

The world leader in serving science

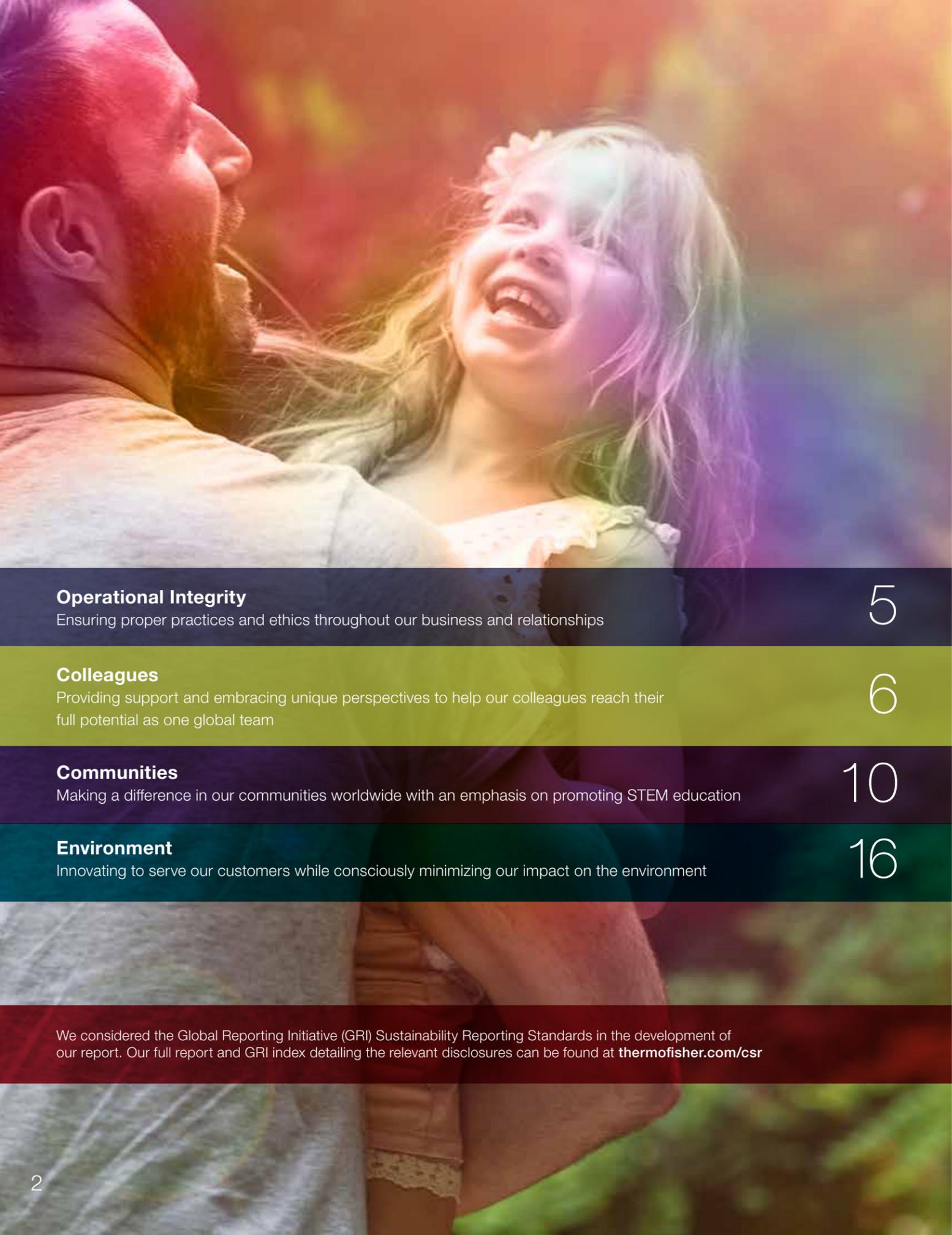


Corporate Social Responsibility

2018 REPORT

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ThermoFisher
SCIENTIFIC



Thermo Fisher Scientific is the world leader in serving science, generating more than \$24 billion in annual revenue with approximately 70,000 colleagues worldwide. Through our products and services, we offer our customers an unmatched combination of innovative technologies, purchasing convenience and comprehensive support.

