

Inclusion, Diversity & Corporate Social Responsibility

Annual Report 2018

Quest Diagnostics Caring for families at all stages of life







Our 1-2-3 Plan

1 VISION 3 GOALS Accelerate growth **Promote** Empowering • Grow General Diagnostics a healthier world • Expand Advanced Diagnostics better health • Extend Diagnostic Services **Build** value Drive operational excellence with diagnostic • Enhance the Quest customer Create an inspiring insights experience workplace • Deliver Invigorate operational efficiencies

Our values: Quality Integrity Innovation Accountability Collaboration Leadership

2-POINT STRATEGY

A letter from our Chairman, President, & CEO, Steve Rusckowski



It is my privilege to share with you the 2018 Inclusion, Diversity and Corporate Social Responsibility (CSR) Report.

This report highlights the impact our company is making in the communities we serve and what our 46,000 employees have done in the past year to help us achieve our goals to promote a healthier world, build value, and create an inspiring workplace.

2018 was a year of challenges and opportunities. Even as the entire healthcare industry faces reimbursement pressure from government and private payers, Quest established a long-term, strategic relationship with UnitedHealthcare that positions us for growth. In addition, we completed or announced 9 acquisitions, which provided us with more capabilities, regional strength, and outreach lab coverage.

Healthcare is a team sport, and in 2018, we launched some exciting collaborations to empower better health. We're taking on coronary disease as a contributor to the American Heart Association's One Brave Idea™ initiative. We also increased our in-kind giving to \$108 million to help patients get the testing they need.

To empower consumers to take a more active role in their health, we enhanced our digital experience, making it even easier for them to schedule appointments and get test results for themselves or a family member. We also launched QuestDirect™, our customer-initiated testing service that enables them to order their own lab tests.

For Quest employees, 2018 was a year of transformation in the workplace as we opened our new Gold LEED equivalent headquarters in Secaucus, NJ. Our recently announced flagship laboratory in Clifton, NJ will also be LEED equivalent.

All of our employees play a vital role in improving the quality and efficiency of healthcare in the United States, and diverse backgrounds and experiences are valued at all levels of our organization. Half of our 46,000 employees are people of color, and at the highest levels in the company, in 2018, 45% of our senior vice presidents and higher were women or minorities. We've been recognized by Executive Women of New Jersey and the New York Women's Forum for our commitment to board diversity: more than 40% of our board of directors are women.

As a company where 70% of employees are women, Quest is committed to pay equity and is a founding member of the Healthcare Businesswomen Association's Gender Parity Collaborative—a group of healthcare and life sciences companies focused on developing women in the workplace and accelerating gender compensation parity.

Once again, others noticed our progress in 2018. Quest received several noteworthy accolades, including Fortune Magazine's "World's Most Admired Companies," and the Human Rights Corporate Equality Index's "Best Employer for LGBTQ Equality."

At Quest, we have the opportunity of a lifetime to serve 90% of insured lives in the US. In the following pages, you will see firsthand why I believe Quest is ideally positioned to grow and continue to realize our vision of empowering better health with diagnostic insights.

Steve

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1. Can you share some highlights for 2018 and hopes for 2019?

CM: In 2018, we greatly expanded our access to insured lives, and we are now able to serve 90% of the insured U.S. population. That is the opportunity of a lifetime for us to grow as a company and serve so many more people in need of the best diagnostic testing in the country. I'm excited about the investments we're making in technology and workplace flexibility to empower our employees and improve performance. Additionally for Inclusion, Diversity, & CSR, I am very excited about the higher levels of transparency. Transparency builds trust and confidence. You will see in this report a new statement on Quest's "Commitment to a Diverse Workforce and Equitable Compensation" in which we affirm what we do to positively support our employees and share data on the diversity of our workforce. We're also sharing our EEO data for the first time, an important step in our inclusion journey. This report also has much more information on what we are doing to promote health, prevent many diseases, combat the opioid crisis, and preserve the environment.

ED: From a company perspective for 2019, I'm excited about all the lives we will help make better by delivering diagnostic insights. Personally, I'm excited about my new responsibility in the organization leading Inclusion, Diversity, & CSR. We have a great foundation in our 9 Employee Business Networks (EBNs) and mentoring programs. I'm excited to build on that foundation with trainings and programs that empower all of us to understand the needs of the diverse customer base we serve. We're also investing in helping leaders understand where we are on our journey in inclusion and diversity with the expectation/ aspiration of always striving to be more diverse tomorrow than we are today. Our leaders know that a diverse team leads to better ideas and innovation, and we want to help develop the teams they have and build the teams they need. In CSR, we're looking at improving strategic investments in nonprofits that will help remove barriers to care for communities in need. While we're proud that employees logged more than 4,000 hours under our Dollars for Doers program, we know that's only a fraction of their total volunteer activity. So we're committed to reaching 6,000 hours in 2020, because when our employees give back, they demonstrate that Quest is a company committed to impact.

2. Can you tell us how Quest's commitment to inclusion and CSR strengthens the company?

CM: As a business, I believe we have an obligation responsibility to use our knowledge, resources, and insights to help people and make the communities we serve better. We can only do that if we have a team of employees who approach challenges and opportunities from different perspectives based on their background and experiences. We can't do what we do every day without an inclusive team and environment which allows people to be at their best.

(left) Cecilia McKenney, SVP, Chief Human Resource Officer

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(right) Ebony David, Executive Director, HRBP; Leader of Inclusion, Diversity & CSR

Q & A with Ebony David and Cecilia McKenney

One of our company behaviors is "United as One Team" which translates into ensuring every employee feels included on Team Quest. This approach ensures we unleash the absolute best from each employee.

Steve is fond of saying "if a company does well, it has a chance to do good." Truly, our employees are "doing good" all the time—during and after work. We empower employees to give their time, talents, and treasure to the good organizations that are important to them. We support volunteering through Dollars for Doers and the Quest Community Action Network, and donations through our matching gifts programs, and our \$108M in donated testing services in communities we serve. Our 9 EBNs provide development and engagement opportunities for our employees, while also helping us raise our cultural awareness. Investing in our employees, the environment, and the communities we serve makes us an authentic local and national partner. When I visit clients and patients, they often say they work with us because we connect with them and we look like them, and that matters to them.

ED: Every day, 46,000 of us get up, show up, and ensure that Quest Diagnostics meets its goal of promoting a healthier world, building value, and creating an inspiring workplace. When they bring their best, they give their best to our patients and clients. So in that way, inclusion drives business by improving service. We provide information that changes lives and that intrinsically connects us to the communities we serve, so we honor that role by being involved in those communities through partnerships with local and national organizations.

Cecilia mentioned the great work of our EBNs; they also represent Quest in our communities while supporting our desire to promote a healthier world. We annually attend events across the country supporting various causes that we also support from a diagnostic perspective. This year, we had hundreds of Quest employees attend more than 65 walks around the country to support efforts in the areas of AIDS, diabetes, arthritis, childhood disease research, hunger, mental illness, and cancers. It's important that the communities we serve see and feel our impact as people and partners.

3. As leaders, how do you incorporate Inclusion and Corporate Social Responsibility into your everyday operations?

CM: It's easy at Quest Diagnostics, because our 46,000 employees are all about being responsible community neighbors and inclusive partners. We make decisions every day based on questions like, "How will this improve lives? How will it save a mom, a daughter, or a family member?" because we know the insights we provide save lives.

As the Chief Human Resources Officer, I think about the communities we serve every time I discuss a role or policy because the communities will be impacted. When I meet with my peers, we discuss how a test or program can ultimately help our patients and it is always with the view of ensuring accessibility for those who need the test in the face of our complicated healthcare system. As the Executive Sponsor for our Pride EBN, I get to talk with employees in the LBTQA community and understand their experiences and challenges so I can advocate for them at the senior level while also being a career advisor. Their insights also help us serve our LBTQA patients in a more curated way.

Q & A with Ebony David and Cecilia McKenney

ED: Part of what makes my role exciting is the opportunity to inject inclusion and CSR into the business as an HR Executive Director for our Commercial and Clinical Franchise organizations, 2 groups that have tremendous reach into the communities where we work and live. Many of them have customer-facing roles, so it's important for me to ensure that our workforce understands our company goals and can get the opportunity to move those goals forward while also realizing the value of investing in communities and ensuring we reflect the communities we serve.

I share my personal experience and insights to help my peers and team understand the role they play in building an inclusive, inspiring workplace by leading with their authentic selves, but also ensuring they understand our business and can provide valuable support to their teams and clients. As a champion for our 9 EBNs, I strive to ensure these groups understand their role in our business and can facilitate opportunities for personal and career development.

4. What role do Quest employees play in achieving company goals?

CM: Our employees are the heart of our company. When a patient chooses Quest, they're choosing the phlebotomist who they may see once a year or once a week, depending on their needs. When a physician selects Quest, they're choosing the responsive couriers who pick up their specimens, and the knowledge of our MDs who they can call on to review test results. We invest deeply in our employees, with an average of 17 hours of training per employee annually, as well as work-safety programs aligned with industry best practices. In turn, their engagement and investment in Quest is what makes us an industry leader.

ED: Employees are the reason we have goals to hit. Their passion and commitment raises the bar for us as a company in terms of reaching our goals because they, in many cases, are driving the programs, policies, and initiatives that will help us reach those goals. Through our annual survey and other communication paths, employees have the opportunity to share ideas or challenges that we need to focus on, and that ownership of our goals and our business moves us forward and makes us better each day. When you have engaged employees who feel included and welcome, the sky is the limit for collaboration and innovation. In the challenging world of healthcare, our employees are our main drivers for success.

Promote a **Healthier World**

As the largest laboratory business in the world, it's our responsibility to help our patients, communities, and the environment be healthier. We share insights from our database of more than 40 billion data points to help raise awareness of disease states and health concerns that impact our world. In addition, we collaborate with nonprofits to improve access to care through donated services, charitable giving, and thought leadership so that our shared resources can help everyone take action to improve their well-being. We're proud to share our impact towards promoting a healthier world

One of the largest medical and scientfic staffs in the industry to provide interpretive consultation:>600 MDs and PHDs, many of whom are recognized leaders in their field

Patient access points:

>6,600

Provided the first-ever industry-specific analysis of more than 10 million workforce urine drug tests



\$7 million in charitable giving

More than \$108 million in donated testing



The most extensive network in the US, including phlebotomists in physician offices and >2,250 of our own Patient **Service Centers**

In 2018. we tested over 1,200 people in New Jersey at our Annual NBC



optimization cut fuel consumption by 69,231 gallons

Provided insights into prescription and illicit drug use and misuse in the US based on 3.9 million de-identified test results

Own or control approximately 1.000 issued and 475 pending patents worldwide as of 2018



In 2018, we tested more than 40,000 people throughout Colorado through our 9Health Fair



>22,000 phlebotomists, paramedics, nurses and other health and wellness professionals

Set environmental goal to reduce paper waste in our PSCs by 60% in the next 3 years

Quest joins One Brave Idea™ initiative to accelerate heart disease research: Innovative diagnostics aim to detect and prevent disease in its earliest stages

Heart disease is the leading cause of death worldwide, and current testing guidelines often fail to predict an individual's risk. To support the development of innovative detection techniques, Quest will contribute biomarker implementation, population health analytics, and a national lab platform as a pillar supporter of **One Brave Idea**, a research initiative co-founded by the American Heart Association (AHA) and Verily Life Sciences with significant support from AstraZeneca.

