

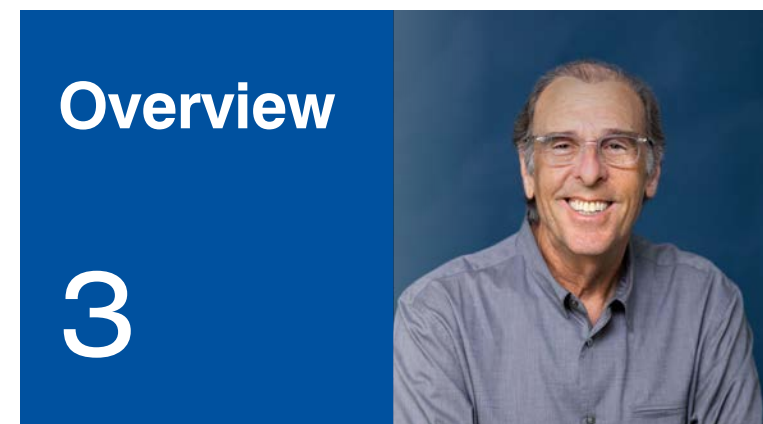


Innovating biomedical research through science and technology

Corporate Citizenship Report 2023

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Welcome to the Charles River Laboratories 2023 Corporate Citizenship Report. This report details our progress across four strategic Environmental, Social, and Governance (ESG) pillars: Accelerate Life-Saving Therapies; Lead with Integrity; Inspire our People; Protect our Planet. The report covers all subsidiaries and operations for which Charles River has direct management control. We publish our Corporate Citizenship Report every two years, and this report covers the period of 2022–2023. Our previous report was published in April 2022.



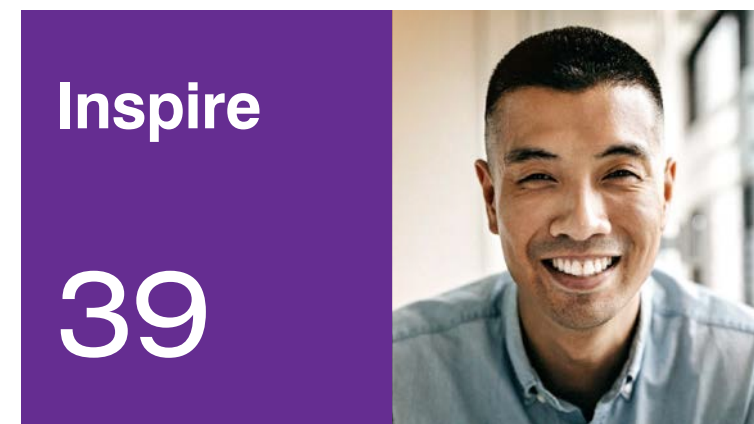
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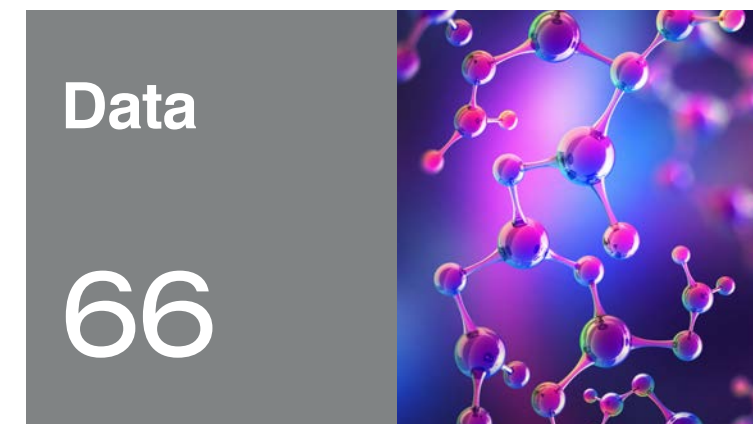
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About This Report

Our 2023 report is in accordance with the latest GRI Universal Standards, as well as the Sustainability Accounting Standards Board (SASB) Biotechnology and Pharmaceuticals Standard. These indices can be found at the back of this document on p.66–79. We have also aligned our approach with the recommendations set out by the Task Force on Climate-related Financial Disclosures (TCFD), which will be available in a [separate report](#) later in 2024.

Report content is assured through an extensive internal review process, which includes executive oversight and subject matter reviews and validation. A third-party consultancy calculates our energy and our Scope 1, 2, and 3 emissions data using the Greenhouse Gas (GHG) Protocol Corporate Accounting and Reporting Standard. A distinct and separate third-party consultancy verifies the accuracy of this information. The GHG data presented represents information available as of December 31, 2023, including certain end-of-year estimates and assumptions. Historical estimates may be subject to revision.

The 2023 GHG and Energy Consumption Assurance Letter, as well as any updated 2023 greenhouse gas (GHG) emissions data, will be published later in 2024 to the [ESG Library](#) on Charles River’s website. Our full data disclosures can be found on p.66 of this report, and the four data restatements from our 2021 Corporate Citizenship Report can be found on p.80. We always welcome feedback and questions on our report and broader Corporate Citizenship strategy. For more information, please refer to the Corporate Citizenship section on our website or email us at corporatetcitizenship@crl.com. As the leading scientific partner of choice, it is vital that we establish trusted relationships with our stakeholders. By building strong, mutual relationships that support our ESG practices, policies, and priorities, we are driving positive progress.

Stakeholder Engagement

We identify stakeholder groups in coordination with executive leadership and the Board of Directors (Board), as well as subject matter experts (SMEs) and employee working groups across Charles River. We regularly engage our stakeholders through both formal and informal processes that allow us to identify and proactively address emerging ESG needs, risks, and opportunities. Our key stakeholders and the primary ways in which we engage with them include:

- **Employees:** twice-yearly Pulse surveys, company portal and intranet, digital communications and social media, webcasts, town hall meetings, Charles River Helpline
- **Clients and Partners:** regular surveys, client panels and meetings, site visits, tradeshow and events, website and live chat, social media, digital portals, and emails
- **Investors:** annual shareholders meeting, quarterly earnings calls, U.S. Securities and Exchange Commission (SEC) filings, website, conferences, site tours, and direct engagement via email, telephone calls, and meetings
- **Suppliers:** annual and periodic meetings with key suppliers, and environmental survey of top suppliers
- **Government and Industry Associations:** participation as panelists at policy meetings, industry association memberships and participation, compliance inspections, audits, and inquiries
- **Government Officials and Policy Makers:** periodic engagement with global federal, state, regional, and local policy makers and legislative and regulatory bodies to share our perspective on policies and regulations that impact our industry
- **Local Communities:** volunteer support and philanthropic giving

Our Alignment to the UN Sustainable Development Goals (SDGs)



SDG 3 – GOOD HEALTH AND WELL-BEING

As a leading global scientific partner for drug research and innovation – from target discovery and non-clinical development to market approval – we are proud that our work has a positive impact on the health, well-being, and quality of life of people around the world.



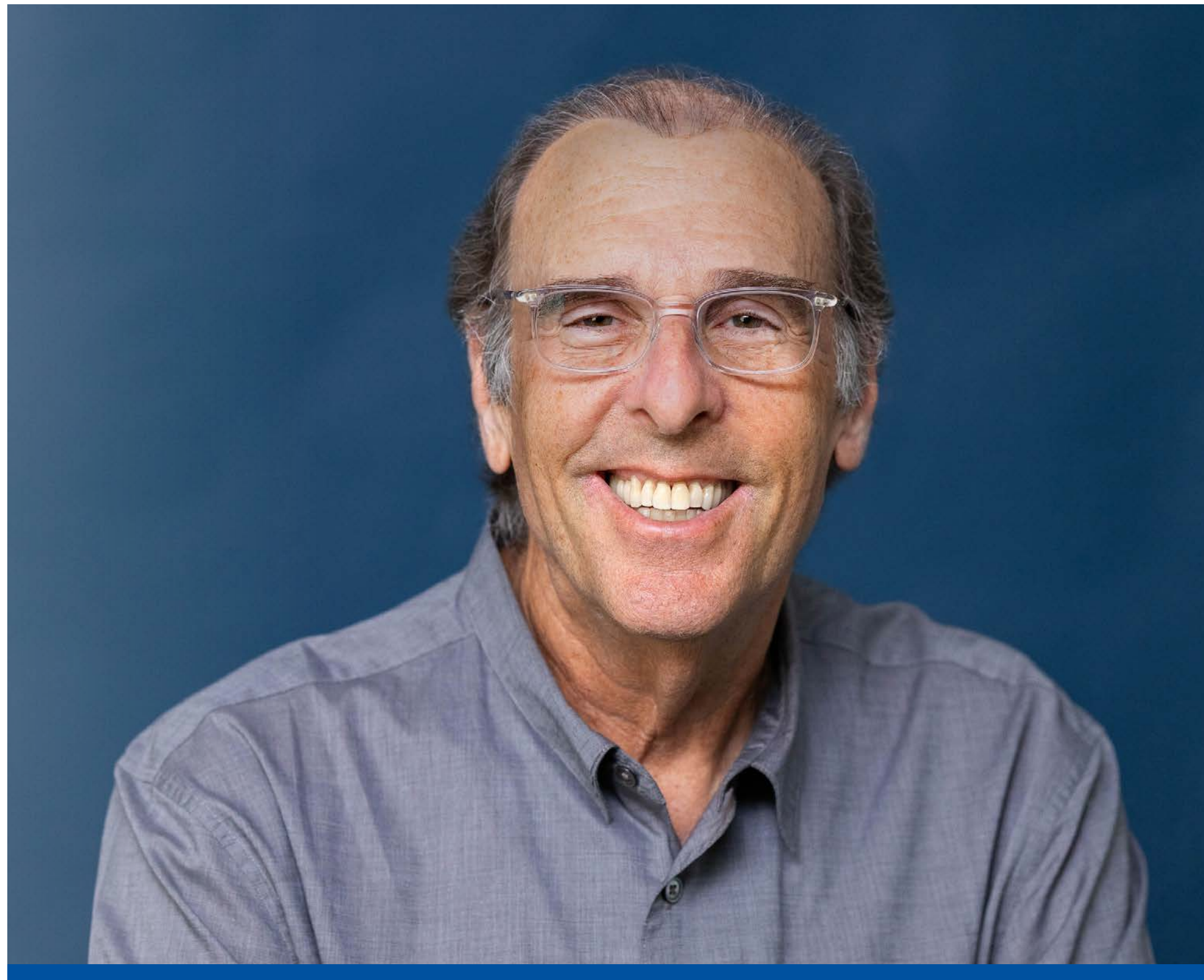
SDG 5 – GENDER EQUALITY

Operating as a responsible partner is essential to our continued success. For us this includes upholding fundamental human rights of all people across our value chain and working hard to promote a diverse, inclusive, and equitable culture.



SDG 13 – CLIMATE ACTION

We are committed to reducing our environmental impact across our global footprint, through both our long-term emissions reduction commitments and industry collaboration.



Charles River is demonstrating that we can make a meaningful impact – making us a better company and a better corporate citizen. Our collective efforts are powerful, and our influence is transforming our industry.”

CEO Message

At Charles River, we are motivated by a common purpose: **Together, we create healthier lives.**

As the leading global scientific partner with an integrated, early-stage portfolio that spans the drug research process from target discovery and non-clinical development to market approval, Charles River is committed to being the preferred solution for our clients. We do this by collaborating with them from target discovery through the manufacture of innovative, safe, and effective therapies for the patients who need them. The success of our strategy is demonstrated by the fact that we have worked on more than 80% of the drugs approved by the U.S. Food and Drug Administration (FDA) in the past five years.

We are proud of the work we do and the integral role we play in improving people’s lives. We believe that every day each of us has the ability to lead by example and be the difference. For more than 75 years, we have worked together to live our purpose and to contribute to society – not only by accelerating the delivery of life-saving treatments, but also by operating our business with integrity, supporting our people, serving our communities, and safeguarding the planet. These commitments are the foundation of our success and the key to our continued growth.

The Charles River Corporate Citizenship program, in alignment with our strategy, business model, and core values, targets four strategic ESG pillars.

Since publishing our previous Corporate Citizenship Report in early 2022, we have implemented new ESG-driven initiatives and established additional long-term targets, as we continue to make progress toward our commitments.