Together, we are making a difference in the world.

Operational Integrity

Ensuring proper practices and ethics throughout our business and relationships

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Colleagues

Providing support and embracing unique perspectives to help our colleagues reach their full potential as one global team

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Innovating to serve our customers while consciously minimizing our impact on the environment

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We considered the Global Reporting Initiative (GRI) Sustainability Reporting Standards in the development of our report. Our full report and GRI index detailing the relevant disclosures can be found at [thermofisher.com/csr](https://www.thermofisher.com/csr)

Letter from our CEO

Thermo Fisher Scientific is the world leader in serving science, and with that position comes a great sense of responsibility to the global community. We realize we have the ability to make a significant positive impact on society in many different ways.

First and foremost, we are inspired by our Mission, which is to enable our customers to make the world healthier, cleaner and safer. This is our purpose, and it motivates our more than 70,000 colleagues around the world to do their best every day. The products and services we provide to our customers help them to tackle some of the world's greatest challenges – like curing disease, protecting the environment and keeping the public safe – and we are passionate about working with them to achieve their goals.

We are committed to serving our customers in ethical and sustainable ways. Not only do we provide innovative solutions that help them meet their sustainability goals, but we're also reducing our own environmental impact. We're focused on increasing efficiency and optimizing the resources we use at our facilities by using our Practical Process Improvement (PPI) Business System and investing in energy-reduction projects and technologies.

Additionally, everything we do is grounded in our 4i Values of Integrity, Intensity, Innovation and Involvement. We were recognized externally in 2018 with perfect scores on the Corporate Equality Index and Disability Equality Index, as well as a Women's Choice Award for being a Best Company for Women. I'm also proud that our colleagues consider workplace diversity to be one of our greatest strengths, and we continue to foster a culture where every colleague feels valued and involved in our success. That involvement fuels innovation for our company, supports our growth and ultimately benefits society.

Thermo Fisher has more than 100 employee-led Community Action Councils worldwide, with thousands of our colleagues volunteering their time to help others. Our focused investments to promote STEM education are inspiring the next generation of scientists – 134,000 students around the world benefitted from our efforts.

Being a good corporate citizen is, of course, the right thing to do. But, it also makes good business sense. All of our stakeholders – customers, employees and investors – want to be associated with a company that not only delivers outstanding performance, but does so responsibly to create long-term value. We recognize that we have a fourth stakeholder group – humanity – that makes what we do matter even more.

The stories in this report highlight just a few of our contributions, and each example inspires me. I feel honored to lead a global team that is passionate about fulfilling our Mission and taking responsibility for making the world a better place.

Marc N. Casper



Marc N. Casper
President and CEO

Our Mission

Everything we do is guided by our Mission: to enable our customers to make the world healthier, cleaner and safer. The nature of our business is to enable growth and innovation within the global scientific community and to help researchers, organizations and companies solve some of the world's most pressing issues. We do that by providing cutting-edge technologies and services that are the result of our significant investment in research and development. We believe creating a better tomorrow starts today, and we continually strive toward improvement and excellence for the betterment of our customers, our colleagues and the world.

Annual R&D investment **\$1B**



Innovating for a better tomorrow

Madison was diagnosed with a rare pediatric brain cancer at just four months old. After traditional treatment methods failed to eradicate the cancer, Madison's doctors recommended a clinical trial designed to leverage genetic analysis tools that could help guide them to targeted therapies. Doctors used our next-generation sequencing (NGS) platform to analyze the genetic mutations found within Madison's tumor and recommend a drug treatment plan specific to her cancer. Four years after treatment, she is cancer-free.

