Quest Diagnostics Incorporated - Climate Change 2023



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C_{0.1}

(C0.1) Give a general description and introduction to your organization.

Quest Diagnostics Incorporated is the world's leading provider of diagnostic information services. We play a crucial role in the healthcare ecosystem, empowering 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. In the right hands and with the right context, our diagnostic insights can inspire actions that transform lives

The patients we serve comprise approximately one-third of the adult population of the United States annually, and approximately one-half of the adult population in the United States over a three-year period. We estimate that annually we serve approximately half of the physicians and half of the hospitals in the United States.

In 2022, Quest took an important step in our ESG strategy. Through a collaborative and cross-functional process, we established a set of 2025 ESG goals based on the 4 pillars of our ESG strategy and the 6 priority material topics as identified in our 2021 materiality assessment. Our executive leadership team engaged with senior leaders and key operational staff across the company to design each of our goals and we are implementing initiatives that will drive their progress and ensure achievement.

With one of our 4 ESG pillars being Environmental Sustainability, we believe that protection of the environment is an important business objective. We are committed to the conservation of resources and reducing the negative impact on the environment of our operations. We engage with suppliers, report annually on our sustainability program, and are pursuing ISO certifications of laboratory environmental management systems. We focus on three key environmental areas: climate action, waste reduction, and water stewardship.

More information is available at Quest Diagnostics - Financial Info - Annual Reports , Corporate responsibility | Quest Diagnostics

C0.2

(C0.2) State the start and end date of the year for which you are reporting data and indicate whether you will be providing emissions data for past reporting years.

Reporting year

Start date

January 1 2022

End date

December 31 2022

Indicate if you are providing emissions data for past reporting years

No

Select the number of past reporting years you will be providing Scope 1 emissions data for <Not Applicable>

Select the number of past reporting years you will be providing Scope 2 emissions data for

Select the number of past reporting years you will be providing Scope 3 emissions data for <Not Applicable>

C0.3

(C0.3) Select the countries/areas in which you operate.

United States of America

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

USD

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Operational control

C0.8

(C0.8) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization	Provide your unique identifier
Yes, a Ticker symbol	DGX

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization? Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

	Responsibilities for climate-related issues
of individual	
or	
committee	
	The Company's Board of Directors plays an active role in overseeing the Company's key enterprise risks and has considered its role in risk oversight in determining the current Board leadership structure. The Board has delegated primary responsibility for overseeing the Company's enterprise risk management (ERM) program to the Audit and Finance Committee and has assigned oversight of the specified risks to various Board committees with the appropriate subject matter responsibility, as set forth in the committee charters.
	A committee of senior managers lead the Company's ERM program which is designed as a continuous process to identify, assess, mitigate and manage the internal and external risks, including environmental risks (e.g., climate-related and severe weather event risk) and societal risks commonly associated with ESG issues. Each year executive management review the ERM Program and the latest assessments of risks with the full Board of Directors. Additionally, various committees of the board are assigned oversight for specific risk areas and regularly receive reports regarding the adequacy and effectiveness of the Company's risk management including policies and programs to ensure the Company's compliance with laws and regulations.
	Just as the Board of Directors has aligned its activities to oversee the organization from an ERM perspective, it has done the same from an ESG perspective. Different committees of the Board and, in some cases the full Board itself, oversee various areas. Each committee's responsibilities are included in its charter, and the full Board's ESG responsibilities are set forth in the Company's Corporate Governance Guidelines. For example, the Governance Committee oversees the organization's overall ESG priorities, goals, and strategies and also reviews policies, programs, and reports pertaining to environmental sustainability matters.

C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

which climate- related issues are a scheduled agenda	Governance mechanisms into which climate- related issues are integrated	Scope of board- level oversight	Please explain
Scheduled – some meetings	Please select	<not Applicabl e></not 	The Company's Board of Directors plays an active role in overseeing the Company's key risks as identified by the Enterprise Risk Management (ERM) program. The ERM program is a formal, continuous process that is intended to identify, assess, mitigate, and manage internal and external risks (including climate and severe weather event risks) that could significantly impact the company at an enterprise level in the face of uncertainty and deemed integral to value creation and preservation. Its purpose is to identify potential events that may affect the Company, assess potential level of severity and promote appropriate management of risk within the Company's overall risk profile. The program calls for a disciplined approach that is led by the ERM Team, who is charged with driving the execution of the program. The team reports directly to the Company's Chief Financial Officer and its General Counsel and is comprised of the Senior VP Compliance, the Senior VP Corporate Controller and Chief Accounting Officer, the VP Internal Audit, and the Senior Director Enterprise Risk and Control. The ERM program, including the results of the risk assessment, changes in risk classification and progress on risk mitigation is reviewed with Senior Management regularly (generally quarterly). In addition, management provides an annual assessment to the full Board of Directors in the fourth quarter. Additionally, the Board of Directors Quality, Safety and Compliance Committee regularly receives reports regarding the effectiveness of policies and programs to ensure our compliance with laws and regulations (including environmental related topics).

C1.1d

(C1.1d) Does your organization have at least one board member with competence on climate-related issues?

	1 '''	board member(s) on climate-related	competence on climate-related	Explain why your organization does not have at least one board member with competence on climate-related issues and any plans to address board-level competence in the future
Row 1	Not assessed	<not applicable=""></not>	<not applicable=""></not>	<not applicable=""></not>

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Position or committee

Other, please specify (ESG Leadership Council)

Climate-related responsibilities of this position

Providing climate-related employee incentives

Setting climate-related corporate targets

Assessing climate-related risks and opportunities

Coverage of responsibilities

<Not Applicable>

Reporting line

Other, please specify (The ESG Leadership Council members have varying reporting structures with the organization. However, the ESG Leadership Council is governed by the CFO.)

Frequency of reporting to the board on climate-related issues via this reporting line

Annually

Please explain

Quest Diagnostics ESG Leadership Council was developed to oversee the advancement of the overall corporate responsibility program. Our CEO and Executive Vice President leads the ESG Leadership Council, which includes representatives from key areas, including Finance, Human Resources, Investor Relations, Legal, Operations, and Procurement.

Position or committee

General Counsel

Climate-related responsibilities of this position

Managing public policy engagement that may impact the climate

Assessing climate-related risks and opportunities

Coverage of responsibilities

<Not Applicable>

Reporting line

Other, please specify (Senior Vice President General Counsel)

Frequency of reporting to the board on climate-related issues via this reporting line

Annually

Please explain

One of two executive sponsors for Quest's Environmental Sustainability Program. They are a key stakeholder in the ESG Council.

Position or committee

Other, please specify (Vice President Corporate Enterprise Operations)

Climate-related responsibilities of this position

Integrating climate-related issues into the strategy

Assessing climate-related risks and opportunities

Coverage of responsibilities

<Not Applicable>

Reporting line

Other, please specify (Senior Vice President Regional Businesses and Operations)

Frequency of reporting to the board on climate-related issues via this reporting line

Please select

Please explain

One of two executive sponsors for Quest's Environmental Sustainability Program. They are a key stakeholder in the ESG Council.

Position or committee

Other, please specify (Senior National Director EHS and Environmental Sustainability)

Climate-related responsibilities of this position

Developing a climate transition plan

Conducting climate-related scenario analysis

Monitoring progress against climate-related corporate targets

Assessing climate-related risks and opportunities

Coverage of responsibilities

<Not Applicable>

Reporting line

Other, please specify (Senior Vice President Regional Businesses and Operations)

Frequency of reporting to the board on climate-related issues via this reporting line

Annually

Please explain

Responsible for oversight of the Environmental Sustainability program with corporate EHS. Quest's environmental sustainability program focuses on climate action, waste management, and water stewardship.

Position or committee

Other, please specify (Director Environmental Sustainability)

Climate-related responsibilities of this position

Developing a climate transition plan

Implementing a climate transition plan

Integrating climate-related issues into the strategy

Conducting climate-related scenario analysis

Monitoring progress against climate-related corporate targets

Managing climate-related risks and opportunities

Coverage of responsibilities

<Not Applicable>

Reporting line

Other, please specify (Senior National Director EHS and Environmental Sustainability)

Frequency of reporting to the board on climate-related issues via this reporting line

Annually

Please explain

The Director of Environmental Sustainability reviews the portfolio's environmental data, ensures data health and reviews the status of the environmental sustainability initiatives.

Position or committee

Environmental, Health, and Safety manager

Climate-related responsibilities of this position

Assessing climate-related risks and opportunities

Managing climate-related risks and opportunities

Coverage of responsibilities

<Not Applicable>

Reporting line

Other, please specify (Regional EHS Directors report to regional General Managers)

Frequency of reporting to the board on climate-related issues via this reporting line

Not reported to the board

Please explain

The Environment, Health and Safety (EHS) Department annually reviews climate reports and will elevate any immediate concerns to the General Manager, as appropriate. EHS is also responsible for the company's regional environmental initiatives to reduce the environmental impact of our operations.

Position or committee

Other, please specify (Corporate Responsibility and ESG Director)

Climate-related responsibilities of this position

Other, please specify (Monitoring progress of climate related activities)

Coverage of responsibilities

<Not Applicable>

Reporting line

Other, please specify (Executive Director HRBP, Diagnostic Services, CIT and CSR-ESG)

Frequency of reporting to the board on climate-related issues via this reporting line

Please select

Please explain

The Corporate Responsibility and ESG Director has oversight on ESG aspects of the organization. They work towards consistent materiality assessments, internal milestones, and coordination of sustainability information. They are a key stakeholder partnering with the CFO in the ESG Leadership Council. The Director of Environmental Sustainability and the corporate Responsibility and ESG Director collaborate to ensure the environmental sustainability pillar is a key focus across the organization.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate-related issues	
Row 1	Yes	

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive

All employees

Type of incentive

Non-monetary reward

Incentive(s)

Internal company award

Performance indicator(s)

Reduction in absolute emissions

Reduction in emissions intensity

Energy efficiency improvement

Other (please specify) (reduction in waste streams)

Incentive plan(s) this incentive is linked to

This position does not have an incentive plan

Further details of incentive(s)

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan

Our sustainability awards program recognizes projects that promote better environmental practices including resource reduction, energy conservation, waste minimization or improved recycling. The projects are reviewed by the EHS team based on measurable criteria (like tons of emissions reduced, kilowatts of energy saved, or gallons of fuel reduced). The awards are presented in three categories:

- Enterprise award for a program that impacts the company as a whole
- Regional/Location award for specific regions or location projects
- $\bullet \ \text{Team/Individual award for those who initiate a specific program or community service.}\\$

Within each category, there are three tiers of awards (Gold, Silver and Bronze)

Awards are announced on the national Quest News web page and through company-wide email notification. All winners received an engraved glass award signifying their accomplishments.

