



8,000 people  
one global purpose







Corporate Responsibility Report





# Our Purpose

To be a great company that creates exceptional long-term value for our customers, employees, and shareholders by enhancing the health and well-being of pets, people, and livestock.



# A Message from Jon Ayers, IDEXX CEO

IDEXX seeks to be a good citizen of the communities in which we do business by contributing to their health and quality of life, by conducting ourselves with the highest ethical standards and by being environmentally responsible.



Welcome to our Corporate Responsibility (CR) report. In this report, you will see how we are strong believers in how our business advances the human condition, while also advancing how we are doing business in a way that is socially and environmentally responsible.

The work we do makes a positive impact in the world in part by supporting the human-animal bond through advances in pet health care. Pets can't tell you how they feel, so bloodwork results help give pets a voice in their healthcare. Our innovations in pet care diagnostics expand their vocabulary.

Corporate responsibility is embedded into our Purpose and our Guiding Principles, which we refined in the year 2010 as a result of a deep company introspection of what makes IDEXX who we are and aspire to be. They have stood the test of time, and I am deeply proud of them.

I am so pleased to share in this report an update on the work our employees are doing to help our communities, protect the environment, nurture our people, and grow our business. Sharing provides visibility into that work, motivating IDEXX employees across the globe to continue in this good work.

## Our Six Guiding Principles:

- Achieve and sustain market leadership
- Exceed the expectations of our customers
- Empower and reward our employees
- Innovate with intelligence
- Cultivate entrepreneurial spirit
- Contribute to our communities

In addition, because people want to work for a responsible company that they can be proud of, we believe it's important to show what IDEXX is all about, from our innovative culture, to the way we support the health and well-being of our employees and their families, to community volunteering, and to how we design our products and even our buildings. These topics are a big part of our report.

I'd like to thank our employees, customers, vendors and other partners for contributing to the good we've done to date. I look forward to IDEXX finding ways on how we can advance our ideals in corporate responsibility, consistent with our Purpose.

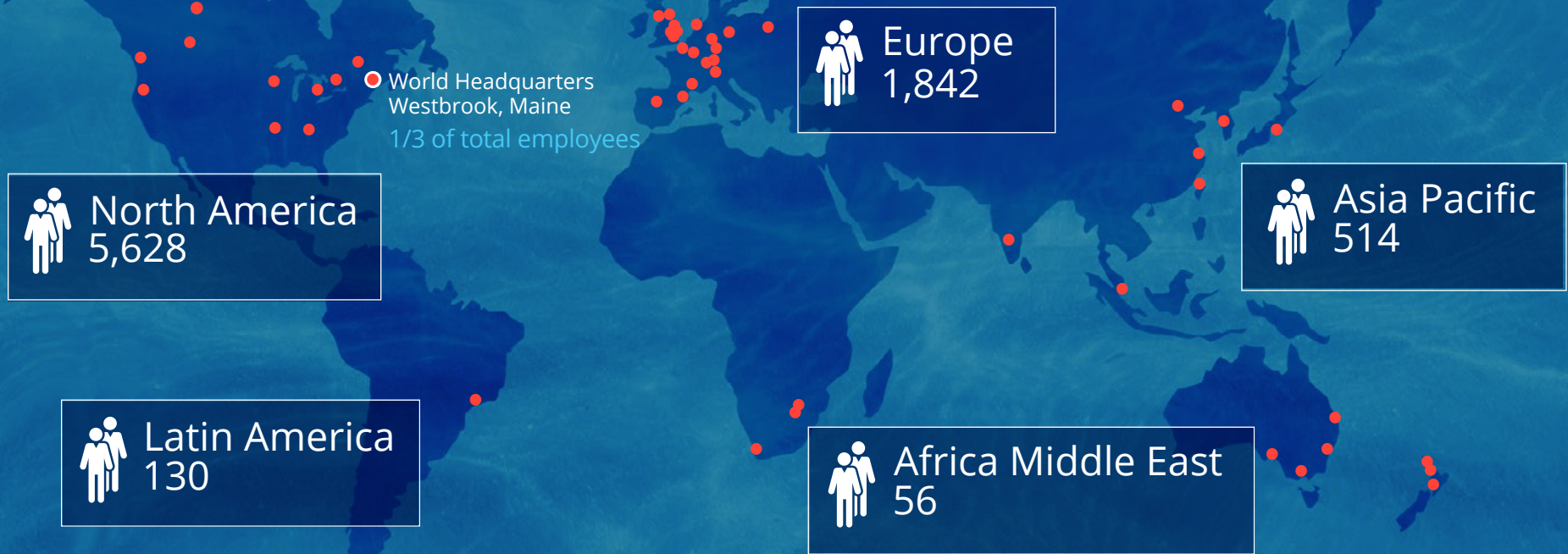
We invite you to follow us on our journey.

A handwritten signature in black ink, appearing to read 'Jon Ayers'. The signature is fluid and cursive, written on a white background.

Jonathan W. Ayers  
Chairman, President and Chief Executive Officer



IDEXX has 8,170 employees worldwide committed to our purpose.



As of September 2018

## About IDEXX

IDEXX Laboratories, Inc. is a member of the S&P 500® Index and is a leader in pet healthcare innovation, serving veterinarians around the world with a broad range of diagnostic and information technology-based products and services. Our common stock is quoted on the NASDAQ Global Select Market under the symbol IDXX.

IDEXX is also a worldwide leader in providing diagnostic tests and information for livestock and poultry, and testing for the quality and safety of water and milk. Headquartered in Maine, USA, IDEXX employs 8,170 people and offers products to customers in over 175 countries.

For the last eight years, through the end of 2018, we will have about doubled the company's revenues and grown our number of employees by 3,350. We are proud of our business performance and the impact we have made through our customers, while increasing the number of jobs and career growth opportunities for our employees. This performance fuels our continued investment in the long-term health of the company while serving the communities where we operate.

To learn more about IDEXX business and financial performance, see [www.idexx.com/en/about-idexx/](http://www.idexx.com/en/about-idexx/).

# What We Do Matters

Ask IDEXX employees how they feel about their work and you'll quickly learn what matters most to them – the work we do at IDEXX makes a positive impact in the world. A significant percentage of our employees work to improve the health of animals and know that the bond between people and pets is invaluable.



This strong human-animal bond not only fuels our purpose at IDEXX, its importance to the human condition is supported by extensive research. Below are just a few examples.

**Mental Health:** 74% of pet owners reported mental health improvements from having a pet.

**Cardiovascular Health:** Having a cat improves the relative likelihood of recovery and survival after a heart attack by 37%. Dogs decrease blood pressure and lower cholesterol.

**Longevity:** There is a clear correlation between dog ownership and longer life. Healthy Aging: In a trial of nursing home residents in Australia, individuals who spent time with a dog reported less fatigue, tension, confusion and depression.