Operational Integrity

Doing what's right

We take measures to ensure strong global citizenship practices both internally and across our business relationships. We are committed to conducting our business ethically and in full compliance with our internal systems and the laws of the countries where we operate. And we do so with rigor around governance and ethics; supply chain transparency; environmental, health and safety regulations; and quality management.

Strength in our supply chain

We believe shared values are the cornerstone of supplier relationships. In alignment with our Supplier Code of Conduct, we expect our suppliers worldwide to operate in a manner that's consistent with sustainability and socially responsible business practices and policies. We utilize the globally recognized EcoVadis™ platform, which helps us assess and drive improvements in our suppliers' health and safety, labor, and sustainability performance, as well as monitor compliance with our code.

Additionally, our commitment to diversity extends to those with whom we conduct business. We work with companies owned and operated by minorities; women; veterans; members of the lesbian, gay, bisexual and transgender (LGBT) community; and people with disabilities, to help them grow their businesses.

\$895M+ spend with small/diverse businesses

4,300+ small/diverse suppliers



Colleagues

Having highly engaged colleagues is essential to our culture and to achieving our Mission. At Thermo Fisher Scientific, we embrace diverse perspectives and empower our colleagues to improve our organization, to help us innovate and to continuously strengthen our workplace. We strive to create an environment where differences are truly valued, authenticity is a state of being and everyone feels they belong and can do their best work.

Diversity is our strength

At Thermo Fisher, we know that our differences bring unique perspectives and ideas to our work. Creating an environment that actively embraces the diverse knowledge and experiences of our colleagues is an important part of our company culture. It's also critical to our success. That's why our Employee Resource Groups (ERGs) are supported from the top of our organization; each ERG is championed by an executive sponsor and key leaders throughout our company. Today, we have ERGs representing colleagues of African and Latino Hispanic heritage; millennials; women; veterans; colleagues with differing abilities; and colleagues in the LGBTQA community.

97 ERG chapters worldwide
(up 14% from 2017)

Each ERG has four pillars of focus:



Recruiting



Communications



Career Development



Community Involvement

Pride in our workforce

On June 8, 2018, Thermo Fisher CEO Marc Casper, alongside his leadership team, raised the Pride flag at our global headquarters in Waltham, Mass. This historic event was a prominent declaration to all Thermo Fisher employees that we, as a company, accept and respect everyone, regardless of how they identify. The event also kicked off many Thermo Fisher Pride events and a series of powerful moments around the globe. These types of activities, with corporate leadership's unwavering support, demonstrate our commitment to supporting our LGBTQA colleagues.



A launch point for interns

Having talented and diverse colleagues is critical to our company's overall growth and success. As such, we offer and continue to invest in the enhancement and development of processes and programs to secure, develop and retain the best talent. An example is our internship program, where we provide "in-role" experience – an important part of cultivating the skills interns need to fully and effectively transition into the workplace from their focused academic endeavors. We offer internships across various areas of our business to help students create career paths that align with their interests and aspirations.

In 2018, our 256 interns were introduced to the way we do business and to a company culture that promotes Involvement in our communities. Interns at five of our largest U.S. sites, including Carlsbad, Calif.; Madison, Wis.; Pittsburgh, Pa.; Rockford, Ill.; and Waltham, Mass., celebrated National Intern Day by giving back to their local communities.



"Thermo Fisher gives us the opportunity to do something meaningful every day and work with purpose inside and outside of the office. I'm so happy to be part of a company whose culture revolves around making the world a better, cleaner place. Every day I am given the chance to learn more and find my path." – Sophia Razzaq, Corporate Information Technology intern, Carlsbad, Calif.





Open lines of communication

We are intensely focused on our commitment to provide our colleagues with a safe and secure work environment. For example, our global security team launched the Everbridge™ Mass Notification System in North America in 2018 to enable multichannel communication to colleagues in the event of an emergency or natural disaster. We plan to expand that system globally in 2019.