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities? Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From	То	Comment
	(years)	(years)	
Short- term	1	3	Bases on Delayed Policy Action Scenario**: Scenario that explores higher transition risks due to delayed or divergent policy action across countries and sectors. It was compared with a "Current Policies" scenario which assumes no further policy measures are introduced and a warming of 3 degrees C or more could occur. Physical Risks based on High Warming Scenario short-term time horizon 5-10 years.
Medium- term	3	5	Bases on Delayed Policy Action Scenario**: Scenario that explores higher transition risks due to delayed or divergent policy action across countries and sectors. It was compared with a "Current Policies" scenario which assumes no further policy measures are introduced and a warming of 3 degrees C or more could occur. Physical Risks based on High Warming Scenario medium-term time horizon 10-20 years.
Long- term	5	10	Bases on Delayed Policy Action Scenario**: Scenario that explores higher transition risks due to delayed or divergent policy action across countries and sectors. It was compared with a "Current Policies" scenario which assumes no further policy measures are introduced and a warming of 3 degrees C or more could occur. Physical Risks based on High Warming Scenario long-term time horizon 20+ years.

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

Substantive financial or strategic impact is defined as any event which could impact our financial performance, business operations or supply chain to a degree that would significantly interrupt service to our patients and customers in any of the markets that we serve. Quest Diagnostics' Enterprise Risk Management (ERM) program evaluates risks based on the impact to the company's market cap or valuation, which also considers impact to reputation on all segments of the business.

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered

Direct operations

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

Please select

Time horizon(s) covered

None of the above/ Not defined

Description of process

The Company's Board of Directors plays an active role in overseeing the Company's key enterprise risks and has considered its role in risk oversight in determining the current Board leadership structure. The Board has delegated primary responsibility for overseeing the Company's enterprise risk management (ERM) program to the Audit and Finance Committee and has assigned oversight of the specified risks to various Board committees with the appropriate subject matter responsibility, as set forth in the committee charters

A committee of senior managers lead the Company's ERM program which is designed as a continuous process to identify, assess, mitigate and manage the internal and external risks, including environmental risks (e.g., climate-related and severe weather event risk) and societal risks commonly associated with ESG issues. Each year executive management review the ERM Program and the latest assessments of risks with the full Board of Directors. Additionally, various committees of the board are assigned oversight for specific risk areas and regularly receive reports regarding the adequacy and effectiveness of the Company's risk management including policies and programs to ensure the Company's compliance with laws and regulations.

Additionally, representatives from our Environment, Health and Safety Department, along with the Corporate Responsibility Team, Government Affairs, Risk Management and Regulatory Affairs play a role in monitoring regulatory updates, physical climate advisories and potential reputation concerns that would have an enterprise-wide impact.

Quest Diagnostics has formal, managed Business Continuity Plans which takes into account the risk associated with local weather and climate-related events such as the increasing frequency of floods and hurricanes. The goal of the Business Continuity Plan (BCP) is to minimize the impact of business interruptions and provide an acceptable level of business, until normal operations may be resumed. BCPs are established for each business segment which allows the organization to react to business interruptions with a clear understanding of their recovery responsibilities, priorities, and the time necessary to re-establish critical functions. The plan pre-defines the actions personnel will take following an incident and what resources (personnel, equipment, supplies, etc.) are necessary to recover critical business functions. These are the functions essential to organizational recovery within the first two weeks of a business interruption. Such key areas covered in the plan include but are not limited to:

Notification requirements for customers and vendors, documenting, testing, and reviewing established recovery procedures, processes to identify alternate sources for supplies, resources, and locations, Recovery Point Objectives (RPO) and Recovery Time Objectives (RTO) for critical business functions at given facilities. Quest business segments with full executed plans are required to perform one full test, plus, a minimum of two additional "communication style" exercises annually. Quest Diagnostics has a formal Disaster Recovery program to address the information technology infrastructure supporting the business. Each program is distinct and can be invoked separately, or work in tandem depending on the type and scale of an incident.

Finally, our Business Continuity Plans include initiatives to make selected locations more resilient in cases that the risk cannot be mitigated or eliminated. For example, making sure our key locations are equipped with robust emergency back-up power generator capability.

C2.2a

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	The current Corporate Average Fuel Economy (CAFÉ) regulation requires automakers to deliver a fleet average of at least 54.5 miles per gallon by the year 2026. In order to achieve this level of efficiency increased technology using fully electric, hydrogen fuel cell, or more efficient hybrid vehicles would be required. Quest has a goal to decrease greenhouse gas emissions in our fleet by transitioning a percentage to hybrid and electric vehicles.
Emerging regulation	Relevant, always included	Environmental regulations impacting our operations include but are not limited to the Clean Water Act regulating our wastewater discharge, EPA regulations for hazardous chemical waste and regulations associated with vehicle fuel efficiency and emissions. As an example, regulations requiring more stringent limits on waste water pollutants (e.g. mercury) may result in increased cost to treat the wastewater on site or have the waste collected and removed for off-site treatment and disposal.
Technology	Relevant, always included	Quest embraces technology to improve operational efficiencies, environmental sustainability and employee safety. We have implemented an ongoing program to upgrade facility lighting to more efficient LED bulbs and fixtures reduces energy use, operating costs and GHG emissions, while reducing our reliance on fossil fuels and local electricity grids. Several sites have installed filtered water bottle filling stations reducing single use water bottles on these sites.
		Our major asset replacement program, including equipment such as chillers, includes building controls systems upgrades to optimize the operating parameters resulting in energy savings.
Legal	Relevant, always included	Quest understands there may be a risk in not being able to fulfill our service commitment to clients and their patients if there are disruptions of our operations due to external events such as extreme weather events.
Market	Relevant, always included	Quest Diagnostics is generally a provider of services, not a manufacturer of products; however we do rely on purchased products, test kits, disposables (test tubes, blood collection needles, etc.) that are made from raw materials. Reduction in raw material supply or increase cost of raw materials for our suppliers would likely impact our operations. Our Procurement Department is actively engaged with our suppliers to ensure consistent supply and has secondary suppliers available as needed. We also assess market-based risks due to changing customer preferences. Potential and current customers are requesting sustainability and climate management information in Requests
		for Proposals (RFPs) and inquiries. If Quest is perceived as having an inadequate program to respond to these risks those customers may not consider Quest for their business.
		Market scenario analysis have identified energy direct costs as a risk as energy prices increase as temperatures rise.
Reputation	Relevant, always included	As Quest Diagnostics stakeholders become more aware and concerned about the potential impact of global warming and resulting climate change they may increasingly expect Quest to take action to address this challenge. Quest investors (e.g., through the CDP) and customers (e.g. through RFPs) are requesting more information regarding our sustainability program efforts, including our greenhouse gas emissions, goals, strategies and performance. Perceived inadequate or untimely action to address the climate change risks may have a negative impact our company brand and reputation.
Acute physical	Relevant, always included	Quest Diagnostics operates facilities across the U.S. and weather extremes including snow and ice storms, tornadoes, and hurricanes can impact our business. Besides the potential for physical building damage and disruption of operations which would impact our ability to meet our customer's critical needs, under these circumstances many patients choose to skip preventative, non-critical or elective medical tests and procedures. This negatively impacts the demand for our services.
Chronic physical	Relevant, always included	Quest Diagnostics has evaluated changes in physical climate parameters. Assuming chronic physical climate change may lead to more frequent and severe weather events (like tornadoes, droughts, floods and hurricanes) then the risk may be significant. Such was energy supply disruptions to several of our patient service centers during hurricane season that impacted Florida and Texas.

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Emerging regulation Other, please specify (NHTSA CAFE Standards for MYs 2024-2026)	
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Primary potential financial impact

Increased direct costs

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

Quest Diagnostics operates a ground fleet of nearly 4,000 courier vehicles. Efficiency regulations or standards related to fuels or vehicles would have an impact. For example, the current Corporate Average Fuel Economy (CAFÉ) regulation requires automakers to deliver a fleet average of at least 54.5 miles per gallon by the year 2026. In order to achieve this level of efficiency increased technology would be required (e.g. fully electric, hydrogen fuel cell, or more efficient hybrid vehicles). Higher efficiency vehicles traditionally have higher cost, which may not be offset by the fuel savings over the life of the vehicle. This also would result in an increased operational cost to the company. The full financial or strategic impact on our business is uncertain.

Time horizon

Medium-term

Likelihood

More likely than not

Magnitude of impact

Low

CDP

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

Potential financial impact figure - minimum (currency)

<Not Applicable>

Potential financial impact figure - maximum (currency)

<Not Applicable>

Explanation of financial impact figure

The financial impact would depend on the auto manufacturer cost increases to meet the rising efficiency requirement which would be passed onto the consumer. We typically replace vehicles on a three-year cycle. As an example, if compliance with the new regulations would generate an increased vehicle cost of \$2,050 each (the cost difference between a 2021 Toyota Rav 4 LE model at \$28,000 and the same hybrid model). The replacement of our entire fleet over a three year period would increase by \$14.4M.

Cost of response to risk

Description of response and explanation of cost calculation

Quest Diagnostics carefully assesses risks and opportunities regarding our choice of fleet vehicle. We continually choose vehicles with high efficiency rating for the routes in question. We have successfully converted a portion of our ground fleet to hybrid vehicles for increased fuel efficiency and reduced emissions.

Comment

Identifier

Risk 2

Where in the value chain does the risk driver occur?