Accelerate Life-Saving Therapies

We help to make new therapies a reality for the patients who need them, and we are committed to taking time out of the drug development timeline to deliver life-saving treatments. To achieve this, we are intensely focused on innovating scientifically, and broadening our portfolio of products and services to ensure our clients have access to emerging therapies and technologies that help bring safe, effective treatments to market faster (see p.13).

A significant area of focus for Charles River is our digital transformation. We are combining our scientific expertise with an innovative digital approach to create insights that enable our clients to make better decisions, faster. Through our continued investments, ongoing strategic partnerships, and implementation of technology solutions such as our Apollo™ platform, we are accelerating the drug development process (see p.12).

Lead with Integrity

We take pride in our role as the scientific partner of choice, which has been achieved through the building of trust and confidence with our clients.

Operating as a responsible partner is essential to our success and longevity, and our focus on ensuring respect for the fundamental rights of all people across our value chain reflects that dedication. After publishing our Human Rights Statement aligned to the U.N. Declaration of Human Rights and the U.N. Guiding Principles for Business and Human Rights, we also became a signatory to the U.N. Global Compact (UNGC) in 2023 (see p.34).

For decades, we have embraced and invested in the 3Rs principle (Replacement, Reduction, and Refinement) to provide a framework for performing ethical animal research. We believe that advancing responsible science starts with a foundational fourth R (Responsibility), developed specifically by Charles River, that ensures we are placing a lens of Responsibility on everything we do, and continues to drive progress for the patients and animals that depend on our work. We are committed to furthering the use of alternative tools and technologies, to maintain patient safety while reducing reliance on animal testing (see p.25).

Inspire our People

Our people are our best asset, and we strive to inspire them to bring their best selves to work every day. From day one, their involvement in our business has a meaningful impact on patient outcomes and global healthcare, which is why we are passionate about supporting their ongoing success and satisfaction,

and pursuit of ways to make a difference. In 2023, our people volunteered an unprecedented amount – more than 29,000 hours of their time – to support their local communities (see p.55). We continued to strengthen engagement by delivering an exceptional employee experience through a distinctive culture and enhancing our leadership development opportunities (see p.46). Our Employee Resource Groups (ERGs) are cultivating a sense of belonging and inclusion by bringing people together from across the Company. Our ERGs have grown to include nearly 4,000 employees spanning 11 global groups (see p.51).

Protect our Planet

At Charles River, we contribute meaningful solutions to drive positive change within the healthcare sector. To do our part in promoting a sustainable workplace and achieving meaningful energy conservation measures, we launched a series of public science-based commitments in 2021 which cover our Scope 1, 2, and 3 GHG emissions. Our plan also includes a target to utilize 100% renewable electricity across our operations by 2030.

We have already achieved 100% renewable electricity across our regional operations in North America and Europe (see p.60). Furthermore, we have reduced our Scope 1 and 2 emissions by 37% over the last five years (see p.60). We are immensely proud of our progress and our continued focus on reducing our environmental impact across our global footprint.

Guided by our strong sense of purpose, we share a dedication and commitment to achieving positive impact for all our stakeholders, including our clients, the patients who depend on us, and each other.

For everyone at Charles River, that also means promoting and supporting business practices that are environmentally sustainable, socially conscious, and aligned with sound corporate governance practices. We are proud of our progress and achievements.

Charles River is demonstrating that we can make a meaningful impact – making us a better company and a better corporate citizen. Our collective efforts are powerful, and our influence is transforming our industry.



Sincerely,
James C. Foster
Chair, President, and Chief Executive Officer



We are proud of the work we do and the integral role we play in improving people’s lives. We believe that every day each of us has the ability to lead by example and be the difference.”



Our Company

We are Charles River Laboratories

Charles River Laboratories is the leading global non-clinical drug development partner, with a mission to create healthier lives. We perform a vital role in the biomedical industry, providing essential products and services to help pharmaceutical and biotechnology companies, government agencies, and leading academic institutions around the globe to discover, develop, test, and safely manufacture new therapies. To achieve this, we provide a full suite of products and services that span from target identification and discovery through non-clinical drug development and manufacturing (see Our Capabilities on p.15).

Our products and services help to identify and determine the efficacy and safety of potential molecules for future drug development, as well as support our clients' manufacturing activities, including our contract development and manufacturing (CDMO) business. Our products and services play a significant role in supporting fundamental scientific research to advance the basic understanding of general biology and life science.

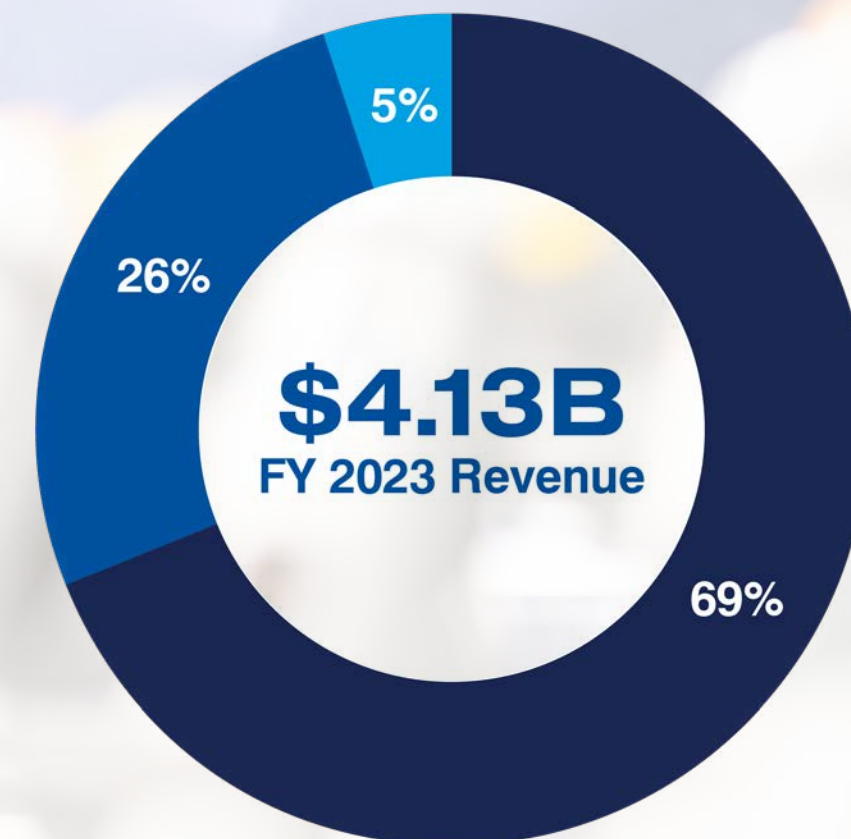
As the partner of choice for our clients' non-clinical drug research and development needs, we differentiate ourselves through our broad portfolio, scientific expertise, global scale, and excellent service. We enable our clients to create a more flexible drug development model to deliver innovative, safe, and effective medicines, which enhances their productivity and efficiencies, reduces their costs, and increases speed to market.

We are committed to collaboration, responsibility, and leadership within the global scientific research community.

Read more about **Our Capabilities** on p.15 and **Our Role in Global Healthcare** on p.12.

Proven results

- **#1 market position** globally in Research Models, Safety Assessment, and Microbial Solutions
- Supported **>80%** of U.S. Food and Drug Administration (FDA)-approved novel drugs over the last five years (2019–2023)
- **\$4.13B** revenue in 2023 and \$3.98B in 2022



● North America
● Europe
● Asia-Pacific



Global scale

21,800
employees worldwide
(including 20,400 full-time and 1,400 part-time employees)

2,600
scientific professionals with advanced degrees

>4,000
biopharma clients

~70%
of revenue from biopharma industry

155
locations

>20
countries

HQ
headquartered in Wilmington, Massachusetts

Our Strategy

We are passionate about our role in improving the quality of people’s lives and are committed to operating our business responsibly. We are guided by our purpose that centers around the patients who rely on the life-saving treatments we are helping to develop, the animals in our care, and our people and planet. To achieve this, our Corporate Citizenship strategy targets action across four key pillars.



Accelerate Life-Saving Therapies

Making accelerated, accessible therapies a reality for patients who need them.

>80%

of drugs approved by the FDA over the last five years

Go to pages 11–22

Lead with Integrity

Making a positive impact on patients, animals in our care, and communities where we work.

2023

Established a Responsible Animal Use Board Committee and Office for Responsible Animal Use (ORAU) to expand commitment to animal welfare

Go to pages 23–38

Protect our Planet

Operating our business responsibly and promoting a sustainable future in the communities where we live and work.

37%

reduction in Scope 1 and 2 GHG emissions on an absolute basis from 2018 to 2023

Go to pages 59–65

Inspire our People

Providing an exceptional employee experience where our people can learn, grow, and make an impact.

410K

learning sessions completed by our employees, representing an average of 19 completed sessions per employee

Go to pages 39–58

Our Corporate Citizenship Strategy

ESG Materiality Assessment

To objectively determine the ESG topics that matter most to our business and stakeholders, we worked with an independent, third-party advisor in 2021 to conduct a detailed ESG materiality assessment.

Aligned with the requirements of the Global Reporting Initiative (GRI), our evidence-based approach mapped and prioritized ESG topics, risks, and opportunities in terms of their importance to Charles River and our stakeholders to guide our Corporate Citizenship strategy, focus areas, and reporting priorities.

OUR THREE-STEP PROCESS:

In 2022, we partnered with an external firm to determine that our ESG material topics remained valid and aligned to the GRI Universal Standards. As part of this process, we conducted an updated review of industry data, emerging trends, and peer benchmarking, which helped us to accelerate progress and led us to grouping our new and existing ESG material topics under four strategic pillars (see Our Strategy). Coverage of our top ten topics can be found throughout this report.

1

IDENTIFYING TOPICS

- Evaluated 20 potential ESG topics
- Secured topic input from key internal and external stakeholders
- Analyzed industry, market, and regulatory data
- Conducted thorough review of emerging trends
- Performed peer research and benchmarking

2

ENGAGING STAKEHOLDERS

- Engaged with internal SMEs to fine-tune topic list and identify possible impacts, risks, and opportunities across Charles River's value chain
- Interviewed 26 internal and external stakeholders
- Validated results and affirmed alignment on highest priorities

3

PRIORITIZING RESULTS

- Assigned each topic a value based on importance to Charles River's business and stakeholders, to identify the highest priority ESG topics
- Reviewed highest priority topics to understand ESG reporting priorities

Our Top Ten ESG Material Topics

- 1 Animal Welfare
- 2 Diversity, Equity, and Inclusion
- 3 Cybersecurity and Data Privacy
- 4 Technology and Innovation
- 5 Talent Attraction and Retention
- 6 Supply Chain Management
- 7 Climate Change and GHG Emissions
- 8 Impact on Healthcare
- 9 Employee Engagement and Development
- 10 Quality Assurance and Management

Our Public Goals

Our long-term Corporate Citizenship goals are targeting key areas of our strategy. Our progress is as follows.¹

CLIMATE CHANGE	GOAL	PROGRESS THROUGH 2023	OUR PEOPLE	GOAL	PROGRESS THROUGH 2023
Scope 1 and 2	Reduce Scope 1 and 2 GHG emissions by 2030 by 50% from a baseline year of 2018	37% REDUCTION ▲	Total Recordable Injury Rate (TRIR)	Reduce TRIR by 50% from a baseline year of 2018	1% REDUCTION ▲
Scope 3	Reduce Scope 3 GHG emissions by 2030 by 15% from a baseline year of 2019	30% INCREASE² ▼	Diversity, Equity, and Inclusion	Increase women in VP+ roles to 45% through 2025	42% ACHIEVED ▲
Renewable Electricity	Achieve 100% renewable electricity by 2030	92% ACHIEVED ▲		Maintain 50% women in manager roles through 2025	53% ACHIEVED ▲
				Increase managers from underrepresented racial/ethnic groups in the U.S. to 30% by 2025	21% ACHIEVED ▲
				Achieve 71 as employee engagement score for Belonging by 2025 ³	67 ACHIEVED ▼

KEY

Positive Progress ▲

Negative Progress ▼

¹ All data rounded to the nearest whole number. For detailed figures, see the ESG Performance Data table (p.80).

² Increase in Scope 3 emissions due to increased supplier spending to support business growth. We will continue engaging with our suppliers in order to reach our 2030 commitment.