One Brave Idea (OBI) is working to create a coronary heart disease (CHD) early warning system. Lipid panels remain the standard of care, but 72% of people suffering their first CHD event and 50% of those suffering a heart attack have lipid values within the guideline-recommended levels. Therefore, a key aim of OBI is to develop novel diagnostic techniques that can be scaled across hospitals and clinics for real-world implementation, helping to improve patient outcomes through earlier disease prediction and targeted treatments.

"As the leader in cardiovascular diagnostic insights, Quest Diagnostics brings a remarkable network of just-in-time clinical and consumer diagnostics, access to rich longitudinal data, and the logistical framework to quickly translate science into actionable insights for the people who seek ways to preempt heart disease," said Nancy Brown, CEO, AHA. "There is great value in bringing Quest Diagnostics biomarker development experiences to One Brave Idea research that has the potential to predict early signs of coronary heart disease."

Lipid values within the recommended guidelines





For 30% of those with heart disease, the first symptom is death



Someone in the US has a heart attack every 43 seconds



People die from heart disease each day



"In my practice, heart attacks are rare. It's not that my patients are any smarter or healthier or genetically luckier than others. It's that, as part of my MDVIP-affiliated practice, I provide tests that look for signs of heart disease before an event occurs, and I have plenty of time to talk about various

prevention strategies. Most people don't fully understand what drives the disease or know their hidden risk of a life-changing event. Cleveland HeartLab biomarkers plays a vital role in helping identify that risk which can enable both the physician and the patient to take immediate action."

A. Alan Reisinger III, MD, FACP MDVIP-affiliated physician

National Cardiometabolic Center of Excellence established by Quest and Cleveland HeartLab® helps uncover hidden risk for heart attack and stroke

Since joining forces in 2017, Quest and Cleveland HeartLab have built upon the expertise of both companies to help improve screening, diagnosis, and treatment of cardiovascular and metabolic disorders. Cleveland HeartLab's personalized evaluation of heart disease risk based on inflammation and other markers combined with Quest's Cardio IQ[®] lipid particle analysis and genetic and metabolic testing leadership empowers physicians with the support they need to help patients. Cardio IQ uses emerging biomarkers to provide a more complete picture of CHD risk, so physicians can individualize treatment options and enhance patient care. Through Cleveland HeartLab, we maintain a pipeline of early-stage genetic and biological markers in cardiometabolic disorders for clinical use and pharmaceutical research. Physicians also have access to dedicated customer support and clinical education teams knowledgeable in scientifically proven, medically relevant testing for the identification and management of cardiometabolic disease.

Cardio Q™





Innovation in dementia screening and care:

Quest and UCSF pilot new approach with top primary care ACO in NY

Primary care physicians in the United States are on the front lines of dementia screening, as they are often the first to evaluate a patient, but they may lack the tools to reliably spot cognitive impairment and initiate care. To address these challenges, Quest joined forces with other leaders in the healthcare space to develop an innovative dementia screening model for a primary care setting.

Since 2014, Quest and the University of California, San Francisco (UCSF) have worked together to accelerate the development of innovative diagnostics for a range of conditions, from brain health to infectious disease. In our latest collaboration with **UCSF's Memory and Aging Center** in in the UCSF Weill Institute for Neurosciences, we're piloting a novel clinical pathway for dementia screening and care with New York's only primary carefocused accountable care organization, Primary PartnerCare ACO Independent Practice Association, Inc.

This new clinical approach will help guide physicians through the entire dementia screening process while supporting the patient and caregiver. The pathway includes:

- A decision tree based on best practices to guide cognitive screening and lab test ordering and interpretation.
- A 10-minute, tablet-based neurobehavioral assessment sensitive to mild cognitive impairment.
- · Multimedia education materials for patients, caregivers, and healthcare providers.
- The opportunity for caregivers to provide feedback through a survey on the tablet, and receive information on family preparation, behaviors, and nutrition.
- Standards for using neuroimaging, such as MRIs, and an algorithm for classifying patients into major dementia categories, for which we'll engage Zwanger-Pesiri Radiology based in Long Island, New York.

"Innovation is essential to finding new ways to identify and treat diseases, and to maintaining a competitive advantage," said Jay Wohlgemuth, Senior Vice President, R&D, Chief Medical Officer, Quest Diagnostics. "Through our collaborations with UCSF and other leaders in the healthcare space, Quest aims to produce new and effective diagnostic tools that improve the lives of our patients and their families."



"Delayed and incomplete diagnosis of dementia creates unnecessary costs to the healthcare system and heartache for families and caregivers. The clinical pathway created by Quest and UCSF holds great potential to address these

challenges, and we look forward to piloting it with our physicians and patients."

Harry Jacob, MD Director Primary PartnerCare

Investing in dementia diagnostics and treatment with AARP and Dementia Discover Fund

According to the World Health Organization, there are 10M new cases of dementia each year—including the most common form, Alzheimer's disease—with no cure in sight. To drive new diagnostics and treatments, AARP launched the "Disrupt Dementia" campaign, which included a \$60M donation to the Dementia Discovery Fund (DDF)—the first and largest venture fund focused on developing novel therapies for dementia. In concert with AARP and United Health Group, Quest is investing \$5M in DDF's fight to find new tools and treatment options.





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Documenting an emerging public health threat:

Report reveals alarming spike in Lyme disease nationwide

Lyme disease has been identified as a health risk in all 50 states, and Quest is helping the public understand the rising threat of this and other tick-borne diseases by publishing the first nationally representative analysis based on lab data.

According to our recent **Health Trends™ report**, the prevalence of Lyme disease in the United States among those tested is skyrocketing, including significant spikes where the condition was previously uncommon. The report, drawn from 6 million de-identified test results performed by Quest between 2010 and 2017, is believed to be the most current data available, offering fresh insights to physicians, patients, and policymakers working to combat the condition.

"Lyme disease is a bigger risk to more people in the United States than ever before," said Harvey W. Kaufman, MD, Senior Medical Director for Quest Diagnostics and head of the company's Health Trends research program. "We hypothesize that this may reinforce other research suggesting that changing climate conditions, which allow ticks to live longer and in more regions, may factor into disease risk."

Many cases of Lyme disease go undiagnosed or are misdiagnosed as another tick-borne illness with similar symptoms, making lab tests valuable for a differential diagnosis. Quest recently introduced a unique test service that uses advanced molecular technologies to distinguish Lyme disease from 4 other tick-borne infections in a single patient specimen.

Quest's Health Trends report on Lyme disease is the latest in a series on health conditions affecting a large number of Americans. Published as a public service, Health Trends is intended to provide actionable insights that can improve health outcomes nationwide.



"Targeted diagnostic testing for Lyme disease allows physicians to make timely, accurate diagnoses and start the right treatment sooner. Quest helps physicians select from more than 30 tick-borne disease tests and panels so they can deliver the insights needed to better serve their patients and communities."

Johnette Johnson Director, Product Management, Infectious Disease Quest Diagnostics

Key findings:

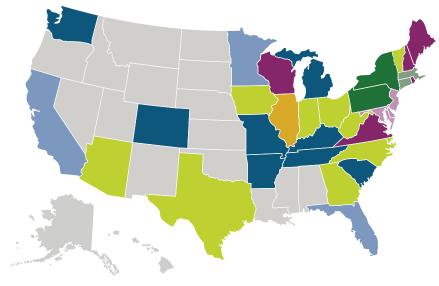
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- After years of holding steady, the rate of positive test results rose dramatically in 2016 and 2017.
- New England and Pennsylvania account for 60.6% of all positive test results, and saw a sharp increase from 2015 to 2017, at 49.6% and 78%, respectively.
- Outside of the Northeast, California and Florida saw the largest absolute increases in positive test results from 2015 to 2017, at 194.5% and 77%, respectively.
- Notable increases were also observed in Georgia, Arizona, Ohio, Texas, Tennessee, and Virginia.

Lyme disease:

State-by-state comparison of where people are being infected



Staying vigilant in the drug misuse epidemic:

Dangerous shift to fentanyl and heroin use points to urgent public health crisis

The national drug misuse epidemic is shifting from prescription opioids to more dangerous drugs and drug combinations, according to **Drug Misuse in America 2018**, a Quest Diagnostics Health Trends™ report. Although the overall rate of drug misuse in 2017 remained steady at around 52%, a surge in fentanyl and heroin use, as well as drug mixing, points to an urgent public health crisis.

The report, based on 3.9 million de-identified test results performed for patients by Quest between 2011 and 2017, is believed to be the largest of its kind. It's also the first Health Trends report that offers a more complete picture of our nation's drug use patterns by distinguishing between patients in general care versus those in treatment centers for substance use disorder (SUD).

These laboratory findings reinforce the value of drug monitoring as the only objective information tool clinicians have to determine actual use of prescribed, non-prescribed, or illicit drugs. Drug monitoring serves as a powerful complement to state-based drug monitoring databases—which capture only prescribed information for select drugs—to reveal critical trends that aid policymakers' efforts to combat the drug misuse epidemic and improve healthcare nationwide.

"We must remain vigilant in monitoring, identifying, and addressing changes in the drug misuse landscape. Whether it's increased use of fentanyl, the emerging abuse of gabapentin, or the looming threat of a stimulant epidemic—if we can identify it early through effective drug monitoring, we can have an impact on preventing it."

David Reiner
Director, State Government Affairs
Quest Diagnostics

Key findings:

- Among patients in general care, use of non-prescribed opioids and illicit drugs declined, though it is still prevalent; only non-prescribed gabapentin saw a marked increase.
- Among patients in SUD treatment centers, misuse of fentanyl and heroin skyrocketed by nearly 400%; the rate of mixing the 2 drugs nearly doubled.
- Drug mixing, a driver of over dose deaths, is the most frequent form of misuse, with 1 in 5 test results showing concurrent use of opioids and benzodiazepines.
- Among stimulants, cocaine use dropped by nearly 40%, while amphetamines use rose. Medical marijuana use saw an explosive 620% increase.



Sharing data to help create safe, healthy workplaces:

2018 Drug Testing Index™ reveals industry-specific trends

Workforce drug test positivity is on the rise nationally, but can vary significantly across industries and zip codes, according to data released in 2018 from the Quest Diagnostics Drug Testing Index (DTI). The DTI provides the first-ever industry-specific analysis of more than 10 million workforce urine drug tests, presenting the rare opportunity for benchmarking among different sectors, and for understanding how high positivity in one industry may be related to another as well as the safety of the larger community.

"As companies consider strategies to protect their workplaces, they should also consider the risks that employees who use drugs present to their co-workers, customers and the general public," said Kimberly Samano, PhD, Scientific Director, Employer Solutions, Quest Diagnostics.

Key insights from the DTI industry analysis include:

- Workforce drug test positivity increased each year—and by double digits over 2 years between 2015 and 2017, in 5 of 16 major US industry sectors analyzed.
- The highest positivity rates were in consumer-facing industries, including retail trade (5.3%) and health care and social assistance (4.7%), while the lowest rates were in the utilities (2.8%) and finance and insurance (2.6%) sectors.

