



Climate-related Financial Risks and Opportunities

IDEXX Laboratories | July 28, 2026

Introduction

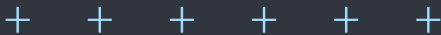
This report has been prepared on a consolidated basis at the level of IDEXX Laboratories, Inc. and its consolidated subsidiaries (collectively, “IDEXX,” “we,” “our,” or “us”). This report applies and has been prepared in accordance with the framework set forth in the Final Report of Recommendations of the Task Force on Climate-related Financial Disclosure (June 2017) (TCFD) published by the TCFD (or any Successor thereto).

Forward-Looking Statement and U.S. Securities Law Disclaimer

This report contains “forward-looking statements” as that term is defined in the Private Securities Litigation Reform Act of 1995. These statements are based on management’s current expectations or forecasts of future events, are based on current estimates, projections, beliefs, and assumptions, and involve significant risks and uncertainties, which may cause actual results to differ materially from those set forth in, or implied by, the statements. Forward-looking statements may be identified by the use of words such as “aim,” “anticipate,” “believe,” “could,” “continue,” “estimate,” “expect,” “intend,” “may,” “objective,” “plan,” “potential,” “project,” “target,” “will,” comparable words or phrases, or by the use of future dates in connection with any discussion of future performance, actions, or events. Forward-looking statements contained in this report include climate-related risks and opportunities identified in our scenario analysis, goals, targets, and commitments with respect to our initiatives related to climate-related risks and opportunities, and actions, plans, or steps we expect or intend to take, or are currently taking, to achieve any such goals, targets, or commitments, including with respect to our greenhouse gas emissions reduction strategy, our renewable electricity strategy, and expectations regarding the commercial operation of renewable energy projects under various virtual power purchase agreements to which we are a party, among other statements. In addition, with respect to opportunities identified in our scenario analysis or otherwise described in this report, we may not capitalize on some or all of the opportunities

in the time horizons indicated or at all, and if we do seek to capitalize on such opportunities, we may not do so satisfactorily, or such opportunities may not have the intended impact or benefit to us. No forward-looking statement can be guaranteed, and actual results may differ materially from those expressed or implied in these forward-looking statements. You should not place undue reliance on forward-looking statements, which speak only as of the date of this report. We undertake no obligation, and expressly disclaim any obligation, to publicly update any forward-looking statement, whether as a result of new information, future events, or otherwise. Forward-looking statements should be carefully evaluated together with the many risks and uncertainties that affect our business, including, among others, those mentioned in the risk factors and cautionary statements in our 2025 Annual Report on Form 10-K, and that are otherwise described or updated from time to time in our subsequent filings with the U.S. Securities and Exchange Commission.

Note that inclusion of information in this report is not an indication that the subject or information is material within the meaning of the U.S. federal securities laws or regulations or is required to be disclosed in our filings with the U.S. Securities and Exchange Commission, or that the information is material for purposes of any other statute or regulation or for any other purpose.



Governance

- A. Describe the board’s oversight of climate-related risks and opportunities.
- B. Describe management’s role in assessing and managing climate-related risks and opportunities.

Our Board of Directors (the “Board”) exercises oversight over our strategy and management of potentially material environmental, social, and governance risks and opportunities, including the physical and transition risks associated with climate change. The Governance and Corporate Responsibility Committee of the Board (the “G&CR Committee”) supports Board oversight of these matters by periodically reviewing with our senior managers and executives, our key environmental sustainability strategies, policies, programs, practices, risks, and opportunities. Our senior managers and executives brief the Board annually regarding the results of our annual enterprise risk assessment led by our Chief Audit Executive and Chief Compliance Officer, including risks related to climate change; and annually review our business continuity planning, which incorporates climate-related risks, with the Audit Committee. In addition, management annually presents IDEXX’s business and financial strategic plan to the Board for review, discussion, and approval. The strategic plan identifies and assesses the strengths, weaknesses, opportunities, and threats to the continuing creation of enduring growth and long-term stakeholder value, which may include climate-related risks and opportunities, as appropriate. Our senior managers and executives also brief the Board and its committees throughout the year, as warranted, on issues directly and indirectly related to climate change.

