

A close-up photograph of several petri dishes containing blue liquid, arranged in a row.

2016

# **Sustainability and Corporate Citizenship Report**

*Goals & progress summary update*



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# About this report

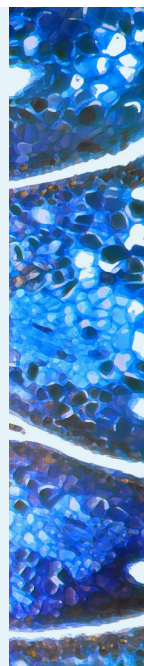
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Quintiles is pleased to present our fifth Sustainability and Corporate Citizenship Report. This report is a summary of our progress during 2015 rather than a full report as we have published in previous years.

In 2016, Quintiles merged with IMS Health and a new company was formed. Now, as QuintilesIMS, we have more than 50,000 employees working to make a positive difference in global healthcare. A focus on wellness and safety, product innovation, environmental responsibility and ethical business practices is central to our success – and this culture of caring extends to the communities where we live and work. Corporate citizenship and sustainability is an integral part of everything we do. We pay close attention to quality and compliance while embracing fresh ideas and new innovations. This dual commitment empowers us to improve healthcare – enhancing and advancing wellness and safety, strengthening supplier relationships and supporting environmental stewardship.

While this report is related to the pre-merger performance of Quintiles, we will continue to embed processes and behaviors associated with sustainability and corporate citizenship throughout our new global organization, and seek ways to continually improve our work practices while strengthening our relationships with suppliers and customers alike.

In the interest of our stakeholders and in an effort to publish meaningful and timely information related to our sustainability performance, we are transitioning our reporting timeframe. Historically, we have released our annual Sustainability and Corporate Citizenship Report in December for the previous calendar year (at which point the data is a year old). Moving forward, we will be publishing our Sustainability and Corporate Citizenship Report earlier in the year. This change will enable timelier reporting of our current performance and progress towards our overall Sustainability and Citizenship goals. To facilitate this transition we have published this progress report to provide an update on our advances since our last full report in December 2015 (reporting year 2014).





# Awards, certifications and recognition

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Our focus on supporting Quintiles' employees fostered a continuing tradition of awards and recognition in 2015/2016. For the 10th consecutive year, Quintiles was accredited by the CEO Cancer Gold Standard Program, underscoring our ongoing commitment to evidence-based employee wellness programming. In addition, highlights in 2015/2016 include:

- "World's Most Admired Companies" – *Fortune*
- "Best CRO" – *SCRIP Awards*
- "Americas Best Employers" – *FORBES*
- "Asia-Pacific CRO of the Year" – *Frost & Sullivan*
- "InformationWeek Elite 100" – *InformationWeek*
- "Fit Friendly Gold Award" – *American Heart Association*



## Named Best CRO

at SCRIP Awards for third consecutive year

## Named Best CRO

at World Vaccine Congress for third time in four years



## Recognized as Phase I Services Industry Leader

for third consecutive year

## Recognized as Phase IV Services Industry Leader

for third consecutive year

## Named Asia-Pacific CRO of the Year

by Frost & Sullivan for seventh time in nine years

In addition, the company expended great efforts over the years to demonstrate that it was worthy to be selected as an index component of the Dow Jones Sustainability Indices (DJSI). The formal announcement in September 2016 that Quintiles had been selected is a testament to the company's ongoing commitment to corporate responsibility and sustainability.

We are pleased with the recognition we have received and enthusiastically share it with our employees.

