

Quest Diagnostics Corporate Social Responsibility Report 2013



Everett Cunningham, SVP, Commercial, guides Lillian Grace, daughter of a Quest employee, around the bases during a 2013 charity softball game.



A Message from
Steve Rusckowski,
President and CEO

As I look back on the two years since I joined our company, I'm proud of Quest. Our work and our people represent everything I've been part of for the past 35 years, and I want to keep it that way and make us even stronger. We touch hundreds of thousands of lives each day, and we know that we're relied on by half the doctors and hospitals in the United States and millions of patients around the world for our care, expertise and insights to show the way to better health.

We said 2013 would be a building year, and it was. During and since, we announced the launch of our BRCA genetic testing, and partnerships with the New York Giants, UMass Memorial, University of California San Francisco, and Memorial Sloan Kettering Cancer Center. We made strategic sales and acquisitions, including welcoming the employees of wellness provider Summit Health and Solstas Lab Partners in the South. We navigated tough industry challenges. We went through reorganization—and a lot of change. Our people are working hard, taking care of customer and patient needs, and positioning us for future growth.

Diagnostic information services are a fraction of healthcare costs, yet they inform the vast majority of care decisions, and can help patients to better understand and take accountability for their health. As we realize our vision of Empowering Better Health with Diagnostic Insights, social responsibility is integral to our business strategy, and, in 2013, we held ourselves accountable for sustainability measures as part of it.

I'm proud to share this report, which shows that we focus our investments where our assets and capabilities can bring social and business value, like in cancer, infectious disease and health informatics. It helps you to better know our people, who take their talent, drive and compassion far beyond a day's work and into our communities. I look forward to even greater impact—on public health, our communities, our patients and our people.

Enjoy.

Steve Rusckowski
President and CEO



Visit QuestDiagnostics.com/CSRvideos to view
Leadership Panel: National Volunteer Week

For 2013, as an integral part of the Quest Diagnostics new corporate vision and strategy, CEO Steve Rusckowski and our senior leadership team recommitted our company to social responsibility. We established the new Corporate Social Responsibility (CSR) and Global Inclusion function to identify and advance opportunities to improve sustainability, establish goals and track our progress. We researched and connected with peers, partners and thought leaders; formed teams; and engaged our executives on CSR trends and best practices.

We set some specific CSR goals, plans and measures, and we crafted a guiding CSR framework:

We share our unique insights and capabilities to foster innovation and create shared value in the pursuit of a measurably healthier world. We understand the increasing diversity of the populations we serve, and the opportunities that investing in our communities affords our company, our partners, our patients and our people. We recognize our responsibility for continuous improvement and ethical leadership, and we benchmark, measure and report. We strive to:

- 1 **Address public health challenges, closing disparities where we can**
- 2 **Empower communities and families to be strong and well**
- 3 **Build inclusive cultures and educated leaders for innovation and growth**
- 4 **Protect our earth and its resources**

We made progress and exceeded numerous targets—and learned along the way. In 2013 we created a community index by which our senior leaders were measured, and we exceeded our 51 percent target with a score of 65 percent. We achieved 67 percent in our employee inclusion index. We were pleased that 58 percent of our employees reported community involvement and volunteerism while 62 percent felt supported by Quest in their passion for volunteering. Families continued to struggle in 2013, and we responded with more than \$57 million in patient assistance in the form of discounted or waived fees for laboratory testing. Our giving in dollars moved from \$1.6 million to more than \$3.4 million, as we also focused on improving our giving strategy. Reflecting our environmental commitments, we're opening a LEED-certified 'lab of the future' in Marlborough, MA, in 2014.

We earned the American Cancer Society's Corporate Impact Award for Employee Engagement, *Newsweek's* Green Ranking, 4-Star Evergreen Fleet Certification, and regional healthy employer awards. We were listed on the Dow Jones Sustainability Index and received the 2014 Community Spirit Award for our support of the lesbian, gay, bisexual and transgender community, from the Imperial Court of New York.

At a recent National Volunteer Week and Diversity Month event, Steve reminded our employees and partners that, while awards and rankings help us benchmark and improve, they're not why we commit to social responsibility. "We do this," he said, "because it's the right thing to do, because it makes us feel good as individuals, and because it helps our business."

Our people know this well. They've been giving back—with humility and compassion—for years. In many ways, as a business, we're catching up to them. We're proud of the team progress reflected in these pages, but we're far more proud of where we're going. We hope you'll get to know us better through our data, our stories, and the videos of our people, who show the way to better health—and a better world—every day.



Barb Short
Director, Global Inclusion and Corporate Social Responsibility
Executive Director, Quest Diagnostics Foundation



Partnering with Harvard, MIT and Brown Students in the Fight Against Hepatitis

In 2010, Harvard undergraduate and medical students asked our Boston area lab to support a public health initiative focused on addressing the high prevalence of hepatitis B among Asian Americans. They asked Quest to offer hepatitis testing at a discount to support their community efforts. Our local medical team secured commitment from the company to donate the testing for this cause and to help promote awareness of the need for testing, vaccination and treatment. Over the years, the partnership strengthened. In 2012, Team HBV at Harvard invited in MIT and Brown chapters, and together with Quest, joined the World Hepatitis Alliance in a global awareness initiative. Our team engaged multiple stakeholders in the community to participate in a worldwide, synchronized effort to set a Guinness World Record on World Hepatitis Day. On July 28th, crowds in cities around the world performed three gestures—"See No Evil" (covering their eyes), "Hear No Evil" (covering their ears) and "Speak No Evil" (covering their mouths)—to symbolize the prevailing lack of knowledge and action around this silent epidemic.