Our Environmental Sustainability Steering Committee has executive oversight of our approach to all environmental matters, and meets regularly to review climate-related topics. The Environmental Sustainability Steering Committee includes management from Operations, Supply Chain, Legal, Human Resources, Technology, R&D, and other key business functions. Climate-related information is disseminated regularly from the Environmental Sustainability Steering Committee to our Corporate Responsibility Executive Committee, which includes our Chief Executive Officer, Chief Financial Officer, General Counsel, Chief Human Resources Officer, and other executives.

Our Corporate Responsibility team is responsible for bringing recommendations to the Environmental Sustainability Steering Committee, as well as updates on environmental-related disclosures, regulatory obligations, and climate-related business strategies. The Corporate Responsibility team works in collaboration with functional and business partners across IDEXX as a part of our integrated approach toward managing sustainability and climate resiliency matters.

Strategy

- A. Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.
- B. Describe the impact of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning.
- C. Describe the resilience of the organization’s strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.

In 2025, we partnered with a third-party consultant to conduct a climate scenario analysis. This scenario analysis, consistent with the recommendations of the TCFD, identified key business risks and opportunities based on specified potential short-, medium-, and long-term changes to our operating environment as a result of climate change. Per TCFD guidance, we assessed risks and opportunities within the following classifications:

- + **Transition risks/opportunities**—impacts resulting from general progress towards a lower-carbon economy, including transition risks and opportunities arising from the policy and legal, reputation, technology, and market changes adopted to mitigate and adapt to the effects of climate change.
- + **Physical risks/opportunities**—outcomes related to the physical impacts of climate change, including physical risks and opportunities arising from acute climate-related events or chronic longer-term climate change impacts.

Our scenario analysis process included the identification and discussion of various climate-related risks and opportunities. The risks and opportunities deemed most relevant to our business and strategy, together with a description of potential mitigation and risk management strategies, are summarized in Table 1. The climate scenario analysis process and a description of the underlying scenarios used to identify the risks and opportunities identified in Table 1 are discussed in the Risk Management section of this report.

Key Climate-related Risks and Opportunities

TABLE 1		
RISK	RISK DESCRIPTION & IMPACT	RISK MANAGEMENT STRATEGY
Transition Risks		
Policy & Legal: Incompatibility of existing or planned products with future regulations Time Horizon: Long	Certain current or planned products may become noncompliant with newly adopted environmental standards and/or expectations, necessitating redesign or phaseout. In addition, we may face such challenges as licensing delays and/or increased costs from redesigns.	+ We proactively manage product regulation-related impacts. Our product compliance group is responsible for tracking upcoming product safety and environmental regulations, which are reviewed regularly with each line of business, a product environmental compliance steering committee, and a global product governance steering committee staffed by executive leaders. + Product compliance is embedded in the regulatory planning conducted for new product development, ensuring adherence to new product regulations as products come to market to help limit potential redesign. + Product compliance is embedded in regulatory reviews for on-market products, taking a proactive approach to managing possible redesign.
Policy & Legal: Supplier noncompliance Time Horizon: Long	Our suppliers that are small- and medium-sized enterprises (SMEs) may be overburdened by regulatory reporting and sustainability requirements, especially in the case of further fragmentation of sustainability-related regulations. Supply chain continuity could potentially be impacted if these suppliers are forced to exit the market due to an inability to comply.	+ We proactively work with strategic suppliers to manage and mitigate potential challenges. We meet regularly with strategic suppliers to discuss a variety of topics, including business continuity risk. + Our procurement team works through challenges collaboratively with smaller suppliers, including sustainability-related regulation and other issues that could create inflationary pressure or sourcing disruptions.
Market: Cost and supply of raw materials Time Horizon: Long	Critical inputs could become more expensive or unavailable because of climate change. Raw material scarcity and competition, including with the human healthcare industry, could limit our ability to negotiate favorable pricing or obtain such inputs.	+ Long-term relationships with suppliers help us navigate upstream uncertainties. We utilize multi-year contracts with strategic suppliers that limit cost fluctuation and business continuity risk. + Our supply contracts generally include contractual terms designed to support price and supply stability. + We provide regular demand forecasts to strategic suppliers so they can better plan to meet our needs and have the capacity to increase purchasing and inventory levels in times of uncertainty.
Market: Economic strain causing decline in diagnostic spending Time Horizon: Long	Macroeconomic impacts of climate change and regulatory responses may cause increasing financial strain on pet owners. As a result, our companion animal products and services may see lower than expected demand, whether from a decline in clinic visit volumes, lower than expected diagnostic frequency, or utilization and/or lower pet ownership levels.	+ While significant global GDP loss resulting from climate change may impact pet owners’ ability to spend on pet healthcare, our ability to innovate may mitigate the lower clinic visit volumes. Our delivery of new and upgraded products and services that test for a wider variety of health issues is expected to enable us and our veterinary customers to improve pet health outcomes and drive demand by satisfying the needs and meeting the expectations of veterinary professionals and pet parents.