In the geographic analysis, the DTI reveals that drug use by the American workforce remains at its highest rate in more than a decade, and suggests shifting patterns across regions, such as a spike in methamphetamine positivity in the Midwest and Southern states.

"To create and sustain a drug-free workplace, vigilance is key," said Barry Sample, PhD, Senior Director, Science & Technology, Employer Solutions, Quest Diagnostics. "As patterns of drug use change, employers must be willing to adapt their testing approach."

Additional benefits of workplace drug testing include improved employee productivity, reduced on-the-job accidents, reduced turnover, decreased absenteeism, lowered workers' compensation insurance and healthcare costs, and compliance with federal and state regulations.

Now in its 30th consecutive year, the DTI report is published as a public service for government, employers, policymakers, the media, and the general public to help identify focus areas and develop best practices in managing the risks of workforce drug use.

Drug positivity rates by industry



Retail trade



increase in cocaine



increase in marijuana



Transportation and warehousing



increase in cocaine



increase in marijuana



Healthcare and social assistance



increase in



Wholesale trade



increase in methamphetamine



increase in methamphetamine



Educational services





amphetamine







increase in amphetamine between 2015-2017

Percentages reflect increases between 2015 and 2017. Percent increases have been rounded to the nearest whole number. Classifications are based on the North American Classification System (NAICS). Sixteen of 20 industry sectors were included in the DTI analysis; 4 classifications were excluded from the analysis due to insufficient testing volume.



Uncovering the STD stigma that's putting women's health at risk: Lack of open patient-physician dialogue prevents critical treatment

Insight into our Business

As the leading diagnostics laboratory, we understand the benefits of identifying and breaking down barriers to ensure patients have access to the testing they need. In 2018, we commissioned an independent survey, "A Survey of Young Women, Mothers, and Physicians about Sexually Transmitted Diseases," to understand the barriers keeping young women from getting critical testing for sexually transmitted diseases (STDs).

The results show how powerful the stigma around STDs can be, with more than half of young women admitting they are uncomfortable discussing the topic with their physicians, and nearly a quarter of physicians sharing that discomfort—contributing to a failure to meet testing guidelines amid a record-high national STD incidence rate.

The survey had a total of 4,742 respondents, including 3,414 women aged 15 to 24 (1,500 self-reported as sexually active); 1,106 mothers of women in this age group; and 312 physicians. By exploring the attitudes of each of these groups, the analysis offers a more complete picture of how STD stigma can affect women's health, and demonstrates the need for a multifaceted solution to physicians, policymakers, and others working to increase STD awareness and testing rates.

"Our findings suggest that discomfort with frank conversations about sexual activity and false beliefs about risk are key barriers to STD testing, and could be driving some of the increase in STD cases of young women," said Damian P. Alagia III, MD, Medical Director of Women's Health, Quest Diagnostics. "Our hope in sharing this survey's findings with clinicians and the general public is that it prompts open dialogue about reproductive health and STD risk, which is absolutely critical to reversing the trajectory of high STD rates in the United States."

The facts:

Cases of sexually transmitted diseases (STDs) are at an all-time high



Half of all new STD cases are acquiredby young people between: the ages of 15-24



One in 4 sexually active adolescents has an STD

Medical guidelines say sexually active women under the age of 25 should be tested every year for STDs—even if they don't think they are at risk.

Key findings:

- Although 56% of women aged 25 and younger are sexually active. 44% have not been tested for STDs.
- More than half (51%) of young women don't want to bring up STDs with their physicians, while nearly a guarter (24%) of physicians are "very uncomfortable" discussing STDs with their patients.
- 27% of young women are not always truthful about their sexual behavior with their physician, and that figure rises to 43% among 15- to 17-year-olds.
- Young women are twice as concerned about HIV/AIDS (40%) as they are about chlamydia (20%) and gonorrhea (16%), despite large increases in the latter diseases.
- Most young women (88%) prefer that their mother isn't in the exam room with them, making them less likely to bring up STD testing when she's there.
- Despite STDs often being symptomless, 55% of young women associate lack of symptoms with lack of disease, and 24% of physicians feel no need to test for STDs in women without symptoms.



Empowering healthier communities with Americares®:

Quest's donated testing helps families keep working

Americares Free Clinics, the largest free clinic network in Connecticut, is celebrating 25 years of helping low-income, uninsured patients live healthier lives. Most patients visit the health centers because they have been diagnosed with a chronic illness, such as diabetes or hypertension, and need routine laboratory testing as part of their treatment. Quest has been working with Americares since 1995, providing more than \$10 million in donated testing services for patients in Bridgeport, Danbury, Norwalk, and Stamford. The clinics also utilize Quest's physician connectivity solution, Quanum™ Lab Services Manager, to expedite lab ordering and track diagnostics trends.

"It would be impossible to treat the many complicated cases we see without access to laboratory testing," said Americares Free Clinics Executive Director Karen Gottlieb. "Whether we are making a diagnosis, monitoring glucose levels in our diabetic patients, or adjusting medication regimens, laboratory testing is critical for us to provide quality care and guide our decision-making. Thanks to partners like Quest, we've been able to improve the health of more than 26,000 low-income, uninsured patients in Fairfield County."



Laura, patient at Americares clinic in Stamford, CT

Laura's journey to better health with Americares and Quest

The Americares clinics emphasize preventive care, lifestyle change, and health coaching to support patients as they manage their health conditions. Laura (pictured below at left), a patient at Americares Free Clinic of Stamford, needed all 3. She suffered from knee and stomach pain for years and had to rely on a walker to get around. When the pain became unbearable, a friend recommended she visit the Americares Free Clinic of Stamford.

At the clinic, Laura underwent a series of laboratory tests with support from Quest. She learned she was prediabetic and was diagnosed with *H pylori*—a bacterial infection that can cause stomach pain and nausea. Volunteer physician Dr Katy Close prescribed medicine to control Laura's high blood sugar and treat her stomach infection. After years of living in pain, she was finally on the road to better health.

Dr Close hoped a healthier diet and exercise would also alleviate Laura's knee pain and referred her to a nutritionist. Laura made lifechanging strides—she learned how to eat healthy and exercise, and in just 1 year, she lost more than 40 pounds. Now, she no longer requires medication to manage her prediabetes.

Today, Laura is healthier, stronger, and more confident. "The Americares Free Clinic of Stamford provides patients with all of the resources to give people like myself a better quality of life," she says.



Working with community health centers to reach the underserved

The Department of Health and Human Services estimates that more than 27 million people rely on community health centers each year to care for themselves and their families. Quest works with many of these community leaders to reach the medically underserved across the country, and is proud to highlight 2 such organizations: Community Health Center, Inc. (CHC) in Connecticut and Salud Clinic in Colorado.

CHC was founded in 1972 with a focus on access to patient-centered care and the belief that healthcare is a right, not a privilege. Today, CHC serves over 140,000 patients annually at 15 comprehensive primary care centers and more than 200 additional service delivery sites, including schools and homeless shelters.

Since the early 2000s, Quest has partnered with CHC to ensure that all patients have access to lab testing, regardless of their insurance status or economic means. In addition, CHC has access to the clinical and scientific leaders at Quest for expert guidance in

addressing the complex clinical needs of its patients, including early detection services and chronic illness management.

Salud Clinic opened its doors to the Colorado community in 1970 with a focus on integrating medical, dental, and behavioral health services. Today, Salud serves more than 81,000 patients annually through a network of 13 clinics, school programs, and mobile units. In addition, Salud has launched its own set of "Dynamos" mascots to attract and make children feel comfortable in a clinic setting. Quest started providing lab services to Salud in 1985 and continues to work on ways to make lab testing accessible for all Salud patients, regardless of their insurance status.



Dr Fossil, left, and Dr Dactyl are 2 of the Salud Dynamos mascots. Dr Fossil is a medical doctor and Dr Dactyl is a dentist. (Jenni Grubbs, Fort Morgan Times)

"We understand the power of local engagement, and work with each community to ensure excellence in the services we deliver. We want to make sure we are giving everybody the best care, and having Quest as a key partner helps us to do that."

Margaret Flinter
Senior Vice President and Clinical Director
Community Health Center, Inc.

"We believe healthcare is most effective when you meet people where they are, whether that is a mobile unit at a farm during the busy season or introducing our Dynamos mascots to children so they understand the importance of seeing a doctor. Our mission is to provide quality, integrated healthcare to the communities we serve and we couldn't do that without partners like Quest."

John Santistevan CEO Salud Clinic



Providing critical lab testing to underserved populations:

Quest proudly supports community health events in NJ and CO

Quest is dedicated to supporting healthy communities and delivering our services to those who need it most. We've long supported community health events as an important way to reach underserved populations who may not otherwise receive critical lab testing. We're proud to share the following examples of our efforts from 2018 to help community members take informed action toward better health.

9Health Fair in Colorado

As Colorado's largest non-profit health fair and education program, **9Health Fair** has served over 2 million people since it began in 1980. Quest has been involved from the start, as both a sponsor and the lab performing all testing.

In the last 5 years alone, Quest has performed testing for 275,408 attendees, including 40,957 people in 2018 who received screenings such as blood sugar level, vitamin D, and prostate cancer. 9Health Fairs hosts roughly 100 events a year in communities throughout Colorado and provides a complete continuum of care, so patients can take action to better their health.

Health & Fitness Expo at Metlife Stadium in New Jersey

Since 2012, Quest has been the presenting sponsor of the **NBC 4 & Telemundo 47 Health & Fitness Expo** at MetLife Stadium. This free event is open to the public and typically brings in over 40,000 attendees.

Quest team members are onsite to offer attendees 18 and older a free health screening panel that tests cholesterol, kidney function, blood sugar level, and vitamin D. In 2018 alone, over 1,200 people were tested.

The family-friendly outing also includes fun activities designed to promote a healthy lifestyle, such as meet and greets with New York Giants players and WNBC personalities, Zumba® classes, and healthy eating demonstrations. It takes approximately 100 Quest volunteers to make the weekend-long event happen, including greeters and those helping people register for the MyQuest™ patient portal.

"As a proud partner in health of the New York Giants, Quest Diagnostics will continue to promote a healthy lifestyle for athletes and fans everywhere," said Molly Nussbaum, Consumer Marketing Specialist, Quest Diagnostics.







"For nearly 40 years, Quest has proudly supported 9HealthFair in providing underserved communities in Colorado with essential health screenings. By helping detect any health issues early on, we can empower people with the knowledge they need to keep themselves and their families healthy."

Cindy A. Robert Health Fair Manager Quest Diagnostics

Preserving a healthy environment for future generations

Quest is committed to protecting the Earth's resources for future generations. We continuously invest in ways to cut emissions from our fleet and facilities, reduce waste destined for landfills, and conserve resources through efficient operations and building construction. In 2017, we committed to improving our data collection as part of our overall Environmental Management System. Using those data, we were able to set strategic goals for the future that will ultimately improve our efficiency and reduce our environmental impact.

We're proud to share the stories below that highlight our **2018 sustainability efforts** on our journey of continuous improvement.