World Hepatitis Day is now a yearly event that raises global awareness of hepatitis B and C. So on July 28, 2013, Quest Diagnostics employees, Team HBV New England chapters and local Boston clinic MAP for Health were once again on hand—this time in Chinatown Park—to invite the community to participate, pass out critical health information, and urge passersby "to get tested, get vaccinated and spread the word." The result was another successful Guinness World Record attempt: Globally, 26,204 people participated in the 2013 event, more than double the 2012 number, setting a new record for the number of people performing these synchronized actions around the world in 24 hours.

Quest Diagnostics employees and community partners led the Boston World Hepatitis Day 2013 contingent, raising awareness of hepatitis B and C and what can be done to prevent them.



" Growing our business requires understanding our micromarkets, understanding our customers and understanding where we should be dedicating our resources. That requires us to build trust and be deeply involved in the local communities in which we work."

Everett Cunningham
Senior Vice President, Commercial



" Deaths from hepatitis C infection have nearly doubled over the past decade to more than 15,000 a year. Early detection and treatment of hepatitis C saves lives, but most people who are infected don't know it or are not being effectively treated. Our collaboration with the CDC underscores the importance of using diagnostic information to derive useful insights enabling effective prevention, detection and management programs for diseases with a significant impact on public health."

Jay Wohlgemuth, M.D.
Senior Vice President, Science and Innovation

Hepatitis Day



"With 3 million Americans living with hepatitis C and up to 2 out of 3 who don't know they are infected, increased testing is critical to ensure that those who are infected receive life-saving care and treatment. Because these individuals are at serious risk for liver cancer, disease and death, we value our collaboration with Quest Diagnostics and believe it will help improve our understanding of how people access hepatitis C testing and care across the nation."

John W. Ward, M.D.
Director of CDC's Division of Viral Hepatitis

1 We Address Public Health Challenges, Closing Disparities Where We Can

At Quest Diagnostics, we're in the business of understanding and helping solve the health challenges that our communities face. Every day our employees around the world serve providers and patients, build relationships, share expertise, and work with local leaders and committees as well as national foundations and health agencies. In 2013, we focused our public health efforts around infectious disease, cancer and the power of data insights, finding the Quest expertise and support that fit each challenge—and partnering with others who can help.

Collaborating with the CDC to Protect Boomers from Hepatitis C

In recent years, top members of Quest Diagnostics' Science and Innovation team have served on the national Viral Hepatitis Action Committee (VHAC), managed through the U.S. Centers for Disease Control and Prevention (CDC). Our leading experts, such as Rick Pesano, M.D., Ph.D., Vice President, Development, Science and Innovation, have worked passionately and painstakingly with others on VHAC to help eradicate hepatitis. So last July, when new research uncovered that "baby boomers" are five times more likely than other adults to be infected with hepatitis C, the CDC turned to Quest. Hepatitis C is the most common chronic blood-borne infection in the United States, and the vast majority of baby boomers living with hepatitis C don't even know they are infected. Adding urgency was the fact that effective and more comfortable new treatments for hepatitis C were showing response rates as high as 98 percent. That meant not only that early diagnosis could curb the spread of disease, but also that better treatment options could help prevent liver damage, cirrhosis, liver cancer and even death.

Our Science and Innovation team got to work, developing a more effective testing panel that could be used by providers across the U.S. Quest employees then set out to educate, advocate and spread the word. We joined an advocacy effort that succeeded in prompting the U.S. Preventive Services Task Force (USPSTF) to modify screening recommendations to include one-time testing for hepatitis C, a recommendation that also meant Medicare and Medicaid could now cover the screening.

Quest medical experts, scientists and health informatics experts forged a partnership with the CDC to share data that would help track epidemiological trends in hepatitis C virus infection, testing and treatment. These insights make possible improved understanding and management of this public health challenge, and help more people prevent or address infection earlier.

All this work—a collaboration between Quest and the CDC—could help prevent more than 120,000 deaths among baby boomers and improve health outcomes for the approximately 3.2 million Americans infected with hepatitis C.

Visit QuestDiagnostics.com/CSRvideos to view Rallying Boston on World Hepatitis Day



“ Quest stands for the power of knowing. Making sure patients have access to a genetic test with proven clinical value is essential. Patients need to understand their cancer risks in order to make the most informed and timely decisions about their health. While not every woman should get a BRCA test, Quest has a special opportunity to ensure every woman for whom BRCA testing is indicated can access this important technology.”

Jon R. Cohen, M.D.
Senior Vice President and Chief Medical Officer



Quest employees and their families led with their feet at Making Strides Against Breast Cancer events around the country during October, Breast Cancer Awareness Month.

Making Genomic Testing for Breast Cancer More Available

As the world’s leader in cancer diagnostics, Quest has long been committed to the fight against breast cancer. So last year, when we saw an opportunity to make genomic testing for breast cancer more widely available, we moved quickly.

In June 2013, right after movie star Angelina Jolie’s dramatic disclosure of her decision to have a preventive double mastectomy after testing positive for the mutated BRCA genes, the U.S. Supreme Court made a favorable ruling on human gene patents that ushered in a new era of choice in BRCA testing for patients and their providers. Immediately following the news, Wilson Conde, Vice President, Specialty Sales Support and Clinical Franchise Business Development, led a team that focused for the next three months on developing Quest’s BRCA testing program. In just 14 weeks after the Court’s decision, we rolled out our test for inherited forms of breast cancer, BRCAVantage™, just in time for Breast Cancer Awareness Month (October). Our new assay series offers another testing option, and will search for mutations in the BRCA1 and BRCA2 genes, which sharply increase a woman’s risk of developing cancer during her lifetime.

