal Training Award (U.K.) and inclusion among Forbes Magazine's World's Best Employers and Best Employers for New Graduates listings.

We have a diversity and inclusion strategy to help guide our areas of focus and outcomes and have put in place professional development practices and opportunities. We have incorporated a diversity component into our company's Leadership Essentials program to help managers better understand the actions they can take to create more inclusive teams and capitalize on the diverse skill sets within their organizations and are adding other areas of further training around diversity and inclusion. We are building diversity into our succession planning process as well as identifying internal talent deeper in the organization to foster a more balanced and diverse team. We have added several historically Black colleges and universities to our key schools and the National Urban League as a charity to our employee giving campaign.

Other areas of focus follow below.

- **New Pathways for Women**

We have intensified our focus on gender diversity as part of our commitment to create an inclusive environment for all employees. In 2018 our company directed the Global Talent Management team to create a comprehensive strategy that more fully leverages the capabilities of the company's female leaders, encourages women to grow their careers at Labcorp and enhances the company's reputation for attracting, developing and promoting high-performing women.

Through our Women in Leadership initiative, we are bringing greater focus and visibility to the efforts already underway to support the growth and development of women across the company. We are currently focusing on four primary areas:

- **Creating Awareness**

It is important for women across Labcorp to see other successful women in our organization and to inform employees about the Women in Leadership initiative. Women in Leadership profiles on our intranet sites feature women who share their personal stories of success, career growth, overcoming challenges, and inspirations. External communications like LinkedIn posts and articles feature company leaders who contribute to the advancement of women.

- **Cultivating Diverse Talent**

Building a pipeline of strong female leaders and finding different ways to attract talented women begins with a slate of diverse internal and external candidates. Our recruiting team continues to find new and creative ways to identify and attract talent to meet the evolving needs of our organization.

- **Developing Female Leadership**

In 2018, our company introduced two development experiences targeting women in leadership roles who have demonstrated outstanding performance and strong leadership potential. One program is completely virtual yet highly interactive, and the other has multiple levels of learning, development, and self-analysis. Since 2018, three women have been added to Labcorp's Executive Committee. Today, women represent 30 percent of our Executive Committee, and we have two female leaders serving on our board of directors.

- **Encouraging Executive Engagement**

Labcorp is also engaging female leaders by facilitating forums for women to share their perspectives and experiences with the executive team. In these executive listening sessions, small groups of women meet with senior executives to discuss ongoing challenges and opportunities. In 2019 we held 25 sessions at 18 locations in nine countries. Throughout 2020, we engaged 80 women across the company in 12 executive listening sessions.

## Employee Resource Groups

Employee Resource Groups (ERGs) are another way we are embracing inclusion and diversity in the workplace. These employee-led groups provide a powerful forum for people who share a common interest or background to connect with one another, create networking opportunities, assist with recruiting activities, and serve as ambassadors within the company to increase awareness and advocacy.

Our ERGs host numerous internal awareness-building events and often partner with nonprofit organizations to further community advocacy and raise funds for important causes. While ERGs may be created for a specific demographic, they are open to everyone.

Every ERG has an appointed executive sponsor and corporate executive champion. These affinity groups promote personal and professional development, provide an invaluable two-way communication channel between employees and management, and offer critical insights into our diverse customer base. There are currently six ERGs with over 50 chapters and growing across the globe. This includes our recently launched ERG for Black employees and allies called PULSE (Promoting Unity through Legacy, Support, and Empowerment), and EnABLE (Empowering Abilities Beyond Labels for Everyone) for employees with disabilities. An ERG for Hispanic/Latinx employees is in the planning stages.