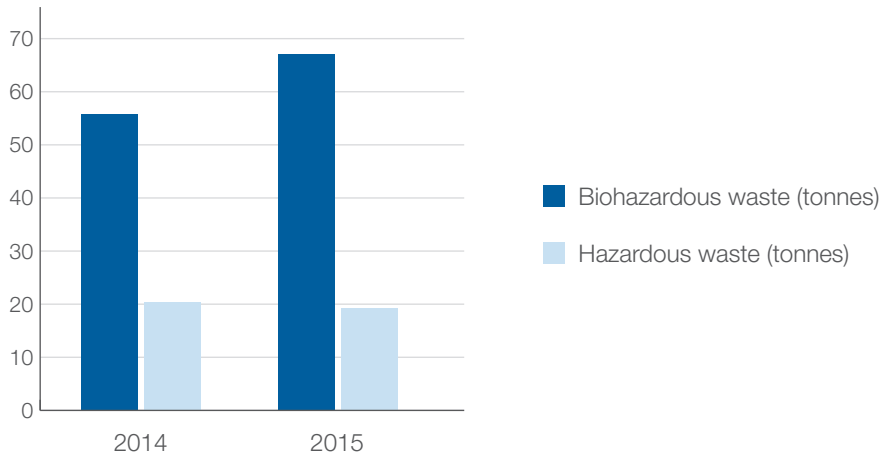


# Planet

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**Objective:** Reduce biohazardous and other hazardous waste volumes by 15% by 2015 (from a 2011 baseline).

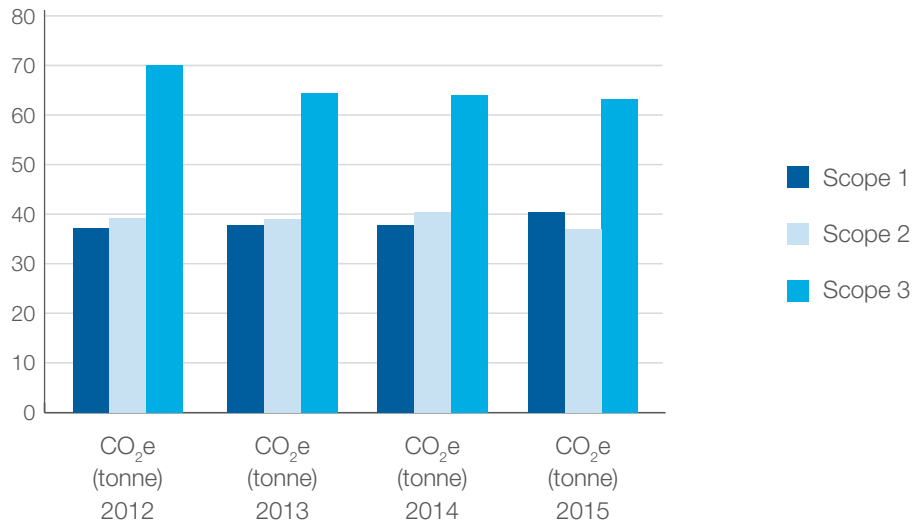
**Progress:** Biohazardous waste generation experienced an increase in 2015, primarily due to the contribution of Q<sup>2</sup> Solutions legacy Quest Diagnostics clinical laboratories during the year. However, other hazardous wastes generated in Quintiles research and development labs decreased significantly by nearly 9%.



**Key benefits:** Reducing all types of hazardous and biological wastes continues to be a central policy goal and indicator of our sustainability efforts. We continue to effectively manage these highly regulated waste streams while keeping our employees safe.

**Objective:** Calculate Scope 1 and Scope 2 carbon emissions by the end of 2013; establish a baseline value from which future reduction targets can be set.

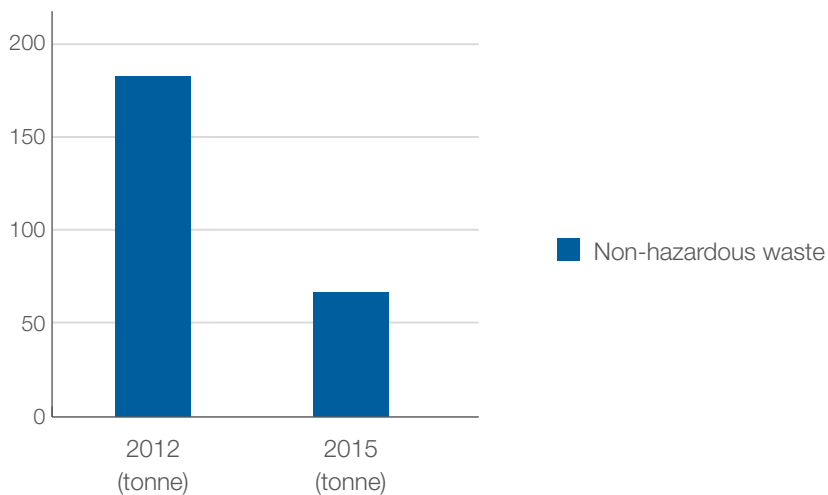
**Progress:** In 2015, overall, Scope 1, 2 and 3 emissions increased in absolute numbers by around 2.5%, due primarily to the addition of three new Q<sup>2</sup> Solutions sites.