Much of the research about the bond between people and pets is done by the Human Animal Bond Research Institute (HABRI) at [www.habri.org](http://www.habri.org). IDEXX is proud to have sponsored HABRI.

People's love of their pets is an important factor driving our company's growth. People around the world want their pets to live longer and healthier lives—and are turning to veterinarians and diagnostic testing to determine not only what is causing a pet to be sick, but also how to keep their pets healthy.

At IDEXX, we're dedicated to developing ways to help pets live longer and healthier lives. In preventive care visits for adult pets, the addition of IDEXX symmetric dimethylarginine (SDMA) identified clinically significant changes in pet health 70% more often than traditional blood work panels. IDEXX Fecal Dx antigen identifies twice as many infections compared to traditional methods. These are just two examples of the way IDEXX innovation leads to earlier diagnosis and intervention, prolonging the lives of pets so they can thrive as happy healthy family members.

Demographic trends show the pet bond growing even stronger among younger generations—a demographic that increasingly represents both our employees and our customers. We are dedicated to continuing to develop new ways to keep pets healthy and their families happy.

98% of pet owners feel that their pet is an important part of their family.

95% of pet owners say they couldn't imagine giving up their pet for any reason.





# How We Developed this Report

This report is informed by engagement with stakeholders both within and outside of IDEXX. We used research on our sector from both the Global Reporting Initiative (GRI) and the Sustainability Accounting Standards Board (SASB) frameworks, peer benchmarking and an internal process with key leaders to guide our assessment of key topics covered in the report.

These leaders include IDEXX Board member Rebecca M. Henderson, PhD. Dr. Henderson has been the John and Natty McArthur University Professor at Harvard University since 2011 and is the former Co-Director of the Business and Environment Initiative at Harvard Business School. She brings substantial expertise in corporate sustainability, governance issues and corporate strategy to the IDEXX Board.

Data in this report relates to our wholly-owned facilities and subsidiaries worldwide unless otherwise noted. Calculation methodologies are noted where relevant. The data reporting period is January through December of 2017, unless otherwise noted.

For questions or comments about this report, please contact:  
[Corporateresponsibility@idexx.com](mailto:Corporateresponsibility@idexx.com)



Rebecca M. Henderson, PhD  
John and Natty McArthur  
Harvard University Professor  
IDEXX Board of Directors

“Sustainable change is no longer limited to ‘green’ companies. It’s incumbent on every business, every organization to maximize its efficiency and minimize its environmental impact. I’m very proud of the work that IDEXX is doing in this area and fortunate that my position on the company’s board of directors enables me to lend my experience and expertise to help guide IDEXX’s expanding corporate sustainability efforts.”





# Empower and Reward our Employees

We treat each other with trust, respect, and honesty, placing a high value on accessibility, collaboration, open communication, clear decision making, and individual accountability.

We provide our employees with diverse opportunities to learn, contribute, and benefit, based on merit, results, and values.



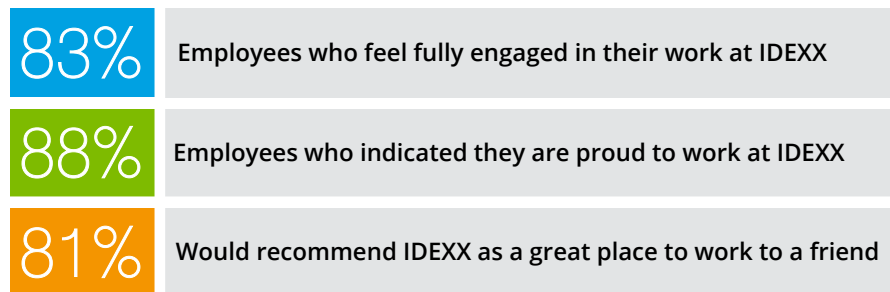
# Employee Engagement

Our high percentage of engaged employees is a reflection of our unique culture.

Employee engagement has been shown to result in happier employees, greater employee satisfaction, higher retention, improved productivity and business performance—even better home lives.

At IDEXX, our most effective employee engagement tool is our unique culture. We strive to make IDEXX a place where meaningful work is plentiful, a place where people like to work.

We engage with employees on a regular basis through both our annual engagement survey and shorter pulse surveys to determine our employees' feelings about working at IDEXX. We are pleased to share some results from the most recent employee engagement survey conducted in March 2018:



In that same survey our employees described our culture as collaborative, innovative and friendly. Feedback from employees on areas to improve included increasing collaboration even further and enhancing inclusion and communication. Across the organization, there is an action planning process that addresses our employees' feedback so we can continuously improve.

## Defining the Value of Working at IDEXX

At IDEXX the work we do has a meaningful, global impact on animal and human well-being. We care deeply about animals and our connection to them. This passion fuels our desire to innovate and grow. With growth comes opportunity—to learn, to make a difference, to succeed.

We recently conducted comprehensive research with IDEXX employees to help us distill what is unique about working at IDEXX. There are the three components that define our Employee Value Proposition—a synopsis of why employees continue to work at IDEXX.

## A Place of Purpose, Innovation and Opportunity

### 1. Purpose

We support the well-being of more than 40 million pets and 2.5 billion people each year. Each employee's work here matters.

### 2. Innovation

We're responsible for more than 80% of the total companion animal diagnostic industry investment in innovation. By bringing new ideas to life, IDEXX employees help our customers improve the well-being of animals and people around the world.

### 3. Opportunity

Through meaningful work and challenging assignments comes professional and personal growth.

# Inclusion and Diversity

IDEXX celebrates inclusion and diversity by creating an environment where people can thrive and succeed.

At IDEXX, we believe that including individuals with different perspectives and backgrounds is not only the right thing to do, but also something that enhances our innovative and collaborative spirit, which has been the engine driving our performance and growth. We are an equal opportunity employer and we seek to recruit, develop and retain the most talented people from a diverse candidate pool.

## Inclusion and Diversity Council

In 2017, our Inclusion and Diversity Council, whose members include diverse IDEXXers from around the world and throughout the organization, formed with a mission “to cultivate a culture of inclusion that values and demonstrates diversity, strengthening our Guiding Principles and helping us achieve our shared Purpose.” The Council has been creating an inclusion awareness campaign plan and gathering feedback from employees about how they feel about IDEXX in our annual employee engagement survey.

## Gender Diversity at IDEXX

As a global company, gender equity is a priority in every IDEXX location, in particular because IDEXX’s customer base is predominantly women. Women are well-represented at IDEXX, with a workforce that’s 58% female and 42% male as of May 2018. However, women comprise 23% of senior leadership at Director and above levels. Our goal is to increase the percentage of women in senior leadership positions.

We’re also working to establish a gender-diverse Board of Directors, with women currently making up three out of eight members of the Board, as of November 2018. We’re pleased that this work is receiving recognition (see sidebar).