Logistic route optimization to cut CO2 emissions

We continue to seek fuel reduction opportunities through route optimization and investment in more eco-efficient vehicles. As a result of projects implemented in 2018, we cut a total of 2.7M miles (annualized), with 1.8M of those miles realized in the 2018 calendar year—a 1.5% reduction. In addition, the telematics in each of our fleet vehicles provides feedback on behaviors that waste fuel, such as speeding and rapid acceleration, so we can improve the efficiency and safety of our drivers.

LED lighting upgrade to save energy

Many of our facilities operate 24 hours a day to process the tests required by patients and doctors. With lights illuminated continuously, any lighting upgrade can have a tremendous impact on the environment and our employees. Quest completed 6 LED conversion projects at facilities around the country in which we upgraded or replaced florescent lighting with more efficient LED lighting, which reduced energy consumption by 2.2M kilowatts hours. Additional benefits of LED lighting include:

- Longer life, which means less mercury in waste stream and limited labor costs for bulb replacement or fixture repair.
- Similarity to natural light, which is easier on our eyes and better for employee morale.



"Our National Fleet team understands the effect that our ground fleet has on the environment and works diligently to reduce that impact. I would like to recognize David Yancey, Ken Johnson, and the rest of the fleet team for identifying and implementing improved route optimization techniques to increase route efficiency and reduce gasoline consumption on an expanded scale in 2017 and 2018."

Robert Severini Executive Director, National Logistics Quest Diagnostics

Environmental Goals 2018

KPI	Goal	Progress update
Energy/resource use: (Metric)		
Renewable energy Use (%)	We will use at least 5% (on avg) green energy for electricity sourcing for the next 3 years.	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.
East region energy use (Utility use % off baseline)	We will 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.	Construction began in 2018.
Patient Service Centers (PSC) consolidation (Utility use % reduction)	We will reduce utility use by 3% by 2021 in our Patient Services division.	Since 2016, we have consolidated numerous PSCs, which reduced our PSC sq footage while increasing patient visits.
Lab platform consolidation (KWH & gallons water / test performed)	By 2020, we will evaluate our lab testing platforms for improved efficiency/impact, establish a baseline and publish an energy/water reduction goal for the effected instruments, and will start to roll out the lower impact solution by 2020.	The evaluation started in 2018 and is 50% completed.
Waste Creation		
Paper waste reduced in tons	We will 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 annually from our baseline in 2016.	In 2017, we began our e-technology efforts in the Patient Service Centers (PSCs). We implemented e-registration in 2017, converted several other documents to electronic forms in 2018, and recognized first-year reduction of 790 US tons.
Plastic waste reduced in tons	We will 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.	In 2018, we converted a high-volume urine specimen container to a lighter weight container, averting 95 US tons of plastic from the landfill.
ISO standardization		
(ISO 14001 Elements in place; lab certification)	We will have at least 1 lab ISO 14001 certified by 2022.	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. We have implemented the Local Environmental Inventory (LEI) assessment in Q1 2019, 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.
MTCO2e reduction		
MTCO2e reduction	We will reduce the metric tons of CO2 equivalents (MTCO2e) from our waste by 15 metric tons per 1 million patient encounters per year for the next 3 years.	This target incorporates paper waste reduction in our Patient Service Centers and plastic waste reduction through our new urine specimen container. For 2018, we have reduced MTCO2 equivalents by more than 17 metric tons.



The urine cup conversion project reduced our plastic use by 233,690 pounds annually—that's 94.8 US tons of plastic kept out of landfills.



Route optimization cut fuel consumption by 69,231 gallons and CO2 emissions by 1,356,923 lbs (617 metric tons).



"In addition to reducing our environmental impact, achiving LEED certification 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."

Jim Davis Executive Vice President, General Diagnostics Quest Diagnostics

Urine cup conversion to reduce plastic waste

Quest works with suppliers to find products and processes that can minimize waste across our operations. In 2018, we saw the opportunity to utilize a specimen cup that contained 61% less plastic. After reviewing utilization guidelines, we determined that the safety and quality of urine specimens would be unaffected if we switched from a 90-mL sterile urine container to the more resource-efficient routine specimen cup.

LEED certification to conserve resources

Quest has invested in making our **Secaucus, NJ, headquarters** LEED equivalent—a rating that recognizes resource-efficient design, operation, and maintenance—through exterior and interior design features. The Secaucus location was certified LEED Gold for interior design and construction, and included innovations such as:

- Auto-flushers on toilets
- Motion-detected water supply on sinks
- · Motion-detected and LED lighting
- Energy-efficient HVAC units
- Hydration stations with filtered water and Bevi machines, which saved more than 22,000 plastic water bottles from March to December 2018

Our **new lab in Clifton, NJ**, is also on track to be LEED equivalent, with similar design features and a dedicated green space for employees.









Build Value

Quest is the world's leading provider of diagnostic information services and plays a crucial role in the health-care ecosystem, empowering people to take action to improve health outcomes. At the core of our business is ensuring that we build value for our internal and external stakeholders in the short- and long-term. We're staying true to our 50-plus-year history as a leader in the clinical laboratory industry, while also using our unique relationships and expertise to fill gaps and build connections in the care continuum, such as streamlining clinical trials and empowering patients to order their own testing. We're continuing to invest in R&D to find the innovations of tomorrow that will help us better serve our patients, families, partners, clients, and shareholders. and shareholders.

Provide healthcare connectivity solutions to >335,000 clinician and hospital accounts and interface with approximately **700 electronic** health records systems

46,000 employees



Logistics:

Make approximately 77,000 stops daily



Logistics:

Approximately 3.750 courier vehicles

Logistics:

25 aircraft serving the US





>6.5 million registered **users** in our MyQuest™ health portal and mobile connectivity solution





QuestDirect™ is now available in 48 states

Processed approximately

168 million test requisitions

Access to approximately

90%

of US insured lives

MyQuest™ 2.0: Empowering patients and caregivers with centralized health records accessible anywhere, anytime

As consumers become increasingly engaged in their healthcare, they want knowledge but aren't sure where to turn. Our recent "Know Your Numbers" survey found that consumers are more likely to know their WiFi password than critical health information, such as their blood type, cholesterol, and blood sugar levels. That's why Quest is committed to empowering patients with diagnostic insights they can access easily using our newly redesigned MyQuest patient website.

MyQuest 2.0 empowers patients and caregivers to manage their health and the health of those they love by tracking their test results, scheduling appointments, and sharing data with their healthcare providers. The new My Circle feature allows users to request access to a loved one's test results so they can support them in making the best decisions for their health.

In addition, MyQuest's integration into Health Records on iPhone makes getting the information that helps drive important healthcare decisions simple, intuitive, and secure. "Healthcare is complex. If we can take elements of consumer behavior and incorporate it into the day-to-day aspects of what we're trying to accomplish, we can make that complexity less difficult and let consumers engage with their health information in their way and their time. Those little wins all add up to a much better experience," said Jamie DePeppo, Executive Director, Consumer Marketing, Quest Diagnostics.

Driving innovation with a digital mindset



At Quest, we are driving a digital mindset where we lead with innovation. When we set out to create our MyQuest™ solutions for consumers, we leverage design-thinking methodology, which involves observing, engaging, and empathizing with consumers to ensure we are engaging them in a personal and meaningful way. We encourage the team to challenge the status quo to not only drive

incremental value, but stretch ourselves to disrupt and lead the industry.

The MyQuest redesign is part of a larger effort to streamline the lab testing experience, from start to finish. Here's a typical patient journey using MyQuest:



Choose when and where to get lab testing.

- Book an appointment at the nearest Quest Patient Service Center, or look up which has the shortest walk-in wait time.
- Use e-kiosk for easy check-in at the PSC.



Access test results online or in Apple Health.

- Receive a text message when your results are available.
- View trends over time to track your progress.



View test results for those in your care with My Circle.

- With their permission, access the results of loved ones to help them make the right health decisions.
- Coming soon: Pay for the lab testing of anyone in My Circle.



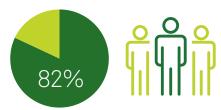
Share test results with your healthcare providers.

 Support productive communication for both routine and critical care.



Get real-time price estimation, and pay your bill online.

- Pricing transparency means no more surprise bills.
- Coming soon: PayPal, Apple Pay, and Amazon Pay.



82% of adults had a lab test in 2018...

...but 1 in 3 don't know where the results are. "Know Your Numbers" Survey from Quest Diagnostics

QuestDirect™: Empowering consumers to buy their own lab tests online, no doctor visit required

Our mission to empower better health with diagnostics insights means ensuring consumers feel equipped to make the best decisions for their health. To meet their demand for simple, convenient ways to stay engaged in their healthcare, Quest is now offering direct access to lab testing through QuestDirectTM, our consumerinitiated testing (CiT) platform.

QuestDirect is a convenient, streamlined website that lets consumers shop online for popular lab tests without requiring a doctor visit—a major breakthrough for those who want to proactively manage their health or who don't have insurance. "Consumers are more engaged in their healthcare than ever before," said Cathy Doherty, Senior Vice President and Group Executive, Clinical Franchise Solutions & Marketing, Quest Diagnostics. "They're taking control of their health and well-being, and we want to empower them on that journey."

To help ensure the platform is as consumer-friendly as possible, the QuestDirect team is continuously improving its features and functionality based on user feedback. "We've done a lot of research to meet consumer expectations," said Ashwini Dumaswala, Senior Director, Product Management, Consumer Initiated Testing, Quest Diagnostics. "Every aspect of the QuestDirect user experience has been optimized to make the platform intuitive and easy to use."

Quest's CiT offering began as a pilot in a few states in 2016. Since then, demand for CiT has grown, and we now offer the service in 48 states (45 through QuestDirect). Trends such as personalized medicine, the availability of genetic health risk tests, and a shifting payer landscape have all contributed to consumer demand for access to health information, and paved the way for QuestDirect.

"We expect the demand for QuestDirect to continue growing, and will be expanding the test menu to meet diverse consumer needs," said Dumaswala. "QuestDirect, along with MyQuest™ and our other consumer offerings, points to our long-term vision of Quest being the consumer lab provider of choice."



QuestDirect in 3 simple steps:

- 1. **Shop online** for the lab test(s) you need.
- 2. Find a local Quest Patient Service Center and book an appointment that's convenient for you.
- Get easy-to-understand results delivered directly and securely to your smartphone, tablet, or desktop via your free MyQuest account. Easily share results with your physician; if you don't have one, you can consult a PWN-affiliated physician or care coordinator.



Defending data against rapidly evolving security threats:

How Quest IT Security safeguards our systems

As technology evolves, so do security threats. That's why Quest Diagnostics maintains a comprehensive, enterprise-wide IT Security Program to help ensure that our facilities, information systems, and data remain private and secure.



"From our CEO to our front-line employees, we all know the crucial role we play in protecting our customer data."

Terri Cetera Senior Director, IT Risk & Compliance Quest Diagnostics Quest has access to more than **40 billion data points** from test results over the past decade. Here's how our IT Security Program attempts to keep them all safe:

We protect data throughout its life cycle—from entry to disposal.

Quest protects confidential information in our systems by using firewalls, limiting network access, monitoring and responding to potential security breaches, addressing software vulnerabilities, and using secure transmittal methods.

We train every employee on the importance of data security.