³ We continue to review feedback and develop relevant resources in support of this goal. Learn more about our focus on belonging (p.50).

Progress is... being part of your family's health recovery

It is not every day that you can say your job played a pivotal role in helping a family member recover from a health crisis – but working for Charles River, our people have real life examples of doing just that.

Take Chris Lowrie, who joined Charles River as a scientist over 30 years ago. Always proud of his important role, Chris never thought he would see his work hit so close to home. In 2012, Chris's dad was rushed to the hospital unexpectedly and diagnosed with stage 4 cancer. Part of his treatment plan was to take a new drug, which Chris soon realized was not only a drug he had worked on but one he had published a paper about. In the end, this very drug helped to extend his dad's life by nearly five years – and remains a powerful reminder for Chris of the true impact of his work.

Similarly, when Louise Scott's mother was diagnosed with ovarian cancer for the third time in 2014, she was concerned. However, when Louise was told that her mother would be put on an oral medication indicated for certain types of advanced or recurrent ovarian cancer, she recognized the drug name. Her laboratory in Edinburgh had performed vital safety work to assist in its approval. Nine years later, Louise's mom remains in remission.

It is one thing to help your family with their cancer journey, it's different again when it is your own story.

This was the case with Bob Zaccardi, who has worked at Charles River for 39 years. Bob's cancer diagnosis meant that he had to endure 16 weeks of chemotherapy and was susceptible to fatal infection. Having participated in an internal marketing campaign about therapies that Charles River had worked on, Bob was familiar with the name of a drug prescribed to him to help stimulate his white blood cell growth. Bob never thought he would be a recipient of this drug, which would end up saving his own life.

These are just a few of our Charles River Moments, and they are the reason why we continue to do what we do every day.



There are 21,800 people who come to work every day, all of whom may not be on the frontline in science, but everything that they do is playing a vital role in saving people's lives. I appreciate them every day."

Bob Zaccardi, Senior Director Creative Services, Charles River



Louise Scott and her mother

Accelerating Life-Saving Therapies

Our Focus

As the scientific partner of choice for our clients, we accelerate life-saving therapies by helping them develop and deliver safe, effective, and responsible treatments as quickly as possible. Working with clients from discovery and early-stage development through the safe manufacture of life-saving therapies, we recognize that every moment matters. By combining our established expertise with digital solutions, we can dramatically accelerate the delivery of innovative treatments for patients who need them.

Our Aim

Every day we are innovating to reduce drug development timelines, enhance operational efficiencies, and accelerate client decision-making.

Our ESG material topics in this area include:

- [Role in Global Healthcare \(p.12\)](#)
- [Our Capabilities \(p.15\)](#)
- [Technology and Innovation \(p.19\)](#)

85%

OF FDA APPROVED DRUGS AND 80% OF RARE AND ORPHAN DISEASE DRUGS IN 2023 WERE WORKED ON BY CHARLES RIVER

+4,000

GLOBAL BIOPHARMACEUTICAL CLIENTS, INCLUDING THE 100 LARGEST COMPANIES

>\$4.5B

INVESTED IN 25+ ACQUISITIONS SINCE 2012



Our Role in Global Healthcare

Why It Matters

Together, we create healthier lives. To achieve this, we leverage the expertise, commitment, and passion of our 21,800 employees to improve the health and well-being of people across the globe. The discovery and development of new therapeutics is a long, complex, and rigorous process. Various studies and reports estimate that it takes between 10 to 15 years to develop a new medicine, with research and development costs estimated to be up to \$2.5B. But the past should not determine the future – and we believe that change is not only possible, it is inevitable.

As an established global leader that has partnered with clients across the drug development continuum for over 75 years, we understand the pivotal role we play in helping to transform our industry. To drive meaningful change and make a significant contribution to improving global health, we will continue to utilize our scientific expertise, augmented by best-in-class services and technology, to collaborate and enhance connectivity with our clients, and speed up the development process for new drugs and therapies.

The development of all approved COVID-19 vaccines is testament to what science, speed, and collaboration can deliver when we come together on a global scale to produce life-saving treatments. This matters because every minute, every hour, and every day we can save in the process makes a difference to the lives of patients and their families.

Delivering Life-Saving Treatments, Faster

We pride ourselves on being the scientific partner of choice to accelerate biomedical research and therapeutic innovation. Our goal is to deliver innovative, safe, and effective medicines to the patients who need them quickly and efficiently, reducing time to market and lowering costs (see p.15 for Our Capabilities). Our role in global health can be summarized by our emphasis on the following three areas: Innovate, Accelerate, and Manufacture.

Innovate: To be the Scientific Partner of Choice

We are embracing the opportunity to lead our industry in the next frontier of drug research and development to better serve patients around the world. Through our broad portfolio of high-quality products and services, we partner with biomedical researchers to discover new and impactful therapeutics.

By leveraging the power of technology and innovation, we are transforming every aspect of our business to provide faster data, better application, more educated results, and improved timelines. The launch of our flagship digital platform **Apollo™**, provides clients with access to study data, milestones, documents, cost estimates, and program planning tools to save time, reduce friction and barriers in preclinical studies, and contribute to more efficient and effective processes (see p.20).

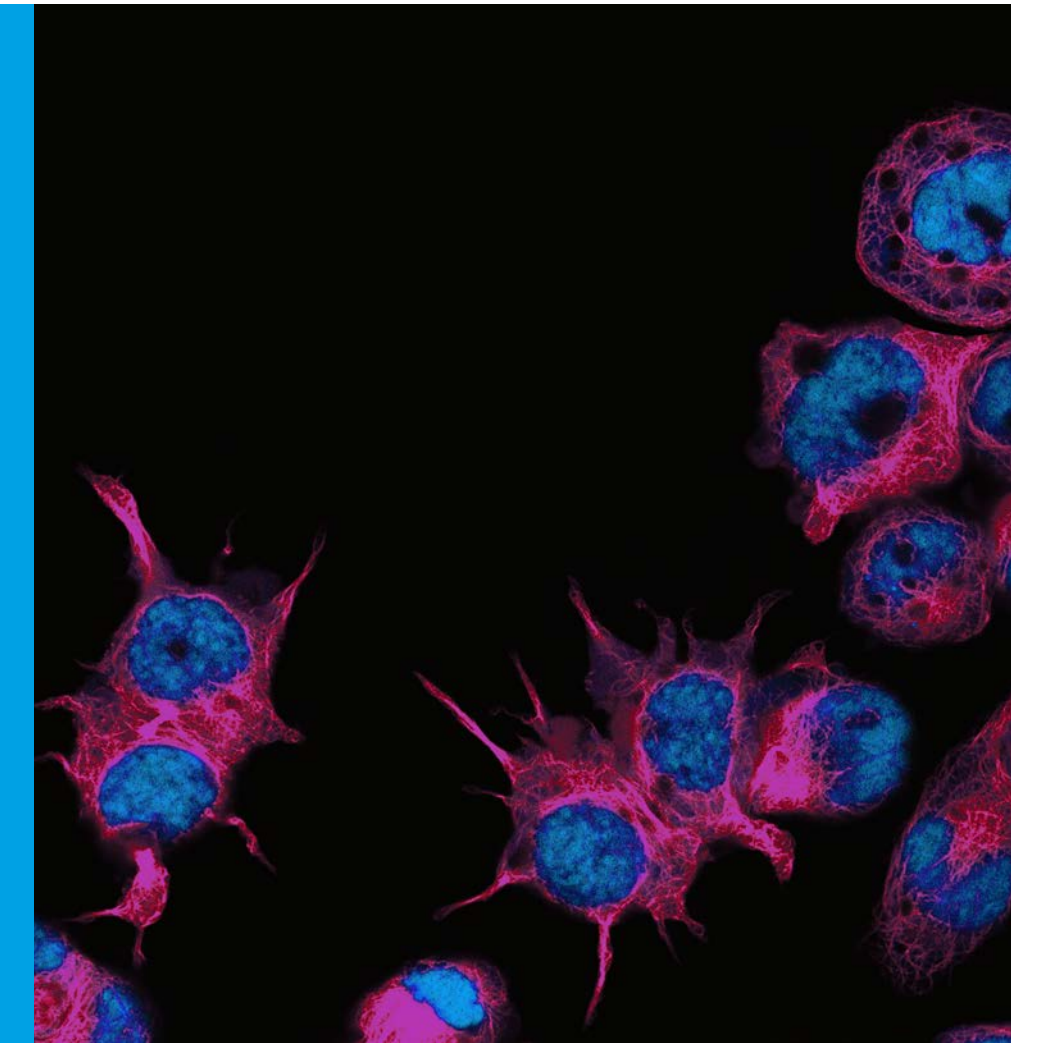
SPOTLIGHT STORY

Innovating to Increase the Use of New Alternative Methods

We are committed to delivering drugs and therapies to patients faster, using the most advanced alternative tools and technologies possible. One important way we broaden our reach is to forge strategic partnerships with companies whose next-generation technologies are rapidly accelerating healthcare outcomes.

Our partnership with biotech company Cypre is breaking new ground in the development of 3D cancer models that recapitulate the complex tissue in and around tumors to identify new therapeutic targets and open research to a whole new generation of cancer drugs.

Our partnership with Valo Health supports the evaluation of drug candidates early in the development cycle, leveraging the adoption of in-silico solutions that use computational models to predict whether a compound is likely to be efficacious or toxic; how much of it will reach different organs; and how quickly it will be metabolized to identify novel compounds.



As a result, we can reduce our reliance on animal testing while accelerating patient diagnosis.

Both Cypre and Valo Health are examples of the more than \$200M in investments we have made in the past three years in alternative method advancements. In 2024, we have launched the Alternative Methods Advancement Project (AMAP), which will enable us to chart our growth purposefully and intentionally in support of reducing and replacing the use of animals in medical research. AMAP will strengthen and improve Charles River's leadership position in alternatives and further highlights our decades-long commitment to animal welfare.

SPOTLIGHT STORY

Valo Health and Logica™

The increasing complexity of therapeutics and the vast quantity of data generated from the process of drug discovery and development requires the application of computational tools. To drive rapid progress, we partnered with Valo Health in 2022 to develop Logica™ – a joint product that uses artificial intelligence (AI), a broad range of small molecule ID platforms, and deep drug discovery know-how to deliver optimized and de-risked preclinical leads and candidates to clients. Promising candidates can then be delivered for further testing and readied for Investigational New Drug (IND) applications.

Since the Logica™ platform offers the potential to reduce optimization cycles and assess compounds for risk much earlier than traditionally possible, it also presents us with the opportunity to reduce the number of animal studies conducted in a typical program.



Our collaboration with Valo is another step we're taking toward accelerating drug discovery and development. By leveraging disruptive, AI-powered tools, we can support our clients in more quickly progressing their discoveries to the clinic."

Birgit Girshick, Executive Vice President, Chief Operating Officer, Charles River

Our Role in Global Healthcare CONTINUED

Being a partner of choice also means helping to break new scientific ground. Over the last two years, we have continued to focus on contributing to the areas of personalized medicine and rare diseases to drive significant progress in these underserved areas. In 2023, we worked on 80% of all rare and orphan disease drugs approved by the FDA.

Accelerate: To Bring Safer Drugs to Market, Faster
We deliver a flexible and efficient outsourced model for preclinical development to enable quick progression from lab to clinic. By embracing the opportunity to support research across the drug discovery and development continuum, our mission is to identify novel solutions that solve one of the toughest barriers to new therapies: drug development timelines.

We strive to maintain the gold standard for outsourced drug development by adopting key technologies and optimizing our processes. This includes accelerating timelines around safety assessment studies, integrated drug development projects, Cell and Gene Therapy (C>) projects, and microbial contamination testing.

We are also enhancing speed and execution through seamless access to real-time client data and data-driven insights that leverage both scientific and operational data. In 2022–23, we digitized our client-facing functions to deliver best-in-class solutions – including the implementation of **Apollo™** across our businesses (see p.20 for more).

Manufacture: To Treat, Develop and Support the Production of Advanced Therapies

We provide comprehensive solutions to support biopharmaceutical manufacturers in the testing, process development, and production of advanced therapies. This helps to ensure that our clients are consistently producing safe, high-quality, and regulatory-compliant products. We have partnered with over 4,000 biopharma clients across the globe, including each of the 100 largest biopharmaceutical companies.