The genomic tests themselves are just part of our BRCAVantage efforts. We link doctors, patients, and those considering testing to genetic counselors through our site—BRCAVantage.com—that offers patients and providers educational resources to understand more about BRCA1 and BRCA2, such as who might benefit from the new tests and how the tests can help. The BRCAVantage program also includes an advocacy component to spread the word and reach more people. We held events at the 2013 San Antonio Breast Cancer Symposium, and co-hosted the panel discussion “Cancer and BRCA in the News, Arts and Popular Culture.” To educate providers and patients, our Medical Affairs department has offered support to a range of organizations that do so effectively, like the Society for Women’s Health Research (SWHR) and Facing Our Risk of Cancer Empowered (FORCE).

Reporting Health Trends™ Through Lab Data, Among Patients and Workers

As the world's leading provider of diagnostic information services, we process an unmatched scale of health data—in countless communities around the world and spanning decades. This scale means that our sample sets can reveal vital health trends. It's a unique perspective that only Quest Diagnostics has. We also see this as a unique responsibility.

That's why since 2005, we have been producing Quest Diagnostics Health Trends reports on issues from cardiovascular disease, kidney disease and diabetes to allergies and influenza. In 2013 alone, we produced reports on LDL cholesterol (247 million test results from 104 million Americans over 11 years) and chronic kidney disease.

One of our recent peer-reviewed Quest Diagnostics Health Trends reports, for example, found that decades of declines in LDL cholesterol blood levels, a key marker of death risk from heart disease, abruptly ended in 2008, and may have stalled since. Another one of our reports, *Allergies Across America™*, revealed that ragweed and mold allergies are leading to an overall upswing in allergies nationally.

We are proud that our Quest Diagnostics Health Trends reports have spurred other researchers to investigate further, building upon our insights, while also equipping policy makers and community leaders to better direct health resources.

One of our most influential reports, the Drug Testing Index™ (DTI), has been published annually since shortly after the Drug-Free Workplace Act of 1988 required that truck drivers, train operators, airline workers and others subject to federal safety regulations be

tested for illicit drugs. The legislation proved to be a catalyst for many companies and public agencies—many not covered by the act—to launch drug education and testing programs.

For the 25th anniversary in 2013, the DTI examined more than 125 million urine drug tests performed by Quest Diagnostics labs across the U.S. for government and private employers between 1988 and 2012. Key findings from the analysis include:

- Overall drug use among American workers declined 74 percent over the past 25 years.
- Workers' use of amphetamines, including methamphetamine, has nearly tripled.
- Workers' abuse of prescription medications, including prescription opiates, including hydrocodone, oxycodone and oxymorphone, has increased steadily over the last decade.

Last year's DTI report also found that changing rates of positive drug tests often mirrored larger developments in drug use in the U.S. For instance, a decline in drug positives for methamphetamine observed in 2005 roughly coincided with federal and state efforts to crack down on so-called "meth labs" and put over-the-counter medicines—such as ephedrine and pseudo-ephedrine—behind the pharmacy counter.

Perhaps most importantly, other independent studies have shown that the very act of testing in the workplace has helped lower drug use.

Learn more about Health Trends at QuestDiagnostics.com/HealthTrends.



Visit QuestDiagnostics.com/CSRvideos to view **Meth Trends: Quest Diagnostics Drug Testing Index™ (2011)**



Quest Diagnostics Health Trends reports track diabetes, heart health and more.

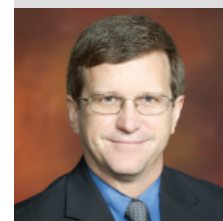
“ Our Health Trends reports have shown—again and again—that smart, responsible use of massive data sets can help create a healthier and safer world. We owe a big debt to all the academics and clinicians who have collaborated with us on so many of our peer-reviewed reports, and I especially want to acknowledge the huge debt we owe to the thousands of Quest Diagnostics employees whose excellent laboratory work has made our data so highly respected and valued, year after year.”

Harvey W. Kaufman, M.D.
Senior Medical Director



“ The Drug Testing Index is more than an established barometer of workplace drug use trends. Quest's DTI demonstrates the power of diagnostic insights to reveal opportunities to create a healthier and safer world. Our goal for this seminal 25th anniversary DTI report is to reveal both the huge progress made to date to deter the use of drugs by workers, and also to show that vigilance is required by employers seeking to create safe, healthy environments for their employees, and to arm them with the knowledge to act effectively.”

Barry Sample, Ph.D.
Director of Science
and Technology
Employer Solutions



2 We Empower Communities and Families to Be Strong and Well

Whether it's fighting cancer, mentoring youth or helping those affected by natural disasters, our people make their passion for making a difference count—in our culture and in our communities. We take seriously the health and wellbeing of the more than 41,000 workers we employ, 80 percent of whom hold non-exempt jobs for which most are trained to serve as a vital part of our public health equation.

Working Across Sectors to Better Communities

You can see our community involvement wherever we do business, so it should surprise no one that our community work is also visible in Madison, New Jersey, headquarters location for our senior leaders and corporate functions. One model for partnering with the community is the Chief Executive Council for Madison (CECM). Created by Quest Diagnostics CEO Steve Rusckowski along with Madison Mayor Bob Conley and Drew University President Dr. Vivian A. Bull, CECM brings together senior leaders from government, business and academia for collective impact. An idea conceived in 2012 over a burger at a friendly charity softball game, CECM has already had a positive impact on the community. In fact, former New Jersey Governor and current State Senator Richard Codey presented the Council with the State of New Jersey Department of Community Affairs 2013 Award for Innovation in Governance for CECM's practical approaches to solving municipal problems and concerns.