## IDEXX recognized by WomenInc.



IDEXX board members, Dr. Rebecca M. Henderson, Ms. M. Anne Szostak, and Dr. Sophie V. Vandebroek have been recognized by WomenInc. magazine as one of its 2018 Most Influential Corporate Board Directors.

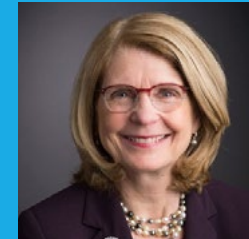
In announcing the recognition, WomenInc. said, “We are inspired by their achievements and look forward to sharing that inspiration with our readers.”

In addition, Rebecca, Anne and Sophie, each have significant accomplishments to celebrate, as noted below:



Rebecca M. Henderson, PhD

Dr. Henderson was named a co-winner of the Page Prize for Sustainability Issues in Business by the Darla Moore School of Business at the University of South Carolina for her MBA elective course *Reimagining Capitalism*. The Page Prize supports efforts to substantially upgrade sustainability courses in the curricula of business schools internationally.



M. Anne Szostak

Anne Szostak has been named among the most influential people in the boardroom community by NACD Directorship magazine. As part of the NACD Directorship 100, Anne has been recognized as influencing how board work is done.



Sophie V. Vandebroek, PhD

Dr. Sophie Vandebroek was honored with Xerox Diversity Caucus Groups’ first-ever Award of Distinction: Lifetime Diversity Leadership Recognition. The award recognizes Sophie’s demonstrated excellence in leadership and continuing advocacy on behalf of diversity.



IDEXX is a Visionary Sponsor for the Olympia Snowe Women’s Leadership Institute founded by former U.S. Senator from Maine, Olympia Snowe.

The institute invests in young women to ensure that there will be more leaders like Senator Snowe in the future—young women who have been encouraged, supported and inspired to dream big and reach high in all of life’s endeavors.





# 43,200+ hours

Hours of training registered on our learning management system in 2017.

## Learning and Development

We're working to foster a growth mindset across IDEXX.

We offer IDEXX employees a number of ways to improve their skills, from specific functional, compliance, and cyber security training to skills that apply to any job function.

Training available to IDEXX employees includes Effective Communication, Improving Productivity, Working in Teams, and Problem Solving.

We have invested in a global learning management system that will significantly improve the learning experience for all employees around the world. The new system will launch in Q1 2019 and will initially provide over 60 training opportunities to help our employees learn and grow.

Our Learning and Development solutions address the needs of employees at all levels of IDEXX:

| IDEXX Learning and Development Solutions |  |   |  |   |
|--|--|---|--|---|
|  | Individually   | Teams   | Sales and Customer Support   | Leadership Effectiveness  |
| LEVEL                                    | All IDEXX employees  | All IDEXX Employees   | IDEXX Sales, Customer Support and Sales Support Professionals  | All People Leaders at IDEXX   |
| GOAL                                     | Develop self-awareness and individual skills to drive collaboration, communication, efficiency and innovation. | Work in teams to develop team purpose and vision, work as a cohesive unit, and enhance collaboration. | Utilize personal Insights to enhance sales relationships and have better relationships with customers. | Build critical leadership skills for new leaders, established front line leaders and business unit leaders. |

# Health and Well-Being

Our well-being strategy is focused on creating a global community through awareness, education and empowerment.

We support our employees' journeys toward optimal health and wellness by investing in benefits, programs, and incentives that form the four pillars of our wellness strategy: Physical Health, Emotional Resilience, Social Connectedness, and Financial Health.

We encourage employee awareness of health risks; educate about behavior change; and empower employees to act by putting the right tools in place.

## Wellness and Fitness Center

At IDEXX, these tools include a comprehensive wellness and fitness center at our Westbrook location, where one-third of our employees work. Employees can meet with a life coach or dietitian and receive one-to-one programming with an exercise specialist. The facility also includes an urgent care clinic and physical therapy.

It's all part of our comprehensive approach to health and our emphasis on well-being.



**Our aspiration:** A globally engaged community of employees and families supported by IDEXX to live optimally healthy lives.

## Well-Being Strategic Imperatives

### Physical Health

- Tools to understand personal health risks and take action
- Ergonomic work environments
- Nutrition education and access



### Emotional Resilience

- Awareness about stress, anxiety and depression
- Resources to help employees through difficult life situations
- Supportive work environment/dedicated quiet space



### Social Connectedness

- Opportunities to build communities where IDEXXers can join colleagues with similar interests and skills
- Connections to local communities for civic involvement, volunteering and networking



### Financial Health

- Financial education and tools for all stages of life
- Significant investment in our US employee financial well-being by increasing the 401K match from 4% to 5% in 2017
- Cybersecurity training to protect personal assets







56%

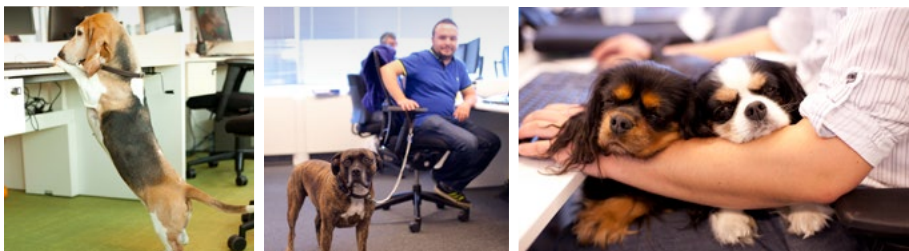
Westbrook Maine employees enrolled in the IDEXX Fitness Center as of June 2018

### Local Wellness Councils

In many locations around the world we facilitate fitness center membership and have local wellness councils made up of passionate employees who love to engage their colleagues in different wellness activities.

As an example, in our Hoofddorp, Netherlands office, the wellness council created a bring your pet to work day. Pets are linked to wellness because studies show that pets can help lower blood pressure, lower risk of heart disease, prevent allergies in children, reduce stress levels, decrease anxiety and depression, strengthen immune systems, and increase social interaction. The bring your pet to work day was so successful that a new ongoing pet program was launched called Pets at Work—PAWS. It provides employees with guidelines for taking their dog to work at IDEXX.

### IDEXX Pets at Work (PAWs)



IDEXX was one of only three companies that received an honorable mention for the C. Everett Koop National Health award in 2017.