A culture of continuous improvement

Our Practical Process Improvement (PPI) Business System is our operational discipline. It enables us to drive profitable growth by continuously improving quality, productivity and our customers' experience when doing business with us. This model empowers our colleagues to become problem-solvers and to implement change where they see opportunity or waste.

47,600 colleagues trained on our PPI Business System (up 22% from 2017)

\$338M global savings attributed to PPI (up 30% from 2017)

For example, throughout 2018, our site in Linz, Austria, utilized PPI tools to increase efficiencies and better serve customers. The site, which manufactures the Active Pharmaceutical Ingredient (API) used in medicines for a variety of conditions ranging from cancer to high cholesterol to insomnia, set a target to improve its manufacturing process. Engaging all 100 colleagues in the pilot plant, their strategy was to involve colleagues in all aspects of the organization, offer training on capabilities and raise the visibility of any issues. In only one year, they were able to improve their processes and reduce mistakes, saving \$2M.



Giving every employee a voice

At Thermo Fisher, we want our colleagues to have a voice and contribute to the goals and culture of our company. Our annual Employee Involvement Survey (EIS) provides our leadership with feedback on areas that directly shape our future goals, revealing both where we are most successful and where there's room for improvement.

Our survey focuses on three keys areas:

- Company leadership and effective management
- Inclusion: fostering a workplace where all colleagues are valued and where diversity enables a competitive advantage
- Involvement: understanding and improving colleague commitment to the company

Based on the opportunities identified in our EIS from 2017, we actively increased efforts specific to promoting diversity and inclusion in our workplace. Our 2018 survey showed positive results directly correlated to these efforts.

"I take this feedback very seriously because our future as a company depends on continuously improving the way we work. I believe the improvement in our D&I score is a direct result of our focus on creating a diverse and inclusive culture where our colleagues feel empowered to bring their authentic selves to work." – CEO Marc Casper

Other strengths of our company and culture that were recognized in our 2018 survey results included pride in the company, confidence in our future success and workplace safety.

Communities

Nurturing STEM education

Encouraging and inspiring students in the primary and secondary grade levels to engage in science, technology, engineering and math (STEM) activities is a core component of our community engagement strategy. In November 2018, we kicked off a month of STEM education outreach activities as part of Thermo Fisher's inaugural Global STEM Day campaign (a nod to National STEM Day in the U.S. on November 8). The goal of the campaign was to encourage our global colleagues to reach out to their local communities and excite kids about STEM through one of our outreach programs.

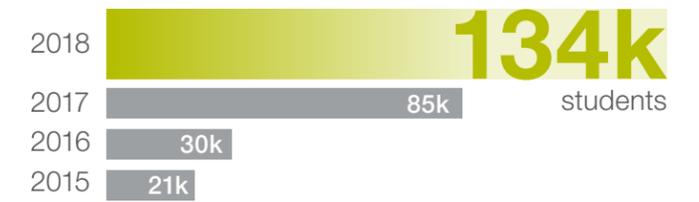
"Our colleagues really embraced the campaign designed to celebrate careers in STEM. Our largest effort as part of STEM Day was made in China, where more than 1,000 colleagues worked together to deploy hands-on science activities to students across eight schools throughout China." – Chloe Hansen-Toone, Senior Director, Corporate Social Responsibility

2018 STEM impact by the numbers

380+ total events
(up 2.2x from 2017)

3,900+ participating
colleagues

22 participating
countries



5,800+ educators
(up 1.3x from 2017)



Programs to inspire the next generation

Innovation Nation

Our Innovation Nation outreach program leverages the expertise of our colleagues to bring fun, hands-on biology, chemistry and analytical activities into the classroom. In 2018, we introduced two new activities focused on water analysis and nanotechnology, which brought our complete offering to 11 activities for primary and secondary learners.