Time Horizon Key: Short: <1 year, Medium: 1–5 years, Long: >5 years

Key Climate-related Risks and Opportunities

RISK	RISK DESCRIPTION & IMPACT	RISK MANAGEMENT STRATEGY
Physical Risks		
Acute: Damage and disruption of distribution nodes Time Horizon: Medium	Climate hazards could impair product distribution and reference labs logistics, raising inventory and shipping costs, causing delays, and decreasing reliability.	+ We have established a capacity and resiliency team dedicated to optimizing our supply and delivery network over the long term, ensuring efficient and reliable customer service. We conduct annual 10-year demand projections to inform supply planning, including future investments in capacity and resiliency. + The redundancies and locations of our global distribution centers and labs enable us to redirect shipments and maintain lab testing operations if disruptions occur. We maintain close relationships with trusted third-party logistics providers that can support flexibility of transportation and distribution as needed. + Our ability to maintain high levels of on-time delivery throughout the COVID-19 pandemic illustrates the resilience of our supply chain and logistics network.

We are pursuing, or anticipate pursuing, the following opportunities, as appropriate, demonstrating our integrated approach to long-term value creation for our business and customers.

OPPORTUNITY	OPPORTUNITY DESCRIPTION & IMPACT
Resource Efficiency: Supply chain optimization	Optimizing logistics, including shifting to regional manufacturing, using ground/sea freight over air transportation, and exploring opportunities for digital delivery, can reduce costs and emissions. We have a record of recent successful supply chain optimization programs that create efficiency and exemplify our attention to this opportunity area, some of which are detailed in prior Corporate Responsibility reports. A transition from next-day delivery to 2-day shipping for U.S. customers resulted in fewer air shipments. Our recently opened distribution center in Singapore helped convert international shipping from air to ocean, while bringing inventory closer to customers. Our global network of local instrument service depots allows for efficient and low-emissions product takeback, repair, and recertification.
Products & Services: Sustainable product innovation	We can invest in research and development to develop new, sustainable products, enhance the sustainability of existing products, and expand circularity programs to reduce customer waste footprints to appeal to climate-conscious buyers and establish an industry leading position in a green economy. We have a track record of sustainable and circular product innovation across our product lines. Regional service depots extend product lifecycles by repairing and redeploying instruments into the market. New products often provide more sustainable and efficient ways to run tests or reduce the materials needed in a consumable. At our labs, innovations like digital multi-testing technology allow us to run more tests with less materials, energy, and waste.
Market: Increase in demand for products and services across lines of business	Climate change impacts, including an increase in the volume and geographic distribution of water and vector-borne diseases, heat stress-related illnesses, incidence of microbial and/or other water contamination, and increased herd density becoming more commonplace, may drive greater demand for our companion animal, livestock, poultry and dairy, and water testing products and services.
Resilience: Trusted partner status	We can position ourselves as a consistent, reliable partner in a dynamic and fragmented macro and regulatory environment. Our resilience, reliability, and adaptiveness, including in the aftermath of a disaster, could build long-term customer loyalty and enhance our competitive industry position. We can also harness our long-standing relationships with suppliers to manage evolving policy landscapes, and maintain industry-leading levels of product availability. We provide reliability to our customers through our continued high levels of on-time product delivery, and our ability to utilize different reference lab locations to deliver fast test results in the event of a lab closure.

Risk Management

- A. Describe the organization’s processes for identifying and assessing climate-related risks.
- B. Describe the organization’s processes for managing climate-related risks.
- C. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization’s overall risk management.