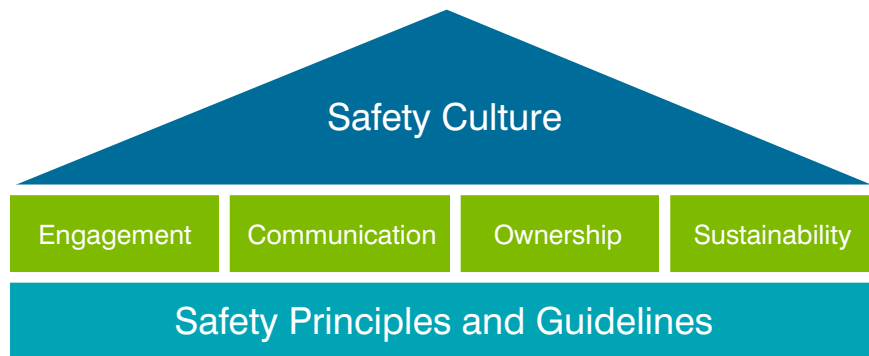
IDEXX has also been awarded 2018 Gold status by National Business Group on Health.

# Keeping the Workplace Safe

We're building a culture of safety at IDEXX facilities around the world.

## Workplace Health and Safety

Safety at IDEXX starts with an overarching safety culture that is put into practice through engagement, communications, ownership, and monitoring and recognizing performance. This graphic shows the concept behind our approach to workplace safety.



Our global facility project management team provides centralized management of our safety progress. The team meets weekly to review safety, sustainability, and environmental impacts. We currently track all accidents and other safety incidents and use this information to develop programs that focus on risk to our employees.

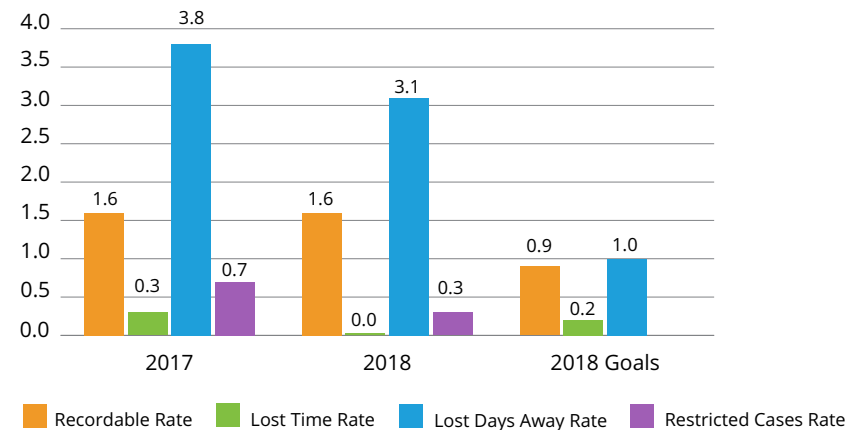
We offer ongoing opportunities for ergonomic assessments and sit stand desks in many locations, and programs that encourage employees to get up and move, such as communal stretch breaks and communal waste baskets

## Decreasing Safety Incidents

We are making good progress against our health and safety goals. Compared to the first two quarters of 2017, in the first two quarters of 2018, North America operations saw a 91% reduction in the Lost Time Incident rate. We also show a 57% reduction in the North America Restricted Cases Rate. European Reference Labs and our Distribution Centers have Lost Time Rates of zero as of Q2 2018.

We implemented several process improvements during 2017 that helped lead to these reductions, including safety management systems, training materials, regulatory compliance, data management, and targeted initiatives to address injury trends. There is still more work to be done to achieve all of our health and safety goals.

## North America Workplace Safety Metrics\*



\*Incident Rate = # incidents per 200,000 hours worked





# Contribute to Our Communities

We are citizens of the global community in which we do business, and we contribute to the health, quality of life and sustainability of this community through both the pursuit of our Purpose and a commitment to our environmental responsibilities.



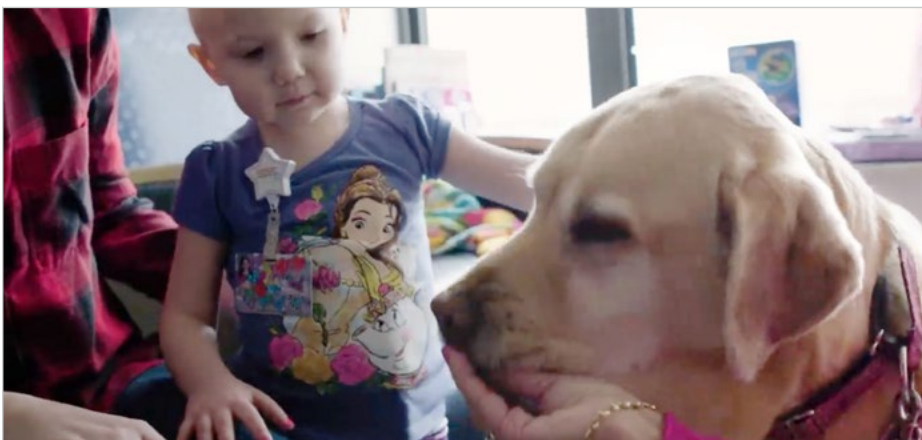
# Charitable Giving

In 2017, total IDEXX contributions and sponsorships exceeded \$2.6 million globally.

Charitable Giving is a fundamental component of our community involvement. With a focus on Science, Technology, Engineering, and Math (STEM) education, workforce readiness, and animal-related causes, we strive to uphold our company purpose of enhancing the health and well-being of pets and people.

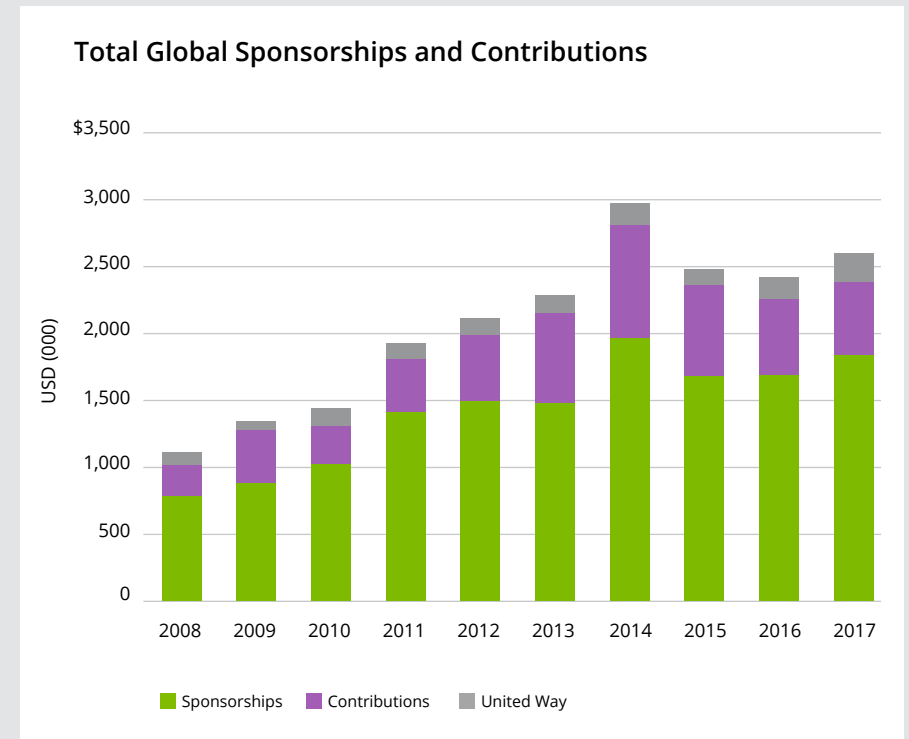
## Therapy Dog Program

For example, we have been supporting the Maine Medical Hoyt Therapy Dog Program. A visit from a therapy dog and its handler brings the calm and joy of connecting with a loving animal. These teams are trained volunteers—Maine Medical Center therapy dogs go through training, observation, and health screenings. They provide affection and comfort to people who are patients at the hospital.