Please select

Risk type & Primary climate-related risk driver

Emerging regulation

Mandates on and regulation of existing products and services

Primary potential financial impact

Increased indirect (operating) costs

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

Regulations causing more stringent limits on waste water pollutants (e.g. mercury) may result in increased cost to treat the wastewater on site or have the waste collected and removed for off-site treatment and disposal. Restrictions limiting a wastewater component only in one part of the county (e.g. Great Lakes) or only used in infrequent processes would be less impactful, while something more geographically widespread and involving multiple processes could have a significant impact.

Time horizon

Unknown

Likelihood

More likely than not

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure - minimum (currency)

<Not Applicable>

Potential financial impact figure - maximum (currency)

<Not Applicable>

Explanation of financial impact figure

The cost of removing a pollutant or containerizing wastewater varies by many factors. Restrictions limiting a wastewater component only in one part of the county (e.g. Great Lakes) or only used in infrequent processes would be less impactful, while something more geographically widespread and involving multiple processes could have a significant impact. The potential financial impact depends on the scope of the regulation and the cost of remediation (equipment or process change). The potential penalty for non-compliance to EPA Clean Water regulations range from \$2500 to \$25,000 per day of operation for a "Negligent Violation" and \$5000 to \$50,000 per day for a "Knowing Violation".

Cost of response to risk

Description of response and explanation of cost calculation

There are a variety of processes used to manage waste. The method selected would depend on the target constituent and the volume of the outflow. Two processes currently in place at Quest Diagnostics for wastewater containing minute quantities of mercury include removal of the mercury by filtration and by collection of the wastewater for off-site treatment and disposal by a chemical waste vendor. The financial impact could result from the need to implement equipment or processes to remove the pollutant prior to disposal, or the need to collect the waste for removal and disposal by a hazardous waste vendor. As an example, we implemented a treatment system at one of our testing facilities to capture trace amounts mercury from their wastewater to render the outflow able to be disposed into the sewer; in compliance with the strict local regulatory limit of less than 0.5 parts per billion (ppb). The cost of this single operation to reduce mercury was \$150,280 in 2019. Adding this same process to our 23 largest labs would cost \$3.5M. In the long-term this type of regulation change could impact our selection of new testing platforms or processes based on the type of waste generated. It is unclear whether these changes would have the potential for substantive financial or strategic impact on our business.

Comment

Identifier

Risk 3

Where in the value chain does the risk driver occur?

Please select

Risk type & Primary climate-related risk driver

Please select

Primary potential financial impact

Increased direct costs

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

One of the most significant risks for Quest Diagnostics would be the loss of labs due to California wildfires. These labs are already routinely impacted by wildfires with flames visible from the lab and smoke effecting the building and occupants. Investments have been made to prevent this potential scenario, such as investing in a city water line in order to make up for the water flow challenges that well water created. Quest has invested in the purchase of other laboratories in order to build redundancies in our capacity.

Time horizon

Unknown

Likelihood

More likely than not

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure - minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

The financial impact would include incremental costs associated with redirecting the work within the Quest network of lab, and or higher costs associated with test send outs. Additional costs would include repair or rebuilding costs which would be anticipate being primarily covered by insurance. A prolonged interruption of business operations could also impact customer relationships.

Cost of response to risk

Description of response and explanation of cost calculation

While no business can predict the weather or wildfires or anticipate the severity of a particular event, Quest Diagnostics has a multi-pronged approach for management. Our business financial plan accounts for financial losses associated with a limited number of severe weather events. As a part of our Business Continuity Plan, we regularly incur costs improving the business continuity plan of our facilities and our operations.

Comment

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business? Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Opp1

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Resource efficiency

Primary climate-related opportunity driver

Use of more efficient modes of transport

Primary potential financial impact

Reduced indirect (operating) costs

Company-specific description

Quest Diagnostics operates a ground fleet of almost 6,000 vehicles. A multi-functional vehicle selection team annually reviews currently available vehicle models to determine those that meet our operational needs while offering top tier safety and fuel efficiency ratings. Currently, a small sector of the fleet has been converted to hybrid vehicles. One opportunity would be to convert the logistics fleet of approximately 4,000 courier cars to hybrid vehicles.

Time horizon

Short-term

Likelihood

Virtually certain

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

Potential financial impact figure - minimum (currency)

<Not Applicable>

Potential financial impact figure - maximum (currency)

<Not Applicable>

Explanation of financial impact figure

The Potential Financial Impact for an example of this opportunity is based on the base price of a 2021 Toyota Rav 4 LE model of \$28,000 and a 2020 Toyota Rav 4 LE Hybrid of \$25,950; a difference of \$2,050. The Quest Diagnostics logistics fleet consists of 3,714 vehicles. The cost to convert 90% (or 3,343) of our Logistics fleet vehicles to hybrids would add an additional \$7M over the cost of the non-hybrid. The EPA combined fuel economy of the Rav4 is 30 and the Rav4 Hybrid is 40. This ten miles per gallon difference would save an estimated \$2.3M in fuel consumption. The net of the \$8M increase in vehicle costs and \$2.3M in fuel savings would leave a \$5.7M increase in fleet vehicle procurement costs.

Cost to realize opportunity

Strategy to realize opportunity and explanation of cost calculation

The expected benefit of increase hybrid (or alternative fuel) vehicles in the fleet would be reduced fuel consumption and associated operations cost savings. The cost to covert standard vehicles to hybrid or alternative fuel vehicles has typically had a poor return on investment as fuel savings from the improved efficiency did not match the higher purchase price – particularly when the fuel prices are below \$3.00 per gallon as it was in 2019 and 2020. Despite the poor return, we continually review the opportunity to improve our fleet efficiency (including the use of hybrid or alternative fuel vehicles) as good stewards of the environment.

Comment

Identifier

Opp2

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Resource efficiency

Primary climate-related opportunity driver

Other, please specify (Real estate optimization)

Primary potential financial impact

Reduced indirect (operating) costs

Company-specific description

Quest continues to optimize our real estate footprint by evaluating our business requirements. Our real estate optimization program takes into account acquisitions, added, consolidated, and closed sites. For the reporting year 2022 our real estate footprint was reduced by just over 111,000 sq ft which contributed to positive changes in regional energy consumption.

Time horizon

Short-term

Likelihood

Likely

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure - maximum (currency)

<Not Applicable>

Explanation of financial impact figure

We expect localized cost savings and carbon emission reductions through this reduction in real estate while the net impact to Quest's overall carbon footprint is calculated based on total portfolio consumption which takes into account fluctuation in business needs.

Cost to realize opportunity

Strategy to realize opportunity and explanation of cost calculation

Quest's Network Optimization Team manages real estate within mergers and acquisitions and lease administration. With this responsibility, comes the ownership of data to support business decisions that provide continuous optimization of our portfolio. This integral process is critical in understanding our portfolio and is a lever within our decarbonization strategy.

Comment

Identifier

Opp3

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Products and services

Primary climate-related opportunity driver

Development of new products or services through R&D and innovation

Primary potential financial impact

Please select

Company-specific description

Quest Diagnostics has a Research and Development operation that is capable of responding to emerging health threats to develop or consult on the development of clinical testing protocols. Research indicates warmer climate conditions, due to climate change, could allow insect vectors of disease to live longer, at greater numbers and in more areas of the country potentially increasing the spread of vector borne diseases like Lyme disease and Rocky Mountain Spotted Fever. Quest is uniquely positioned to respond immediately to increased testing demands secondary to these diseases. Our testing menu and platforms are already in place for this emerging risk. We also have an advanced network of clinical testing laboratories that have the capacity to process increased testing volume should a spike in a particular disease occur.

Time horizon

Short-term

Likelihood

More likely than not

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

Potential financial impact figure - minimum (currency)

<Not Applicable>

Potential financial impact figure - maximum (currency)

<Not Applicable>

Explanation of financial impact figure

The cost of responding to a new threat would be impacted by the Research and Development required to develop a new test in-house or by a third party. The positive financial implications would be dependent on the demand for the test in question. Modeling a 2x increase in vector borne diseases over a 20-year period would represent an opportunity of \$102.5M.

Cost to realize opportunity

Strategy to realize opportunity and explanation of cost calculation

Comment

Identifier

Opp4

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Resource efficiency

Primary climate-related opportunity driver

Other, please specify (CA Waste minimization program)

Primary potential financial impact

Other, please specify (Investment in waste minimization and process improvements)

Company-specific description

Waste minimization project includes a waste audit program, investment in additional EHS professionals, site-specific waste programs and updated SOPs, new technologies for treating waste streams, trainings, monitoring and metrics reporting, compliance assistance software and progression towards ISO 14001 certification for selected sites. This program launched in 2022 with plans for continous improvement through the end of 2024 for full realization of implemented strategies.

Time horizon

Medium-term

Likelihood

Virtually certain

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure - minimum (currency)

5142000

Potential financial impact figure - maximum (currency)

5712000

Explanation of financial impact figure

These financial impact figures are total capital include the purchase and installation of autoclave at four sites to treat medical waste where the post treatment will be added to our municipal waste streams. The municipal waste streams will go waste to energy. Additionally, costs include increased audits. inspections, janitorial, recycling volumes

Cost to realize opportunity

4645764

Strategy to realize opportunity and explanation of cost calculation

Cost to realized opportunity included increased waste to energy costs, third party labor, third party trash audits, internal audits and inspections, additional paper recycling, increased janitorial and other labor, and patient service centers trash disposal.

Comment

Waste to energy program began in January of 2022, with the waste minimization strategy continuing to include the additional aspects describe here and the installation of autoclaves through 2024.

C3. Business Strategy

C3.1

(C3.1) Does your organization's strategy include a climate transition plan that aligns with a 1.5°C world?