Quest's extensive, industry-leading security awareness training recently expanded to include phishing exercises that are sent to 20K+ employees quarterly, as well as continuing education for software developers on secure coding practices.

In addition, cybersecurity overviews are provided to the Audit and Finance Committee of our Board of Directors at least annually, and are a focus of Quest's entire Board of Directors.

We enforce robust security practices at facilities.

All Quest facilities have strong security measures in place, including enhanced security at all data centers, secured areas for storage of confidential information, and regularly updated disaster recovery and business continuity plans.

We perform point—in-time assessments of risks of our suppliers and business partners.

Quest requires the businesses we work with to execute contracts ensuring they have information security measures for their IT systems, data, and employees when appropriate. In addition, our supplier risk management program performs IT risk assessments as needed.

Piloting blockchain technology to improve healthcare data quality:

Quest co-founds Synaptic™ Health Alliance

As the leading provider of diagnostic information services, we know the power of data accuracy for our patients and their doctors. Inaccurate, outdated provider data can negatively impact payers, providers, and consumers. That's why Quest, Aetna®, Acension, Humana®, MultiPlan®, Optum®, and UnitedHealthcare® have joined together to found the **Synaptic Health Alliance**, a pilot program using **blockchain technology** to improve data quality associated with changes to healthcare provider demographic data.

According to the Alliance, blockchain technology is a shared, distributed digital record on which transactions are chronologically documented in a cooperative and tamper-free manner. Today, managed care organizations, health systems, providers, diagnostic information service providers, and other healthcare stakeholders usually maintain their own records, which can lead to differing and outdated information. Using blockchain technology to manage provider data throughout the healthcare ecosystem will reduce administrative costs and result in a better patient experience.

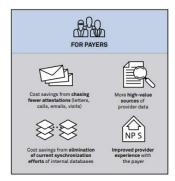


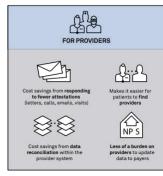
"With the explosion of health data, organizations need better ways to share and harness information to yield clinical and economic value. We are connected to more than 650 EHR platforms and a majority of health systems and physicians in the US, so we bring a unique level of insight into how to connect people and organizations across healthcare. Better quality data leads to better

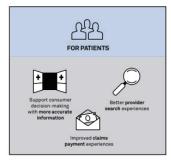
decision-making as well as better patient care and experiences—that's the promise of what this Alliance hopes to deliver."

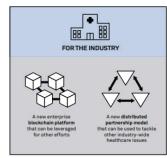
Gabrielle Wolfson Senior Vice President, Chief Information & Digital Officer Quest Diagnostics

Potential benefits of blockchain technology in healthcare









Engaging suppliers to advance Quest business objectives

Suppliers are an essential player in the team sport of healthcare, providing Quest with the high-quality products and innovative solutions we need to deliver diagnostic insights. However, we believe the value of our **supplier relationships** goes beyond the products we purchase. Through our commitment to working with suppliers who share our core values, we're able to drive excellence in our operations while supporting the well-being of the communities we serve.

Engaging suppliers who share our values

Our Supplier Business Engagement Model (SBEM), a systematic approach to selecting, managing, and recognizing best-in-class suppliers, helps ensure we work with suppliers who share our commitment to ethics, sustainability, citizenship, quality, and technology. To help ensure all of our suppliers adhere to our Code of Business Ethics, prospective suppliers must go through a comprehensive selection process that evaluates their quality, reputation, and financial and regulatory risk. In addition, Quest asks all core suppliers to complete an assessment and survey that includes CSR questions at a minimum of every 3 years in order to keep the issues of CSR in the forefront of its third-party relationships.

Supporting diverse business communities

While large suppliers are often better equipped to provide products and services across our enterprise, Quest is committed to working with small businesses and certified diverse suppliers whenever possible. Quest works proactively to offer opportunities to small businesses, particularly where we can foster economic opportunities for those small businesses owned by minorities, women, veterans, and service-disabled veterans, and those located in historically underutilized business zones (HUBZones). Last year, 11% of our supply-chain spend—more than a quarter billion dollars—went to small businesses.

"Working with diverse suppliers advances our business objectives. By actively seeking smaller businesses as well as those owned by women, minorities, veterans, and the service-disabled, we can drive economic growth while empowering the communities we serve."

Tom Plungis
Vice President, Chief Procurement Officer
Quest Diagnostics

We work with industry organizations that share our commitment and focus to diverse suppliers, including National Minority Supplier Development Council (NMSDC), Health Care Industry Group (HCIG), the National Gay and Lesbian Chamber of Commerce, and the Institute of Supply Management.

In 2019, we've set a strategic goal to increase our utilization of diverse suppliers through improved communications channels, internal education on the value of utilizing diverse suppliers, and ensuring our existing suppliers are registered and certified. We've committed internally to ensuring we connect relevant procurement professions with new potential small and diverse suppliers.

Collaborating with suppliers to reduce our environmental impact

We continue to use analytics and industry guidelines to reduce our environmental impact through changes in packaging, product utilization, freight/fuel consumption, and waste. We recently worked with a supplier to implement LED lighting at some of Quest's lab facilities. **You can learn more in our Environmental Sustainability section.**





Bringing patients, physicians, and clinical trials together to save lives

Clinical trials can lead to life-saving treatments and medications, but connecting eligible participants, physicians, and researchers can be difficult. Quest is dedicated to supporting the development of innovative therapies that can improve patient lives. To help move new treatments from vision to reality, we're driving more effective and timely clinical trials through Quest Clinical Trials Connect, a powerful platform that connects patients and physicians to the right clinical trials at the right time and place.

Quest Clinical Trials Connect brings patient, physician, investigator, and other third-party data together to evaluate eligibility—by location, age, lab test results, or other criteria—and enable targeted outreach to reduce recruitment time. The secure, scalable platform will cultivate and track consented relationships with patients and physicians, making the analytics actionable in a HIPAA-compliant way. This multiphase program is designed to be a complete, end-to-end solution, with built-in management and reporting tools to measure impact.

Through site validation, physician outreach, and direct patient screening, Quest Clinical Trials Connect helps solve the historical challenges of clinical trial enrollment—narrow inclusion criteria, low patient awareness, and low physician participation—that have made bringing new treatments to market a time-consuming and expensive endeavor. In addition, Quest's interactions with multiple healthcare stakeholders—from patients and physicians to pharma, health plans, and health systems—equips us with the connections needed to drive more efficient clinical trials and accelerate progress in healthcare.

Our current service offerings are focused around trial logistics and recruitment:







Future service offerings will include these and others:









"Quest's powerful relationships across healthcare, along with our deep analytics capabilities, leave us uniquely positioned to change the future of clinical trials. By streamlining patient enrollment, Quest Clinical Trials Connect helps accelerate

testing, get new treatments to market, and bring new hope to patients and caregivers."

Bernadette Tosti Executive Director, Information Ventures Quest Diagnostics

Helping employers build a healthier workforce:

Quest study finds diabetes risk reduced by one-third after screening and digital counseling

Employer wellness programs that combine laboratory and biometric screenings with digital behavioral counseling can significantly reduce employees' risk of developing diabetes and heart disease, according to research from Quest that was presented at the American Diabetes Association's 78th Scientific Sessions in 2018.

According to the CDC, more than 80 million Americans have prediabetes, and about 25% will develop type 2 diabetes within 5 years. Diabetes and heart disease are among the most prevalent chronic conditions in the United States and are major drivers in healthcare costs for employers and their employees. To help demonstrate how employers can drive better health outcomes and lower costs, Quest examined 3 years of de-identified lab and biometric test results for 107 at-risk participants in an **employer-sponsored wellness program** who were also engaged in a digital diabetes intervention program.

Key findings:

- One third (32%) of participants whose initial tests results showed evidence of prediabetes^a or diabetes^b achieved normal blood levels.
- Twenty-nine percent of participants lost 5% or more of body weight.
- There was a significant drop in triglycerides, a marker of heart disease risk, and a reduction in the 10-year risk of developing heart disease.

"Many employers are eager to implement employee wellness programs that drive better health and cost outcomes, but are unsure of how best to achieve these goals," said lead researcher Charles E. Birse, PhD, Scientific Director, Quest Diagnostics. "This study demonstrates a viable 2-step solution—identifying people at higher risk using objective lab and biometric measures and then supporting their access to programs to modify behaviors and thereby reduce those risks."

The cohort of 107 at-risk individuals participated in a 16-week digital Diabetes Prevention Program (DPP) focused on education and behavior modification offered through a partnership with Omada Health, a digital behavioral medicine company focused on chronic disease prevention.

"Workplace wellness programs are the only meaningful interaction many people have with the healthcare system, but it's the employers who foot most of the bill for care costs. This study demonstrates that a population management strategy that combines screening with targeted intervention can meaningfully improve health outcomes and, ultimately, lower costs for employers and their employees."

Jay Wohlgemuth, MD Senior Vice President, R&D, Chief Medical Officer Quest Diagnostics



^a Fasting glucose (FG) 100-125 mg/dL or hemoglobin A1c (HbA1c) 5.7-6.4%.

^b FG ≥126mg/dL or HbA1c ≥ 6.5%.

Create an **Inspiring Workplace**

The healthcare industry is constantly evolving, and the greatest asset we have to meet the needs of our customers and patients is the expertise, experience, and passion that each of our 46,000 employees brings to Quest every day. When employees feel welcomed, included, and valued, they inspire others to bring their best selves to work, too, which fuels the engine of innovation at Quest. On our journey to create a high-performing culture, we invest deeply in the development and well-being of our employees through training, mentoring, coaching, and counseling to ensure they have a safe place to share struggles, learn new skills, and become empowered to be their authentic selves.

37.000 employees &

participated in the Blueprint for Wellness® health screening program at Quest

of LeadingQuest Academy Leadership Development Program

Insight into our Business

of Quest employees participated in our Quest **Employee Survey**

involved in our 9 Employee **Business Networks**

2018 **Quest Hero** Winners



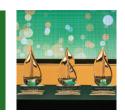














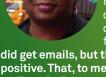
"I love knowing that what I do has an impact on peoples' lives. Being a registered nurse I was able to see firsthand the impact our test results have on our clients. Quest Diagnostics has been my life; it was my

2018

first real job and will probably be my last. It has provided me with a comfortable and happy life. It has also provided me with lifelong friends. I feel like I have had an impact on peoples' lives by the work that I do."

Ardeen Shuriah

Hematology Supervisor, Southeast Region



"I'm used to being harassed or fired when I disclose my transgender identity. At Quest, I was invited to inform and educate. I braced for hate when I published my story on the company's homepage (I like to say I outed myself to 40,000 of my closest friends), and...it never happened. I

did get emails, but they were, to the last, supportive and positive. That, to me, is the power of Quest's commitment to diversity."

Jaelyn Banks, Clerk, Printing III-Novi MI, "Transbassador" of TransPride, the Quest Pride EBN transgender subgroup,

9 Employee Business Networks



African-American Business Leaders













Women in Leadership





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Our commitment to a diverse workforce and equitable compensation

As a company that believes a diverse workforce better positions us to serve our communities and customers, we are committed to equitable compensation for all our employees and to supporting the advancement of women and diverse employees in our organization. We are composed of approximately 70% women and 50% minorities. Women hold over 55% of our management roles, and minorities hold approximately one-third of our management roles. Additionally, 45% of our Senior Vice Presidents and higher are women or minorities.