The scale of our contribution is significant – and our manufacturing solutions reach a broad range of areas to achieve a targeted impact with reach. As an example, our business conducted more than 38,000 tests in 2023 to assess drug candidates for their safety and to bring new therapies to market (see p.18).

Our Discovery Services and Biologics businesses have supported the development of 20 FDA-approved C> therapies and conducted more than 1,000 studies in the field.

Our Role in Global Healthcare

CONTINUED

Our Strategy for Growth

To achieve our purpose, we continue to enhance and expand our suite of products and services. We offer solutions by molecule type, research phase, therapeutic area, and industry to ensure we are targeting the areas our broad range of clients need help to address (see Our Capabilities on p.15). Through our robust mergers and acquisitions (M&A) strategy, organic investment in our businesses, and our strategic partnership model, we are well positioned for continued future growth and evolution.

Mergers and Acquisitions

We invest through acquisitions, technology partnerships, and internal development to obtain access to new innovations and expertise to further accelerate pathways to improved healthcare outcomes. Since 2012, we have invested >\$4.5B in more than 25 acquisitions. These investments are focused on enhancing the breadth of our scientific capabilities, expanding our global scale, and maintaining leadership in advanced and emerging therapies.

Strategic Partnerships

Forming strong strategic partnerships positions us to positively impact global healthcare through collaboration. Our partnership strategy seeks to strengthen our capabilities by adding relevant and innovative technologies and capabilities to meet the market’s evolving needs. By partnering with companies

that develop differentiated treatments, we can enhance our scientific offering and expand our portfolio.

At the end of 2023, we held 27 active partnerships and have invested more than \$145M in partnerships and licensing arrangements. Recent strategic partnership highlights include:

- **Valo** – partnering to transform the drug discovery process with [integrated AI](#) and [Logica™](#)
- **Cypre** – human translatable *in vitro* platform for cancer immunotherapy using patient derived tumor material
- **Wheeler Bio** – extending our antibody discovery platforms into state-of-the-art integrated cell line development and manufacturing
- **Vernal Biosciences** – expanding our modality coverage to accelerate mRNA design and manufacture
- **Deciphex** – partnering to lead preclinical pathology into a fully digital landscape, empowering our pathologists with AI tools and delivering insights to clients faster

In addition to our M&A approach and strategic partnerships, we have a robust strategy to establish Charles River as a preferred partner to emerging venture capital (VC)-backed biotech companies and extend our access to next-generation science and technology. In 2023, approximately 10% of our annual revenue came from VC-backed businesses.

Advocacy

We want to use our vast experience and industry-leading position to drive meaningful change in global healthcare. Leaning into our scientific expertise, we present at hundreds of industry events each year, publish posters with scientific outcomes, provide scientific webinars, and publish in scientific publications.

We are also an active advocate for animal welfare and the reduction and replacement of animals in research.

Charles River is a founder of The [3Rs Collaborative](#), serving as both a Board and Gold-level member. We also collaborate with the [Center for Alternatives to Animal Testing \(CAAT\)](#) at Johns Hopkins. Public-private initiatives include participation in [RiskHunt3r](#), a new European effort to develop a modular framework for animal-free, next-generation risk assessment (NGRA) driven by world-leading experts from various disciplines, and the [Virtual Human Platform for Safety Assessment \(VHP4Safety\)](#).



Our Capabilities

Why It Matters

Today's drug developer faces many unique challenges and opportunities to develop new therapies that meet the world's medical needs. The drug development landscape is ever changing, due to accelerating technology, the introduction of new complex drug modalities, evolving regulatory requirements, and high expectations for responsible non-clinical research.

Together, these factors can increase the level of uncertainty in determining an optimal strategy for clear pathways to clinical trials and seeking market approval. Positive healthcare outcomes depend on the success and speed with which drug developers can develop vital interventions that contribute to the betterment of human and animal health.

To tackle these challenges, Charles River partners with clients from discovery and early-stage development through the safe manufacture of life-saving therapies to deliver long-term clinical success. Our unique portfolio of products and services, supported by outstanding customer support, enables drug developers to access our deep scientific expertise to achieve faster and more cost-effective results.

Driving Progress Across the Drug Research and Development Continuum

Charles River is the scientific partner of choice to accelerate biomedical research and therapeutic innovation across the drug research and development continuum. The following are the five main components that comprise the process to bring a drug to market. Charles River is an active partner in each of these areas within the research and development continuum, with the exception of clinical trials:

Basic Research

Basic Research, the foundation of all scientific breakthroughs, improves our understanding of biology and advances knowledge of the life sciences. The results of these efforts can have broad reach and tremendous impact, with results that improve the health and well-being of millions of people around the world.

Discovery

Discovery represents the earliest stages of drug research, which are directed at the identification, screening, and selection of a lead molecule for future drug development.

Preclinical Testing

Preclinical Testing determines the safety, tolerability, and clinical efficacy of selected drug candidates. During the non-clinical stage, a drug candidate is tested *in vitro* (nonanimal, typically on a cellular or sub-cellular level in a test tube or multi-well petri plate) and *in vivo* (in research models) to establish drug safety prior to and in support of human clinical trials.

Clinical Development

Clinical trials are the culmination of years of work, as potential drug candidates move into the three phases of human clinical trials. Timing is vital to a clinical trial's cost-effective execution, and clients can front-load clinical timelines as early as the preclinical phase.

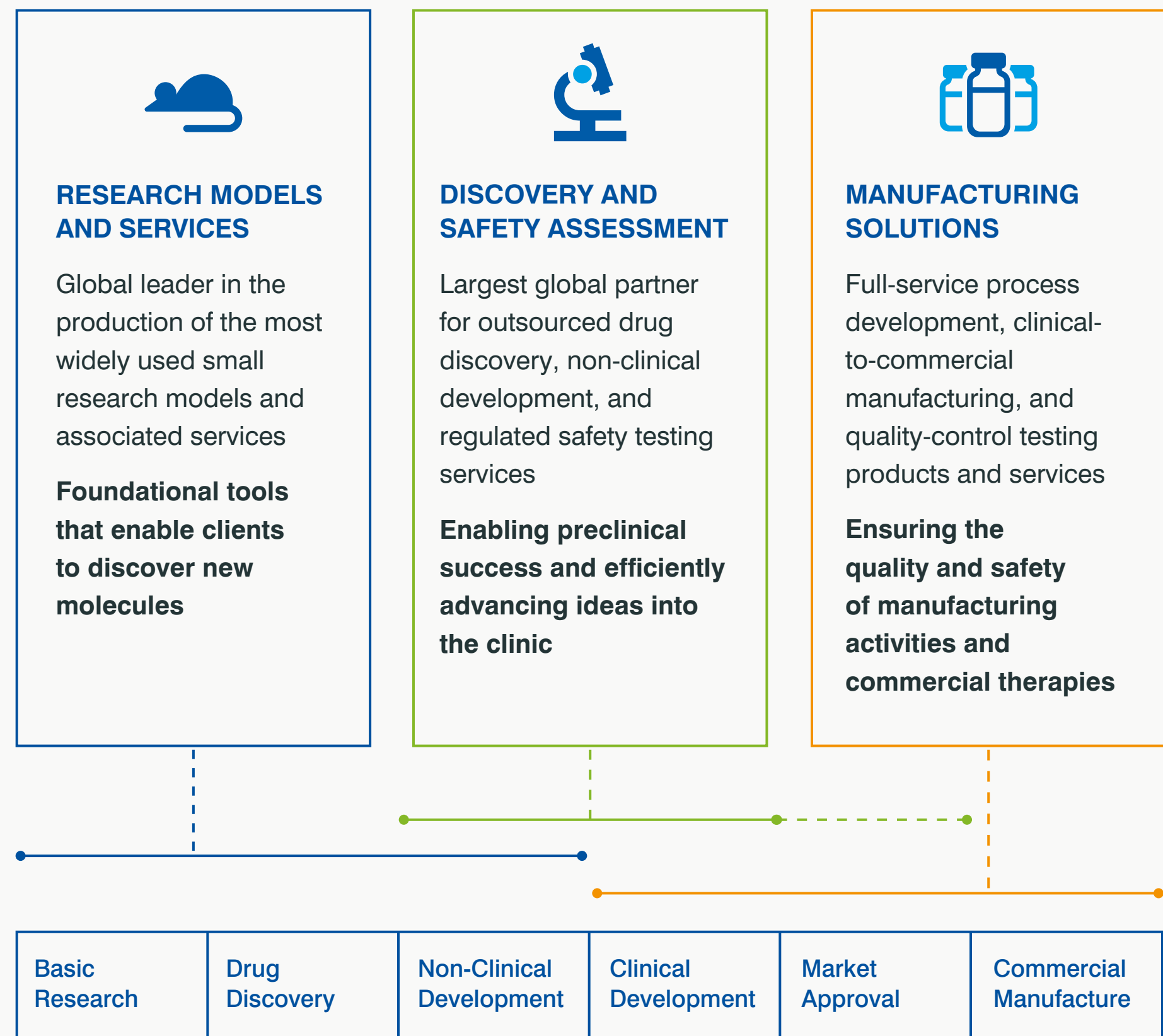
Manufacturing and Commercialization

Contract manufacturing and support services ensure the quality, safety, and regulatory compliance of client products over the long term and promote the optimum use of resources.

UNIQUE AND SCIENTIFICALLY DIFFERENTIATED PLATFORM

Our Capabilities

Charles River’s unique and scientifically differentiated platform delivers products and services across three key areas: Research Models and Services; Discovery and Safety Assessment; and Manufacturing Solutions. Each business segment targets a key phase of the drug research and development continuum to drive progress across the drug development journey.



Our Capabilities

CONTINUED

Our Business Segments

Research Models and Services (RMS)

Our RMS business helps clients research, discover, and develop vital new therapies through our network of commercial breeding facilities, rigorous genetic standards, and core values of animal welfare and biosecurity. We operate three core businesses:

Research Products

We are the global leader in the production of the most widely used small research models and associated services. With a global footprint that ensures proximity to major bio hubs around the world, we provide foundational tools that enable clients to discover new molecules. Our consistent, high-quality research models are an essential, regulatory-required, low-cost scientific tool for drug discovery.

Services

We deliver flexible and unique services that support our clients’ use of research models in the screening of potential drug candidates. These are provided through three service offerings: Genetically Engineered Models and Services (GEMS), Insourcing Solutions (IS), and Research Animal Diagnostic Services (RADS), which address the need for pharmaceutical and biotechnology companies to outsource the non-core aspects of their drug discovery activities.

Cell Solutions

Our Cell Solutions business supplies controlled, consistent, customized primary cells and blood components derived from normal and mobilized peripheral blood and bone marrow to support the development and production of cell therapies.

RMS Products and Services

- + Research Animal Models
- + Research Animal Diagnostic Services (RADS)
- + Genetically Engineered Models and Services (GEMS)
- + Surgery and Preconditioning Services
- + Genetic Testing Services
- + Human Immune Cell Sourcing and Services
- + Vivarium Staffing and Training Services (IS)
- + CRADL™ Rentable *In Vivo* Vivarium Space

~1 OF 2

small research models sold in North America and Europe for preclinical research come from Charles River

200+

GMP-compliant products using cells from a donor source to support clinical-phase manufacturing of cell therapies for patients

~30

CRADL™ facilities managed by IS as of year-end 2023 comprises the largest global network of contract vivaria facilities

3,600+

genetically modified GEMS strains cared for in an average week through full-service colony management programs

Our Capabilities

CONTINUED

Discovery and Safety Assessment

Our DSA business enables preclinical success and efficient advancement of potential ideas into the clinic. We are the largest global partner of outsourced drug discovery, non-clinical development, and regulated safety testing services with a dedicated staff of over 1,200 scientists. We have two businesses in this area:

Discovery Services

We provide a single source of services for discovering and characterizing novel drug candidates for preclinical development.

- Our early discovery, *in vivo* and *in vitro* capabilities drive candidate discovery, and we have dedicated expertise in most major therapeutic areas, with a focus on oncology and neuroscience
- Our integrated programs feature the ability to engage clients at any stage of their discovery or early-stage development programs
- Our broad capabilities extend across small molecule discovery, antibodies, and C>

Safety Assessment (SA)

We provide a full suite of safety studies that are required for regulatory submission across a broad range of therapeutic areas.