Fostering the next generation of leaders is a key goal, so CECM collaborated with Junior Achievement® to create the "Emerging Leaders" speaker series at Madison High School and Drew University, led by Quest CEO Steve Rusckowski and Chief Human Resources Officer Jeff Shuman. In addition, Quest's Shuman joined the Junior Achievement of New Jersey's Board of Directors, and he and Senior Vice President, Commercial Everett Cunningham invited Quest employees to a Madison elementary school to teach 4th graders about entrepreneurship. CECM also jumped in to help in the Madison effort to provide more than \$300,000 of disaster recovery support to Union Beach, a small coastal NJ town of year-round residents that was devastated by Hurricane Sandy, including sending 50 displaced children to summer camp.

Looking to the future, the group announced the Vivian A. Bull CECM Emerging Leaders Fellows Program at Drew University, funded by member organizations and executives, to support learning internships and "Emerging Leaders" education activities, and to support the sustainability of the group's community efforts.



" We were the unfortunate recipients of Hurricane Sandy, but the Madison community has been with us through the long haul... We can't thank all of you enough for all of your help."

Albin Wicki, Union Beach, New Jersey,
Town Council President

CEO and CECM co-founder, Steve Rusckowski and fellow CECM members Chris Daggett, President and CEO of the Geraldine R. Dodge Foundation and Madison, NJ, Mayor Bob Conley shared their experiences and knowledge with local high school and college students at a CECM "Emerging Leaders" event with Junior Achievement.



" Junior Achievement of New Jersey was honored to be invited to collaborate with the Chief Executive Council for Madison on its 'Emerging Leaders' program, which touched more than 100 students in 2013 alone. Learning from that executive how he or she got to where they are today, inspiring those students and preparing them for the real world is priceless."

Catherine Milone
President, Junior Achievement of New Jersey



" When people in town see the highest level executives of corporations getting involved in their community, it creates a better climate for all of us. On behalf of the State of New Jersey, we thank Steve Rusckowski and the employees of Quest Diagnostics for their community spirit."

Richard Codey
New Jersey State Senator
and former New Jersey Governor



Visit QuestDiagnostics.com/CSRvideos to view
Chief Executive Council for Madison:
An Award-Winning Year in Review



“ Not only has CPS-3 with Quest Diagnostics been a great partnership, it’s been the right partnership. I don’t think we would have been as successful without the broad and deep relationship between Quest and ACS. We couldn’t be happier with the outcome.”

Alpa Patel, Ph.D.
CPS-3 Strategic Director,
American Cancer Society

Mobilizing Communities to Inform the Fight Against Cancer for Future Generations

Top left: Quest phlebotomists worked in communities across the country to collect blood samples from volunteer study participants for the American Cancer Society’s Cancer Prevention Study-3.

Above right: Regional Medical Director, Dr. Salim Kabawat and Quest employees supporting CPS-3 enrollment in Boston.

Below: As a healthcare leader, we see it as our business to help families take charge of their health, from supporting direct patient access to lab data, to offering wellness screenings at the NBC 4 New York & NY Giants Health & Fitness Expo and, for the past 35 years, the Denver 9 Health Fair.

With the shared ambition to “help create a world with less cancer and more birthdays,” Quest Diagnostics continued to work side by side with the American Cancer Society as its laboratory partner in the Society’s ambitious Cancer Prevention Study-3 (CPS-3). CPS-3 is a historic epidemiological research project that will follow participants for 20 years to uncover lifestyle, environmental and genetic factors that influence cancer risk. Ultimately, this unprecedented study could lead to better methods of cancer prevention and control for future generations.

To reach the Society’s ambitious goal for CPS-3, they needed to enroll 300,000 participants by the end of 2013. Complicating this challenge was the nature of the study: Participants would have to do more than complete a survey or agree to be interviewed periodically. They would be asked to give blood samples collected in communities around the country by Quest Diagnostics phlebotomists. At the end of 2012, the Society was 60 percent of the way to its enrollment goal with 180,000 enrollees. As they launched their grassroots recruitment strategy in the final enrollment year, Quest partnered with the Society and kicked community activation into high gear in key cities, like Chicago and San Francisco, offering everything from advertising, public relations and marketing support to signing up participants and deploying QuestCares employee volunteer street teams. By the end of 2013, the Society had enrolled more than 300,000 participants in the largest contemporary national resource to include diagnostic insights, which will inform the fight against cancer for our children and grandchildren.

The CPS-3 partnership continues a long, close relationship between Quest and the American Cancer Society. Over the years, our company and our people have raised more than \$5 million in support of the Society’s research, community education and advocacy, and critical patient support. For all of these activities, the American Cancer Society honored Quest Diagnostics with its 2013 Corporate Impact Award for Employee Engagement.



Visit QuestDiagnostics.com/CSRvideos to view QuestCares Charity Softball Game

“We want our colleagues and their families to be healthy, and when they have challenges, we want them to have the resources needed to return to good health. We also want to provide our people with the best information, tools and incentives that will help support them in actively managing their health.”

Jeff Shuman, Senior Vice President and Chief Human Resources Officer



Helping Our Employees and Their Families “Take Charge” of Their Health with the “Healthy Starts with Me” Campaign

At Quest Diagnostics, we have a goal of “Creating a Healthier World,” and we believe a healthier world starts with the health of each one of our colleagues and their families. Since 2005, our award-winning HealthyQuest initiative has aimed to raise our health literacy and increase our awareness around risk factors, inspiring us to make appropriate, healthy and lasting lifestyle choices and changes.