Our commitment to diversity and the advancement of women and other diverse employees in our workforce

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 network, African American Business Leaders, our Hispanic/Latino network, Pride network, and DiverseAbilities, work closely with their Executive Sponsors and Human Resources to provide their members with development opportunities, including networking, mentoring, and job shadowing. Their 2018 activities are highlighted on pages 31-32 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 promote women in the workplace and accelerating gender

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

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

Our commitment to equitable compensation

Program design. 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.

Compensation packages. 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 non-exempt employees with overtime pay, and we pay shift differentials where appropriate.

Centralized oversight and common review. We maintain a centralized compensation 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, at around the same time every year, 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 generally are migrated to Quest benefits programs, and their compensation is aligned with appropriate Quest pay ranges, generally 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.

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 analysis have not uncovered any statistically significant compensation disparities based on gender, race or ethnicity. We also review data regarding the diversity of our workforce on a regular basis. Quest annually conducts an 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.

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.

Quest Employee Business Networks: Celebrating diversity and supporting an inclusive, inspiring workplace

At Quest, we know that having a diverse, inclusive workforce will not only create an inspiring work environment, but help us promote a healthier world by filling our ranks with employees reflective of our customers and their loved ones. To support diverse employees, our **Employee Business Networks** (EBNs) help members develop leadership skills and business acumen, connect with colleagues, and build their personal network. We're pleased to share 2018 highlights from 4 of our EBNs below.

DiverseAbilities EBN expands Quest's Autism Hiring Initiative

The DiverseAbilities EBN actively seeks out candidates with neuro-diversities, such as those on the autism spectrum, to work for Quest. In 2018, DiverseAbilities expanded Quest's Autism Hiring Initiative into our lab in Teterboro, NJ. To date, we have hired more than 20 neuro-diverse individuals—mostly in the Specimen Processing and Forensic Processing departments—to work at the Teterboro facility as well as labs in Tucker, GA and Lenexa, KS. In 2019, we plan to expand our Autism Hiring Initiative with new roles in additional labs.

"Through DiverseAbilities hiring initiatives and employee trainings, we're showing that our company thrives when it's inclusive of all people and reflects the diverse communities we serve," said Linda Behmke, QMS Sr. Project Manager, and DiverseAbilities Employee Business Network Lead, Quest Diagnostics.



Pride EBN launches West Region chapter at the 2018 Los Angeles AIDS Walk

On October 21, 2018, 120 Quest employees, as well as their family and friends, joined the Los Angeles AIDS Walk to celebrate the launch of the Pride EBN chapter at our West Hills, CA lab and demonstrate Quest's commitment to the LGBTQ community. After greeting walkers with shirts and rainbow flags, they joined more than 10,000 caring people on the streets of Downtown LA to show support for people living with HIV/AIDS and to promote access to healthcare for all. The event raised over \$1.5 million for APLA Health and other AIDS service organizations.

"The West Hills chapter is looking forward to creating opportunities and a safe space for LGBTQ employees," said Kevin Buonaiuto, Manager, Client Operations, and Co-lead, Pride Employee Business Network, Quest Diagnostics. "The group plans to focus on conducting outreach to homeless youth, supporting the establishment of a LGBTQ center in Downtown LA, and continuing to promote Quest as a healthcare company that supports all people."





Women in Leadership, African American Business Leaders, and Young Professionals EBNs provide mentoring programs

Mentoring programs are essential to building a pipeline of talent, as they allow Quest employees at all levels to build their business acumen while gaining visibility and career development. In 2018, more than 110 employees participated in the mentoring pilot program offered by our Women in Leadership (WIL) EBN and the mentoring circles program offered through our Young Professionals and African American Business Leaders (ABL) EBNs.

As one of the most senior EBNs at Quest, mentoring isn't new for WIL. However, previous programs were administratively challenging, so they launched this new program that leverages technology to train and connect mentoring pairs. Out of 150 invited members, 90 agreed to participate, creating 45 pairs of mentors and mentees around the country. These pairs meet on their own time to provide a safe space for each other where they can share experiences, gain insight into career paths, and develop essential business skills, such as executive presence or having challenging conversations. Going forward, WIL is looking forward to expanding the program to a large pilot in 2019.

"Connecting with someone who doesn't work in the same area that I do is highly valuable. Listening to her experiences and understanding how to apply experiences universally, no matter the department or area, really forced me to think more creatively," said one mentee about her experience.







Young Professionals and ABL wanted to give their members mentoring and access to leaders in a way that would build their business acumen, and they found a solution in mentoring circles in 2017. In a mentoring circle, a senior leader at Quest acts as a mentor to multiple mentees in a group setting, meeting with them every other month for 2 hours. Each mentor works with 7 members from ABL and Young Professionals to share business insights, answer questions, and ensure the mentees have a clear understanding of Quest as it pertains to current and future roles they may have.

"Mentoring is an energizing and effective way to develop and retain future leaders while fostering a culture that supports the achievement of our Quest Diagnostics vision," said Carrie Eglinton Manner, Senior Vice President, Advanced Diagnostics, Quest Diagnostics. "As leaders, it's also important for each of us to have direct connections with employees who work outside of our own teams. Engaging in mentoring helps me gain insight into other parts of the organization while simultaneously helping support, build, and increase our talent pipelines overall."



Empowering employee performance with LeadingQuest Foundations and educational reimbursement

Building a high-performance culture at Quest requires a deep investment in our employees, including training and development opportunities that help them understand how to approach our work, interact with one another, and grow their skillsets. We support employees at all levels in expanding their capabilities through learning programs, tuition reimbursement, and partnerships with universities.

Expanding learning opportunities with LeadingQuest Foundations

In 2015, we launched LeadingQuest Academies (LQA), a program to help those in management roles deepen their skills and knowledge, build shared values and comradery, and effectively carry our company forward. More than 470 leaders have completed these academies, with impressive results. According to our annual employee survey, the direct reports of LQA participants had more trust and confidence in their manager and were more likely to understand how their performance connects to compensation.

In 2018, we expanded this development opportunity to all employees with LeadingQuest Foundations, designed to facilitate essential learning and support both personal development and team/department development. Employees complete a self-assessment to identify training gaps, and can then pursue self-guided learning, instructor-led learning, micro-trainings, or elearnings to support their development. Over 1,350 employees have already participated in this program.

"LeadingQuest Foundations builds on the success of our higher-level programs to help ensure all employees have competence in Quest Behaviors and a common vernacular of leadership capabilities," said Tovah Stroud, Executive Director, Organizational Effectiveness, Quest Diagnostics. "It connects our vision, goals, and strategy, and helps employees at all levels in the organization understand how their coaching and role-modeling aligns to our desired, high-performance culture."

Providing a path to education with our university partners, Capella and Ashford

Quest empowers employees to pursue higher learning by offering a tuition reimbursement program of up to \$5,250 per year for students, pending completion of coursework with a passing grade. In 2018, Quest provided more than \$3 million

in tuition reimbursement to employees.

Quest also supports higher education through partnerships with Ashford and Capella Universities. Ashford University offers Quest employees the Leader Development Grant, which makes it possible to earn a bachelor's or master's degree at no cost to the employee from Ashford and the Forbes School of Business[®]. Capella University has worked with Quest to offer employees the opportunity to earn a bachelor's or master's degree at low or no cost to the employee since 2017.

eLearning content enhancements

Over the past year, Quest has invested more than \$100K to identify world-class external eLearning offerings that enable us to deliver well-curated eLearning opportunities to our employees. We offer a comprehensive library of eLearning courses, giving employees a variety of formats, styles, and lengths, including a focus on micro-learning that inspires "Just in Time" and "Quick Hit" training.



A doctorate opens doors for Quest manager Adeniran Koko

Adeniran Koko earned his doctorate in psychology with a specialization in organizational leadership last year from Capella University. A scientist with a master's in microbiology, as well as an MBA, Adeniran said he always wanted to earn a PhD, and an online program worked best

for his busy schedule. Quest supported Adeniran in his endeavor, offering him assistance with his tuition, which was augmented by Capella. Now a senior project manager for Quest's esoteric reference laboratories and the national co-leader for our African American Business Leaders Employee Business Network, Adeniran is a valuable resource for mentorship and organizational leadership.

Quest Excellence award: Celebrating inspiring leaders who push our teams and company forward

The annual Quest Excellence award celebrates leaders at all levels who create an inspiring workplace. The winners embody our core values, support the success and development of others, bring passion and positivity to their work, and inspire others to maximize their potential. Out of 384 nominations, we're proud to present these 6 winners of the 2018 Inspirational Leadership Quest Excellence award.



Mark Mahmood, Supervisor, Referral Testing, Houston, Texas

After joining Quest in 2011 as a specimen technician, Mark transitioned in 2016 to become a pre-analytical operations group lead. Today, he leads his team in Houston with the perspective that leaders exist to make life easier for their front-line employees. Mark motivates his team to work harder, exceed their goals, and listen to customers, an approach that translates to great service for our clients and patients.

"Mark inspires everyone to work hard and be professional, and creates a positive work environment. We're all so proud of him."

Mohammed Shakir Mahmood Technician Specimen III Quest Diagnostics



Mike Heeney, Controller, Secaucus, New Jersey

In his 7 years as part of Quest's Centralized Accounting group, Mike's ability to motivate and inspire has left a big impact on his team and beyond. Highly collaborative and creative, he led a restructuring project that greatly simplified the way we report financial data. He's committed to fostering junior employees' development—often including them in higher-level meetings—and is quick to recognize

and reward a team member's talent and hard work. Mike is also a big supporter of work-life balance, and provides office coverage so his team members can take advantage of a work-from-home option.



Dorothea Momon, Supervisor, Teleunderwriting, Lee's Summit, Missouri

Dorothea has been part of the Quest family for 16 years. In 2017, she led her team to become Quest's #1 call center group in the country, leading in metrics, engagement scores, and attrition rate. Highly knowledgeable, hardworking, and empathetic, she is known to be a champion of her employees' development, both personally and professionally. She also frequently drives charitable events, embodying the caring spirit of Quest.

"Dorothea is hands-down the best boss that I've ever had. She always helps me figure out any issues I have, and makes sure that I'm informed of all the rules and regulations I need to know to continue to have success here at Quest."

Meryl Nicole Garbin Risk Interviewer III Quest Diagnostics

"Mike truly exemplifies what this award is all about. His commitment to excellence and enthusiasm inspires us all to work hard and bring our A-game to every day. His unwavering support of our ideas fosters a creative and problem-solving environment that drives the success of our department."

Adam Debbeekeh, Supervisor Centralized Accounting Quest Diagnostics



Liza Jerzy, Team Lead, Connectivity, Troy, Michigan

Liza's impressive 36-year career at Quest began in specimen processing and sales, before she found her home in client connectivity. For the last 10 years, she's led her team with extensive expertise and an infectious positive attitude, driven by a passion for making customers happy. In the last 5 years, she's received over 100 recognitions—32 of them in 2018 alone—highlighting her strong customer focus and dedication

to mentoring and empowering her team members.

