

Task Force on Climate-Related Financial Disclosures (TCFD) Index

We are committed to providing transparency on our climate change risk management. The TCFD has developed voluntary, consistent, climate-related financial risk disclosures for use by companies in providing information to stakeholders. We have used TCFD recommendations to guide our reporting.

GOVERNANCE

a) Board Oversight

Our full Board of Directors exercises oversight over our approach to corporate responsibility and our material activities and practices regarding ESG matters, including climate change-related issues, and the environmental, supply chain, and reputational risks that issues such as climate change may pose to our business. Our senior managers and executives brief the full Board annually regarding the results of our annual enterprise risk assessment, including risks related to climate change, and annually review our business continuity planning, which is affected by climate change-related issues, with the Audit Committee. Our senior managers and executives will also brief the Board and its committees, as applicable, throughout the year on an ad-hoc basis on issues directly and indirectly related to climate change.

b) Management role

Our Executive Vice President and General Manager, Point of Care Diagnostics and Global Operations, has executive oversight of our approach to environmental matters, including climate and energy. The executive team regularly discusses product development, innovation, and product life cycle management, including the environmental impacts of current and future products. Our Global Facilities team maintains plans to address environmental matters.

STRATEGY

a) Climate-related risks and opportunities

While we believe that climate change-related issues pose minimal material risk to our business, we have identified climate-related risks and opportunities that may affect us over the short, medium, and longer term. These include the following:

- **Physical risks:** Extreme weather may impact our operations, as well as our suppliers' and customers' operations. We have taken actions to assess potential flooding and other weather-related risks.
- **Regulatory risks:** Although we are not a significant user of energy or emitter of greenhouse gases, regulations to limit climate change may lead to increases in certain operating and commodity costs.
- **Demand opportunity:** Climate change could put pressure on clean water supplies, which may drive increased demand for our water testing products.

b) Impact on strategy

Our leadership team is committed to considering the potential risks and opportunities climate change may pose to our business. IDEXX regularly evaluates ways to reduce the resource needs of our operations, and the direct and indirect environmental impacts of the supply, manufacturing, use, and disposal of our products. We recognize that the effects of climate change will add greater impetus to addressing the world’s environmental challenges.

c) Climate resilience

Our senior managers and executives monitor changing regulatory requirements and other impacts to our business. We seek to balance operational efficiency with resilience through a diversified manufacturing and supplier base.

RISK MANAGEMENT

Our executive leadership and Board of Directors are focused on effectively managing our strategic and business risks, including climate change-related risks. The process to identify, manage, and integrate climate risk, including impacts to manufacturing and resource-related risks, is embedded in our standard risk management approach. We identify, monitor, assess, and communicate these risks to help inform our operating and investment decisions.

METRICS

a) Metrics

We plan on undertaking a company-wide carbon footprint assessment in 2021–2022. We track our energy purchases from utilities as part of our energy management program. This figure includes estimated carbon emissions associated with utilities used by our buildings across the globe and captures approximately 85% of our worldwide square footage.

b) Scope 1 and Scope 2 GHG emissions

Scope 1 emissions (2019): **8,512 T CO₂***

- Accounts for on-site fuel combustion for space, water, and process heating. Does not account for other sources of Scope 1 emissions such as on-site generators, company-owned transportation, or refrigerant leakage.

Scope 2 emissions (2019): **13,641 T CO₂***

Total Scope 1 and 2 emissions (2019): **22,153 T CO₂***

c) Targets

We have not set carbon-related targets yet, but we plan to set them in conjunction with our company-wide carbon footprint assessment in 2021–2022.

* Represents emissions for 85% of IDEXX global square footage