Following is a list of active ERGs across the company:

- **ASCEND** (Achieving Success through Communication, Engagement, Networking and Development)  
This young professional employee resource group works to bring visibility to a growing multi-generational section of the workforce and help bridge generational differences.
- **The Pride Network**  
The Pride Network aims to increase the visibility of lesbian, gay, bisexual, transgender and queer or questioning employees, create connections with allies and inspire employees to bring their whole selves to work every day.
- **PULSE** (Promoting Unity through Legacy, Support, and the Empowerment of Black employees)  
PULSE represents the dedication and impact that Black employees have at every level in their communities and organizations. PULSE will function as an internal business partner with a strong focus on the recruitment, retention and the career mobility of Black employees.
- **Veteran Employee Resource Group** (VERG)  
VERG supports employees who have served or are currently serving in the U.S. military, building awareness in the workplace and raising funds for numerous causes and organizations in the community. Members do not need to have served in any military branch to participate.
- **Women's Empowerment Networks** (WEN)  
Women's Empowerment Networks share a global vision to inspire and empower women to achieve their goals. Their mission is to promote personal and professional acceleration through career development, leadership-focused forums, mentorship, collaboration and amplifying the power of women's voices.
- **EnABLE** (Empowering Abilities Beyond Labels for Everyone)  
EnABLE works to support a disability-friendly culture at Labcorp that promotes awareness in the workplace, provides resources for increased learning, and facilitates networking opportunities to help employees with disabilities achieve their career goals.



# Best Places to Work for LGBTQ Equality

We have been recognized by leading organizations such as the Human Rights Campaign, which, in 2020, named Labcorp one of the Best Places to Work for LGBTQ Equality for the fourth consecutive year. Other recognition in 2020 included the Princess Royal Training Award (U.K.) and inclusion among Forbes Magazine's World's Best Employers and Best Employers for New Graduates listings.

## International Women's Day

Labcorp employees across the world joined in celebrating International Women's Day on March 8, showcasing the 2020 theme of #EachforEqual. Participants shared the ways enterprise team members are making a tremendous impact in science and business with customers and patients, while taking control of their careers and mentoring others to develop into the leaders of tomorrow.

Team members signaled their support for a more equal world by wearing something purple, a simple yet significant way for all employees to recognize that we will continue to advocate for women.

"International Women's Day is not a one-day celebration for us," said a member of our WEN chapter in India. "It's an everyday way of life."

WEN India consists of volunteers, both women and men, who plan year-round programs that recognize and build upon a culture of equity. WEN India members organized a panel discussion featuring high-achieving women from outside of the company and are developing a support system for parents who are returning to work following the birth of a child. This includes both new mothers and fathers in a concerted effort to help them achieve balance between their work and home lives. All are deeply committed to the mission.

## Recruiting: Interns in STEM-H

Our intern recruiting programs focus on careers in science, technology, engineering, math, and healthcare (STEM-H) in addition to broadening our organizational diversity. In 2020, 78 percent of global interns were female. In the U.S., 31.7 percent were underrepresented minorities. Labcorp also introduced several historically Black colleges and universities to the key schools for fall recruiting.

Of the global Labcorp interns who completed their program in 2020, 55 percent ultimately were converted to Labcorp employees. A core component of the Labcorp internship program is an opportunity for all interns to design and execute a philanthropic program at a local nonprofit. In 2019, Labcorp interns dedicated a combined 1,192 hours to community service and completed 177 department projects.

In the U.K., we continued our development programs through government-qualified apprenticeship programs. Of the 43 new people to start the program in 2020, 51 percent were women.

## Partnership for Health Goes Global

In 2019, the successful U.S.-based Partnership for Health initiative expanded to a more global presence. Sites outside the U.S. now have access to a variety of wellness resources including Optum Employee Assistance Program and Optum My Wellbeing digital tools. The NEW You Worksite Wellness Champions have also expanded their reach. In addition to the 154 U.S.-based volunteers, we now have 39 champions at sites outside of the U.S.



### Improving Employee Health and Wellness

In 2019, in addition to maintaining a near tobacco-free workforce, we were able to meet another company-wide health goal: an average Body Mass Index (BMI) of under 30.0.

- In 2018 our company-wide BMI was 30.0.
- In 2019 it dropped to 29.8.

The progress is directly linked to active participation in Partnership for Health programs, as well as the rewards offered by Labcorp to encourage further engagement.

2020 information is not available at this time.

In 2020, Labcorp was recognized by the U.S. National Business Group on Health with a Best Employers Excellence and Well-Being Platinum Award, one of only 18 companies recognized at the top level.