- We are global leaders in non-regulated and regulated (GLP) outsourced SA services supporting small and large molecules, biologics, cell and gene therapies, agrochemicals, industrial chemicals, and novel products
- Our broad scientific capabilities include general and specialty toxicology, bioanalysis, pathology, safety pharmacology, drug metabolism and pharmacokinetics (DMPK) services
- We hold the industry's largest toxicology offering, from inhalation to developmental and reproductive toxicology

<p>> 100 small and large molecule pre-clinical candidates delivered to our clients since 2001</p>	<p>~300 completed Investigational New Drug (IND) programs conducted each year, with 1,500 IND studies supported in 2023</p>
<p>> 480 patents for specific scientific findings generated for our partners since 2001</p>	<p>> 290 scientific journal publications co-authored and published since 2002</p>

DSA Products and Services Discovery Services

- + Integrated Drug Discovery
- + Logica™ – Transformative Drug Discovery
- + Antibody Discovery Services
- + Pharmacology Studies
- + Assay Development, Screening and Profiling Assays
- + Chemistry
- + Pharmaceutical Sciences and Formulation
- + ADME Drug Metabolism and Pharmacokinetics (DMPK) Studies

Safety Assessment Services

- + IND-Enabling Studies
- + Toxicology Services
- + SEND – Standard for Exchange of Nonclinical Data
- + Pathology Services
- + Environmental Safety
- + Laboratory Sciences
- + Scientific and Regulatory Affairs Services



Our Capabilities

CONTINUED

Manufacturing Solutions

Our Manufacturing Solutions business offers full-service process development, clinical-to-commercial manufacturing, and quality-control testing products and services, to ensure the highest quality and safety of manufacturing activities and commercial therapies. We have three businesses in this area:

Microbial Solutions

Our rapid testing platform for microbial quality control detection and identification of sterile and non-sterile applications drives the safe production and release of manufactured products for our clients.

- We are a leading provider of quality-control (QC) testing products and services
- We provide FDA-mandated lot release testing for biopharmaceutical products
- We support our clients with market-leading platforms such as: Endosafe® endotoxin detection; Accugenix® microbial identification and strain typing; and Celsis® rapid microbial detection

Biologics Testing Services

We provide process development and quality-control testing to support the manufacture of biologics.

- We are a premier partner in navigating the complex pathway to biologic effectiveness
- We support developers and manufacturers with their testing, characterization, and cell bank manufacturing needs
- We conduct testing and assay development throughout drug development, clinical, and commercial manufacturing

Cell and Gene Therapy (C>) CDMO Services

We are a leading scientific partner for C> development, testing, and manufacturing. Our unsurpassed end-to-end offering creates enhanced access to scientific and regulatory expertise via our multidisciplinary bench of experts.

- We offer solutions across all major CDMO platforms for C>
- We hold primary expertise in gene-modified cell therapy with growing capabilities in gene therapy, including plasma DNA and vital vectors
- Provide integrated value chain from foundational cellular materials through analytical testing and the production of advanced therapies

MFG Products and Services

Microbial

- + Endosafe® Bacterial Endotoxin Testing
- + Celsis® Rapid Microbial Detection
- + Accugenix® Microbial Identification and Strain Typing

Biologics Testing Services

- + Viral Clearance Studies
- + Protein and Cell Line Characterization
- + Cell Banking
- + Contamination and Impurity Testing
- + Lot and Final Drug Product Release Testing
- + Stability Testing
- + Bioactivity and Impurity Testing
- + Anti-Infective and Vaccine Challenge Studies

Cell and Gene Therapy (C>) CDMO Services

- + Integrated Cell and Gene Therapy Contract Development and Manufacturing Organization (CDMO) Solutions
- + Cell Therapy, Viral Vector, and Plasmid DNA Production
- + Research, High Quality (HQ), and GMP Grade Materials
- + Cellular Material for Research and GMP Human Cells
- + Plasmid and Viral Vector Products
- + Viral Vector Packaging Services
- + Custom Cloning
- + Genetic Model Creation

1ST

CDMO in North America to receive EMA approval to produce an allogeneic cell therapy drug for distribution in Europe

38,000+

biologic testing reports sent each year, supporting more than 40 commercial client compounds

20

FDA-approved C> therapies supported through development and >1,000 studies conducted in the field

>20M

FDA-licensed cartridges for use with Endosafe® rapid bacterial testing platforms sold since product launch in 2003

Technology and Innovation

Why It Matters

Advancements in technology and innovation are at the forefront of global drug research and development. Our collective efforts are powerful, and together we are working with purpose and speed to make life-saving therapies available to help patients around the world. By harnessing the power of technology, we are working to accelerate early-stage development timelines and take time out of the drug development process.

Technology is constantly evolving – and it is vital that our people, processes, and systems work together to adapt. The digital revolution is inspiring us to push the envelope to ensure we offer the best science to our clients and leverage digital innovation and new platforms to drive long-term value in a way that augments and continuously improves science.







Through our Global Technology and Digital Strategic plan, our ambition is to evolve Charles River into the digitally-native scientific partner of choice for our clients. We will continue to implement best-in-class technologies that optimize internal processes into digital-first solutions to deliver innovative, safe, and effective treatments to patients quickly and effectively.

Management Approach

Our Global Technology and Digital Strategic Plan is managed by our Corporate Senior Vice President, Chief Information Officer (CIO) in collaboration with key business and functional leaders. Updates on the strategy are presented to the Board on a quarterly

basis, including progress on ongoing technological investments and initiatives, and an overview on the Company's broader information security program. The Board is responsible for ensuring appropriate management of risk covering the areas of technology, innovation, and cybersecurity.

Quarterly planning sessions are conducted with senior leaders to report progress, define next steps, and request additional resources for our technology programs. Planning sessions are open to all leaders across the organization to ensure ongoing input, collaboration, and oversight into our digital transformation program.

Enablers and Capabilities	
 <p>Agile operating model driving rapid decision-making</p>	 <p>Investment in talent and capabilities</p>
 <p>Analytics capabilities to unlock value of clients' data</p>	 <p>Metrics and KPIs aligned to aspirations</p>
 <p>Prioritized investment portfolio with focus only on what matters</p>	 <p>Modernized technology assets to turn digital vision into reality</p>

SPOTLIGHT STORY

Driving Digital Pathology Solutions

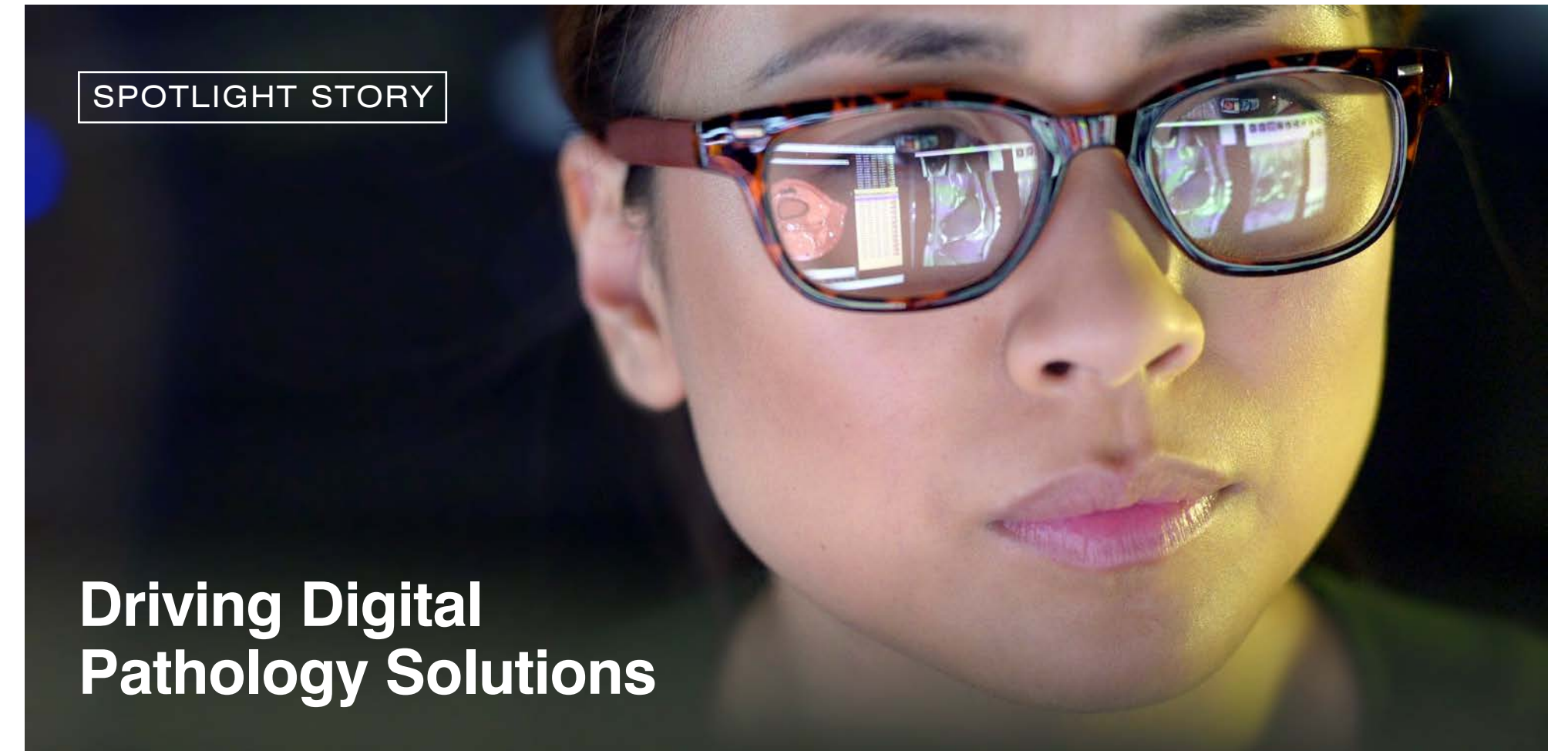
Digital pathology is an exciting technology that revolutionizes the way pathologists analyze biological samples and make a diagnosis. Instead of transporting traditional glass (*in vitro*) slides to pathologists, samples are scanned and converted into high-resolution digital images for examination anytime, anywhere in the world.

In 2020, we partnered with leading digital pathology software-as-a-service provider **Deciphex**, to integrate their product **Patholytix Preclinical** into our **general and specialized pathology services**. Over the last two years, we have successfully operationalized a state-of-the-art digital peer review platform and co-developed **deep-learning tools** that accelerate pathology analytics for our

clients – in turn, giving them access to the most advanced preclinical **pathology program** in the industry.

Now, we are collaborating with **Deciphex** to develop exclusive AI models that will further accelerate digital pathology reviews. Launched in 2023 at our new Charles River site in Kansas, deep learning AI algorithms will be utilized to provide decision support for pathologists and automate select processes in the digital pathology workflow.

We are also using our digital pathology workflow in support of animal welfare. Ultimately, digitized slides will be a part of Virtual Control Group data sets, which will reduce the number of animals used in studies by utilizing historical data and digital images instead of animals.



Technology and Innovation

CONTINUED



Global Technology and Digital Strategic Plan

Our vision is to become the digitally-native trusted scientific partner of choice by integrating our unrivalled expertise, seamless offerings, and digital delivery to our clients. To achieve this, we are working to bridge the gap between traditional drug discovery and digital science – and to develop and refine innovative solutions that improve human health and animal welfare.

Our Global Technology and Digital Strategic plan covers five areas that embed technology and innovation in everything that we do:

Commercial

We want to help our customers understand more about the drug development journey and learn how we can help them at the right time and provide them with the tools they need. In 2022–23, we continued to rapidly strengthen our commercial offering to provide cutting-edge solutions across a broad range of therapeutic areas. This includes the launch of digital commercial solutions like RMS e-commerce and the Apollo™ Biologics sample submission form. Through the delivery of high-impact technology like Apollo™, Charles River is enabling data-driven decision-making that creates value for our clients by creating efficiencies in the drug development process.