**Key benefits:** Quintiles carbon emissions have been largely affected by workforce mobility changes, and the effects of a growing global marketplace. Although our carbon emissions values compare well against other pharmaceutical and service related companies, we are striving to better track, manage and report our emissions. This will allow us to seek more ways to reduce our environmental footprint worldwide.

**Objective:** Reduce solid waste generation by 20% at Quintiles' larger sites by 2015 (from a 2012 baseline).

**Progress:** Since the 2012 baseline was established, Quintiles has reduced its paper waste from its U.S. sites only by 65%.





**Key benefits:** As in years past, we are working on developing more accurate ways to calculate paper usage or other waste stream generation globally. While this measurement is made more challenging due to the large number of suppliers that service Quintiles, we will continue to assess opportunities to leverage our supplier network to gather this data on a global basis.

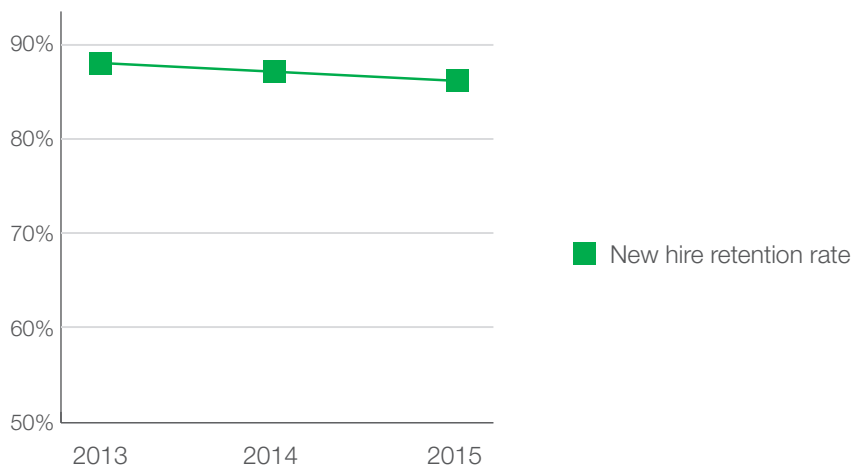


# People

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**Objective:** Maintain or improve upon 2011 employee and new hire retention rates.

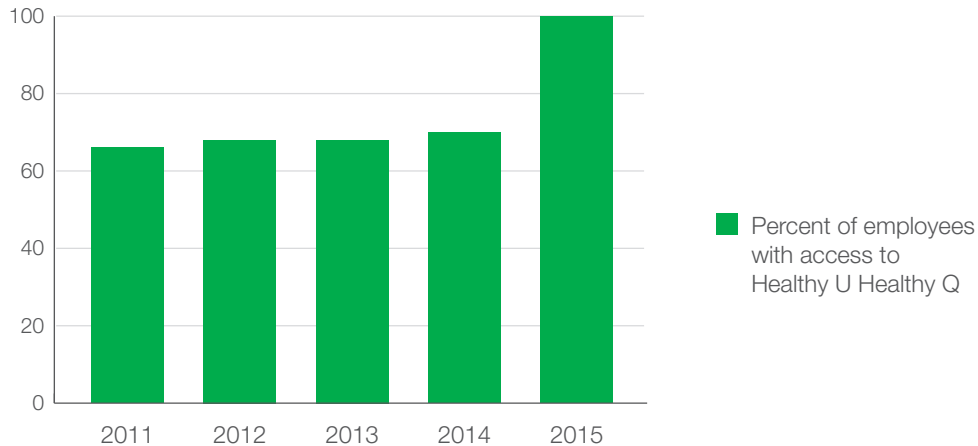
**Progress:** Employee retention rates have held steady between 86% and 88% since 2013 during a time of growth and expansion worldwide.



**Key benefits:** Our company continues to attract high caliber personnel to join our company. Our strong retention rate over the past three years is testament to our commitment to fairly compensating our employees, treating each with respect, and providing strong human resources support programs.