"I've been working under Liza's leadership for ten years, and she's the reason why I get up in the morning and want to come to work every day. Even on my toughest days, because of her incredible coaching abilities, she empowers me to be the best that I can be."

Julie Torrez Connectivity Operations Specialist Quest Diagnostics



Mitchie Hawkins, Manager, Customer Solutions, Houston, Texas

Mitchie joined Quest 20 years ago as a dispatcher, and now leads a team of 18 in Customer Solutions. This challenging role requires an understanding of complex lab operations and the ability to translate that to customers and patients. Mitchie teaches her team to work collaboratively across departments with empathy and compassion. She strives to develop and recognize talent, and 4 of her

employees received a promotion in 2018.



Suzanne Ferrara, Supervisor, Patient Services, Wallingford, Connecticut

Suzanne has been helping Quest succeed since 2004. Out of over a thousand employees in Patient Services, she was recognized as the "Most Valuable Player" in the department. Her exceptional dedication to quality patient care is evident in her high performance scores and her willingness to participate in projects that push the company forward. Whether she's mentoring employees to grow in their skillsets and confidence, or bringing in baby blankets for expectant mothers,

Suzanne's empathy, knowledge, and thoughtfulness drive her team to succeed.

"I want to thank Suzanne for converting my mistakes into lessons, and guiding me professionally and personally. She really knows how to bring out the best in people, and her leadership skills make it easy for her to manage our team, even with our diverse cultures and backgrounds. She has done so much for me, and I don't know what I would do with her."

Ichakou Baba Group Lead Quest Diagnostics

"Mitchie Hawkins is definitely in it to win it. She understands that being efficient in problem solving and bringing solutions to our clients is what helps keep them with Quest. She absolutely understands that providing our clients and patients with the best possible experience is essential to all of our success."

John Malone Sales Director Quest Diagnostics

Driving healthy behaviors and resources for mental health with HealthyQuest

At Quest, our commitment to empowering better health begins at home with our colleagues and their families. Now in its 14th year, our award-winning health and well-being program, HealthyQuest, equips our 46,000 employees and their dependents with best-in-class tools and resources to improve their health and save money under the banner of putting "Health in Your Hands."

At our labs and other locations around the country, volunteer **HealthyQuest** leaders create a culture of health by encouraging employees to engage in diverse wellness activities, offering tools and resources designed to support healthy life choices, and building an inclusive community around healthy living.

In 2018, we launched 2 new HealthyQuest Initiatives. The Worksite Health Improvement Fund provided grant funding to 14 of our HealthyQuest leaders to pilot local health initiatives, such as fresh produce for night-shift workers, waterbottle stations, and onsite exercise programs. The Healthy Worksite Certification Program—modeled after American Heart Association guidelines for healthy worksites—offered internal recognition to 18 of our locations for demonstrating a commitment to health in the workplace.

We also built on the impact of our targeted support programs like Quit for Life and Omada Health with additional targeted interventions leading to measurable improvements in health, engagement, and cost. A record 37,000 employees and their spouses/domestic partners participated in our world-class Blueprint for Wellness® health-screening program.

At Quest, we recognize that mental and emotional health is an essential component of overall well-being, and often intersects with and influences other aspects of health. That's why we launched programs and trainings to support stress reduction and resilience, including onsite coaches, webinars, and our own e-learning. We also have social workers onsite in 4 locations to support employees' needs and connect them to community resources.

In 4 of our largest locations, we partnered with Johns Hopkins to pilot Balance, an emotional health program that offers proactive screening and a licensed care concierge to help employees navigate the mental health journey. Seventy percent of participants' scores reflect moderate- to high-risk acuity, suggesting that we are engaging individuals who need support and may be taking their first step towards getting care. In 2019, we plan to scale this initiative, with a full launch in 2020.

"We have tremendous opportunity to have a positive impact on employees' physical and emotional well-being. By investing in healthy workplace initiatives and proactive screenings, we can help connect employees to the resources they need to bring their healthiest selves to work each day."

Anita Satish National HealthyQuest Program Manager Quest Diagnostics



Standardizing safety across our work environments so employees can thrive

Quest's impressive safety record is built on the belief that creating a healthier world begins with the health and safety of our own employees. Our Environment, Health, and Safety (EHS) program continues to invest in best practices, such as a robust center-led corporate EHS audit program, incorporating ISO 45001 and 14001 elements into our EHS strategic planning process, and vehicle technology to improve safe driving behavior.

In 2018, EHS focused on continuing to invest in our corporate audit program, improving our EHS strategic planning process to include sustainability goals, and formalizing the inclusion of ISO standardizations in our Safety and Environmental Management systems.

EHS audit program achieved 90% closure rate

Launched in 2017, the Corporate EHS Audit Program conducts an audit in each of our 10 regions and business units annually. Every audit is made up of a team of 5-7 EHS professionals from across the enterprise, led by a corporate inspector. The team inspects over 700 individual elements over the course of a week, and creates a risk-based action item list for the inspected lab. Corporate EHS then partners with the lab in order to track and assist in closing action items. EHS audits are also used as a platform for professional development, building rapport and comradery as well as identifying and sharing best practices.

EHS launched Annual Strategic Planning Process to maximize efficiency

EHS launched an Annual Strategic Planning Process aligned with ISO Safety and Environmental Standards to give regional and business safety leaders a template for identifying and closing local program gaps; standardizing communication, training, and professional development; and utilizing a scorecard for tracking commitments and effectiveness. Each safety leader presents their plan to their peers, and shares their initiatives to improve their program.

"Embracing ISO Safety and Environmental standards will help Quest standardize EHS programs and performance across the enterprise. Continuing to invest in our corporate EHS audit program will verify that our initiatives are in place and will foster collaboration and the sharing of best practices. As more safety leaders engage with each other to solve similar issues, we can maximize our efforts to reduce workplace risks and create safe, healthy work environments."

Nick Milillo
Director, EHS
Quest Diagnostics

EHS in 2018



Audited 7 labs



To date, more than 90% of the safety gaps identified have been closed, and we are working to address the remaining items



Cases of lost work days were reduced by 20% since 2016



Supporting each other during challenging times:

Quest Employee Relief Fund helps families recover from natural disasters

In 2018, communities across the country were hit with major natural disasters that left property destroyed and families displaced, and many Quest employees were affected. When a federally declared disaster occurs, Quest is there to help our employees in need with informational resources, moral support, and direct financial assistance through the Employee Relief Fund.

The Fund provides grants and/or loans to employees living in impacted areas, such as those whose property has been damaged or destroyed and/or whose losses are not covered by insurance. Made possible by donations from caring Quest colleagues and by a company match, the Fund disburses a maximum of \$2,000 per grant and \$3,000 per loan to help cover critical expenses, such as home repairs, new vehicles, evacuation costs, and temporary housing fees.

In 2018, more than 1,100 Quest employees contributed to the Fund, and 33 individuals were approved for grants and/or loans. The Fund was opened following 4 federally-declared disasters that year: Hurricane Michael in the Florida panhandle region; Hurricane Florence in the Carolinas; a tornado in Iowa; and the California wildfires.



"Quest is in the business of caring for people, and that includes our employees. The Employee Relief Fund is expected to be a continuing source of disaster relief across the company to help our colleagues in need during these challenging times."

Ali Kiboro Vice President, Finance, Commercial Quest Diagnostics





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Standing together with the communities we serve:

Quest lab in Pittsburgh responds to tragic synagogue shooting



Quest is committed to fighting against bigotry in the communities we serve, and to supporting our employees and neighbors in times of need. After the tragic shooting in October 2018 at the Tree of Life synagogue in Pittsburgh, PA, Quest colleagues in the "steel city" looked for a way to help.

"Several of our employees began discussing how the massacre at the Tree of Life synagogue was personally impacting them and their families," said Christine Tobias, Executive Director, Operations, and CEO, Quest Diagnostics

Venture, LLC. "They felt compelled to do something, and the idea of creating a T-shirt with the 'stronger than hate' graphic was born."

Eighty percent of funds raised from the T-shirt sales were donated to the Jewish Federation of Greater Pittsburgh's Victims of Terror Fund to help the families of victims and survivors, and the other 20% went to the Injured Officers Fund, which helps injured police officers.

For some of us, the tragedy struck close to home. A colleague in our Client Services Department lost an uncle, and a client and physician from our joint-venture family at the University of Pittsburgh Medical Center, Jerry Rabinowitz, MD, lost his life.

"So many of us have personal connections to the victims and the Pittsburgh Jewish community. Plus, we have a Patient Service Center in Squirrel Hill, the neighborhood where the shooting took place," Tobias explained. "We all feel that it is important to join together to fight against hatred and bigotry."

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 Protection 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 Heroes: Recognizing colleagues who go above and beyond to serve others

Quest Heroes recognizes colleagues who demonstrate exceptional compassion, kindness, and courage in service to others. We're pleased to share these 7 winners of the 2018 Quest Heroes award.



Denise Cottrill, Sr. Manager, Customer Advocacy and Compliance, Tampa, Florida; Celina Diaz, Patient Services Supervisor, Rancho Cucamonga, California; Sandra Alvarez, Patient Services Group Lead, Riverside, California

When Denise Cotrill received a survey call from a father who was disappointed he had to make an onsite lab appointment for his daughter Taylor—who suffers from a muscular disorder that prevents her from walking or speaking—she immediately arranged for Celina Diaz and Sandra Alvarez to perform the blood draw at Taylor's home healthcare facility, leaving the father with tears of gratitude.



Jose Fernando Perez Martinez, Advanced Route Service Representative, Tarzana, California West Region

While on his courier route, Jose encountered a man bleeding profusely from a gunshot wound. After dialing 911, he applied pressure to the wound to prevent further blood loss until the paramedics arrived—likely saving the man's life—and then finished his courier route.



Sharon Day, Patient Services Representative II (Float), Wallingford, Connecticut North Region

Sharon saved the life of a former Quest colleague by donating her kidney, truly embodying our vision of empowering better health.



Erick Hunter, Patient Services Representative PSR III (Float), Tampa, Florida Southeast Region

When Erick saw a man shooting a gun outside a Quest PSC in Jacksonville, FL, he quickly locked and guarded the door until it was safe, and then rushed to help a girl who had been shot in the parking lot while others called 911. In addition to putting himself in harm's way to ensure the safety of others, Erick made sure there were no delays to patient care.



Anthonia May, Route Services Representative, Gulfport, Mississippi Southwest Region

When Mississippi received an unusually heavy amount of snowfall last January, Anthonia (Tony) May was the only member of the Gulfport Logistics team who reported to work. Tony carefully navigated his route to collect patient samples from grateful clients—even as couriers for competing labs had cancelled their pickups—and successfully delivered the specimens that night to prevent testing delays.

Giving back with QuestCAN:

Employees volunteer to raise funds and awareness for critical causes

As our company has grown and evolved, so has our commitment to making a difference in the communities we serve. The Quest Community Action Network, or QuestCAN, empowers our "chapters" across the country to engage with a variety of nonprofits that align with our business and support employee passions.

"So many of our colleagues have a true passion for volunteering," said Mike Prevoznik QuestCAN sponsor, Senior Vice President, & General Counsel, Quest Diagnostics. "QuestCAN helps us serve the community and boosts Quest's own company-wide efforts to build value and promote a healthier world."