Row 1

Climate transition plan

No, but our strategy has been influenced by climate-related risks and opportunities, and we are developing a climate transition plan within two years

Publicly available climate transition plan

<Not Applicable>

Mechanism by which feedback is collected from shareholders on your climate transition plan

<Not Applicable>

Description of feedback mechanism

<Not Applicable>

Frequency of feedback collection

<Not Applicable>

Attach any relevant documents which detail your climate transition plan (optional)

<Not Applicable>

Explain why your organization does not have a climate transition plan that aligns with a 1.5°C world and any plans to develop one in the future

In 2021 Quest developed a comprehensive greenhouse gas inventory management plan allowing for a better understanding of risks and opportunities within our boundary. This information is valuable in the next steps of developing a transition plan to reduce carbon emission aligning with a 1.5°C world. In 2022 Quest began development of an enterprise-wide climate model to provide insight on a decarbonization roadmap. In 2022 a renewables workshop and subsequent strategy have been in development as a key lever within our carbon reduction plan.

Explain why climate-related risks and opportunities have not influenced your strategy

<Not Applicable>

C3.2

(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

		Explain why your organization does not use climate-related scenario analysis to inform its strategy and any plans to use it in the future
	Other, please specify (Quest will in the near future use scenario analysis to inform strategy)	Climate-related scenario analysis, following TCFD guidance, is being planned within the next two years.

C3.3

(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	Research indicates warmer climate conditions, due to climate change, could allow insect vectors of disease to live longer, at greater numbers and in more areas of the country potentially increasing the spread of vector borne diseases like Lyme disease and Rocky Mountain Spotted Fever. Quest is uniquely positioned to respond immediately to increased testing demands secondary to these diseases. Our testing menu and platforms are already in place for this emerging risk. We also have an advanced network of clinical testing laboratories that have the capacity to process increased testing volume should a spike in a particular disease occur.
Supply chain and/or value chain	Yes	Business stability, foreign and domestic excluded party screening, and inherent risk ratings (geopolitical and product/project type) are conducted.
Investment in R&D	Yes	The cost of responding to a new or increased disease threat would be impacted by the Research and Development required to develop a new test in-house or by a third party. The positive financial implications would be dependent on the demand for the test in question.
Operations	Yes	Climate related risk has influenced operational strategy in areas such as loss of ingress or egress to a facility, technology outages, civil unrest, terrorism/violence/sabotage and, pandemic health crisis. We continue to increase our capacity, while reducing our environmental footprint, by continuously optimizing our portfolio. Distribution and logistics is also involved with continuous route optimizations. We plan to expand our electric vehicle pilot to include three additional lab locations by 2025. In addition, we plan to transition 50% of our vehicle fleet to electric or hybrid engines by 2026.

C3.4

(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
	Direct costs	herestructures. Financial solution and applies considered with connect to progression infractivity as principles and UMAC assignment.
1		Infrastructure: Financial return on assets is considered with respect to energy conservation infrastructure projects, such as lighting and HVAC equipment. Fleet conservation: We will utilize technology to improve our ground fleet efficiency, thereby reducing carbon fuel use and associated greenhouse gas emissions
	755615	(GHG). Energy efficiency, sourcing and use:
		Renewables: In deregulated states we work to procure reliable, cost competitive energy sources that have a percentage of renewable energy sourced. Waste Management: Our strategy includes a waste minimization program that incorporates EHS audits, vendor management, compliance assistance software to energy

C3.5

(C3.5) In your organization's financial accounting, do you identify spending/revenue that is aligned with your organization's climate transition?

	Identification of spending/revenue that is aligned with your organization's climate transition	Indicate the level at which you identify the alignment of your spending/revenue with a sustainable finance taxonomy
Row	No, but we plan to in the next two years	<not applicable=""></not>
1		

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year? No target $\,$

C4.1c

(C4.1c) Explain why you did not have an emissions target, and forecast how your emissions will change over the next five years.

		Primary reason	Five-year forecast	Please explain
	Row	Other, please specify (Quest is	Emissions are forecasted to	In 2022 we publicly reported on a number of climate-related initiatives that include renewable energy use, reduced waste, conservation of
1	1	performing climate modeling to	reduce over the next five years as	resources, and improvement in operational efficiency resulting in reduce carbon emissions. Our environmental sustainability program
		understand the possible	optimization projects continue to	continues to evolve with strategic development of focus areas within a potential decarbonization roadmap. In 2022 a portfolio climate
		decarbonization pathways.)	be developed and implemented.	model was started. Global emission reduction targets are being discussed for the near future.

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year? No other climate-related targets

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

No

C4.3d

(C4.3d) Why did you not have any emissions reduction initiatives active during the reporting year?

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products? No

C5. Emissions methodology

C5.1

(C5.1) Is this your first year of reporting emissions data to CDP?

No

C5.1a

(C5.1a) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

Row 1

Has there been a structural change?

No

Name of organization(s) acquired, divested from, or merged with

<Not Applicable>

Details of structural change(s), including completion dates

<Not Applicable>

C5.1b

(C5.1b) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

	Change(s) in methodology, boundary, and/or reporting year definition?		Details of methodology, boundary, and/or reporting year definition change(s)	
R	ow 1	No	<not applicable=""></not>	

C5.2

(C5.2) Provide your base year and base year emissions.

Scope 1

Base year start

January 1 2021

Base year end

December 31 2021

Base year emissions (metric tons CO2e)

238910

Comment

Facility Fuel Use Facility Refrigerants Facility Processes

Dry Ice Mobile Fuel

Scope 2 (location-based)

Base year start

January 1 2021

Base year end

December 31 2021

Base year emissions (metric tons CO2e)

106239

Comment

Purchased Electricity - Location Based

Steam and Chilled Water

Scope 2 (market-based)

Base year start

January 1 2021

Base year end

December 31 2021

Base year emissions (metric tons CO2e)

107948

Comment

Purchased Electricity - Market Based

Steam and Chilled Water

Scope 3 category 1: Purchased goods and services

Base year start

January 1 2021

Base year end

December 31 2021

Base year emissions (metric tons CO2e)

21217938

Comment

Spend-based method. We included spend with major suppliers on items such as minor medical and maintenance equipment, disposable containers, chemicals/cleaners/reagents, contract labor, etc. Addressable spend with vendors represents approximately 85% of Quest's total spend in 2021. This was calculated based on categorized vendors, aligned to EEIO classifications.

Scope 3 category 2: Capital goods

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

not evaluated

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

Base year start

January 1 2021

Base year end

December 31 2021

Base year emissions (metric tons CO2e)

61424

Comment

Fuel-based method.

Scope 3 category 4: Upstream transportation and distribution

Base year start

January 1 2021

Base year end

December 31 2021

Base year emissions (metric tons CO2e)

3393762

Comment

Scope 3 category 5: Waste generated in operations

Base year start

January 1 2021

Base year end

December 31 2021

Base year emissions (metric tons CO2e)

18224

Comment

Data, including mixed municipal solid waste (landfill), mixed recyclables, and mixed paper waste data, is collected from the national vendors where available. Waste amounts for facilities not covered by national or regional vendors were manually submitted by facility managers or regional EHS leads. Where data is unavailable, waste is estimated based on square footage, facility type, and a default emissions factor (e.g., CBECS).

Scope 3 category 6: Business travel

Base year start

January 1 2021

Base vear end

December 31 2021

Base year emissions (metric tons CO2e)

9726

Comment

Data was obtained from several sources. Rental car emissions were obtained directly from the vendors (Budget and Avis), while air and rail travel data was obtained in the form of passenger-miles traveled from Quest's travel vendor, World Travel Inc.

Scope 3 category 7: Employee commuting

Base year start

January 1 2021

Base year end

December 31 2021

Base year emissions (metric tons CO2e)

126082

Comment

Scope 3 category 8: Upstream leased assets

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

not evaluated

Scope 3 category 9: Downstream transportation and distribution

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

not evaluated

Scope 3 category 10: Processing of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

not relevant. Quest Diagnostics is primarily a laboratory services provider. As a result, the nature of our business does not involve the processing of sold products. The emissions

generated by our lab services are calculated and reported as Scope 1 and 2 emissions.

Scope 3 category 11: Use of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

not relevant. Quest Diagnostics primary clinical testing business generates a vast database of clinical lab results. A small portion of our business revenue is generated from the sale of other healthcare-related services and products (e.g. software). The Scope 3 emissions associated with those services and products is considered insignificant.

Scope 3 category 12: End of life treatment of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Not relevant. Quest Diagnostics is primarily a laboratory services provider. We do not produce products to be sold, consequently there is no disposal and treatment of any product; and

therefore, no emissions associated with end-of-life treatment of sold products

Scope 3 category 13: Downstream leased assets

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Not relevant. As a general practice, Quest Diagnostics does not own any real estate assets that are leased to other parties

Scope 3 category 14: Franchises

Base year start

Base year end

Base year emissions (metric tons CO2e)

Commen

Not relevant. Quest Diagnostics does not have franchise operations.

Scope 3 category 15: Investments

Base year start

Base year end

Base year emissions (metric tons CO2e)

Commen

Quest Diagnostics does make small investments in other healthcare companies but do not track the associated Scope 3 emissions for those investments as it is considered to be insignificant.

Scope 3: Other (upstream)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Not relevant.

Scope 3: Other (downstream)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Not relevant.

C5.3

(C5.3) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

US EPA Emissions & Generation Resource Integrated Database (eGRID)

Other, please specify (Lucid BuildingOS software based on EPA eGrid (v2019) for Scope 2 emissions; The U.S. Energy Information Administration's Carbon Dioxide Emissions Coefficients by Fuel for propane, diesel, natural gas, motor gasoline, jet fuel and aviation gasoline.)

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)

288624

Start date

<Not Applicable>

End date

<Not Applicable>

Comment

Our scope 1 emissions are generated from facility fuel use primarily for heating, refrigerants, process gases and dry ice and our fleet.

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We are reporting a Scope 2, market-based figure

Comment

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Scope 2, location-based

104080

Scope 2, market-based (if applicable)

94474

Start date

<Not Applicable>

End date

<Not Applicable>

Comment

Purchased electricity and purchased chilled water at two sites.

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure?