STEM Design Challenge

Our STEM Design Challenge continues to be a favorite activity among teachers. It facilitates learning in a variety of areas, such as math, communication, writing and design, and strongly aligns with the 21st century learning style many teachers are moving toward.

STEM-credible Kits

For the second year, Thermo Fisher has partnered with the Boys and Girls Clubs of America to equip hundreds of clubs across the U.S. with our STEM-credible safety kits and the Club's DIY STEM kits. With these kits, the kids can safely experiment with hands-on science activities.





High Point, N.C.: We hosted an open house for colleagues and their families to learn more about what the site does every day and how colleagues make an impact on our customers and community. In addition to site tours, our colleagues hosted several fun STEM activities for the kids who attended the open house.



Newport, United Kingdom: Our U.K. "Santa Team" helped brighten the holidays for children away from home or living in poverty by delivering over 200 toys, donated by our generous colleagues in Newport, to the Barnardos Children Centre.



Breda, Netherlands: In cooperation with the De Zonnebloem foundation, our colleagues organized a trip to the Safari Park Beekse Bergen to spend a day with people with disabilities.



Tokyo, Japan: Middle school students worked alongside our colleagues to sequence samples of different meat proteins, and amplified the DNA using PCR. During their visit, they also observed induced pluripotent stem cells (iPS) through a microscope and used laboratory techniques to generate heart cells (cardiomyocytes) from them.



Austin, Texas: We teamed up with the Girlstart organization to hold three workshops called "Watch Me DNA-Nay!" During those sessions, leaders used DNA sequence bracelets and candy to teach the kids all about DNA, including how to extract DNA from their own saliva, the four bases of DNA and basic DNA base pairing rules.



Lagunilla, Costa Rica: Thermo Fisher colleagues visited Escuela Finca Guarari, a primary school serving 1,400 students ranging from 6 to 12 years old, to teach the students about the different chemical compounds that go into making "slime."



Buenos Aires, Argentina: Colleagues from different divisions and backgrounds came together on Children's Celebration Day to lead STEM activities such as extracting DNA from a strawberry and making slime and lava lamps, for over two dozen children.



Brno, Czech Republic: Our colleagues introduced 47 children, ages 6 to 12, to electron microscopes through an interactive workshop. Students visited the on-site training center and were challenged to identify images such as a nettle leaf at 3,000x magnification viewed through the microscope.

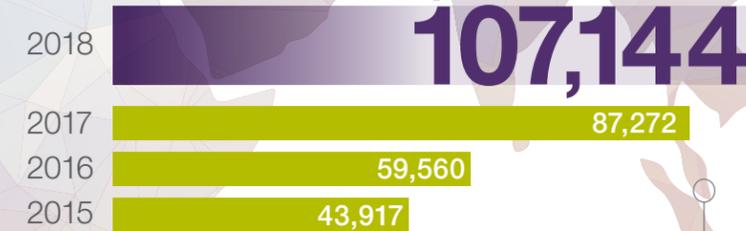


Australia/New Zealand: As part of Get Involved Day, Thermo Fisher's annual day of service, over 300 colleagues across 11 of our sites in Australia and New Zealand teamed up with Foodbank and Eat My Lunch to pack food hampers, assist in the Foodbank warehouse and make school lunches for children in need.

get involved
CORPORATE SOCIAL RESPONSIBILITY

Making a difference
in our communities
worldwide

Volunteer hours donated to the community



Singapore: Over 50 students paired up with colleagues to conduct six different science experiments as part of Global STEM Day. Activities included paper chromatography, strawberry DNA extraction, water analysis and pH testing, centrifugation and making DNA necklaces.

Community actions that speak volumes

Through our employee-led Community Action Councils (CACs), totaling over 100 globally, our colleagues connect directly with their local communities to work with organizations they care about. Our CAC participants touch countless lives through volunteering, with past efforts ranging from rebuilding homes after a devastating earthquake in Mexico and packing food for the hungry in South Africa, to painting art for hospitals in the U.S., U.K. and Singapore, and contributing to our STEM education programs worldwide.