In 2013, we stepped up our wellness commitment with the launch of our HealthyQuest “Healthy Starts with Me” campaign, raising our commitment to an unprecedented level by boosting existing programs, adding new ones and empowering our employees around five critical areas of health management:

- **Know your health.** Along with establishing an on-going relationship with a physician and understanding family health history, we invite employees to participate in our industry-leading health assessment program, Blueprint for Wellness®.
- **Improve your health.** Once health risks and improvement opportunities are identified, we encourage and incentivize employees and their dependents to participate in best-in-class programs such as the HealthyQuest Coaching program to undertake lifestyle changes, for example related to weight loss or tobacco cessation.
- **Prevent illness and injury.** Our occupational, health and safety program, Always Safe, ensures that everyone has a safe place to work by keeping safety top of mind.
- **Access care appropriately.** We introduced a new HealthyQuest Concierge service to help employees navigate the healthcare system.
- **Manage health conditions.** Our HealthyQuest Care Management programs help colleagues with chronic conditions manage their symptoms and live in ways that enable them to be their very best, both at home and at work.

Ultimately, good health is good business. When we are able to perform at our best, we are able to better serve our patients, build value for Quest and contribute to an inspiring workplace.



The “Healthy Starts with Me” campaign helps our employees and their families understand their health history, manage conditions and make healthy lifestyle choices.



3 We Build Inclusive Cultures and Educated Leaders for Innovation and Growth

There's no question we're making big changes to our business, and are on a dedicated journey toward continuous improvement. We know we need a strong culture that brings out our best behaviors, ideas and work. Whether it's building our Action Learning Through Volunteerism initiative to tap our talent for local board leadership and develop professional skills; launching our new Employee Business Networks; training our people to work in our new management system; or introducing our people to new ways of thinking about change, leadership, or unconscious bias, we're working to build a culture that inspires us all to come to work each day with a collaborative spirit, a drive to deliver top performance, and an unwavering focus on our customers and our patients.

Creating Employee Business Networks for Development and Growth

Quest Diagnostics believes in the power of employee networks to foster a culture of inclusion, to drive our business forward and develop our professionals. In April 2013, National Diversity Month, we made a commitment and a call to interested employees to help us launch and revitalize our Employee Business Networks (EBNs). Led by employee volunteers and supported by executive sponsors and the office of Global Inclusion and Corporate Social Responsibility, we began to build or revitalize seven networks centered around African and Hispanic descent, caregivers, veterans, women in leadership, young professionals and the lesbian, gay, bisexual, and transgender (LGBT) community. All EBNs are open to all employees, and their national leaders comprise a collaborative team building an integrated plan.

As a corporate member of Catalyst, a leading nonprofit research and advisory organization focused on the business value of inclusion, we leveraged their resources and toolkits as we educated our culture, engaged

executive sponsors and leaders, and designed organizational structures and plans for each network. Each EBN is charged with three objectives:

1. **Foster a culture of inclusion** through programs and activities that educate and raise awareness among all employees.
2. **Develop professionals and professional networks, both internally and externally**, including opportunities for employees to mutually mentor and engage across teams, functions, levels and regions.
3. **Partner with the business for growth** as a network leadership team, identifying and collaborating with at least one internal business partner on a business growth initiative.

Our longstanding Women in Leadership employee business network marked its fourth year in 2013, with men on its steering committee and

Top left corner: Pronger Smith Medical Center, the American Cancer Society and Quest teamed up in Chicago to support CPS-3.

Top right corner: Everett Cunningham, SVP, Commercial, James Humphreys VP, Commercial Marketing, and Dr. Ronald Kennedy, Medical Director, Anatomic Pathology, all executive sponsors of Quest Employee Business Networks, accept the 2014 Imperial Court of New York Community Spirit Award.

Bottom left: Anthony Lawson of the African-Descent Employee Business Network (ADEN) Leadership Team, networks at the ADEN launch.

Bottom middle: Bob Severini, Executive Director, Logistics, and Jeff Shuman, SVP and Chief Human Resources Officer, both executive sponsors of Quest's Veteran Employee Business Network, with former United States Secretary of Defense William Cohen.

Bottom right: Quest employees with former New York Governor David Paterson, who visited Quest to share his story as part of the ADEN launch.

The rain didn't stop Quest employees from showing up at the NYC AIDS Walk.



“ To innovate and grow, we need a solid pipeline of diverse, engaged, high-performing talent. Our employee business networks play a critical role in fostering a culture of inclusion, developing our professionals and our professional networks internally and externally, and in partnering with our business for growth today, and for growth tomorrow.”





Cathy Doherty
Senior Vice President, Clinical Franchises, and Executive Sponsor, Women in Leadership Employee Business Network

focusing on developing our leadership pipeline and strategic engagement with the Healthcare Businesswomen's Association (HBA).

Our Pride Network, in support of an inclusive workplace for lesbian, gay, bisexual and transgender employees, provides subject matter expertise to HR and Benefits related to legislative changes, serves as a source of information and support for employees, plays a leadership role in community events, and partners with our commercial organization on LGBT community outreach and support. In 2014, the network is teaming with community leaders and Quest business leaders as we sponsor and support AIDS Walks in New York, Boston, Miami, San Francisco, Los Angeles, and Orange County, California; Pride Walks in New York, Denver, St. Louis and Kansas City, Missouri; and the Imperial Court of New York's annual "Night of a Thousand Gowns," a transgender gala that over the years has raised millions of dollars for New York City charities including GLAAD (Gay and Lesbian Alliance Against Defamation) and GMHC (Gay Men's Health Crisis).

Our executive sponsors and leadership teams continue to construct strong teams and plans for the sustainable presence and strengthening impact of our Employee Business Networks.

Visit QuestDiagnostics.com/CSRvideos to view:

-  Profiles in Global Inclusion: Former NY Governor David Paterson Helps Launch African-Descent Employee Business Network
-  Profiles in Global Inclusion: LGBT Pride Network
-  Profiles in Global Inclusion: Understanding Cultural Differences
-  Profiles in Global Inclusion: Building an Inclusive Team



Work life flexibility expert Cali Yost (inset) helped Quest employees understand how small “tweaks” each day could lead to big improvements in work performance and wellbeing.