### Supporting Frontline Workers

Partnership for Health is more than just benefits. It is a total lifestyle program. During the COVID-19 pandemic, we have stepped up support for our team through:


- Targeted communications from senior leadership about the addition of mental health services through our telemedicine program.
- Newsletters with tips on keeping yourself healthy, working from home and working out at home.
- Communicating changes to our benefits programs to make them easier to use and more valuable.
- Communicating the ways our financial benefits and programs are designed to support the team during this time.
- Supporting our essential employees who are on the frontlines in our labs and offices by providing additional support in finding childcare.






## Optum Awards Labcorp for Population Health Achievements

In recognition for its commitment to tackle major healthcare challenges and exceptional effort in applying population health strategies in the U.S., Labcorp was honored with the Achieving Population Health Management Award at the 2019 Optum Information in Health Care Awards.



With the Partnership for Health program as the foundation for employee wellness, Labcorp's robust program is highly valued by employees and very effective at reducing risk. Most of those who were continuously enrolled in the program reported seeing an improvement in their health status. In addition, a Rally Health survey showed:

- A decline in employee stress and weight levels as well as overall higher engagement.
  - More than 86 percent of members who qualified for a lifestyle management program were working with a coach.
  - More than 12 percent of members saw an improvement in their health status.
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## Meet Labcorp's Chief Diversity & Inclusion Officer

Brenda Velasquez Wagner joined Labcorp in March 2020 and serves as Vice President, Human Resources and Chief Diversity & Inclusion Officer. Recently, Brenda offered some of her thoughts on diversity and inclusion at Labcorp.

### **Q: What insights about D&I can you share since joining Labcorp?**

**A:** First, from a society at large, we have had our lives turned upside-down this past year with the impact of the COVID-19 pandemic. 2020 has seen an awakening with social justice and racism, which has impacts across the world. In listening to Black colleagues and employees, it has been eye-opening for me personally to learn of the depth of hurt and pain.

There have been deliberate diversity and inclusion efforts at Labcorp over the past few years where we are seeing great momentum including holistic programs for Women in Leadership and the expansion of our Employee Resource Groups (ERGs). Since then, we added greater focus as well to ethnic diversity and built out our diversity strategy. This upcoming year we have several key priorities which includes empowering inclusive leadership, developing and sustaining a diverse talent pipeline and creating an environment for engagement across our company and in our communities.

### **Q: As stated in our strategy map, “Our diverse talent is core to our ability to innovate and meet customer needs. Every person has a critical role in delivering on our mission.” Why do you see diversity and inclusion as critical to delivering on our mission?**

**A:** Both are completely intertwined. Our clients are diverse, our patients are diverse, and our workforce is diverse. This is about bringing that diversity of thought and perspective across all levels in our company. And ‘every person has a critical role’ speaks to the range of experiences and scopes of roles across the company that, when combined, enable us to improve health and improve lives. It all comes to life when we provide a work environment where everyone feels they can be equally valued and free of barriers such as bias or harassment.

# Serving Our Global Community

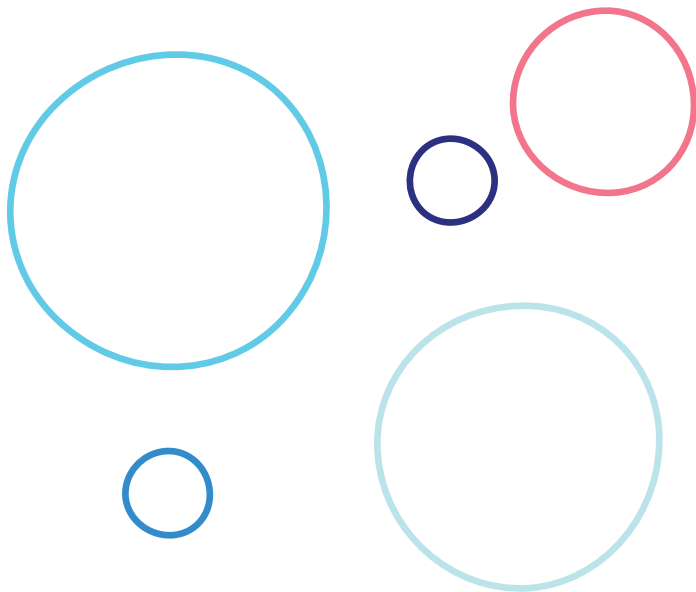
## Clean Water in India: Every Drop Counts

Water is our most precious natural resource and something that most of us take for granted. Groundwater is one of the most important water sources in India, accounting for 63 percent of all irrigation water and over 80 percent of rural and urban domestic water supplies. India accounts for 25 percent of the world's extracted groundwater, more than the next two countries, China and the United States, combined.