We made contributions totaling \$652,647 to 35 local non-profit organizations located near our Maine headquarters.

Over 2015 through 2017, our average global sponsorships and contributions totaled \$2,505,870.





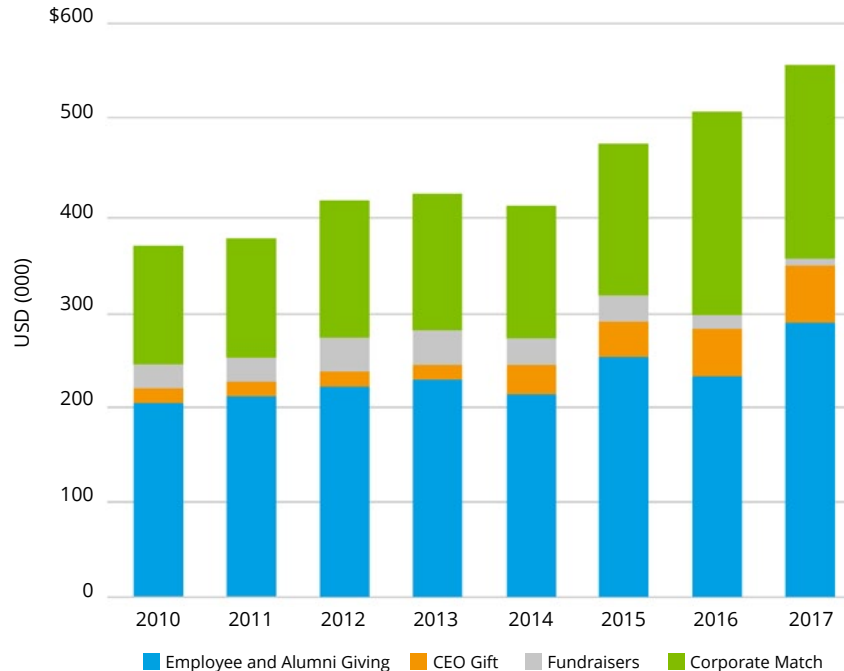
# Employee Giving

We're proud that IDEXX employees contribute to the communities where they live.

The United Way is a world-wide charitable organization that provides funding for a wide variety of non-profit organizations that focus on education, health and financial security as "the building blocks of a good quality of life and a strong community."

That's why IDEXX has partnered with the United Way of Greater Portland to raise money through employee donations for decades.

## United Way Campaign Performance since 2010



In 2017, IDEXX contributed approximately **\$550,000**

from employee donations, a corporate match, a CEO gift, and additional fundraisers.



## Helping kick off the annual United Way campaign

For the last two years, IDEXX has participated in the United Way Campaign kick-off event held in downtown Portland.

Multiple local companies compete in a sculpture contest, with canned and other non-perishable foods serving as the building materials.

The Greater Portland United Way kickoff rally is the largest one-day food drive in the state of Maine, collecting over 16,000 meals-worth of food.



# 12,517 hours

IDEXX employees donated through the GiVE program in 2017.

## The IDEXX GiVE Program

### A Way for Employees to GiVE Back.

We established the IDEXX GiVE (Global IDEXX Volunteer Efforts) Program in 2011 to support employees in their philanthropic pursuits outside of IDEXX. Employees receive up to 16 paid hours per calendar year of Volunteer Time Off (VTO) to support community involvement and increase our positive impact around the world.

Giving back to our communities is a critical aspect of responsible corporate citizenship. IDEXX employees worldwide have logged nearly 37,000 hours of volunteer time through their participation in the GiVE program from 2015 through 2017.

“I really appreciate how IDEXX encourages employees to volunteer within the community. Being able to take time off of work to volunteer for local non-profits that mean a lot to me is really great, and helps me recharge!”

Chandra Leister  
Marketing Manager

“The GiVE program is a win-win for the community and for IDEXX. The community receives much needed help while IDEXXERS get the opportunity to take part in a shared experience with colleagues outside of work. It feels good to volunteer and that feeling can be lasting and life-changing.”

Karen Lavigne  
IDEXX Scientist



# Other Ways Employees Volunteer



IDEXX employees donate their time in a number of ways, including:

**Adopt-A-Garden:** Employees plant and maintain a garden on our Westbrook campus and donate the produce to Harvest for Hunger.

**Patriot Corner:** A community of employees that supports IDEXX veterans and family members through programs and events.

**My Place Teen Center:** Provides free youth development programs and daily meals to disadvantaged youths in Westbrook. In addition to volunteering for programs, our onsite chefs in Maine cook here once a week.

**Job shadowing:** Each year, through our partnership with Junior Achievement, we host two job shadow days for local seventh graders. In 2017, more than 60 students were paired with IDEXX mentors to shadow in a variety of IDEXX professions.

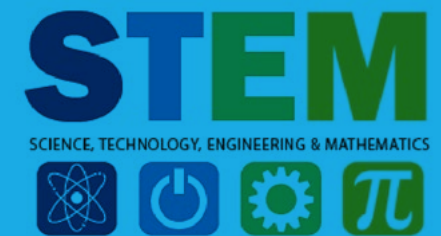
**STEM and Career Fairs:** IDEXX employees help students understand STEM career opportunities.

**Animal Shelters:** Many IDEXX employees use their two annual Volunteer Days to support local animal shelters. In the Netherlands this is done through a partnership with an organization called the Dierenbescherming. Employees help clean the shelter, walk the dogs, make small repairs, and help in other ways.

**Trailwalker Challenge:** For three straight years, IDEXX Japan has taken up the Trailwalker Challenge, hiking 50-100 kilometers up and down Mt. Adatara (in Fukushima Prefecture, Japan). The team helped raise more than two million yen for the communities of Fukushima and Kumamoto.

**De Boerenwaluw Animal Farm:** For the second year the Instrument Services team from the Netherlands performed vital maintenance on this nonprofit working farm in Hoofddorp, Netherlands.