**Objective:** Extend employee wellness programming to 75% of countries by 2015 (measured from 2011 baseline)

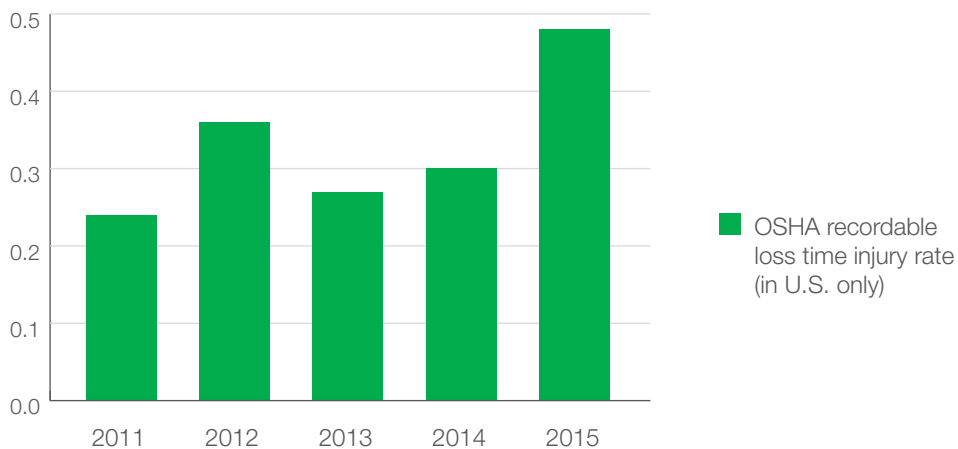
**Progress:** Healthy U Healthy Q program was expanded to reach all employees in all regions in late 2015/early 2016, far exceeding our goal. As in prior years, our wellness program focuses on many key areas that promote a sustainable workplace.



**Key benefits:** Quintiles believes the accelerated progress in this metric is attributed to a maturing culture of health, CEO participation in healthy behaviors and activities, and our focus on the patient, which grounds us in an overall awareness of the importance of health.

**Objective:** Reduce our accident rates by 10% by 2015 (from a 2011 baseline in the United States and United Kingdom and 2012 baseline in Asia-Pacific facilities)

**Progress:** In 2015, we began tracking recordable loss time rates due to pending regulatory requirements. This new metric resulted in higher rates than in previous years, due largely in part to a higher number of drivers compared to the past, and enhanced accident reporting processes.

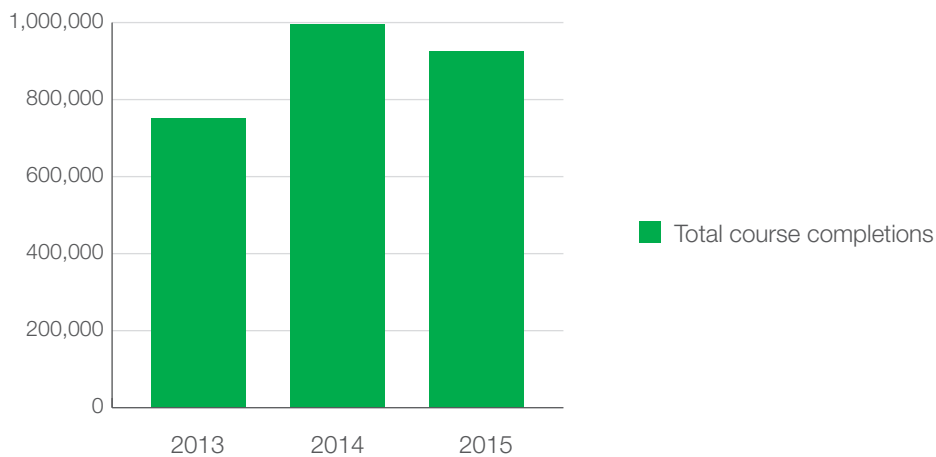




**Key benefits:** We believe that increasing communications and awareness of incident reporting, and implementing a new “all hands” safety course is a progressive step that will allow the company to advance embedded safety across a growing company.