Safe groundwater levels in India are in steep decline, and India may be hurtling toward a crisis of over-extraction and quality deterioration. A World Bank report stated that if current trends continue, within 20 years 60 percent of all aquifers in India will be in a critical condition.

Covance by Labcorp is partnering with United Way in India for rainwater harvesting. The harvesting of rainwater simply involves the collection of water from surfaces on which rain falls, and subsequently storing this water for later use. Water is collected from the roofs of buildings and stored in rainwater tanks. These tanks provide water for all domestic purposes. In addition to this, the underground water level also increases. Rainwater harvesting is the very best remedy to reduce the dependence on municipal water supply and to increase the underground water level. Through a series of grants, Covance by Labcorp is supporting rainwater harvesting in several villages in India.





### **Labcorp Donates \$1 Million to Alamance Community College**

In January 2019, Labcorp, which is headquartered in Alamance County, North Carolina, announced a \$1 million gift to Alamance Community College (ACC) to provide students and instructors in ACC's Biotechnology, Medical Laboratory Technology, Histotechnology and Agricultural-Biotechnology programs with state-of-the-art laboratory equipment and supplies, in addition to making provisions for ongoing service and maintenance requirements.

"This gift is important because Labcorp's expertise in evaluating and selecting laboratory equipment, and its close relationships with leading vendors and suppliers, will help the college acquire the most advanced and appropriate equipment to help prepare our students for the biotechnology careers of today and tomorrow," said ACC President Algje Gatewood. "Labcorp's commitment to us exemplifies the types of successful partnerships that exist between local industry and Alamance Community College."

The partnership between Labcorp and ACC spans several decades to benefit students, employers and the broader community.

ACC, Labcorp and other local businesses also provided necessary matching funds to accompany a \$1.5 million grant from the Golden Leaf Foundation to the Alamance-Burlington School System, which was used in 2017 to create new STEM classrooms at Graham High School, where ACC helps develop future generations of scientists.

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“  
**Labcorp's commitment to us exemplifies the types of successful partnerships that exist between local industry and Alamance Community College.**  
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– ACC President Algje Gatewood

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### **A Simple Swab to Save a Life**

Be The Match manages the largest and most diverse marrow registry in the world and is committed to saving lives through these transplants. For more than 25 years, Labcorp and Be The Match have worked together to improve the quality, efficiency, and convenience of bone marrow donor testing. The work that has been done has helped improve treatment success and find bone marrow donors for patients in critical need.

In September 2019, Labcorp received the Democratize Cell Therapy Award from Be The Match. The award is given to Be The Match partners who realize that the status quo is not enough and go above and beyond to champion increasing the donor registry. Labcorp continues to proactively recruit new donors, leading to an increase of over 400 new registry participants.

### **#Dynacare4Diabetes**

In Canada, about 395,000 Manitobans (28 percent of the province) have undiagnosed or diagnosed diabetes or prediabetes. In 10 years, Diabetes Canada projects that number will increase to 480,000 (31 percent). Many Manitobans do not realize they are at risk for prediabetes or type 2 diabetes, which can have a major impact on their lives and the lives of those around them, if left untreated.

Dynacare, a Labcorp company based in Canada, has partnered with Diabetes Canada on the largest diabetes wellness initiative Manitoba has ever seen – known as #Dynacare4Diabetes. In 2019, for each A1C test taken during the campaign, Dynacare donated 50 cents to Diabetes Canada, up to a total of \$25,000 in Canadian currency. A total of 53,247 tests were taken during the campaign period.

In 2020, Dynacare focused on under-served and at-risk individuals in Manitoba by carefully organizing testing events to reach indigenous and high-risk groups, taking care to ensure safe social distancing can be maintained.



### Promoting Goodwill in Indiana

Like many companies, 2020 was a challenging year for Goodwill Industries International Inc. (Goodwill), with the impact of COVID-19 and disrupted business operations.