Houston, TX team raises \$5K for Texas Children's Hospital

A team of Quest colleagues and their family members took part in the Periwinkle Kickball Classic and raised \$5,000 for the Periwinkle Foundation, which helps patients at Texas Children's Hospital impacted by cancer and other life-threatening illnesses. Each year, more than 14,000 children are touched by free Periwinkle services, including camps, art activities, and other survivor programs.

Bonus Buzz for Charity winners give back to their favorite causes



The Bonus Buzz for Charity contest asked eligible Quest employees to submit a fun photo of how they used their 2018 tax reform bonus. Eighty winners got to select a charity to Make-A-Wish receive a \$250 donation.

While reviewing a whopping 379 entries, the judges quickly noticed a pattern emerge—many employees shared their 2018 tax reform bonus with someone else. Whether it was buying gifts for loved ones, covering the cost of surgery for a family pet, or donating directly to a charity, church, or school, it became clear that Quest employees thrive in making a difference and giving back to others!



Strategic Pricing team exceeds volunteer goals at Community FoodBank of New Jersey

Thirty members of the NJ-based Strategic Pricing group volunteered at the Community FoodBank of New Jersey for its Third Annual Community Service Day. The organization works to fight hunger and poverty, providing 47 million meals to 900,000 lives per year. Our team aimed to assemble 350 boxed meals to feed the elderly, and surpassed that goal with 847 boxes completed. Naturally, as a Finance group, they calculated that the team exceeded expectations by 142%!

"Volunteering at the Community FoodBank of New Jersey was such a wonderful experience for the team," said Jose Morabito, Vice President of Strategic Pricing, Quest Diagnostics. "People felt connected to the mission of ending hunger in New Jersey and we worked hard to exceed the goal of packing 350 boxes. Everyone was sweaty and dirty by the end of the day. Our efforts clearly showed that Quest Diagnostics cares about the community we work in."





Chantilly, VA Golf Classic raises \$26,500 for The Fisher House Foundation



Quest Diagnostics Nichols Institute, Chantilly hosted its fourth annual Chantilly Golf Classic in Clifton, Virginia and raised \$26,500 for The Fisher House Foundation, an organization best known for its network of comfort homes where

military and veterans' families can stay at no cost while a loved one is receiving medical treatment. This year's amount (which includes Quest's matching gifts program) was raised through 58 golfer entries, a silent auction, raffles, mulligan sales, on-course games, and vendor sponsorships.



Portland, OR employees team up with PeaceHealth for AIDS Walk

A team of 35 employees, friends, and family members teamed up with our partner PeaceHealth for the AIDS Walk Portland, an event designed to raise awareness, help prevent HIV infections, and support and empower people living with or affected by HIV.

"At the Quest tent, we heard many stories from people living with HIV, walkers who were so happy to learn about our services, as well as those who have lost loved ones to HIV and AIDS," said Maite Ryan, Senior Director, Patient Services, West Region, Quest Diagnostics. "AIDS Walk Portland really puts into perspective how every specimen that we touch has a human life and a story behind it."

Quest's business relationship with PeaceHealth started in May 2017 when we acquired the company's outreach business and entered into a lab management arrangement with PeaceHealth laboratories."Our partnership with PeaceHealth is strengthened by our common passion to support the community," Maite added.

Lenexa, KS team raises \$8.5K for the American Cancer Society



The Lenexa QuestCAN team had another successful October of fundraising events for the American Cancer Society (ACS). In addition to being the corporate

"Start Line" sponsor of the ACS Making Strides Against Breast Cancer Kansas City walk, the team raised almost \$8,500 for the local ACS through fun employee activities, including a raffle of designer handbags; the annual pink flower sale; and auctioning off a frontrow winter parking spot at the Lenexa lab. In addition, HealthyQuest provided mobile 3D mammography screenings onsite.

Marlborough, MA team continues fight against Alzheimer's disease



The Marlborough, QuestCAN team took their fight against Alzheimer's disease to a new level last year. In addition to walking at the Worcester County Walk

to End Alzheimer's, they hosted their first annual Chipping for Alzheimer's fundraising event, a fun onsite activity where employees donated money for a chance to "chip" golf balls. Patrick Allen, Contract Specialist for the North Region, created the event in honor of his father, who is affected by the condition. With 25 employees participating, the event raised \$770 for the Alzheimer's Association and helped the walk team reach their fundraising goal.

Performance Indicators
in Inclusion, Diversity and CSR at
Quest Diagnostics

Data and Disclosure Index









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 46,000 employees understand that, in the right hands and with the right context, our diagnostic insights can inspire actions that transform lives.

Quest has approximately 46,000 employees with 99% based in the United States of America. In compliance with federal regulation, we file a mandated, annual EEO Report to the Department of Labor entitled the Equal Employment Opportunity report that outlines our workforce data by race/ethnicity, gender and job category.

EEO Report Data 2018

	Male (%)	Female (%)	White (%)	People of color (%)	Black (%)	Hispanic (%)	Asian (%)	Other people of color & 2 or more races
Exec/Senior Mgr	60.0%	40.0%	80.0%	20.0%	4.6%	3.4%	11.2%	0.8%
First/Mid Lvl Mgr & Professionals	40.4%	59.6%	66.6%	33.4%	10.3%	7.8%	13.6%	1.8%
Technicians	18.3%	81.7%	38.9%	61.1%	25.6%	17.7%	15.8%	2.0%
Sales	35.8%	64.2%	76.1%	23.9%	7.1%	10.9%	4.6%	1.3%
All other roles	34.9%	65.1%	45.1%	54.9%	25.8%	15.1%	12.0%	2.0%
Total	28.4%	71.6%	46.6%	53.4%	22.7%	15.0%	13.8%	1.9%

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

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Environmental Impact 2018

Environmental metric	2018	2017
Square footage of facilities	9,958,293	10,079,778
Indirect energy Tera joules (TJ) per 1M test requisitions	6.84	7.08
Direct energy (TJ) per 1M test requisitions	8.69	8.67
Scope 1 CO2 emissions metric tons (MT) per 1M test requisitions	549.1	554.4
Scope 2 CO2 emissions (MT) per 1M test requisitions*	687.0	690.5
Scope 3 CO2 emissions (MT) per 1M test requisitions	281.5	243.7
Water consumption (thousand cubic meters) per 1M test requisitions	5.75	5.67
Biohazardous waste (MT) per 1M test requisitions	55.8	55.7
Chemical waste (MT) per 1M test requisitions	15.6	23.0
Recycling (MT) per 1M test requisitions	35.7	46.3

Data shared above covers 100% of US operations

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.

^{*}The Scope 2 CO2 emissions include a reduction of ~5% in 2018 based on our use of Renewable Energy Credits (RECs).









Linked index

Торіс	Website/report	2018 Inclusion & CSR Report page(s)
2018 financial data	2018 10K	
Board governance	2019 Proxy Statement	
Our commitment to "Action with Integrity"	Code of Conduct	
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Materiality

This report is the result of collaboration among Quest Diagnostics' Investor Relations, EHS, Legal, Human Resources, Communications, Risk Management, Information Technology, Compliance, and Senior Management teams, and explains our approach to the topics addressed. The topics are selected based on stakeholder feedback through surveys, internal discussions with Quest Diagnostics leadership, and industry guidance. This report has been prepared using the Global Reporting Initiative's GRI G4 Framework as guidance. In addition, we reviewed reports published by companies in our peer group and industry guidance from GRI and SASB to ensure topics were selected with regard to their relevance to our business and their impact on sustainability.

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. Our Supplier Business Engagement Model ensures ongoing dialogue with our suppliers. Our employees are invited to share feedback through our annual employee survey. 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 and to understand how we can best contribute with our capabilities.

As a key component of our holistic approach to diversity and inclusion, Quest has established 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 diverse patients and healthcare professionals, and promote an inclusive workplace that values a variety of thoughts, beliefs, cultures, and experiences.

Insight into our Business



ADVICE, a program affiliated with **Autism Speaks** and NEXT for AUTISM, helps companies hire individuals on the autism spectrum, and helps set both the company and the employee up for success.



Black Women's Health Imperative is the only national organization dedicated to improving the health and wellness of the nation's 21 million Black women and girls.



Congressional Black Caucus Political Education and Leadership Institute actively raises awareness of the issues affecting the African American community and America at large.



Congressional Hispanic Caucus Institute has forged a critical pathway to developing the Next Generation of Latino Leaders for nearly 40 years, creating a transformative and lasting impact on Latino youth and on our nation.



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



Human Rights Campaign is the national benchmarking tool on corporate policies and practices pertinent to lesbian, gay, bisexual, and transgender employees.



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



National Association of Health Services Executives is a nonprofit association of Black healthcare executives, founded in 1968, for the purpose of promoting the advancement and development of Black healthcare leaders, and elevating the quality of healthcare services rendered to minority and underserved communities.



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



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.

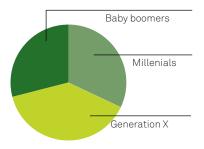


Services and Advocacy for GLBT Elders (SAGE) is the country's largest and oldest organization dedicated to improving the lives of lesbian, gay, bisexual, and transgender older adults.

Our approach to inclusion & diversity



Harnessing the unique mix of capabilities, talents, cultures, beliefs, and experiences of our 46,000 employees to foster unique opportunities in the marketplace.



Diversity by generation



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

Health in Your Hands



Community health

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

Empowering our employees, patients, and communities to take informed actions to achieve better 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 decisions for their health and the health of their families.



Wellness screening participation: **37,000**



Donated testing: more than \$108 million



Indirect energy use in 2018:
6.84 terajoules per 1M test requisitions

FORTUNE WORLD'S MOST ADMIRED COMPANIES





Awards and recognition

Named to **Fortune Magazine's 2018 "World's Most Admired Companies"** list in the Health Care industry category of "Pharmacy and Other Services"

Quest is among Fortune Magazine's 2018 Fortune 500® companies

Ranked on the Forbes® 2018 Global 2000

Named a member of the Dow Jones® Sustainability World and North America indexes since 2004 (DJSI World) and 2005 (DJSI North America). The Dow Jones Sustainability World Index represents the top 10% of the leading sustainability companies out of the biggest 2,500 companies in the Dow Jones Global Total Stock Market Index

Quest Diagnostics is ranked among Forbes 2018 America's Best Large Employers, our second consecutive year on the list

Achieved **Cancer Gold Standard™** accreditation from the CEO Roundtable on Cancer, recognizing our important actions to reduce the cancer risk of employees and their families

Received a rating of **100 from the Human Rights corporate equality index** on the 2018 Corporate Equality Index, earning the distinction of being a "Best Place to Work for LGBTQ Equality"

Quest Diagnostics is among **DEI 2018 Best Places to Work for Disability Inclusion**

Named a DiversityInc Noteworthy Company for the second consecutive year in 2018

Quest achieved **Gold** status in the **American Heart Association's 2018 Workplace Health Achievement Index**, ranking the company's workplace health program among the best in the nation

Quest received the **Gold Award** in the **2018 Best Employers for Healthy Lifestyles** awards from the National Business Group on Health (NBGH)









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