Scientific

By looking at the use of data, analytics, and automation to continuously improve scientific outcomes, we provide our customers with tools that help them expedite their drug development journeys. This is why we are investing heavily in creating more efficient workflows and viable solutions that can solve complex problems more efficiently. In the last two years alone, new technologies like our [Endosafe® cartridge](#) deliver safer solutions for patients, and *in vivo* [implantable microdevice technologies](#) enhance tumor studies to improve healthcare outcomes.

Operational

To sustain our global footprint and drive operational leverage, we must continue to focus more time on science, while easing the burden of administrative tasks. In doing so, we can accelerate the delivery of innovative, safe, and effective treatments. Our digital journey combines, unites, and extracts value from the data generated across our operations to sustain and advance our market position. Nowhere is this clearer than in the launch of Apollo™, our industry-leading cloud-based platform for real-time data solutions.

Technology and Innovation CONTINUED

To further enhance our operational model, we achieved ISO 27001 certification in 2023 for our Information Security Management Systems (ISMS) to ensure the protection and integrity of client information and data. In 2023, Forbes named Charles River as one of [America's Most Cybersecure Companies](#) in 2023 (see p.27 for more).

General and Administrative (G&A)

Our focus within G&A involves digitizing and automating our internal processes to continue to make Charles River a company where colleagues can spend more time on high-value analysis and strategies and less time on manual, transactional work.

Key initiatives include enhanced, digitally enabled financial planning and analysis; digitization across the employee hire-to-retain journey; and technology simplification, automation, and leveraging of the cloud to create more secure, resilient, and efficient processes.

Cultural

By adopting a mindset of design-thinking we are constantly targeting ways to do what we do better. Since the launch of [Apollo™](#), we have responsibly grown our organization in line with overall corporate growth to ensure we have industry-leading talent in place to meet our digitally-native focus. We are also targeting new talent through our recruitment process to ensure we have the best technical team at hand to achieve our digital aspirations.

SPOTLIGHT STORY

Virtual Control Groups

Technology is helping to rapidly reshape drug development. From the use of AI to the growth of analytical tools and Agile workstreams, the pharmaceutical industry is in the midst of a significant digital transformation. But technology can also help us meet our animal welfare objectives – and focus on our 4Rs model of Reduction, Replacement, Refinement, and Responsibility in important ways (see more on p.25).

We recently began a pilot project to evaluate the use of virtual control groups (VCGs) as an alternative to using animals in toxicity studies. VCGs replace the animals in testing control groups with existing randomized data sets and statistical evaluations. The use of VCGs, also referred to as synthetic control arms, is already an established concept in clinical research, but rare in animal studies.

Through this process, we plan to replace rat and non-human primate (NHP) control groups with VCGs that are built with quality data from large and well-structured randomized data sets. The long-term goal of the VCGs is to reduce animal usage, increase statistical power, and free up capacity not utilized by control animals.



By delivering high-impact technology that gives clients greater access to data, we are enabling data-driven decision-making that creates value for their businesses and reaching our goal of creating efficiencies in the drug development process.”

Mark Mintz, Senior Vice President,
Chief Information Officer, Charles River

Progress is... speeding up drug discovery for nano-rare diseases

Susannah was born with a single gene mutation that causes her significant movement disorder, seizures, speech, and vision challenges, as well as a painful neuropathy in her hands and feet. For her family, having a child with nano-rare disease is distressing, especially as there is often little to no research that exists for these types of diseases and rarely any therapeutic options that address their cause. A nano-rare disease is a disease that is even rarer than a rare disease, with a prevalence of 1 to 30 patients worldwide. In most cases, a nano-rare patient is the only one in the world with the disease.

In line with our mission to create healthier lives, we reduce drug development timelines to deliver safe and innovative new treatments for patients in partnership with organizations like the n-Lorem Foundation. This innovative non-profit organization helps to discover, develop, and provide personalized antisense oligonucleotide (ASO) medicines to patients for free, for life. When n-Lorem approached us, they had already completed the discovery and lead identification in Susannah's program, which they wanted us to test through a three-month safety study on Susannah's lead ASO. This work was run out of our site in Senneville, Canada and – due to the rapid progression of the disease – our team focused on an accelerated pathology evaluation to urgently help Susannah access treatment.

Susannah started her new course of medication in the fall of 2022. By December of that same year, she began to show signs of improvement. Most significantly, she could stand from a seated position, demonstrating a level of coordination and muscle control previously absent. In 2023, she continued to receive treatment and was able to do activities that were previously not possible, including swimming and kicking her legs independently. Most profoundly, Susannah has been able to focus more, engage with her peers and others in more meaningful ways, and can now actively participate in school.



Susannah may be one in a million, even one in fifty million, but that doesn't mean we leave her behind."

Bill Barbo, Executive Vice President,
Community Relations, Charles River



Lead With Integrity

Our Focus

We lead with integrity by cultivating an environment with the highest standards for quality, compliance, and ethics. In doing so, we build trust with our clients, partners, investors, suppliers, and communities around the world.

We believe that by leading with integrity, we set an example for the practices we want to see in our industry. Moreover, our focus on compliance, ethics, human rights, animal welfare, and operational excellence allows us to attract and retain exceptional talent while continuing to advance responsible science.

Our Aim

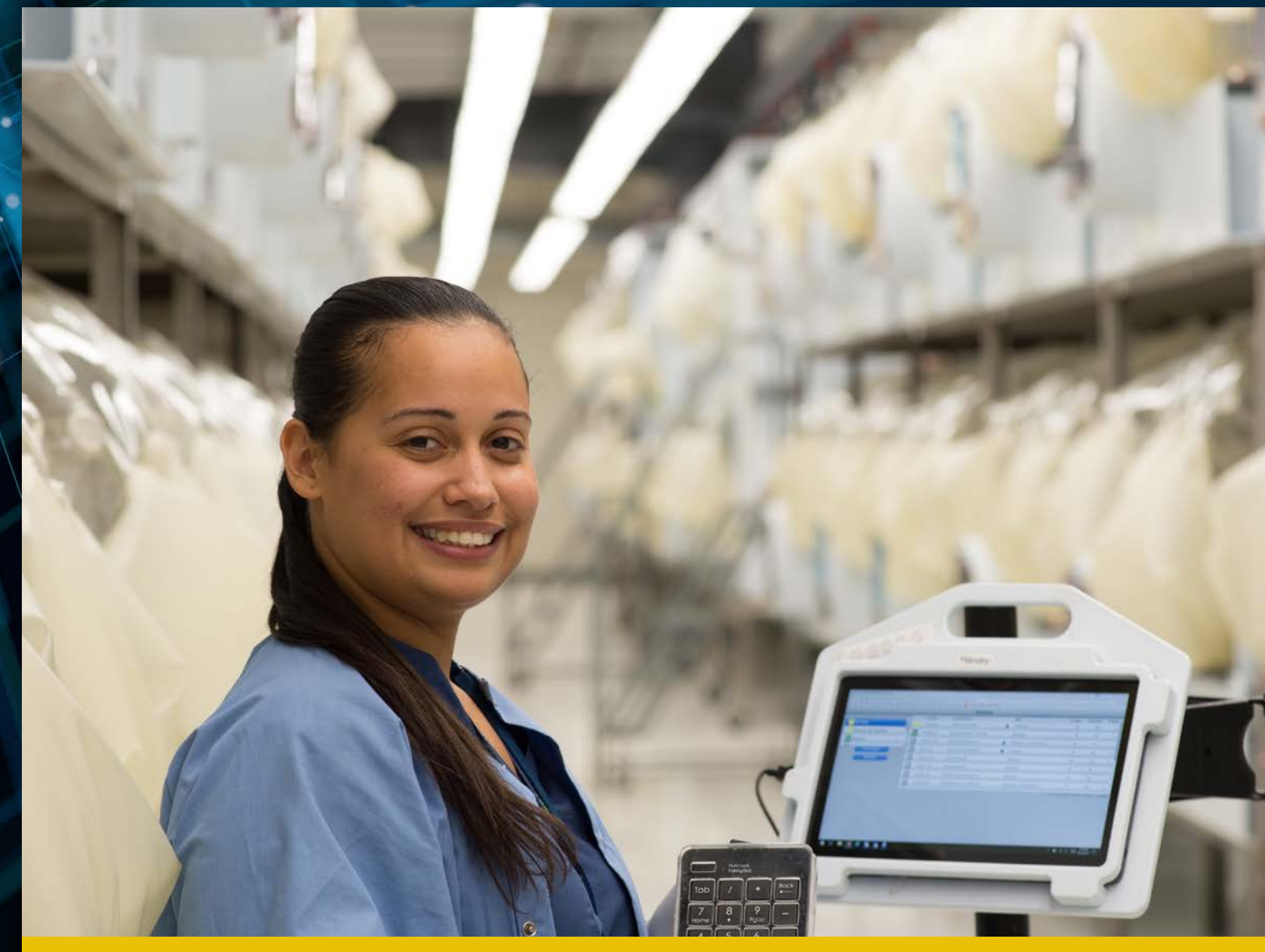
To demonstrate an uncompromising commitment to build and maintain value, trust, and accountability through transparency, strong governance, and sound ethics and compliance.

Our ESG material topics in this area include:

- Animal Welfare (p.24)
- Data Security and Privacy (p.27)
- Governance (p.29)
- Quality Assurance and Management (p.31)
- Compliance and Ethics (p.32)
- Human Rights (p.34)
- Regulatory Affairs (p.35)
- Risk Management (p.36)
- Business Resilience (p.37)

ISO 27001

CERTIFICATION ACHIEVED FOR INFORMATION SECURITY MANAGEMENT SYSTEMS



36%

36% BOARD REPRESENTATION OF WOMEN AND INDIVIDUALS FROM UNDERREPRESENTED RACIAL AND ETHNIC GROUPS (UREGS), AS OF YEAR-END 2023

Animal Welfare

Why It Matters

The humane treatment of animals in our care is one of our deepest and most unwavering values. Animals are essential to our shared understanding of disease progression and biological mechanisms, as well as drug safety and efficacy. Before any drug or therapy is brought to market, strict regulations require animal testing models to identify any health or safety risks and effectiveness. When animal models are required, they are regulated to ensure responsible, ethical, and humane care.

As a leading provider of drug development products and services, we understand that many of the groundbreaking treatments our clients develop require live

organisms. Our portfolio of proven research models and services enable our clients to responsibly manage study conduct and data outcomes as a critical component of the research and development of therapeutics.

With over 75 years of experience in supplying researchers with laboratory animals that improve the quality and consistency of preclinical research, we have a long track record of robust animal welfare. Our commitment advances responsible science, improves research and development outcomes, and creates a positive, healthy workplace for our employees and the animals in our care.

Management Approach

Our Board and Executive Leadership team receive regular reports on our programs, initiatives, and performance regarding animal welfare. These are provided to our newly established Board Committee, the Responsible Animal Use Committee, who hold responsibility for reviewing, evaluating, and advising the Board and management on responsible animal use. The Committee is supported by the Office of Responsible Animal Use (ORAU), which oversees our commitment to driving scientific advancement to better translatable models, replacing and reducing animal use, and ensuring patient safety. The ORAU consists of executive leaders who manage all activities within our animal welfare program.

At a site and divisional level, our recently updated 4Rs program of Replacement, Reduction, Refinement, and Responsibility forms a critical component of our annual strategic planning process, and we require all business unit leaders to provide quarterly reports on their results and progress. These plans are overseen by our 3Rs Global Advisory Working Group, our ORAU, and our animal oversight and welfare bodies who monitor site progress, establish procedures, and review relevant study protocols.

Our Global Animal Welfare and Training (GAW&T) group is formed of 11 professionals who are committed to upholding animal welfare throughout the organization. They are supported by a network of Animal Welfare Specialists that include 330+ veterinarians and 4,000+ animal care professionals who hold expertise in laboratory animal medicine and science, training, and ethics. This approach ensures accountability from every site – with over 80 locations globally reporting into GAW&T. We encourage employees to raise any concerns through anonymous feedback mechanisms such as the [Charles River Helpline](#) (see p.33). All concerns are reviewed by corporate experts to ensure that any identified issues are resolved quickly and effectively. We also have a robust risk-management process that is supported by regular visits to facilities, mandatory training on animal welfare, and a suite of voluntary educational opportunities.