**Saving the Oceans:** A group of IDEXXers from Hoofddorp, Netherlands, used their GiVE day to volunteer for Plastic Whale, the first professional plastic fishing company in the world. The company offers plastic fishing tours on its fleet of seven boats, all made from plastic bottles fished out of Amsterdam canals.



# Support During Disasters

Providing relief during hurricanes, earthquakes and other disasters.

In 2017, we continued our long history of responding to international crises:

- We donated pet diagnostic products to relief efforts around the world.
- We donated to the Kansas Livestock Association to help cattle farmers in the wake of devastating wildfires in the state.
- We donated water testing product, equipment and support after a number of natural disasters, including:

| Event                                    | Year |
|--|------|
| Japan tsunami                            | 2004 |
| Hurricane Katrina, USA                   | 2005 |
| Sichuan Province earthquake              | 2008 |
| New Zealand earthquake                   | 2011 |
| Australia floods                         | 2011 |
| Japan earthquake                         | 2011 |
| Super Storm Sandy, USA                   | 2012 |
| Indonesia floods                         | 2013 |
| Typhoon Haiyan - Philippines             | 2015 |
| South Carolina flooding, USA             | 2015 |
| Hurricane Harvey -Texas, USA             | 2017 |
| Hurricane Irma - Florida, USA            | 2017 |
| Hurricane Maria - Puerto Rico            | 2017 |
| Hurricane Florence - North Carolina, USA | 2018 |



**\$63,855** in free SNAP® products to disaster relief efforts following Hurricanes Irma, Harvey and Maria.







IDEXX Water is a global leader in water microbiology, providing tests that ensure the safety of drinking water and other water supplies for over two billion people in 100 countries worldwide.

## Helping Keep Waters Clean

### Water Keeper Alliance

In 2016, IDEXX Water formed a strategic partnership with the Water Keeper Alliance, a global organization dedicated to keeping rivers, lakes, and waterways free from pollution.

In 2017, IDEXX also donated \$8,000 to sponsor [theswimguide.org](http://theswimguide.org), an online resource developed by the Lake Ontario Water Keeper Alliance. The website provides water quality data for bodies of water in the U.S., Canada and New Zealand, with additional countries to be added. Anyone can use the tool to find local bodies of water that are safe for fishing and swimming. One million people have accessed the site to date.



### Introducing the IDEXX Water Humanitarian Award

In 2018, we teamed up with the Brightwater Foundation, which seeks to eliminate waterborne disease worldwide, to launch the IDEXX Water Humanitarian Award. Brightwater's mission is to replicate the work of Dr. Robert Metcalf, who has used a portable microbiology lab to significantly reduce the incidence of waterborne disease in the lower Nyakach Region of Kenya, Africa.

Brightwater is targeting underdeveloped regions in Africa, Latin-America, and Asia Pacific to reduce waterborne disease with Dr. Metcalf's proven approach of TEACH, TEST, and TREAT. And so it is only fitting that our inaugural IDEXX Water Humanitarian Award was awarded to Dr. Metcalf, who has devoted his life to providing people across the globe with clean water.



IDEXX has saved shelters  
**\$10+ million**  
since 2010

## Commitment to Animal Rescue

In the 2017 program, over 40 pets found their loving forever homes with IDEXX employees.

### **IDEXX Shelter Savings**

Through our IDEXX shelter savings program, animal shelter and rescue organizations receive discounts on some of their most-used testing products.

### **Pet Adoption**

When you adopt, you often save an animal's life and also open up valuable shelter space for another homeless pet in need.

To encourage pet rescue in Maine, each year IDEXX partners with several Greater Portland, Maine animal shelters for a summer-long Pet Adoption Assistance program, featuring adoption kickoff events at our Synergy and Experience centers. During this time, IDEXX covers pet adoption fees for employees.







In 2016, we supported the full-time equivalent of over **5,700 jobs** earning pay and benefits of **\$385 million** and paying state and local taxes of over **\$37 million**

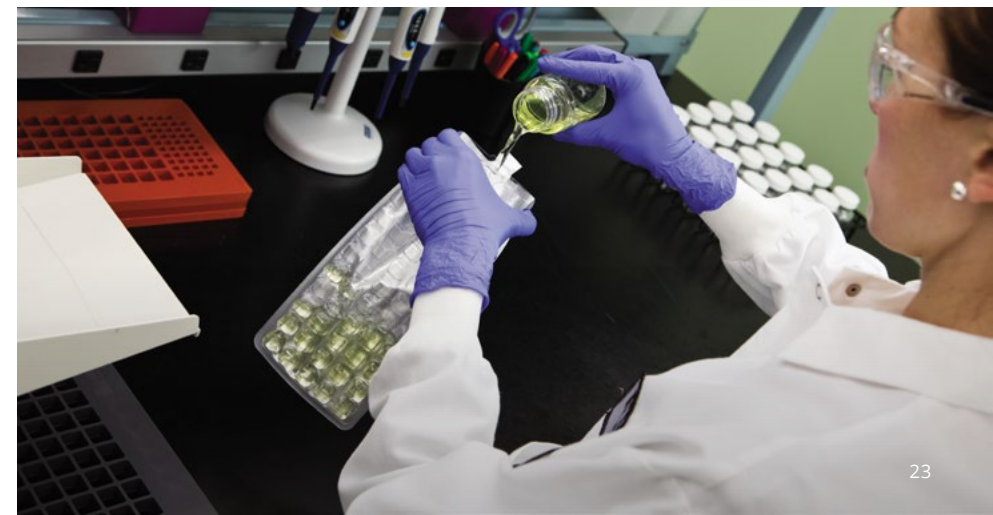
## Promoting a Healthy Economy

Maine is one of our homes and we're working to keep in strong.

We're proud of the contributions IDEXX has made to the Maine economy—investments that totaled approximately \$813 million in 2016 alone, based on estimates in an economic impact report commissioned by IDEXX.

That's in addition to our:

- Operational activities
- Investments in buildings, equipment and software
- Indirect effects on local companies that receive some portion of operational and investment spending
- Corporate donations for charitable purposes, voluntary cash contributions, and time commitments of IDEXX employees
- The vital investment in human capital made by providing high-paying quality jobs both for Maine residents and for the many highly skilled new employees we attract to Maine's economy





### A Hands-on Approach to Boosting the Economy

We're working to promote a robust economy at a grassroots level in our local communities and throughout Maine. For example, we support two key programs aimed at creating jobs and growing Maine's business community: Focus Maine and Startup Maine.



**FocusMaine** is a nonprofit organization whose mission is to strengthen opportunity in Maine by accelerating the creation of jobs in three signature industries: aquaculture, agriculture, and biopharmaceuticals.

In 2017, IDEXX donated \$10,000 and an intern to work on a pilot program aimed at encouraging local company interns to pursue careers in Maine. Beginning in 2018, IDEXX committed \$50,000 per year for three years to the FocusMaine general fund.