“ Achieving high performance and work life wellbeing isn’t easy, for managers or individuals. And as the men and singles on my team vocally showed us, this is not just a mom’s or even a dad’s issue. I’m very proud that my company is stepping up to lead, learn and create culture change in this new area of worker wellness and business performance. We not only saw great results personally and collectively through disciplining ourselves to use Cali’s Tweak It practice for six weeks, but my team also happened to earn a high-performance award while doing it.”

Ines Dahne
Vice President
Healthcare Technology Solutions



Managing Culture and Self for High Performance and Work Life Wellbeing

At Quest, we know how critical work life fit is to each of us; it’s a key aspect to health and wellness. So in 2013, in a move for the benefit of all our colleagues, Quest enlisted the assistance of author and work life flexibility expert Cali Yost to present her revolutionary practice based on her book, *Tweak It: Make What Matters to You Happen Every Day*.

The company-wide presentation by Yost was held before a live audience at our Lenexa, Kansas, laboratory, and coincided with the rollout of our fall Blueprint for Wellness® employee enrollment period. That same day, we kicked off our High Performance and Work Life Well-Being Pilot, sponsored by Senior Vice President and Chief Human Resources Officer Jeff Shuman and Senior Vice President, Commercial Everett Cunningham, and for the next six weeks more than 40 workers employed Yost’s Tweak It practice and tools, as they took accountability for their own personal work life fit.

The results were powerful.

- 92 percent of participants reported they were better able to prioritize responsibilities and goals.
- 96 percent had managed to accomplish one or more previously unaccomplished items on the “to do” lists they had created at the start of the pilot.
- 81 percent of participants said they were more likely to collaborate and coordinate with others to meet their priorities.
- 72 percent said they were more aware of, and had more respect for, differences in people’s work-life realities.
- 100 percent of High Performance and Work Life Well-Being study participants reported that their productivity at least stayed the same or increased.

Quest also sponsored Yost’s biennial research in 2013, which tracks American workers’ perspectives on work life fit, and is collaborating with Yost to help introduce more workers—both within and outside of Quest—to the Tweak It practice as a tool for improving health behaviors and outcomes.



Reducing Safety Risk 49 Percent Since 2003

Quest Diagnostics has an extensive Environment, Health and Safety (EHS) program that reduces risk of injury through equipment selection, procedure development and training to improve employee knowledge.

By selecting equipment with intrinsic safety features, we reduce the risk of employee injury. For example, we have selected fleet vehicles that are Insurance Institute for Highway Safety (IIHS) Top Safety Picks, with features like electronic stability control, antilock brakes and multiple airbags; and we use phlebotomy needles with built in safety shields to reduce needle-stick risk. Our self-audits have helped us identify tripping hazards and opportunities for engineering devices such as carts to transport materials safely. We also enhance safe work practices by providing comprehensive employee safety training when we hire employees and annually thereafter, while also monitoring employee job performance to identify and correct unsafe behaviors. Lastly, all of our employees are expected to be continually aware of opportunities to make improvements such as identifying tripping hazards like uneven floor mats.

This multi-faceted approach has helped Quest Diagnostics reduce our serious (OSHA Recordable) injury rate by 49 percent since 2003.



Our Environment, Health and Safety program leveraged training, equipment selection and procedure development to reduce injury 49 percent over 10 years.

4 We Take Responsibility for Protecting Our Earth and Its Resources



“ We are often faced with tough choices in the work we do and in our own lives, and I think sometimes it feels like it’s an either/or, but I truly believe it’s more of an ‘and.’ We can be socially responsible, we can be responsible as a corporation, and we can drive the business to excellence.”

Mark Guinan
Senior Vice President and
Chief Financial Officer



“ We are proud of our steadily improving sustainability statistics, but we also see our success in terms of a GreenQuest culture, where every one of us at Quest, in every situation, looks for opportunities to continuously improve—from the little things that save energy to the bigger things that cut emissions to the integral innovation of testing materials and processes that reduce waste and impact.”

Clete Lewis
Director Environment, Health and Safety



John Haydon, Vice President, Joint Ventures & Strategic Programs (right), turns in his personal office printer to Tim Waire, Executive Director, Infrastructure, as part of the Managed Print Service program to improve efficiency and reduce waste.



Managing Printing for Green Effects

Quest Diagnostics implemented a Managed Print Service (MPS) initiative in the fourth quarter of 2013. We replaced inefficient desktop and network printers, scanners and fax machines with new HP Multifunction Print (MFP) Devices. The Energy Star-rated machines go into sleep mode automatically after 15 minutes of inactivity and are configured to print in duplex mode, saving paper by printing on both sides of each sheet. Annually, we are saving electricity (229,800 kilowatt hours), paper (14 tons), and recycling toner cartridges (564 in the last quarter of 2013 alone), all of which contribute substantially to our GreenQuest.

We are part of the communities we serve, and we are also citizens of this world—stewards of the planet and its resources. Quest Diagnostics earned a place on the annual *Newsweek Green Rankings* for the fourth consecutive year, placing 112th on the U.S. 500 list, which highlights organizations that are committed to reducing their environmental footprint.

Dramatically Reducing Hazardous Waste with Collection Kit Innovation



Testing patient specimens can create hazardous waste (as a product of the testing process), but we are making extraordinary progress in reducing that waste. For example, each year Quest Diagnostics tests more than a million stool samples for parasites. And since the parasitology assay requires two different tests, the standard approach had been to use a two-vial

system for preserving specimens. These two vials, however, contained hazardous components, including formalin, polyvinyl alcohol and mercury.