Animal Welfare

CONTINUED

Creating a Culture of Care

We are committed to advancing responsible science, improving research and development outcomes, and creating a positive, healthy workplace for our employees and the animals in our care. We actively work with industry partners to identify new technologies, and we support efforts by global regulatory bodies to advance solutions that replace and reduce the use of animals in non-clinical research.

We seek to create a **Culture of Care** that prioritizes the compassionate treatment of animals under our care as well as the professionals who work with them. These principles are mapped against our values, which all employees receive training on. We prioritize action across four key areas:

- **Care of Animals**

We have the utmost duty to ensure the responsible treatment of animals within our care. We manage this through our Corporate Policies, Humane Care Initiative (HCI), Behavior Management Programs, ORAU, and GAW&T teams. Through these mechanisms, we have established expectations for excellence in animal care and management across the organization.

- **Care of Employees Working with Animals**

Our Compassion Science Program ‘C.A.R.E.S.’ (Compassion, Awareness, Resilience, Engagement, and Support) promotes self-care and well-being in our people. Through a holistic set of initiatives, our program provides meaningful support and helps personnel to recognize signs of compassionate stress in themselves and others.

- **Scientific Quality**

We know that industry-leading animal welfare matters, both ethically and scientifically. Animals that are healthier, happier, and better taken care of provide more reliable scientific results. We drive responsible science further and faster by funding organizations and projects that support education and training through the [Charles River CHARTER Program for Lab Animal Welfare](#).

- **Openness and Transparency**

We comply with expected standards of practice, legislation, and guidance for the care and use of laboratory animals across our global jurisdictions. We also participate in voluntary oversight programs, such as AAALAC International, to assess our compliance through evaluations of our facilities and practices. We have signed transparency agreements in the U.K., Netherlands, Germany, and France that specify our commitment to enhancing transparency and education. Please refer to our [Animal Welfare and Humane Treatment of Animals Policy](#) for more information.

OUR 4RS MISSION

Since Russell and Burch’s conception of the 3Rs in the 1960s, there has been an active pursuit to replace, reduce, and refine the use of animals in drug development and to create new technologies that may, in time, eliminate the use of animals altogether. To achieve this, a collaborative spirit is needed to shape policy and regulation within the broader research community.

We have a long and proud history of investing in and embracing the components of the 3Rs model when conducting animal research. We also want to adapt to new realities within the biomedical research industry in a forward-thinking way. With an increased focus on the rapid development of more complex drugs using both *in vivo* and *in vitro* methods, Charles River added a **fourth “R” to the 3Rs model** in 2023, to bring a renewed focus to our ongoing commitment to Responsibility, and the responsible use of animals:



REPLACEMENT

Replacement and investing in technology alternatives to animal models, like Endosafe® Trillium® recombinant technology, *in vitro* oncology models, *in silico* approaches



REDUCTION

Collaborating with clients on study design and planning to minimize the use of animal models, like reduction in the use of spare animals, JET studies, and validating Virtual Control Groups



REFINEMENT

Developing procedures that significantly reduce impacts on animals such as less invasive identification methods, harmonized blood collection guidelines, species-appropriate social housing, and species-specific habituation trainings



RESPONSIBILITY

Leading progressive change within the industry regarding animal use through cooperative efforts internally, with clients, and with regulatory agencies

Charles River’s office for Responsible Animal Use (ORAU) was established in 2023 and is made up of dedicated teams committed to driving scientific advancement, reducing animal use, and ensuring patient safety.

Animal Welfare

CONTINUED

New Alternative Methods (NAMs)

Eliminating the use of animals in research is a complex challenge with many factors to consider. While there have been significant advancements in the development of *in vitro* methods, the complete elimination of animals in research is likely a gradual process that will take many years, if not decades, to achieve.

However, the emergence of **new alternative methods (NAMs)** represents a significant leap forward in accelerating progress towards animal replacement. We want to find new NAM pathways that will reduce our reliance on research animals and bring lifesaving drugs to market faster and recognize that new methods must be supported by solid data and regulatory acceptance.

In its push to **eliminate all mammalian study requests by 2035**, the U.S. Environmental Protection Agency (EPA) published a list of NAMs that are acceptable to the EPA for identifying chemical risk and hazard. The EPA has been meeting with stakeholders, including Charles River, to develop new technologies and new ways of determining chemical risk.

SPOTLIGHT STORY

Driving Scientific Advancement Through *In Vitro* Solutions

We continue to invest in innovation to broaden our reach through strategic partnerships for cutting-edge technologies that promote *in vitro* methods. This includes investments in non-animal technologies such as:

- **Endosafe® Trillium®** – animal-free recombinant testing solutions for endotoxin detection (see p.38)
- **Bit.bio** – precision reprogrammed iPS derived human stem cells for drug discovery and cell therapies
- **Valo Health** – human-centric data and computational AI solutions for drug discovery and development (see p.13)
- **Cypre** – 3D tumor modelling platform and immuno-oncology assays (see p.12)
- **PathoQuest** – next-generation sequencing (NGS) platform for *in vitro* viral safety testing

Additionally, we have begun exploring the use of virtual control groups (VCGs) as an alternative to animals in toxicity studies, to reduce animal usage, lower costs, free capacity, and increase statistical power (see p.21).

SPOTLIGHT STORY



Organ-on-a-Chip Models

Organ-on-a-chip technology represents a potential pathway to developing drugs that can bypass animal testing. Organ chips are devices the size of a single AAA battery. They contain engineered or natural miniature tissues which are derived from various organs grown inside miniaturized fluid channels molded into glass, silicon, or polymer.

The hair-fine microchannels guide and manipulate minute volumes of solution to create environments

that recapitulate one or more tissue-specific function. Researchers can direct drugs through the channels to simulate how they might travel through a particular part of the body.

Charles River's Cleveland site is currently using a Liver-Chip model to test how well two different assays detect DNA damage in the organ-on-a-chip model. With the FDA encouraging sponsors to include data from NAMs in their IND applications, what we learn from these chip models could help affirm viable next-generation methods.

Data Security and Privacy

Why It Matters

As the biomedical industry becomes increasingly driven by digital data, AI, and cloud-computing, it is vital that we remain up-to-speed with systems and standards to protect and secure company, client, and stakeholder data. We support an environment where privacy, security, collaboration, transparency, and innovation are seamless. In doing so, we are focused on meeting global standards of system security and data privacy to responsibly manage, protect, and safeguard information.

Management Approach

Data Security

To manage data and system security at an enterprise level, we maintain an information security team within the IT organization. The team is led by our Corporate Vice President, Chief Information Security Officer (CISO), who reports to the CIO and the Executive Committee. The CISO provides updates on Charles River's threat profile and incidents to the Audit Committee of the Board on a quarterly basis.

Our Global Security program was augmented in 2022–23 as part of our continuous improvement efforts. The program is supported by Charles River policies, procedures, guidelines, and standards certified under the ISO 27001 framework (BSI issued certificate IS 780367) and aligned with the National Institute of Standards and Technology (NIST) security frameworks.

Policies, procedures, and guidelines relating to data security and privacy are reviewed annually to ensure they are in line with the latest developments.



Charles River maintains a 24-7 Security Operations Center which conducts continuous threat hunting, ethical phishing tests, and simulated incidents. In the event of an incident, we have a security incident management program in place that includes a plan with identified team roles, responsibilities, and security procedures. To ensure continuity of our systems, we also maintain a Disaster Recovery data center.

Data Privacy

The Charles River Privacy Governance Framework is detailed in our [Global Privacy and Data Protection Policy](#). The Framework is intended to ensure the Company's compliance with relevant laws and the protection of the personal data we collect and process.

Our Privacy and Information Security teams work together to mitigate risks, enforce policies and compliance, and ensure privacy for the data we manage.

The Privacy team comprises Legal Compliance and Information Security staff who provide regular program updates to the Privacy Steering Committee and to the Audit Committee regarding program developments and risks.

At the site level, Privacy Site Stewards support ongoing privacy initiatives, communication, monitoring, and escalation of privacy issues. Charles River's Data Protection Officer (DPO) is responsible for ensuring compliance with data privacy obligations. In addition, we utilize third-party tools and services to mitigate our global privacy risks and to manage our compliance obligations.

In accordance with data privacy laws, Charles River only collects personal data for specified and legitimate purposes, and we ensure that such data is processed in a secure manner and not stored for longer than necessary.

We strive to adhere to all applicable laws and regulations, including but not limited to the EU General Data Protection Regulation (GDPR), California Consumer Privacy Act (CCPA) and California Privacy Rights Act (CPRA). Please refer to the [Charles River Privacy Notice](#) for additional information on data collection, sharing, use, and protection.



Data Security and Privacy

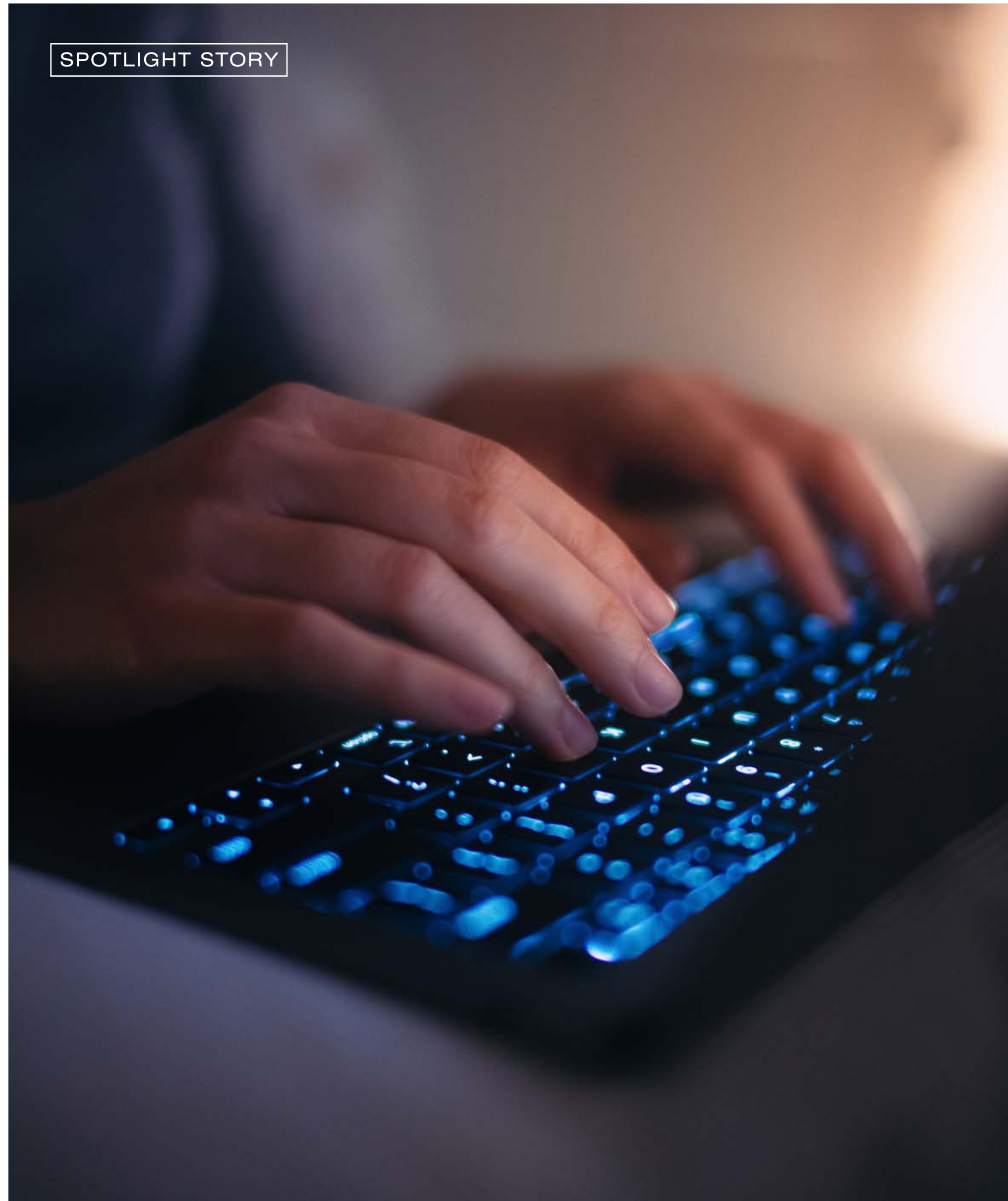
CONTINUED

Training and Development

Employees receive regular training and communication on privacy and data protection, including annual Information Security training, targeted Global Data Privacy training, and regular interactive exercises. Our security training includes an initial onboarding session for new hires, a mandatory annual refresher course, as well as topic-specific training throughout the year. Specialized training is also given to IT staff and employees at a higher risk of targeted attacks. In 2022–23, 99% of our staff received training on information security awareness.