No

C6.5

(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status

Not evaluated

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Capital goods

Evaluation status

Not evaluated

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status

Not evaluated

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Upstream transportation and distribution

Evaluation status

Not evaluated

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Waste generated in operations

Evaluation status

Not evaluated

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Business travel

Evaluation status

Not evaluated

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Employee commuting

Evaluation status

Not evaluated

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Upstream leased assets

Evaluation status

Not evaluated

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Downstream transportation and distribution

Evaluation status

Not evaluated

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Processing of sold products

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Quest Diagnostics is primarily a laboratory services provider. As a result, the nature of our business does not involve the processing of sold products. The emissions generated by our lab services are calculated and reported as Scope 1 and 2 emissions.

Use of sold products

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Quest Diagnostics primary clinical testing business generates a vast database of clinical lab results. A small portion of our business revenue is generated from the sale of other healthcare-related services and products (e.g. software). The Scope 3 emissions associated with those services and products is considered insignificant.

End of life treatment of sold products

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Quest Diagnostics is primarily a laboratory services provider. We do not product products to be sold, consequently there is no disposal and treatment of any product; and therefore, no emissions associated with end-of-life treatment of sold products

Downstream leased assets

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

As a general practice, Quest Diagnostics does not own any real estate assets that are leased to other parties.

Franchises

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Quest Diagnostics is primarily a laboratory services provider. We do not product products to be sold, consequently there is no disposal and treatment of any product; and therefore, no emissions associated with end-of-life treatment of sold products

Investments

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Quest Diagnostics does make small investments in other healthcare companies but do not track the associated Scope 3 emissions for those investments as it is considered to be insignificant.

Other (upstream) **Evaluation status** Not evaluated Emissions in reporting year (metric tons CO2e) <Not Applicable> **Emissions calculation methodology** <Not Applicable> Percentage of emissions calculated using data obtained from suppliers or value chain partners <Not Applicable> Please explain Other (downstream) **Evaluation status** Not evaluated Emissions in reporting year (metric tons CO2e) <Not Applicable> **Emissions calculation methodology** <Not Applicable> Percentage of emissions calculated using data obtained from suppliers or value chain partners <Not Applicable> Please explain C6.7 (C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization? C6.10 (C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations. Intensity figure 39.73 Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e) 392704 Metric denominator unit total revenue Metric denominator: Unit total 9883 Scope 2 figure used Location-based % change from previous year Direction of change Please select Reason(s) for change Change in revenue Please explain C7. Emissions breakdowns C7.1 (C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type? No

CDP

(C7.2) Break down your total gross global Scope 1 emissions by country/area/region.

Country/area/region	Scope 1 emissions (metric tons CO2e)
United States of America	288624

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide. By activity

C7.3c

(C7.3c) Break down your total gross global Scope 1 emissions by business activity.

scrivity Scope 1 emissions (metric tons CO2e)	
Facility Fuel Use	21051
Facility Refrigerants	178676
Facility Processes	10456
Dry Ice	6174
Mobile Fuel	72267

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/area/region.

Country/area/region Scope 2, location-based (metric tons CO2e)		Scope 2, market-based (metric tons CO2e)	
United States of America	104080	94474	

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide. By facility

C7.6b

(C7.6b) Break down your total gross global Scope 2 emissions by business facility.

	Scope 2, location-based (metric tons CO2e)	Scope 2, market- based (metric tons CO2e)
Our primary laboratory and office facilities comprise about 60% of our operations. Scope 2 emissions for these sites comes directly from utility providers, account invoices and landlords or property managers.	62448	56685
We operate more than 2,100 Patient Service Centers (small offices to collect patient specimens) that comprise 35% of our operations. These are leased properties where utility information is difficult to obtain. We estimate the electrical usage using Energy Information Administration 2012 Commercial Buildings Energy Consumption Survey (CBECS) data and regional EPA eGrid emissions factors to determine emissions.	36428	33065
There are additional smaller offices, storage areas, parking garages, logistics hubs, etc. that account for about 5% of our operations. These are leased properties where utility information is difficult to obtain. We estimate the electrical usage using Energy Information Administration 2012 Commercial Buildings Energy Consumption Survey (CBECS) data and regional EPA eGrid emissions factors to determine emissions.	5204	4724

C7.7

(C7.7) Is your organization able to break down your emissions data for any of the subsidiaries included in your CDP response? Not relevant as we do not have any subsidiaries

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year? Increased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change in emissions	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption		<not applicable=""></not>		
Other emissions reduction activities		<not applicable=""></not>		
Divestment		<not applicable=""></not>		
Acquisitions		<not applicable=""></not>		
Mergers		<not applicable=""></not>		
Change in output		<not applicable=""></not>		
Change in methodology		<not applicable=""></not>		
Change in boundary		<not applicable=""></not>		
Change in physical operating conditions		<not applicable=""></not>		
Unidentified		<not applicable=""></not>		
Other	49227	Increased	14	Increase in facility fuel, mobile fuel due to less covid testing and increased diagnostic testing, refining refrigerant screening process.

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Location-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	Yes
Consumption of purchased or acquired cooling	Yes
Generation of electricity, heat, steam, or cooling	No

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	Unable to confirm heating value	0	396509	396509
Consumption of purchased or acquired electricity	<not applicable=""></not>	34930	254260	289190
Consumption of purchased or acquired heat	<not applicable=""></not>	<not applicable=""></not>	<not applicable=""></not>	<not applicable=""></not>
Consumption of purchased or acquired steam	<not applicable=""></not>	0		
Consumption of purchased or acquired cooling	<not applicable=""></not>	0	2728	2728
Consumption of self-generated non-fuel renewable energy	<not applicable=""></not>	<not applicable=""></not>	<not applicable=""></not>	<not applicable=""></not>
Total energy consumption	<not applicable=""></not>	34930	653497	688427

C8.2b

(C8.2b) Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	No
Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	Yes
Consumption of fuel for the generation of cooling	Yes
Consumption of fuel for co-generation or tri-generation	No

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Sustainable biomass

Heating value

Please select

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of electricity <Not Applicable>

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam

MWh fuel consumed for self-generation of cooling

MWh fuel consumed for self- cogeneration or self-trigeneration <Not Applicable>

Comment

not applicable

Other biomass

Heating value

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of electricity <Not Applicable>

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam

MWh fuel consumed for self-generation of cooling

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

not applicable

Other renewable fuels (e.g. renewable hydrogen)

Heating value

Total fuel MWh consumed by the organization

34930

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam

MWh fuel consumed for self-generation of cooling

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Eight primary supplier contracts with 20%, 25% and 100% renewable wind energy sourced within the contracts. MWh consumed is the cumulative energy from all eight suppliers.

Coal

Heating value

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam

MWh fuel consumed for self-generation of cooling

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Oil

Heating value

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam

MWh fuel consumed for self-generation of cooling

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Gas

Heating value

HHV

Total fuel MWh consumed by the organization

97807

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam

MWh fuel consumed for self-generation of cooling

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Natural gas consumption.

To convert cubic feet of consumption to lbs. of CO2 we use the U.S. Energy Information Administration Carbon Dioxide Emissions Coefficients by Fuel released February 2, 2016.

Website: www.eia.gov/environment/emissions/co2_vol_mass.php To convert cubic feet of consumption to MWH we use a two-step process. Step one - U.S. Energy Information Administration (EIA) Energy Conversion Calculator to convert cu. ft. consumed into BTUs. Step two - International Energy Agency (IEA) Units Converter (emissions factor: 1 million BTU = 0.2931 MWH

Website: www.iea.org/reports/unit-converter-and-glossary

Other non-renewable fuels (e.g. non-renewable hydrogen)

Heating value

HHV

Total fuel MWh consumed by the organization

298702

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam

MWh fuel consumed for self-generation of cooling

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Fuel consumed by type includes diesel, jet fuel, aviation gasoline and gasoline.

Total fuel

Heating value

HHV

Total fuel MWh consumed by the organization

396509

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam

MWh fuel consumed for self-generation of cooling

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

C8.2e

(C8.2e) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero or near-zero emission factor in the market-based Scope 2 figure reported in C6.3.

Country/area of low-carbon energy consumption

United States of America

Sourcing method

Default delivered electricity from the grid (e.g. standard product offering by an energy supplier), supported by energy attribute certificates

Energy carrier

Electricity

Low-carbon technology type

Wind

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

34930

Tracking instrument used

Contract

Country/area of origin (generation) of the low-carbon energy or energy attribute

United States of America

Are you able to report the commissioning or re-powering year of the energy generation facility?

No

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

<Not Applicable>

Comment

Eight primary supplier contracts with 20%, 25% and 100% renewable wind energy sourced within the contracts. MWh consumed is the cumulative energy from all eight suppliers. No reported attributes or emission factors were provided so we utilized the EPA regional e-Grid 2019 non-baseload output emission rates to calculate the MTCO2e.

C8.2g

(C8.2g) Provide a breakdown by country/area of your non-fuel energy consumption in the reporting year.

Country/area

United States of America

Consumption of purchased electricity (MWh)

289190

Consumption of self-generated electricity (MWh)

Λ

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

2720

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

291918

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	No third-party verification or assurance

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Underway but not complete for reporting year – previous statement of process attached

Type of verification or assurance

Limited assurance

Attach the statement

ERM CVS - Assurance Statement for Quest Diagnostics 2021 GHG Data.pdf

Page/ section reference

As requested 2021Assurance Statement attached as reference.

Relevant standard

ISAE3000

Proportion of reported emissions verified (%)

100

C10.1b

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Scope 2 approach

Scope 2 location-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Underway but not complete for reporting year - previous statement of process attached

Type of verification or assurance

Limited assurance

Attach the statement

ERM CVS - Assurance Statement for Quest Diagnostics 2021 GHG Data.pdf

Page/ section reference

Relevant standard

ISAE3000

Proportion of reported emissions verified (%)

100

Scope 2 approach

Scope 2 market-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Underway but not complete for reporting year - previous statement of process attached

Type of verification or assurance

Limited assurance

Attach the statement

ERM CVS - Assurance Statement for Quest Diagnostics 2021 GHG Data.pdf

Page/ section reference

Relevant standard

ISAE3000

Proportion of reported emissions verified (%)

100

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5? No, we do not verify any other climate-related information reported in our CDP disclosure

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

No, and we do not anticipate being regulated in the next three years

C11.2

(C11.2) Has your organization canceled any project-based carbon credits within the reporting year?