Recently, Quest Diagnostics switched to the Total Fix[®] single-vial preservative, which allows both tests to be run from a single vial that contains no formalin, polyvinyl alcohol or mercury. Considering Quest Diagnostics tested 1.1 million stool specimens for parasitology in 2013, this conversion will mean the following for 2014:

- 1.1 million fewer specimen vials disposed of as hazardous waste—an annual hazardous waste reduction of 40 tons.
- No mercury, polyvinyl alcohol or formalin disposed of from our parasite testing.
- Saving all the resources required to make 16 tons of plastic (from 1.1 million vials).
- \$80,000 saved in projected hazardous waste disposal costs.
- 50 percent reduction in preservative shipping costs.
- Economic single-vial system reduced supply costs and saved \$30,000 for our company.

Indeed, these savings will likely increase, since we project parasitology testing to rise in coming years. Finally, the new vials will make specimen collection and handling easier for our clients and patients.

Reducing Costs and Saving Resources with Corporate and Local Attention

We are proud that our employees across the globe are looking for local “Green Projects” to conserve resources and reduce their carbon footprint. Last year, for example, a team at our Philadelphia facility noticed water usage increasing and—after investigating conservation options—replaced restroom fixtures with 22 low flow toilets (saving 2.5 gallons per flush), 8 waterless urinals (saving 3.5 gals per flush), and 30 motion activated sink faucets (saving as much as 30 percent of hand-washing water). All together, the project should save an estimated 1.9 million gallons of water annually, which will also translate into a savings of \$18,000.

For the fourth consecutive year, the enduring commitment Quest Diagnostics brings to the environment has earned us the prestigious 4-Star Evergreen Fleet recertification for 2013 by the Puget Sound Clean Air Agency, an organization within the U.S. Department of Energy’s Clean Cities Coalition. Our commitment to fuel-efficient vehicles continues with the selection of more than 400 hybrid vehicles, further reducing our fuel consumption and improving our standing as a sustainable organization.

Celebrating our 4-Star Evergreen Fleet Recertification

2013 Data

Financial Performance*

	2013	2012	2011
Net revenues (millions)	\$ 7,146	\$ 7,383	\$ 7,392
Operating income (millions)	\$ 1,475	\$ 1,201	\$ 987
Operating income as a percentage of revenue	20.6%	16.3%	13.4%
Income from continuing operations attributable to Quest Diagnostics (millions)	\$ 814	\$ 630	\$ 459
Diluted earnings per share	\$ 5.31	\$ 3.92	\$ 2.85
Operating cash flow (millions)	\$ 652	\$ 1,187	\$ 895
Annual patient encounters (millions)	147	147	146
Dividends per share	\$ 1.2	\$ 0.81	\$ 0.47
Total shareholder return (Quest Diagnostics - December 31st)	-6.24%	1.49%	8.33%
Total shareholder return	32%	16%	2%

* For a more complete understanding of our financial performance, please refer to our financial statements included in our Annual Report on Form 10-K, filed with the Securities and Exchange Commission.

Corporate Awards and Rankings

Forbes: The Global 2000 ranking	1,090
Fortune 500 ranking	364
Barron's 500 ranking	267
Newsweek Green Ranking	112
Dow Jones Sustainability Indices (World and North America)	
Carbon Disclosure Project	
4-Star Evergreen Fleet Certification	
2013 NJ Department of Community Affairs Innovation in Governance Award	
American Cancer Society's Corporate Impact Award for Employee Engagement	



MEMBER OF
**Dow Jones
Sustainability Indices**
In Collaboration with RobecoSAM

Our Commitment to the Environment

	2013	2012	2011
Indirect energy consumption (TJ)	1,036	1,083	1,042
Direct energy consumption (TJ)	1,292	1,308	1,358
Scope 1 CO ₂ emissions (metric tons)	83,828	85,242	88,791
Scope 2 CO ₂ emissions (metric tons)*	175,501	183,384	176,518
Scope 3 CO ₂ emissions (metric tons)	44,394	40,457	40,611
Water consumption (cubic meters)	809,039	860,515	835,692
Chemical waste (metric tons)	2,137	2,111	1,959
General waste (metric tons)	8,094	7,808	7,854
Recyclable waste (metric tons)	10,816	8,744	7,760
Biohazardous waste (metric tons)	7,985	8,477	7,996
Square footage of facilities*	6,146,220	6,083,749	6,066,697

* Environmental impact metrics are based on the square footage of our larger facilities and the outcomes we can measure directly. The Scope 2 CO₂ emissions include an estimate of the impact of an additional 3.5 million square feet of patient service centers.

Our Commitment to our Employees

	2013	2012	2011
Number of employees	41,000	41,000	41,500
Turnover rate	16.7%	14.6%	14%
Percent of women in total workforce	68.9%	68%	68%
Percent of minorities in total workforce	49.2%	50%	49.4%
Educational reimbursements (millions)	2.3	2.4	4.0
Percent participating in Wellness Screenings	68.5%	68%	72%
Injuries per 100 full time employees	1.66	1.51	1.71
Lost days per 100 full time employees	11.26	16.28	16.59
Cases of lost days per 100 full time employees	0.36	0.38	0.48
Cancer Gold Standard, CEO Roundtable on Cancer Accreditation	✓	✓	✓



Our Giving Commitments

	2013	2012	2011
Charitable giving (thousands)	\$ 3,469	\$ 1,600	\$ 1,500
In-kind giving (Patient Assistance Programs) (thousands)	\$ 57,979	\$ 35,000	\$ 29,000
Food items donated (thousands)	15	15	17
Pints of blood donated	900	1,000	1,055

Additional Performance Highlights

	TARGET	RESULTS
Community Index	51%	65%
Employee Inclusion	61%	67%
Employee Engagement	71.6%	68.8%

Local Best Places to Work - 2013

Atlanta, Georgia
Baltimore, Maryland
Auburn Hills, Michigan
Cleveland, Ohio
Diagnostic Laboratory of Oklahoma
Florida
Quest Diagnostics Nichols Institute San Juan Capistrano, California
Sonora Quest
Texas Gulf Coast (Texas and Louisiana)

Other Local Awards:

Most Engaged	Atlanta
Healthiest Employer	Baltimore North Texas Houston Florida

Quest Diagnostics is proud to be a member of the following organizations:



QuestDiagnostics.com

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But it's more than what we do. It's *who* we are and *how* we care.