110+ Community Action Councils
(up 16% from 2017)



In 2018, several of our CACs received recognition for their community involvement activities and the positive impact they made locally.

Our CAC in Australia earned the Community Contribution Award from the Australian Business Awards, our China CAC was awarded the Excellent Practice Award from the China Business Network, and our CAC in Spain received recognition from the Cegos Group for the hands-on approach of their CAC.

Promoting higher education

In 2018, 262 students benefitted from two scholarship programs provided by Thermo Fisher Scientific: a merit-based program for children of Thermo Fisher employees and one supporting qualified students pursuing degrees in STEM disciplines. Through these programs, we aim to help students fulfill their career aspirations.

Rachel Jansen has been a recipient of the Children of Employees scholarship in 2017 and 2018. Receiving this scholarship enabled her to work in a campus biochemistry lab for credit during her first year in college, rather than a paid position doing something unrelated to science somewhere else on campus. This experience prepared her for a 2018 summer internship at Thermo Fisher, where she broadened her awareness of how to use Thermo Fisher products in her own research. She also learned about the General Management Development Program, which motivated her to modify her academic plan to better prepare for that career path.



“Rachel knew since sixth grade, when she first extracted DNA from a pea, that she wanted to pursue a career in biology and management. Her experiences with Thermo Fisher have provided her concrete steps as to how to achieve this, and for that I am extremely grateful.”

– Ann Jansen, Director of Strategy, Customer Channels

Donations without borders

In 2018, the Seeding Labs nonprofit organization recognized Thermo Fisher with a Global Visionary Award for our longtime support of their efforts to provide products and instruments to scientists in developing countries. Seeding Labs believes scientific talent is everywhere and that too many scientists lack the resources to reach their full potential. Dr. Gama Bandawe of the Malawi University of Science and Technology is among those talented scientists. He plans to use equipment donated by Thermo Fisher this past year to research the HIV virus, which has had a devastating impact in his country.



\$4.75M total in-kind donations

Acting after disasters

Our Charitable Giving Program provides our colleagues with a platform to engage with charities and causes they care about through volunteer engagement and donations. Thermo Fisher also matches 50 percent of all eligible donations. In 2018, colleagues initiated multiple fundraisers to provide financial assistance to those impacted by natural disasters, including the wildfires in the western U.S. and Greece, flooding in Japan, and Hurricane Florence in the southeastern U.S.

\$1.8M total donated by employees and company match (up 11% from 2017)

1,700 nonprofit organizations supported



The Indian Red Cross Society recognized our sites in that country, where over 350 colleagues contributed the equivalent of one day's salary to the relief effort after flooding in Kerala.



Environment

At Thermo Fisher, we believe that we are partners with our customers in the ongoing effort to reduce our collective environmental footprint.

Innovation on the battlefield

In line with our Mission to enable our customers to make the world healthier, cleaner and safer, our sales colleagues actively seek new ways in which our products can help customers achieve their goals.

In 2018, the U.S. Army started doing testing on the Thermo Scientific™ Process 11 Parallel Twin-Screw Extruder, using it to produce 3D filament from post-consumer polyethylene terephthalate (PET) found in plastic water bottles – one of the most common waste products left on the battlefield. This filament will be used to 3D print spare parts as needed to increase wartime readiness and reduce dependency on the logistical supply chain. The process will result in less plastic waste and will lower cost and shorten the lead time to get replacement parts to troops in remote areas.

“With our enemies forced to innovate rapidly to survive, it’s become increasingly important for the U.S. military to improve its own agility and flexibility. With additive manufacturing, parts could be produced where they’re needed, when they’re needed.”
– Nicole Zander, U.S. Army Research Laboratory

Conquering the quest for less

Customers use our advanced technologies and innovative solutions to find new ways to reduce their environmental impact, become more sustainable and reduce costs. Currently, we offer 48 greener product categories, and we continue striving to provide our customers with more alternatives that are less hazardous, more energy-efficient and less wasteful.