No

C11.3

(C11.3) Does your organization use an internal price on carbon?

No, and we do not currently anticipate doing so in the next two years

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement

Information collection (understanding supplier behavior)

Details of engagement

Collect climate-related risk and opportunity information at least annually from suppliers

% of suppliers by number

44

% total procurement spend (direct and indirect)

73

% of supplier-related Scope 3 emissions as reported in C6.5

Rationale for the coverage of your engagement

Engaging significant suppliers to better understand their sustainability focus and opportunities for collaboration.

Impact of engagement, including measures of success

Quest's QS2P (Quest Supplier Sustainability Program) was developed in 2022 with plans to launch in 2023 where we will consistently work with suppliers on sustainability opportunities.

Comment

C12.2

(C12.2) Do your suppliers have to meet climate-related requirements as part of your organization's purchasing process?

No, but we plan to introduce climate-related requirements within the next two years

C12.3

(C12.3) Does your organization engage in activities that could either directly or indirectly influence policy, law, or regulation that may impact the climate?

Row

External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact the climate

No, we have assessed our activities, and none could either directly or indirectly influence policy, law, or regulation that may impact the climate

Does your organization have a public commitment or position statement to conduct your engagement activities in line with the goals of the Paris Agreement? No, but we plan to have one in the next two years

Attach commitment or position statement(s)

<Not Applicable>

Describe the process(es) your organization has in place to ensure that your external engagement activities are consistent with your climate commitments and/or climate transition plan

In 2022, Quest began process of a climate model for our organization. The climate model, once completed, will provide information about possible decarbonization pathways that will be a part of our discussion around a public climate commitment.

Primary reason for not engaging in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate

Explain why your organization does not engage in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

In voluntary communications

Status

Complete

Attach the document

Page/Section reference

https://www.quest diagnostics.com/our-company/corporate-responsibility

Content elements

Governance

Strategy

Emissions figures

Comment

C12.5

(C12.5) Indicate the collaborative frameworks, initiatives and/or commitments related to environmental issues for which you are a signatory/member.

		Describe your organization's role within each framework, initiative and/or commitment
Row	We are not a signatory/member of any collaborative framework, initiative and/or commitment related to environmental	<not applicable=""></not>
1	issues	

C15. Biodiversity

C15.1

(C15.1) Is there board-level oversight and/or executive management-level responsibility for biodiversity-related issues within your organization?

		, , , , , , , , , , , , , , , , , , , ,	Scope of board-level oversight
Row 1	Please select	<not applicable=""></not>	<not applicable=""></not>

C15.2

(C15.2) Has your organization made a public commitment and/or endorsed any initiatives related to biodiversity?

	Indicate whether your organization made a public commitment or endorsed any initiatives related to biodiversity	Biodiversity-related public commitments	Initiatives endorsed
Row 1	Please select	<not applicable=""></not>	<not applicable=""></not>

C15.3

(C15.3) Does your organization assess the impacts and dependencies of its value chain on biodiversity?

Impacts on biodiversity

Indicate whether your organization undertakes this type of assessment

Value chain stage(s) covered

<Not Applicable>

Portfolio activity

<Not Applicable>

Tools and methods to assess impacts and/or dependencies on biodiversity

<Not Applicable>

Please explain how the tools and methods are implemented and provide an indication of the associated outcome(s)

<Not Applicable>

Dependencies on biodiversity

Indicate whether your organization undertakes this type of assessment

Value chain stage(s) covered

<Not Applicable>

Portfolio activity

<Not Applicable>

Tools and methods to assess impacts and/or dependencies on biodiversity

<Not Applicable>

Please explain how the tools and methods are implemented and provide an indication of the associated outcome(s)

<Not Applicable>

C15.4

(C15.4) Does your organization have activities located in or near to biodiversity- sensitive areas in the reporting year?

C15.5

(C15.5) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

Have you taken any actions in the reporting period to progress your biodiversity-related commitment		Have you taken any actions in the reporting period to progress your biodiversity-related commitments?	Type of action taken to progress biodiversity- related commitments	
Rov	w 1	Please select	<not applicable=""></not>	

C15.6

 $({\tt C15.6})\ Does\ your\ organization\ use\ biodiversity\ indicators\ to\ monitor\ performance\ across\ its\ activities?$

Does your organization use indicators to monitor biodiversity performance?		Indicators used to monitor biodiversity performance	
Row 1	Please select	Please select	

C15.7

(C15.7) Have you published information about your organization's response to biodiversity-related issues for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Report type	Content elements	Attach the document and indicate where in the document the relevant biodiversity information is located
-------------	------------------	---

C16. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

C16.1

(C16.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Senior National Director Environment, Health, Safety and Environmental Sustainability	Other, please specify (Senior National Director Environment, Health, Safety and Environmental Sustainability)

SC. Supply chain module

SC0.0

(SC0.0) If you would like to do so, please provide a separate introduction to this module.

Quest Diagnostics Incorporated is the world's leading provider of diagnostic information services. We play a crucial role in the healthcare ecosystem, empowering 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. In the right hands and with the right context, our diagnostic insights can inspire actions that transform lives. The patients we serve comprise approximately one-third of the adult population of the United States annually. Our diagnostic insights can inspire actions that transform lives. www.QuestDiagnostics.com.

SC0.1

(SC0.1) What is your company's annual revenue for the stated reporting period?

		Annual Revenue
- 1		
	Row 1	9883000000

SC1.1

(SC1.1) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.

Requesting member

MetLife, Inc.

Scope of emissions

Scope 1

Scope 2 accounting method

<Not Applicable>

Scope 3 category(ies)

<Not Applicable>

Allocation level

Company wide

Allocation level detail

<Not Applicable>

Emissions in metric tonnes of CO2e

113

Uncertainty (±%)

10

Major sources of emissions

Scope 1 emissions are primarily generated by specimen transport from clients/patients to the laboratory and natural gas used to heat many of our lab facilities.

Verified

No

Allocation method

Allocation based on the volume of products purchased

Market value or quantity of goods/services supplied to the requesting member

Unit for market value or quantity of goods/services supplied

Please select

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Environmental data across Quest's operations are sourced from corporate-level datasets, manual reporting at the facility-level, and estimates using the Commercial Building Energy Consumption Survey (CBECS 2012) data. Corporate-level datasets include utility usage for all owned and large leased sites that is aggregated into an energy management software, and vendor reports. Utility data for the remaining portfolio primary comprised of local patient service centers are estimated using CBECS. This environmental inventory methodology brings our utility data to 100% of the operational footprint of Quest Diagnostics locations within our operating boundary as defined within the Greenhouse Gas Protocol. Our measure is an allocation based on the volume of business submitted (revenue), which has inherent limitations including the assumption that all lab tests ordered across the business utilize an equal number of utilities and specimen transportation fuel.

Requesting member

MetLife, Inc.

Scope of emissions

Scope 2

Scope 2 accounting method

Location-based

Scope 3 category(ies)

<Not Applicable>

Allocation level

Company wide

Allocation level detail

<Not Applicable>

Emissions in metric tonnes of CO2e

40.7

Uncertainty (±%)

10

Major sources of emissions

Scope 2 emissions are primarily generated by lab operations (HVAC, lighting and lab testing equipment).

Verified

Nο

Allocation method

Allocation based on the volume of products purchased

Market value or quantity of goods/services supplied to the requesting member

Unit for market value or quantity of goods/services supplied

Please select

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Environmental data across Quest's operations are sourced from corporate-level datasets, manual reporting at the facility-level, and estimates using the Commercial Building Energy Consumption Survey (CBECS 2012) data. Corporate-level datasets include utility usage for all owned and large leased sites that is aggregated into an energy management software, and vendor reports. Utility data for the remaining portfolio primary comprised of local patient service centers are estimated using CBECS. This environmental inventory methodology brings our utility data to 100% of the operational footprint of Quest Diagnostics locations within our operating boundary as defined within the Greenhouse Gas Protocol. Our measure is an allocation based on the volume of business submitted (revenue), which has inherent limitations including the assumption that all lab tests ordered across the business utilize an equal number of utilities and specimen transportation fuel.

Requesting member

Caesars Entertainment

Scope of emissions

Scope 1

Scope 2 accounting method

<Not Applicable>

Scope 3 category(ies)

<Not Applicable>

Allocation level

Company wide

Allocation level detail

<Not Applicable>

Emissions in metric tonnes of CO2e

18.4

Uncertainty (±%)

10

Major sources of emissions

Scope 1 emissions are primarily generated by specimen transport from clients/patients to the laboratory and natural gas used to heat many of our lab facilities.

Verified

No

Allocation method

Allocation based on the volume of products purchased

Market value or quantity of goods/services supplied to the requesting member

Unit for market value or quantity of goods/services supplied

Please select

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Environmental data across Quest's operations are sourced from corporate-level datasets, manual reporting at the facility-level, and estimates using the Commercial Building Energy Consumption Survey (CBECS 2012) data. Corporate-level datasets include utility usage for all owned and large leased sites that is aggregated into an energy management software, and vendor reports. Utility data for the remaining portfolio primary comprised of local patient service centers are estimated using CBECS. This environmental inventory methodology brings our utility data to 100% of the operational footprint of Quest Diagnostics locations within our operating boundary as defined within the Greenhouse Gas Protocol. Our measure is an allocation based on the volume of business submitted (revenue), which has inherent limitations including the assumption that all lab tests ordered across the business utilize an equal number of utilities and specimen transportation fuel.

Requesting member

Caesars Entertainment

Scope of emissions

Scope 2

Scope 2 accounting method

Location-based

Scope 3 category(ies)

<Not Applicable>

Allocation level

Company wide

Allocation level detail

<Not Applicable>

Emissions in metric tonnes of CO2e

66

Uncertainty (±%)

10

Major sources of emissions

Scope 2 emissions are primarily generated by lab operations (HVAC, lighting and lab testing equipment).