**Objective:** Total course completions

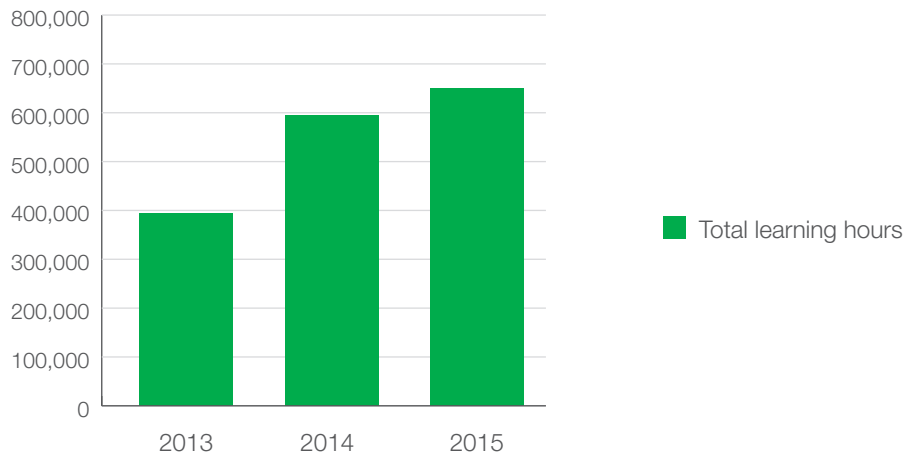
**Progress:** Total course completions declined slightly over 2014, but were nearly 28% higher than reported completions in 2013.



**Key benefits:** Our employees continue to have access to a growing portfolio of professional development courses, with over 90% offered online or virtually to support our global workforce. We also offer communities of interest and forums outside of our corporate learning management system.

**Objective:** Total learning hours

**Progress:** Total learning hours increased over 11% over those recorded in 2014.



**Key benefits:** Professional development continues to be a priority at Quintiles, and 2015 was a strong indicator of our commitment to workforce development. Managerial support through professional development planning tools is a major catalyst for employees to proactively get involved in advancing their careers at Quintiles.

# Public

**Objective:** Giving to organizations our employees care most about

**Progress:**

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## 2015 matching gifts

**1,100** gifts  
processed



**\$180,000**  
donated



- **General matching gifts** – up to \$250 annually per employee
- **Team matching gifts** – matches employee gifts to a team (minimum 10 employees) up to \$150
- **Volunteer matching gifts** – provides \$75 donation to organization for 8 hours of employee volunteer work up to \$150 annually



# Moving forward

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Following the successes noted in the 2014 report and those experienced in 2015, the company determined in late 2015 that it was an opportune time to revisit its original corporate responsibility and sustainability goals. The following new goals will form the basis for our next set of annual reports. These goals will be shaped further as our two companies merge.

## 2020 People/Public Goals

- Replace engagement goals with diversity goals – starting with more rigorous definition and tracking of gender metrics.
- Replace wellness program geographic scope goal (now at 100%) with global tobacco-free workplace and global employee assistance program by 2018.
- Develop meaningful goals on retention, internal hires, and leadership development as we understand our new company's unique needs and drivers of success.
- Establish a baseline of number of volunteer hours by site/country and/or region.
- Achieve positive customer and stakeholder feedback on sustainability objectives and performance. Evidence for this met goal may be in the form of formal awards and certifications, continued inclusion in the DJSI, Ecovadis benchmarking and ad hoc written feedback.

## 2020 Planet Goals

- Reduce carbon intensity: Quintiles has set a goal of reducing its global scope 1 and 2 carbon emissions by 10% by 2020 indexed to net service revenue, using a baseline year of 2015.
- Reduce solid waste generation through increases in source reduction, reuse, and recycling: By end of 2020, establish binless offices at 25% of Quintiles sites, and increase reuse/recycling rates by 25% (compare to 2016 baseline year).
- Reduce safety risks associated with motor vehicle / fleet usage: By end of 2020, implement practices that reduce motor vehicle / fleet related injuries by 10% (e.g., injuries per million miles driven) – based on 2016 baseline year.
- Expand implementation of Quintiles' EHS Management System: Expand ISO 14001/ OHSAS 18001 certifications to all laboratory and Phase I locations by the end of 2018.