Climate Scenario Analysis

We completed a climate scenario analysis in 2025. Our climate scenario analysis process involved the following steps:

+ **Scenario Development:** Our independent third-party consultant used three climate scenarios developed by the Network for Greening the Financial System (NGFS): Current Policies, Delayed Transition, and Fragmented World, as further described in the Table 2 below.

+ **Identification of Climate-Related Risks and Opportunities:**

The independent consultant conducted working sessions with IDEXX participants from diverse functions to analyze the business impacts of the three scenarios and identify climate-related (transition and physical) risks and opportunities.

+ **Climate-related Risk Severity and Opportunity Significance:**

With input from internal subject matter experts, the consultant scored the severity of impact of each climate-related risk and opportunity.

+ **Strategic Implications:** Following the identification of potential key climate-related risks and opportunities, the consultant conducted a workshop with internal subject matter experts from a range of functions to develop possible strategic interventions to the potential key risks and opportunities.

Climate-related Risk Management and Integration

Management is responsible for our enterprise risk management (ERM) on a day-to-day basis and for conducting our enterprise risk assessment, including impacts from climate-related risks. We conduct an annual enterprise risk assessment as part of our annual strategic planning process. The risk assessment process involves identification and assessment of relevant risks, the materiality of those risks, our risk tolerances, and our plans to mitigate the risks to the extent prudent and feasible. Management shares the annual risk assessment results with the Board in conjunction with the Board’s annual review and discussion of our business and financial strategic plan.

ERM is integrated into our climate scenario analysis and identification of climate-related risks in several ways. We use our ERM risk scoring framework to measure climate-related risks according to their strategic, financial, reputational, and operational impacts, and utilize ERM time horizons as the basis for how we consider climate risks to be short, medium, or long term. Members of our Internal Audit and

Legal functions, which lead our annual ERM process, sit on our climate-related risk assessment team to further ensure alignment of process.

In addition to the ongoing management actions highlighted in Table 1, a strategic interventions workshop was held during the climate scenario analysis process to gather cross-functional leaders and discuss potential future mitigation actions that may be needed to address long-term risks. Key stakeholders and subject matter experts from the Corporate Strategy, Corporate Responsibility, Legal, Compliance, Finance, Internal Audit, Commercial, Product, Operations, and Supply Chain teams participated in this exercise, broadening the understanding of climate-related risks across our business and providing the opportunity to bridge climate-related risk mitigation efforts with business strategies across these functions. The findings from the climate-related risk mitigation workshop were shared with the Environmental Sustainability Steering Committee, Corporate Responsibility Executive Committee, and other relevant internal stakeholders and incorporated into annual strategic and business continuity planning processes as appropriate.

TABLE 2			
SCENARIO	CURRENT POLICIES	DELAYED TRANSITION	FRAGMENTED WORLD
Scenario Descriptions	Only currently implemented policies (as of 2023) are preserved. Absent ambitious government or business action, greenhouse gas (GHG) emissions put the world on track to reach 3.0°C of warming by 2100.	After a decade of inaction, a set of uncoordinated and stringent policies adopted in the 2030s rapidly halt GHG emissions. This comes with high social and economic costs but ultimately curbs warming to 1.7° by 2100.	A divergent and uncoordinated policy landscape emerges where some countries adopt aggressive policies, while others do not. This leads to both high physical and transition risks and by 2100, the world reaches 2.4°C of warming.
Impact of Physical Risks	High	Low-Medium	Medium-High
Impact of Transition Risks	Low	Medium-High	High
Global Temperature Rise*	3.0°C+ by 2100	1.7°C+ by 2100, 1.8°C peak	2.4°C+ by 2100
Policy Reaction	No additional	Delayed	Delayed and fragmented
Technology Change	Slow	Slow then fast	Slow then fragmented
Carbon Dioxide Removal Use	Low	Low-Medium	Low-Medium
Regional Policy Reaction	Low regional variation	High regional variation	High regional variation
Representative Concentration Pathway	4.5	2.6	3.4

*Above pre-industrial levels

Metrics and Targets

- A. Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.
- B. Disclose Scope 1, Scope 2, and if appropriate, Scope 3 greenhouse gas emissions and the related risks.
- C. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.

For information about our climate-related targets, greenhouse gas emissions data, and our programs and plans to reduce our footprint in line with our targets, please refer to our latest [Corporate Responsibility Report](#).