The Covance by Labcorp team in Indianapolis, Indiana, has been a key partner with Goodwill in Central and Southern Indiana for many years and has been recognized by that organization on multiple occasions.

Through our partnership with Goodwill :

- Goodwill in Central and Southern Indiana currently provides employment to 102 people (full-time and part-time) of which 46 percent have a disability and 22 percent have had a felony background. Of the 102 employees, 90 of these individuals work at Goodwill's plant on the near-side of Indianapolis and 12 work on-site at Drug Development.
- Over the past three years, Goodwill has been able to provide jobs for 253 people directly resulting from their work with Drug Development. More than 35 have achieved a certification such as Lean, Forklift or Safety.
- Through skills training in areas such as quality, inventory control, Good Manufacturing Practices and more, 68 workers have grown in their careers with Goodwill or moved to higher- wage jobs in the community.

### Are You the 33 Percent?

National Kidney Month is observed every March in the U.S., a time dedicated to raising awareness about the risks of kidney disease and to encourage screening, prevention and good health habits. Similar observations take place in many other countries.

In 2020, Labcorp entered into a collaboration with the National Kidney Foundation that includes three over-arching components:

- Joint publication of findings from a retrospective analysis of more than 28 million patients at risk for chronic kidney disease (CKD), those with hypertension and/or diabetes and tested at Labcorp from 2013–2019.
- Increasing awareness of guideline-recommended testing in routine clinical care.
- Increasing public awareness of CKD through a campaign called Are You the 33 Percent? which focuses on the one-third of American adults at risk for developing CKD. By taking a simple six-question Kidney Risk Quiz, people can learn if they are at risk and what can be done about it.

## About Labcorp

We believe in harnessing science for human good. And so we work day and night, around the world, to deliver answers for all your health questions—whether you're a provider, drug developer, hospital, medical researcher or patient. That means everything from advancing diagnostic testing, to helping launch new drugs, to offering new perspectives through data, all drawing from a deep well of scientific expertise. So when you need trusted information to make clear, confident health decisions, consider us your source.

The groups we serve include managed care organizations, biopharmaceutical companies, governmental agencies, physicians and other healthcare providers, hospitals and health systems, employers, patients and consumers, contract research organizations, and independent clinical laboratories.

The company provides diagnostic, drug development, and technology-enabled solutions for more than 160 million patient encounters per year. Labcorp typically processes tests on more than 3 million patient specimens per week and supports clinical trial activity in approximately 100 countries through its industry-leading central laboratory, preclinical, and clinical development businesses.

Laboratory Corporation of America Holdings is listed on the New York Stock Exchange (NYSE) under the ticker symbol LH. Labcorp headquarters are located in Burlington, North Carolina.



# Cautionary Statement Regarding Forward-Looking Statements

This report contains forward-looking statements, including but not limited to statements with respect to Labcorp's (the Company) future operations, expansion of offerings and capabilities, and opportunities for future growth. Each of the forward-looking statements is subject to change based on various important factors, many of which are beyond the Company's control, including without limitation, the impact of the COVID-19 pandemic on our business and financial condition, as well as on general economic, business, and market conditions, competitive actions and other unforeseen changes and general uncertainties in the marketplace, changes in government regulations, including healthcare reform, customer purchasing decisions, including changes in payer regulations or policies, other adverse actions of governmental and third-party payers, changes in testing guidelines or recommendations, the effect of public opinion on the Company's reputation, adverse results in material litigation matters, failure to maintain or develop customer relationships, our ability to develop or acquire new products and adapt to technological changes, failure in information technology, systems or data security, and employee relations. These factors, in some cases, have affected and in the future (together with other factors) could affect the Company's ability to implement the Company's business strategy and actual results could differ materially from those suggested by these forward-looking statements. As a result, readers are cautioned not to place undue reliance on any of our forward-looking statements. The Company has no obligation to provide any updates to these forward-looking statements even if its expectations change. All forward-looking statements are expressly qualified in their entirety by this cautionary statement. Further information on potential factors, risks and uncertainties that could affect operating and financial results is included in the Company's most recent Annual Report on Form 10-K and subsequent Forms 10-Q, including in each case under the heading RISK FACTORS, and in the Company's other filings with the SEC.

For more information, visit [Labcorp.com](https://www.labcorp.com).