**Startup Maine** is a conference to support and grow Maine's business community and potential as an economic center. IDEXX sponsored the conference in 2017, and IDEXX employees have both volunteered and participated as speakers.

### A Focus on STEM Education

Our own sustainability as a business depends largely on a healthy pipeline of prospective employees with a practical knowledge of Science, Technology, Engineering, and Math (STEM) topics. We encourage STEM education and give IDEXX employees the opportunity to work with Maine's youth.

**IDEXX's Medical Outreach Program** includes building strong relationships with veterinary students and their colleges with a goal of raising the standard of care for pets. This approach includes community practice, where veterinary students gain hands-on experience in a general practice setting.



**Maine Biosciences Day** is an annual event where IDEXX volunteers guide middle school students from around the state in hands-on experiences in bioscience-related work.



**Maine Science Festival** and **Maine Engineers' Week Expo** is sponsored by IDEXX and IDEXX volunteers run hands-on demonstrations for Maine's youth.





# Environmental Responsibility

We hold ourselves responsible for continually reducing our environmental footprint. Our goal is to make a positive contribution to the planet, starting in our own backyard, and looking at environmental aspects throughout our value chain.



# Energy Management

We look at how energy is used throughout the company – and seek ways to use less of it.

At IDEXX, we're focused on managing energy in every aspect of our business. It all starts with integrating a review of environmental aspects into the whole life cycle of our products, from sourcing to manufacturing, to transportation and end of life. We identify the appropriate roles and responsibilities for employees to address environmental issues at each of these stages, and properly train them to do so.

## Saving Energy with Building Control Systems

Because implementing building control systems makes the most significant impact on energy efficiency, by the end of 2018, 61% of IDEXX building square footage will have some type of Building Automation System (BAS) capability. These systems manage lighting, air temperature, and other aspects of building management, while occupancy sensors in individual rooms control the lights and heat.

We have earned ISO 14001 environmental management certification at four locations across the globe:



### IDEXX Laboratories, Inc.

Corporate Headquarters  
One IDEXX Drive  
Westbrook, Maine 04092  
United States

### IDEXX Laboratories, Inc.

One Thomas Drive  
Westbrook, Maine 04092  
United States

### IDEXX Distribution, Inc.

One IDEXX Drive  
Westbrook, Maine 04092  
United States

### IDEXX Montpellier SAS

326, Rue de la Galera  
Parc Euromédecine  
34090 Montpellier  
France



From the first LEED Gold Certified commercial building in Maine to building green in Germany

In 2014, our Synergy Building was the only LEED Gold certified commercial building in Maine. Now we're targeting LEED Gold certification for our new World Campus building, which broke ground in 2018. Solar panels will supply a significant portion of the power

needs for the new space. The building will also include a grey water system to collect rainwater is collected from the roof and stored in underground tanks to be used for flushing toilets.

In Germany, we're building our new lab in Kornwestheim to strict environmental guidelines, including:

- HVAC system that recovers 75% of the waste energy
- Low energy LED lighting
- Large atrium for natural lighting
- Electric automobile charging stations



# Energy, Emissions, Waste and Water Consumption

## Building Energy Use

In 2017, our buildings across the globe averaged energy usage of 41.1 kWh per square foot. This figure includes about 90% of our worldwide sites. We are working to enhance our data collection process and will strive to increase our energy efficiency over time.

## Tracking Our Carbon Footprint

We track our energy use and greenhouse gas emissions as part of our energy management program.

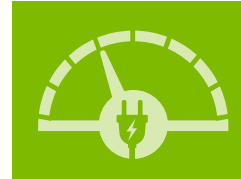
We recognize that as IDEXX continues to grow, we need to intensify our efforts to minimize energy use and implement renewable energy systems to keep our greenhouse gas emissions in check.

## Conserving Water in Innovative Ways

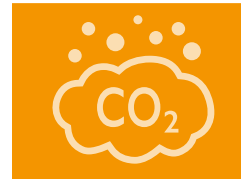
In addition to finding ways to make our operations more energy efficient, we also seek out ways to protect another valuable resource: water. Our Westbrook facilities feature low-flow toilets, low-flow, touchless faucets, and solar powered actuators on toilets that are recharged by bathroom lights.

In 2018, 100% of urinals in Westbrook will be converted to waterless versions, saving one million gallons of water annually. This will be the standard for any new building IDEXX constructs.

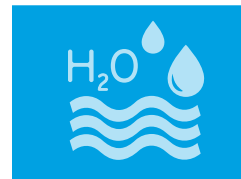
## 2017 Energy, Water Use and CO<sub>2</sub> Emissions



**41.1** kWh per square foot average energy consumption per floor.

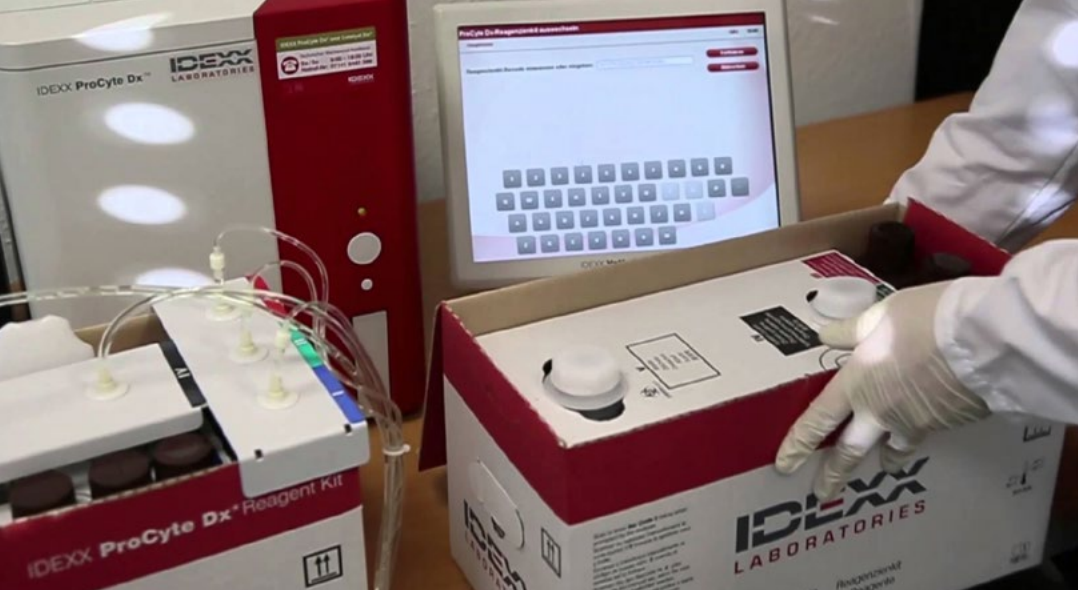


**21,159** tonnes of CO<sub>2e</sub> total global emissions.



**21** million gallons in water consumption.





98% Amount of Westbrook hazardous chemical waste incinerated at a waste-to-energy facility.