In 2013, we built new employee recognition programs, from our Business Improvement Contest to our "This is My Quest" Leadership, New Behaviors, and I Volunteer Challenge awards. But we know that there are far more exceptional achievements and acts of leadership than we can ever formally recognize. Here are just a few:



Acting swiftly for a newborn in distress

As Oklahoma phlebotomist Kenya began a blood draw on her infant patient, she noticed that the child was lethargic and pale. Kenya immediately stopped the scheduled lab work for the child and secured a doctor to review the baby's symptoms. The doctor called for an ambulance to rush the tiny patient to the hospital, noting that Kenya's focus and quick action and advocacy helped save the child's life.



Opening doors, no matter the hour

Kansas phlebotomist Tess was closing up a patient service center for the day when a mother showed up with her child. Realizing she was too late, the mother showed signs of grave disappointment. Concerned, Tess re-opened the service center to collect the child's sample for lab testing. Tess later learned that the results of that draw identified a critical health condition that sent the child straight to the hospital and may have saved her life.



Acting when every minute counts

Kevin is a phlebotomist in Michigan who travels to nursing homes to provide Quest services to elderly residents. While performing his regular duties at one home, Kevin noticed that a patient was not breathing and immediately notified a nurse, who asked Kevin if he could assist with CPR. As a trained volunteer firefighter, he could. The patient resumed a pulse and was transported to the hospital, leaving behind a very grateful staff.



Taking action in midair to help a seatmate in distress

As a commercial sales trainer, Missy, of Indiana, doesn't interact with patients every day. However, while traveling from a healthcare conference in Las Vegas, she noticed that the passenger in the seat next to her was clearly in distress and unable to catch his breath. Missy checked his heart rate, which was a dangerous 120 beats per minute, and not going down. She knew a physician from the conference was on the flight, and she found him. He examined the passenger in distress, consulted with the airline's physician on the ground, and the flight crew landed the plane at the nearest airport for emergency care for Missy's seatmate. Missy was grateful that she didn't ignore a passenger who didn't want to "make a fuss," and that the professionals she engaged took swift action.



Recognizing a senior dealing with change

Lone is a phlebotomist from California who took a special interest in a 96-year-old long-time patient named Frank whose wife of more than 50 years had recently moved to a nursing home. Seeing how deeply saddened Frank was as he grieved over his wife's declining health and adjusted to her absence, Lone told him that she would ride her bike to his house and visit. A few days later, Lone sat with Frank for hours as he happily shared stories of his life. Lone still worries when she doesn't see Frank and calls to make sure he is okay.

" Our people are dedicated personal caretakers of our patients, their specimens, and their results. And as frontline, integral players in our global healthcare system, they often go above and beyond their prescribed duties. I'm proud of each of our employees every day—their skill, commitment to quality, compassion and passion. And I'm deeply inspired by those who act when they see potential for crisis with authority, judgment and expertise."

Jim Davis
Senior Vice President, Operations



QuestCares Video Series: Our Leaders, Colleagues and Partners in Action

You've read about the strides we're making towards a healthier world and an inspiring workplace. We invite you to see the videos of our company, people and partners in action at:

QuestDiagnostics.com/CSRvideos

The screenshot shows the QuestDiagnostics website's 'QuestCares Video Series' page. At the top, the QuestDiagnostics logo is on the left, and navigation links for 'Our Company', 'Make an Appointment', 'News & Media', 'Social Media', 'En Español', and 'MyQuest™ Patient Portal' are on the right. A search bar is also present. Below the navigation, there are tabs for 'Home', 'For Patients', 'For Physicians & Hospitals', 'For Companies & Organizations', and 'Contact Us'. The main content area is titled 'QuestCares Video Series: Our Leaders, Colleagues and Partners in Action'. A large video player is featured, showing a man speaking to an audience. Below the video player is a list of video thumbnails with their respective titles:

- Leadership Panel: National Volunteer Week
- Rallying Boston on World Hepatitis Day
- Chief Executive Council for Madison: An Award-Winning Year in Review
- QuestCares Charity Softball Game
- Profiles in Global Inclusion: Former NY Governor David Paterson Helps Launch African-Descent Employee Business Network
- Profiles in Global Inclusion: LGBT Pride Network
- Profiles in Global Inclusion: Understanding Cultural Differences
- Profiles in Global Inclusion: Building an Inclusive Team
- Meth Trends: Quest Diagnostics Drug Testing Index (2011)

Jennifer Chen (left), Co-President of Team HBV at Harvard College; Melissa Wong (middle), Chair of the Board of Directors at MAP for Health and Quest's Salim Kabawat, M.D. (right), Regional Medical Director rallied the city of Boston in Chinatown Park on World Hepatitis Day 2013 as part of a global, synchronized action to raise awareness of hepatitis risk, prevention and treatment.



" We do this because it's the right thing to do, because it makes us feel good as individuals, and because it's good for our business."

Steve Rusckowski
President and CEO



The mark of responsible forestry

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