Compared to ELISA kits, Invitrogen™ ProQuantum™ High-Sensitivity Immunoassay Kits create cold-storage efficiencies by generating up to 50 percent less plastic waste, reducing water usage and reducing packaging by 84 percent. They also take up less space in the freezer.



The ALLpaQ™ system,* a returnable packaging solution for the delivery of bioproduction liquids, can help reduce packaging waste by 90 percent and reduces associated carbon emissions by 51 percent, compared to single-use drums.

* The ALLpaQ trademark belongs to ALLpaQ Packaging Limited.

More sensible shipping

In 2018, we launched a 100 percent paper cooler for a portion of our cold shipments. For decades, expanded polystyrene (EPS) foam coolers have been the preferred external packaging for cold chain shipments, despite being notoriously difficult to recycle. The new paper cooler meets the thermal requirements necessary to uphold our stringent product quality standards. It’s the next step in our continued pursuit to find better ways to ship our products.

For every 10,000 coolers we ship, we eliminate

6,500

cubic feet of EPS from landfills



Doing our part

As a responsible corporate citizen, Thermo Fisher is committed to protecting the environment by minimizing our impact in the communities where we operate. Leveraging our PPI Business System and our Environmental, Health and Safety (EHS) Management System, we continually look for ways to improve our processes, protect the environment and reduce waste.

Clean energy initiatives

In 2018, our site in Eindhoven, Netherlands, moved to all renewable energy sources, including solar, biomass and wind energy for electricity. This change reduced the site's CO₂ emissions by a factor of 10, from 0.45 kilogram per kilowatt-hour (kg/kWh) to 0.044 kg/kWh, and stopped 369 tons of CO₂ from being released into the atmosphere – every month.

“In 2018 we took the first step towards reducing our emissions in Eindhoven through implementation of sustainable energy sources. Looking for ways to reduce the site’s overall carbon footprint is something our colleagues are very passionate about and so we expect to make even more improvements in future years.”
– Robin Hokke, Environmental, Health & Safety Manager

The Carlsbad, Calif., site installed solar photovoltaic (PV) paneling that will generate 1.1M kWh annually, equivalent to the amount of electricity needed to power 116 homes for a year. The paneling also will provide 50 percent of the site’s energy needs.

Solar panels aren’t the first electricity-generating installation made at the Carlsbad campus. A one-megawatt fuel cell system and a Tesla™ Powerpack™ smart energy storage system together supply power to buildings used for manufacturing and distribution of over 10,000 products.



Pedaling our way to greener times

As we strive to become an even more environmentally sustainable business, more of our sites are promoting the use of bicycles over cars to help reduce greenhouse gas emissions. Below are some notable efforts and honors:

- Encouraging colleagues to bike to work through friendly competitions with local companies, colleagues at our Illkirch, France, site logged 9,000 competitive kilometers in just two weeks in June
- Delivering products to customers by bicycle in southern California
- Providing free bicycle access on multiple campuses for colleagues to use during lunchtime and to travel around campus in Linz, Austria, and Frederick, Maryland
- Receiving the Cycle-Friendly Employer Certification, a European standard, for our site in Brno, Czech Republic

2018 environmental reporting

In our 2018 reporting cycle, we incorporated emissions into our portfolio from a significant acquisition, contributing to a 40% increase¹ in Thermo Fisher’s emissions year over year. We use the guidance set forth in the GHG Protocol to recalculate historic data for a meaningful and consistent comparison over time.

For more details, see our annual CDP disclosure at thermofisher.com/csr

10% reduction in greenhouse gas emissions¹ **9%** reduction in water usage¹

3,200+ tons of waste diverted from landfill (39% diversion rate²)

¹-Data normalized by annual revenue
²-U.S. data only

Discover more at thermofisher.com/csr

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