Verified

Nο

Allocation method

Allocation based on the volume of products purchased

Market value or quantity of goods/services supplied to the requesting member

Unit for market value or quantity of goods/services supplied

Please select

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Environmental data across Quest's operations are sourced from corporate-level datasets, manual reporting at the facility-level, and estimates using the Commercial Building Energy Consumption Survey (CBECS 2012) data. Corporate-level datasets include utility usage for all owned and large leased sites that is aggregated into an energy management software, and vendor reports. Utility data for the remaining portfolio primary comprised of local patient service centers are estimated using CBECS. This environmental inventory methodology brings our utility data to 100% of the operational footprint of Quest Diagnostics locations within our operating boundary as defined within the Greenhouse Gas Protocol. Our measure is an allocation based on the volume of business submitted (revenue), which has inherent limitations including the assumption that all lab tests ordered across the business utilize an equal number of utilities and specimen transportation fuel.

Requesting member

CVS Health

Scope of emissions

Scope 1

Scope 2 accounting method

<Not Applicable>

Scope 3 category(ies)

<Not Applicable>

Allocation level

Company wide

Allocation level detail

<Not Applicable>

Emissions in metric tonnes of CO2e

20180.82

Uncertainty (±%)

15

Major sources of emissions

Scope 1 emissions are primarily generated by specimen transport from clients/patients to the laboratory and natural gas used to heat many of our lab facilities.

Verified

No

Allocation method

Allocation based on the volume of products purchased

Market value or quantity of goods/services supplied to the requesting member

Unit for market value or quantity of goods/services supplied

Please select

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Environmental data across Quest's operations are sourced from corporate-level datasets, manual reporting at the facility-level, and estimates using the Commercial Building Energy Consumption Survey (CBECS 2012) data. Corporate-level datasets include utility usage for all owned and large leased sites that is aggregated into an energy management software, and vendor reports. Utility data for the remaining portfolio primary comprised of local patient service centers are estimated using CBECS. This environmental inventory methodology brings our utility data to 100% of the operational footprint of Quest Diagnostics locations within our operating boundary as defined within the Greenhouse Gas Protocol. Our measure is an allocation based on the volume of business submitted (revenue), which has inherent limitations including the

Requesting member

CVS Health

Scope of emissions

Scope 2

Scope 2 accounting method

Location-based

Scope 3 category(ies)

<Not Applicable>

Allocation level

Company wide

Allocation level detail

<Not Applicable>

Emissions in metric tonnes of CO2e

7269.76

Uncertainty (±%)

15

Major sources of emissions

Scope 2 emissions are primarily generated by lab operations (HVAC, lighting and lab testing equipment).

Nο

Allocation method

Allocation based on the volume of products purchased

Market value or quantity of goods/services supplied to the requesting member

Unit for market value or quantity of goods/services supplied

Please select

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Environmental data across Quest's operations are sourced from corporate-level datasets, manual reporting at the facility-level, and estimates using the Commercial Building Energy Consumption Survey (CBECS 2012) data. Corporate-level datasets include utility usage for all owned and large leased sites that is aggregated into an energy management software, and vendor reports. Utility data for the remaining portfolio primary comprised of local patient service centers are estimated using CBECS. This environmental inventory methodology brings our utility data to 100% of the operational footprint of Quest Diagnostics locations within our operating boundary as defined within the Greenhouse Gas Protocol. Our measure is an allocation based on the volume of business submitted (revenue), which has inherent limitations including the assumption that all lab tests ordered across the business utilize an equal number of utilities and specimen transportation fuel.

Requesting member

Icon PLC

Scope of emissions

Scope 1

Scope 2 accounting method

<Not Applicable>

Scope 3 category(ies)

<Not Applicable>

Allocation level

Company wide

Allocation level detail

<Not Applicable>

Emissions in metric tonnes of CO2e

Uncertainty (±%)

10

Major sources of emissions

Scope 1 emissions are primarily generated by specimen transport from clients/patients to the laboratory and natural gas used to heat many of our lab facilities.

Verified

Nο

Allocation method

Allocation based on the volume of products purchased

Market value or quantity of goods/services supplied to the requesting member

Unit for market value or quantity of goods/services supplied

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

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Requesting member

Icon PLC

Scope of emissions

Scope 2

Scope 2 accounting method

Location-based

Scope 3 category(ies)

<Not Applicable>

Allocation level

Company wide

Allocation level detail

<Not Applicable>

Emissions in metric tonnes of CO2e

9 76

Uncertainty (±%)

10

Major sources of emissions

Scope 2 emissions are primarily generated by lab operations (HVAC, lighting and lab testing equipment).

Verified

Nο

Allocation method

Allocation based on the volume of products purchased

Market value or quantity of goods/services supplied to the requesting member

Unit for market value or quantity of goods/services supplied

Please select

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Environmental data across Quest's operations are sourced from corporate-level datasets, manual reporting at the facility-level, and estimates using the Commercial Building Energy Consumption Survey (CBECS 2012) data. Corporate-level datasets include utility usage for all owned and large leased sites that is aggregated into an energy management software, and vendor reports. Utility data for the remaining portfolio primary comprised of local patient service centers are estimated using CBECS. This environmental inventory methodology brings our utility data to 100% of the operational footprint of Quest Diagnostics locations within our operating boundary as defined within the Greenhouse Gas Protocol. Our measure is an allocation based on the volume of business submitted (revenue), which has inherent limitations including the assumption that all lab tests ordered across the business utilize an equal number of utilities and specimen transportation fuel.

Requesting member

KBR Inc

Scope of emissions

Scope 1

Scope 2 accounting method

<Not Applicable>

Scope 3 category(ies)

<Not Applicable>

Allocation level

Company wide

Allocation level detail

<Not Applicable>

Emissions in metric tonnes of CO2e

0.6

Uncertainty (±%)

10

Major sources of emissions

Scope 1 emissions are primarily generated by specimen transport from clients/patients to the laboratory and natural gas used to heat many of our lab facilities.

Verified

No

Allocation method

Allocation based on the volume of products purchased

Market value or quantity of goods/services supplied to the requesting member

Unit for market value or quantity of goods/services supplied

Please selec

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Environmental data across Quest's operations are sourced from corporate-level datasets, manual reporting at the facility-level, and estimates using the Commercial Building

Energy Consumption Survey (CBECS 2012) data. Corporate-level datasets include utility usage for all owned and large leased sites that is aggregated into an energy management software, and vendor reports. Utility data for the remaining portfolio primary comprised of local patient service centers are estimated using CBECS. This environmental inventory methodology brings our utility data to 100% of the operational footprint of Quest Diagnostics locations within our operating boundary as defined within the Greenhouse Gas Protocol. Our measure is an allocation based on the volume of business submitted (revenue), which has inherent limitations including the assumption that all lab tests ordered across the business utilize an equal number of utilities and specimen transportation fuel.

Requesting member

KBR Inc

Scope of emissions

Scope 2

Scope 2 accounting method

Location-based

Scope 3 category(ies)

<Not Applicable>

Allocation level

Company wide

Allocation level detail

<Not Applicable>

Emissions in metric tonnes of CO2e

0.2

Uncertainty (±%)

10

Major sources of emissions

Scope 2 emissions are primarily generated by lab operations (HVAC, lighting and lab testing equipment).

Verified

No

Allocation method

Allocation based on the volume of products purchased

Market value or quantity of goods/services supplied to the requesting member

Unit for market value or quantity of goods/services supplied

Please select

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Environmental data across Quest's operations are sourced from corporate-level datasets, manual reporting at the facility-level, and estimates using the Commercial Building Energy Consumption Survey (CBECS 2012) data. Corporate-level datasets include utility usage for all owned and large leased sites that is aggregated into an energy management software, and vendor reports. Utility data for the remaining portfolio primary comprised of local patient service centers are estimated using CBECS. This environmental inventory methodology brings our utility data to 100% of the operational footprint of Quest Diagnostics locations within our operating boundary as defined within the Greenhouse Gas Protocol. Our measure is an allocation based on the volume of business submitted (revenue), which has inherent limitations including the assumption that all lab tests ordered across the business utilize an equal number of utilities and specimen transportation fuel.

Requesting member

Prudential Financial, Inc.

Scope of emissions

Scope 1

Scope 2 accounting method

<Not Applicable>

Scope 3 category(ies)

<Not Applicable>

Allocation level

Company wide

Allocation level detail

<Not Applicable>

Emissions in metric tonnes of CO2e

42.5

Uncertainty (±%)

10

Major sources of emissions

Scope 1 emissions are primarily generated by specimen transport from clients/patients to the laboratory and natural gas used to heat many of our lab facilities.

Verified

No

Allocation method

Allocation based on the volume of products purchased

Market value or quantity of goods/services supplied to the requesting member

Unit for market value or quantity of goods/services supplied

Please select

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Environmental data across Quest's operations are sourced from corporate-level datasets, manual reporting at the facility-level, and estimates using the Commercial Building Energy Consumption Survey (CBECS 2012) data. Corporate-level datasets include utility usage for all owned and large leased sites that is aggregated into an energy management software, and vendor reports. Utility data for the remaining portfolio primary comprised of local patient service centers are estimated using CBECS. This environmental inventory methodology brings our utility data to 100% of the operational footprint of Quest Diagnostics locations within our operating boundary as defined within the Greenhouse Gas Protocol. Our measure is an allocation based on the volume of business submitted (revenue), which has inherent limitations including the assumption that all lab tests ordered across the business utilize an equal number of utilities and specimen transportation fuel.

Requesting member

Prudential Financial, Inc.

Scope of emissions

Scope 2

Scope 2 accounting method

Location-based

Scope 3 category(ies)

<Not Applicable>

Allocation level

Company wide

Allocation level detail

<Not Applicable>

Emissions in metric tonnes of CO2e

15.3

Uncertainty (±%)

10

Major sources of emissions

Scope 2 emissions are primarily generated by lab operations (HVAC, lighting and lab testing equipment).