40% Amount of our waste stream that was recycled in 2017.

### Focusing on Waste Prevention

We're focused on reducing waste in every form. One example is the work we're doing to reduce packaging. Our ultimate goal is to use the least amount of material, at the lowest cost, that will still offer the best protection for our products during shipping.

**Packaging.** Since 2017, all CAG SNAP and most SNAP Dairy products have been packed in corrugated cartons with approximately 95% recycled content. SNAP Dairy ST products and IDEXX analyzers built in Maine are packed in corrugated cartons with 30% to 60% recycled content. All paper and corrugated material used in IDEXX packaging is recyclable.

We have achieved a 12% reduction in corrugated weight and a 20% reduction in the weight of the plastic tray in our Neospora packaging.

We have designed a blister pack to hold Water quality control products that's made from 100% recycled Polyethylene terephthalate (PET). We redesigned an OEM manufacturer's package to improve ergonomics for packing and unpacking. And our redesigned cushions use 2% less foam by weight while improving cushioning protection for our products.

### Cutting Other Forms of Waste

**eWaste.** We use the program eWaste Alternatives (EWA) to recycle electronic waste from Maine locations. The organization also refurbishes equipment and makes those items available to schools, libraries and nonprofits.

**Battery Disposal and Recycling Program.** We offer safe disposal of non-rechargeable batteries, and recycling of rechargeable batteries through collection sites at our Maine facilities.

**Lab Waste.** While it is not possible to recycle all of the plastics and other waste stemming from labs in U.S. locations, we recycle what we can through our partner Stericycle. Contaminated medical waste from Maine is incinerated at a waste-to-energy facility.

We are currently working with Stericycle to determine if there are ways to improve our recycling efforts. To aid in this, we are performing a risk assessment of every waste item our labs generate to determine if the waste is being managed optimally.

**Composting.** We partner with a company called We Compost It to compost our food scraps and compostable items. In 2017, IDEXX produced 140,125 pounds of compost through this program.

**Zero-Sort Recycling.** We partner with Casella to provide Zero-Sort® recycling at our Maine Locations. This service makes recycling easy by eliminating the need for IDEXX employees to sort recyclable materials.





# Governance, Leadership, and Business Ethics

Our CR initiatives—like our other strategic and risk management initiatives—support our overall Purpose and enable the long-term sustainable health and financial performance of IDEXX. Our financial performance is well-documented through a robust and well-established reporting process. For additional details, please visit the [Investor Relations](#) or [SEC filings](#) section of our website.

We conduct our business consistent with IDEXX's Code of Ethics. Every IDEXX employee helps us achieve those standards.



We set and maintain the highest standards of ethics while building exceptional long-term value for our shareholders.

### **Governance and Leadership**

The [IDEXX leadership team and Board of Directors](#) are committed to sound corporate governance. The Board is elected by our shareholders and is responsible for oversight of our purpose, values, and strategy and risk management, including our approach to CR.

The Board has adopted corporate governance policies and practices, including the [Corporate Governance Guidelines](#), intended to support the long-term health and sustainability of IDEXX.

### **Ethics Policies and Programs**

Everything we do at IDEXX is guided by clear ethics policies and programs that are embodied in our [Code of Ethics](#).

This Code is centered around three commitments to conducting business ethically:

- Avoiding conflicts of interest
- Complying with laws and regulations
- Representing IDEXX responsibly in the public arena

The code applies to IDEXX employees, contractors and the Board of Directors. Every IDEXX employee receives training on the Code of Ethics and ethical business practices.

To ensure that IDEXX employees have the best possible awareness of what we mean by “ethical business practices,” we facilitate a corporate training program that ensures employees understand ethical business practices, understand how to report ethical concerns without fear of retaliation, and are aware that following IDEXX policies and procedures is a condition of employment.

### **Global Anti-Bribery and Anti-Corruption**

We have a Global Anti-Bribery and Anti-Corruption Program, which is part of our [Code of Ethics](#). The program is designed to increase awareness among our employees, agents and affiliates about applicable anti-bribery and corruption laws and to detect and remediate potential violations of such laws.

As part of our program, we obtain assurance from third parties that they will conduct IDEXX business in accordance with our principles.



# Doing the Right Thing



## Managing a global supply chain

As a global company with an extended supply chain that reaches across North America, Europe, and Asia, IDEXX is committed to ensuring an ethical focus throughout our global supply chain. Whether a supplier provides raw materials or finished goods, IDEXX has a risk-based supplier relationship management process that defines ethical and quality standards in the identification, selection, and qualification of potential new partners. A key component of this approach is the use of leading inspection, verification, testing and certification companies to conduct vendor sustainability audits.

## Modern Slavery Statement

Since 2017, IDEXX annually releases a [Modern Slavery Statement](#) that addresses slavery and human trafficking in our business and supply chains.

## Supplier Code of Conduct

In 2017, we began developing an IDEXX Supplier Code of Conduct. It is expected to be finalized by the end of 2018 and then implemented among our suppliers. The Code will set clear standards for our suppliers regarding human and workplace rights, environmental protection, and ethical conduct.

## Conflict Minerals Policy

We are opposed to human rights abuses and committed to sourcing conflict minerals in our products—such as gold, tin, tantalum and tungsten—in a manner that does not contribute to conflict in the Democratic Republic of Congo or its adjoining countries. We have complied with our obligations under the Conflict Minerals Rule by adopting and communicating to our suppliers and the public a [Conflict Minerals Policy](#) that details our expectations of suppliers regarding conflict minerals. In addition, we are a member of the Responsible Minerals Initiative.

## Palm Oil

Products we manufacture do not include palm oil in their design or formulation.

## Customer Health and Safety

We are committed to the health and safety of our customers in environmental compliance, an area of increasing importance globally. IDEXX has implemented systems and processes enabling us to work towards an end-to-end supply chain that incorporates customer health and safety and addresses global regulatory requirements. Our goal is to manage our supply chain consistent with our ethical foundation of transparency, governance and ethics.

## Customer Privacy

We respect the privacy of our customers, potential customers, website visitors, vendors, distributors, pet owners, and any other current or potential IDEXX partner where our business interactions involve the processing of personal data.

Our Privacy Policy applies to the processing of personal data by IDEXX Laboratories, Inc., its affiliates or subsidiaries, and is binding to all of the IDEXX group of companies. You can view our Privacy Policy [here](#) and find a list of IDEXX companies [here](#).



# A Look Ahead

We are very proud of the Corporate Responsibility work we've done and we look forward to sharing updates about the evolution of Corporate Responsibility at IDEXX. Meanwhile, please send questions about our CR efforts to: [Corporateresponsibility@idexx.com](mailto:Corporateresponsibility@idexx.com)

## Corporate Headquarters

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## European Headquarters

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