Verified

Nο

Allocation method

Allocation based on the volume of products purchased

Market value or quantity of goods/services supplied to the requesting member

Unit for market value or quantity of goods/services supplied

Please select

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Environmental data across Quest's operations are sourced from corporate-level datasets, manual reporting at the facility-level, and estimates using the Commercial Building Energy Consumption Survey (CBECS 2012) data. Corporate-level datasets include utility usage for all owned and large leased sites that is aggregated into an energy management software, and vendor reports. Utility data for the remaining portfolio primary comprised of local patient service centers are estimated using CBECS. This environmental inventory methodology brings our utility data to 100% of the operational footprint of Quest Diagnostics locations within our operating boundary as defined within the Greenhouse Gas Protocol. Our measure is an allocation based on the volume of business submitted (revenue), which has inherent limitations including the assumption that all lab tests ordered across the business utilize an equal number of utilities and specimen transportation fuel.

Requesting member

The Allstate Corporation

Scope of emissions

Scope 1

Scope 2 accounting method

<Not Applicable>

Scope 3 category(ies)

<Not Applicable>

Allocation level

Company wide

Allocation level detail

<Not Applicable>

Emissions in metric tonnes of CO2e

17.1

Uncertainty (±%)

10

Major sources of emissions

Scope 1 emissions are primarily generated by specimen transport from clients/patients to the laboratory and natural gas used to heat many of our lab facilities.

Verified

No

Allocation method

Allocation based on the volume of products purchased

Market value or quantity of goods/services supplied to the requesting member

Unit for market value or quantity of goods/services supplied

Please select

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Environmental data across Quest's operations are sourced from corporate-level datasets, manual reporting at the facility-level, and estimates using the Commercial Building Energy Consumption Survey (CBECS 2012) data. Corporate-level datasets include utility usage for all owned and large leased sites that is aggregated into an energy management software, and vendor reports. Utility data for the remaining portfolio primary comprised of local patient service centers are estimated using CBECS. This environmental inventory methodology brings our utility data to 100% of the operational footprint of Quest Diagnostics locations within our operating boundary as defined within the Greenhouse Gas Protocol. Our measure is an allocation based on the volume of business submitted (revenue), which has inherent limitations including the assumption that all lab tests ordered across the business utilize an equal number of utilities and specimen transportation fuel.

Requesting member

The Allstate Corporation

Scope of emissions

Scope 2

Scope 2 accounting method

Location-based

Scope 3 category(ies)

<Not Applicable>

Allocation level

Company wide

Allocation level detail

<Not Applicable>

Emissions in metric tonnes of CO2e

6.2

Uncertainty (±%)

10

Major sources of emissions

Scope 2 emissions are primarily generated by lab operations (HVAC, lighting and lab testing equipment).

Verified

Nο

Allocation method

Allocation based on the volume of products purchased

Market value or quantity of goods/services supplied to the requesting member

Unit for market value or quantity of goods/services supplied

Please selec

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Environmental data across Quest's operations are sourced from corporate-level datasets, manual reporting at the facility-level, and estimates using the Commercial Building Energy Consumption Survey (CBECS 2012) data. Corporate-level datasets include utility usage for all owned and large leased sites that is aggregated into an energy management software, and vendor reports. Utility data for the remaining portfolio primary comprised of local patient service centers are estimated using CBECS. This environmental inventory methodology brings our utility data to 100% of the operational footprint of Quest Diagnostics locations within our operating boundary as defined within the Greenhouse Gas Protocol. Our measure is an allocation based on the volume of business submitted (revenue), which has inherent limitations including the assumption that all lab tests ordered across the business utilize an equal number of utilities and specimen transportation fuel.

Requesting member

U.S. General Services Administration - OMB ICR #3090-0319

Scope of emissions

Scope 1

Scope 2 accounting method

<Not Applicable>

Scope 3 category(ies)

<Not Applicable>

Allocation level

Company wide

Allocation level detail

<Not Applicable>

Emissions in metric tonnes of CO2e

288856

Uncertainty (±%)

15

Major sources of emissions

Scope 1 emissions are primarily generated by specimen transport from clients/patients to the laboratory and natural gas used to heat many of our lab facilities.

Verified

No

Allocation method

Allocation based on the volume of products purchased

Market value or quantity of goods/services supplied to the requesting member

Unit for market value or quantity of goods/services supplied

Please select

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Environmental data across Quest's operations are sourced from corporate-level datasets, manual reporting at the facility-level, and estimates using the Commercial Building Energy Consumption Survey (CBECS 2012) data. Corporate-level datasets include utility usage for all owned and large leased sites that is aggregated into an energy management software, and vendor reports. Utility data for the remaining portfolio primary comprised of local patient service centers are estimated using CBECS. This environmental inventory methodology brings our utility data to 100% of the operational footprint of Quest Diagnostics locations within our operating boundary as defined within the Greenhouse Gas Protocol. Our measure is an allocation based on the volume of business submitted (revenue), which has inherent limitations including the assumption that all lab tests ordered across the business utilize an equal number of utilities and specimen transportation fuel.

Requesting member

U.S. General Services Administration - OMB ICR #3090-0319

Scope of emissions

Scope 2

Scope 2 accounting method

Location-based

Scope 3 category(ies)

<Not Applicable>

Allocation level

Company wide

Allocation level detail

<Not Applicable>

Emissions in metric tonnes of CO2e

104055

Uncertainty (±%)

15

Major sources of emissions

Scope 2 emissions are primarily generated by lab operations (HVAC, lighting and lab testing equipment).

Verified

No

Allocation method

Allocation based on the volume of products purchased

Market value or quantity of goods/services supplied to the requesting member

Unit for market value or quantity of goods/services supplied

Please select

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Environmental data across Quest's operations are sourced from corporate-level datasets, manual reporting at the facility-level, and estimates using the Commercial Building Energy Consumption Survey (CBECS 2012) data. Corporate-level datasets include utility usage for all owned and large leased sites that is aggregated into an energy management software, and vendor reports. Utility data for the remaining portfolio primary comprised of local patient service centers are estimated using CBECS. This environmental inventory methodology brings our utility data to 100% of the operational footprint of Quest Diagnostics locations within our operating boundary as defined within the Greenhouse Gas Protocol. Our measure is an allocation based on the volume of business submitted (revenue), which has inherent limitations including the assumption that all lab tests ordered across the business utilize an equal number of utilities and specimen transportation fuel.

Requesting member

United Health Group Inc

Scope of emissions

Scope 1

Scope 2 accounting method

<Not Applicable>

Scope 3 category(ies)

<Not Applicable>

Allocation level

Company wide

Allocation level detail

<Not Applicable>

Emissions in metric tonnes of CO2e

20421.7

Uncertainty (±%)

15

Major sources of emissions

Scope 1 emissions are primarily generated by specimen transport from clients/patients to the laboratory and natural gas used to heat many of our lab facilities.

Verified

No

Allocation method

Allocation based on the volume of products purchased

Market value or quantity of goods/services supplied to the requesting member

Unit for market value or quantity of goods/services supplied

Please select

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Environmental data across Quest's operations are sourced from corporate-level datasets, manual reporting at the facility-level, and estimates using the Commercial Building Energy Consumption Survey (CBECS 2012) data. Corporate-level datasets include utility usage for all owned and large leased sites that is aggregated into an energy management software, and vendor reports. Utility data for the remaining portfolio primary comprised of local patient service centers are estimated using CBECS. This environmental inventory methodology brings our utility data to 100% of the operational footprint of Quest Diagnostics locations within our operating boundary as defined within the Greenhouse Gas Protocol. Our measure is an allocation based on the volume of business submitted (revenue), which has inherent limitations including the assumption that all lab tests ordered across the business utilize an equal number of utilities and specimen transportation fuel.

Requesting member

United Health Group Inc

Scope of emissions

Scope 2

Scope 2 accounting method

Location-based

Scope 3 category(ies)

<Not Applicable>

Allocation level

Company wide

Allocation level detail

<Not Applicable>

Emissions in metric tonnes of CO2e

7356.54

Uncertainty (±%)

15

Major sources of emissions

Scope 2 emissions are primarily generated by lab operations (HVAC, lighting and lab testing equipment).

Verified

No

Allocation method

Allocation based on the volume of products purchased

Market value or quantity of goods/services supplied to the requesting member

Unit for market value or quantity of goods/services supplied

Please select

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Environmental data across Quest's operations are sourced from corporate-level datasets, manual reporting at the facility-level, and estimates using the Commercial Building Energy Consumption Survey (CBECS 2012) data. Corporate-level datasets include utility usage for all owned and large leased sites that is aggregated into an energy management software, and vendor reports. Utility data for the remaining portfolio primary comprised of local patient service centers are estimated using CBECS. This environmental inventory methodology brings our utility data to 100% of the operational footprint of Quest Diagnostics locations within our operating boundary as defined within the Greenhouse Gas Protocol. Our measure is an allocation based on the volume of business submitted (revenue), which has inherent limitations including the assumption that all lab tests ordered across the business utilize an equal number of utilities and specimen transportation fuel.

SC1.2

(SC1.2) Where published information has been used in completing SC1.1, please provide a reference(s).

Quest Diagnostics - Financial Info - Annual Reports

SC1.3

(SC1.3) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?

Allocation challenges	Please explain what would help you overcome these challenges	
Customer base is too large and diverse to accurately track emissions to the customer level	Advanced data analytics software that could track utility allocation based on customer identification.	

SC1.4

(SC1.4) Do you plan to develop your capabilities to allocate emissions to your customers in the future? No

SC1.4b

(SC1.4b) Explain why you do not plan to develop capabilities to allocate emissions to your customers.

Due to the size of our customer base there is no current plan to expand our capabilities to provide more accurate allocation data.

SC2.1

(SC2.1) Please propose any mutually beneficial climate-related projects you could collaborate on with specific CDP Supply Chain members.

SC2.2

(SC2.2) Have requests or initiatives by CDP Supply Chain members prompted your organization to take organizational-level emissions reduction initiatives?

SC4.1

(SC4.1) Are you providing product level data for your organization's goods or services? No, I am not providing data

Submit your response

In which language are you submitting your response? English

Please confirm how your response should be handled by CDP

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public

Please confirm below

I have read and accept the applicable Terms