We also continue to conduct regular communications and awareness campaigns, including a monthly employee newsletter. In 2023, Charles River celebrated its inaugural Privacy Day event to recognize and raise awareness among employees on the importance of data privacy.

SPOTLIGHT STORY



Our Recognized Commitment to Information Security and Integrity

As a reflection of our commitment to protecting customer data, Forbes recognized Charles River as one of “**America’s Most Cybersecure Companies**,” in June 2023, naming us the most cybersecure company in the research and development industry. We were also granted **ISO 27001** certification, the international standard for information security management systems (ISMS) in 2023. This is a comprehensive framework that helps organizations protect their information assets from a variety of threats, including unauthorized access, use, disclosure, modification, and destruction.



This certification and recognition helps demonstrate our dedication to our customers and fellow employees and that we adhere to industry standards to keep their information safe.”

Andy Griffin, Vice President,
Chief Information Security Officer, Charles River

Governance

Why It Matters

We are committed to operating our business with integrity to deliver our purpose of creating healthier lives. This commitment is supported by ownership and accountability at all levels of the organization – starting with our CEO and Board, and extending to every role within Charles River. By establishing a robust governance structure that sets out clear roles and responsibilities, we are continuing to drive positive change while maintaining high standards of compliance to drive our business performance.

Management Approach

The Board oversees and monitors our corporate governance practices, including our auditing and quality assurance practices, science and technology strategy, financial performance, compensation program, cybersecurity, compliance and ethics, risk oversight, and regulatory compliance. We are led by James C. Foster, who has served as our President since 1991, our CEO since 1992, and Chair of the Board since 2000. As of the year-end 2023, the Board is comprised of 11 Directors, including Mr. Foster, nine of whom are independent (including a Lead Independent Director).

The Board oversees our [clear corporate governance practices](#) which align the interests of Directors and management with those of our shareholders.

The Board ensures adherence to our [Code of Business Ethics](#) (see p.32 and p.34) and [Corporate Governance Guidelines](#) – the latter of which was

updated in October 2023 to reflect our inclusion in the S&P 500 Index. These are supported by a suite of Legal Compliance Policies which highlight our commitment to establishing formal accountability and guidance for priorities and programs, including our ESG and corporate citizenship activities.

We believe in creating a diverse and representative senior leadership team that reflects our business, client partners, and wider society. Since 2021, representation of diverse groups in leadership at the Board level has increased as of year-end 2023 to 36%, with 27% women in leadership and 9% from underrepresented racial or ethnic groups (UREGs). Furthermore, our executive leadership team (VP and above) is made up of 42% women leaders and 10% leaders from UREGs, also as of year-end 2023. We continue to explore further opportunities to advance diversity and inclusion at every level of our organization in line with our DE&I goals (see p.49 for more).

For more information on the Board Structure and Composition, including nomination, collective knowledge, performance evaluation, and conflicts of interest, please refer to our [2023 Proxy, 10-K](#), and the Charles River website.

Committee Structure and Composition

The Charles River Board is supported by standing committees that meet regularly to assist the Board in oversight of areas such as: auditing, compensation, corporate governance, finance, responsible animal use,

science and technology, and strategic planning and capital allocation.

To support ESG oversight, the [Audit Committee](#) assumes primary responsibility for our risk management framework as it applies to our financial reporting and disclosures, system of internal controls, and operations, including the identification of the primary risks and interim updates of those risks. A full list of the Audit Committee’s duties can be found on the Charles River website, and details on our Enterprise Risk Management (ERM) framework can be found on p.36.

The [Corporate Governance and Nominating Committee](#) develops and oversees compliance with our Corporate Governance Guidelines and Code of Business Conduct and Ethics, including oversight of our corporate citizenship program. It also oversees our engagement efforts with stockholders and other key stakeholders. A full list of their duties can be found on the Charles River website.

To reflect our commitment to animal welfare, we established a new Board Committee in 2023 – the Responsible Animal Use Committee. This Committee is responsible for reviewing, evaluating, and advising the Board on the Company’s impact on animal utilization, including progress in developing, investing in and/or acquiring the scientific and technological resources required to reduce the impact of animal use in our operations.

2023

ESTABLISHED A RESPONSIBLE ANIMAL USE BOARD COMMITTEE AND OFFICE FOR RESPONSIBLE ANIMAL USE (ORAU)

27%

WOMEN AND

9%

UREG REPRESENTATION ON THE BOARD

42%

WOMEN AND

10%

UREG REPRESENTATION IN EXECUTIVE LEADERSHIP (VP AND ABOVE)

Governance

CONTINUED

ESG Oversight

In 2022, we adopted centralized responsibility and oversight of all ESG governance functions under an ESG Governance Council, led by our [Chief Operating Officer \(COO\)](#). The Council's inaugural meeting took place in 2022, and the Council met two times in 2023 to discuss relevant ESG priorities.

To drive internal action, the ESG Governance Council is supported by a cross sectional ESG Working Group. The ESG Working Group is responsible for overseeing the delivery of our Corporate Citizenship Report, which is produced every two years.

Remuneration

The [Compensation Committee](#) oversees Charles River's compensation policies and plans, including executive remuneration and compensation packages for our CEO and Executive Vice Presidents (EVPs) and provides input on compensation for our Senior Vice Presidents (SVPs). It reviews and approves compensation including annual base-level salaries, annual incentive compensation, long-term incentive compensation, employment and severance agreements, and any other compensation as appropriate. A full list of their duties can be found [here](#). Our executive remuneration process and performance can be found in our [2023 Proxy statement](#) and [10-K](#).



Quality Assurance and Management

Why It Matters

Quality Assurance is a key organizational design element to ensure that our wide range of products and services meet global compliance, mitigate risk, and ensure high levels of client satisfaction.

Management Approach

To deliver consistent standards of quality, we operate a robust set of processes and procedures that are built into the Charles River Quality Management System (QMS). Our QMS reviews, tracks, and monitors quality control across the organization, ensuring a consistent and aligned process across our labs, business activities, and regional operations. Our Quality Unit team provides periodic reports detailing the performance of the QMS to operational management on a rolling basis.

How We Are Driving Progress

Quality Management System (QMS)

Charles River operates an overarching [Global Quality Policy](#) which defines the framework for delivering products and performing services. This is supported by our global QMS, which acts as the underlying mechanism for evaluating regulatory compliance across all operating units.

In 2022 and 2023, our Quality Assurance Units delivered periodic updates to management on specific actions to address Key Quality Performance Metrics across our sites.

These KPIs are based on internal and external feedback, including but not limited to inspections and internal audits, at each Good Laboratory Practices (GLP) or Good Manufacturing Practices (GMP) site.

To further strengthen oversight, Quality Management Reviews (QMRs) are conducted with management teams to identify additional opportunities to enhance our QMS. These also ensure that operating units continue to perform and provide robust data for their day-to-day activities. We reinforced our “Culture of Quality and Ownership” in 2022–23 through the [CRL DNA](#), which forms part of our employee onboarding and performance reviews (see p.41).

Our internal audit program provides an independent assessment of our compliance to government regulations.

Alignment to Global Compliance Requirements

As a global drug development organization, Charles River’s operating units are required to undergo numerous client and regulatory inspections throughout the year to ensure alignment to Quality and Compliance standards. Our locations comply with applicable global standards and regulatory bodies, and our approach is further enhanced by our alignment to leading voluntary frameworks and guidelines.

These include:

- Good Laboratory Practices (GLP) and current Good Manufacturing Processes (cGMP) – North America and E.U. operations
- U.S. Environmental Protection Agency (EPA) – U.S. operations
- U.S. Department of Agriculture – U.S. operations
- European Medicines Agency – European operations
- European Chemicals Agency – European operations
- Medicines and Healthcare Products Regulatory Agency (GxP) – U.K. operations
- Organization for Economic Cooperation and Development (OECD) – Worldwide
- ISO 9100 and 17025

In 2022 and 2023, Charles River received no official regulatory actions or fines for non-compliance during any site inspections. We continued to fully comply with all regulatory audits and inspections at our sites, with all meaningful findings actioned and addressed. For more information on our QMS, please refer to our 2023 [10-K](#). More information on our Governance process can be found on p.29.



Compliance and Ethics

Why It Matters

As a trusted business partner, it is essential that Charles River upholds the highest standards of compliance and ethical conduct. With 21,800 employees across 155 locations in more than 20 countries around the world, our Legal Compliance (I-Comply) program mission is to embed compliance and ethics in all areas of business practices. This mission is aligned with our values of Care, Lead, Own, and Collaborate to drive good corporate citizenship and the advancement of responsible science.

Management Approach

Our Legal Compliance (I-Comply) program is overseen by our CSVP, General Counsel, Corporate Secretary and Chief Compliance Officer and is led day-to-day by our Senior Director, Corporate Compliance. The Legal Compliance team manages our program on a global scale and provides quarterly updates to leadership and the [Audit Committee](#) of the Board of Directors. The I-Comply program is also supported by our global network of 45+ I-Comply Liaisons, each of whom is responsible for serving as a local point-of-contact for compliance and ethics issues, supporting training, reinforcing key messaging, and helping to drive consistent performance across the business.

The program is designed to provide for systematic, ongoing measures aimed at ensuring that Charles River and its employees comply with all applicable laws and regulations, and to support continuous improvement.

In 2023, we combined our Human Resources (HR) Compliance function with our Legal Compliance team to further streamline our global compliance activities.

How We Are Driving Progress

Policies and Processes

We are committed to upholding the highest standards of ethics and compliance. [The Charles River Code of Business Conduct and Ethics](#) (Code) serves as the foundational policy guiding our approach. It details the [Legal Compliance Policies](#) that apply to our employees and business partners, including the responsibilities we share for maintaining an ethical work environment, the expected behaviors of our people, and where they can turn to raise any legal or ethical concerns.

Our Legal Compliance team last updated our Code in December 2021, and launched the revised Code in 2022.

Comply Ant™

The mission of our Legal Compliance (I-Comply) program is to be a partner to our business and corporate functions.



The following updates were made to align the Code to current best-practices and requirements in 2022–23:

- **Values-integration** – we utilized the CRL DNA to structure the Code and to define expected behaviors that align to our values
- **Ethical decision-making framework** – we incorporated a new framework to support our employees in making the right ethical choices
- **Diversity, Equity, and Inclusion** – we included a new section to highlight and reinforce our ongoing commitment to DE&I principles
- **Working with third parties** – we enhanced existing content regarding compliance and ethical conduct with third parties
- **Human rights** – we added a new section focused on human rights
- **Fraud updates** – we updated content around fraud to align to the latest legislative requirements

The new Code was launched to employees through Company-wide communications in 2022 and required training, which all existing employees and new hires are now required to complete. As of 2023, 98% of our people have completed this training.



I-Comply Program

The mission of our Legal Compliance (I-Comply) program is to be a partner to our business and corporate functions by helping employees and third-party partners meet global regulations and prioritize ethical decision-making when working for or on behalf of Charles River.

The I-Comply program is comprised of ten components that are designed to ensure adherence to applicable external regulations and Company policies across the organization. Our Legal Compliance team led I-Comply in 2022–23, including the delivery of training and engagement activities. Over the last two years, this included training and communications relating to: Anti-Bribery, Anti-Harassment and Anti-Discrimination, Code of Business Conduct and Ethics, Gifts and Conflicts of Interest, Insider Trading, and our Speak-up Culture. We also continued to host an annual Global Compliance Day in 2022 and Compliance Week event in 2023.

In 2023, we updated several Legal Compliance policies (including our Conflicts of Interest and Business Courtesies Policy), added new I-Comply Liaisons to support our Legal Compliance team (including new liaisons for the sites of our newest acquisitions), and supported the continued maturity of the Company’s Privacy program (see p.27).

Compliance and Ethics

CONTINUED

Risk Assessment

The U.S. Department of Justice guidance continues to emphasize that a company’s risk assessment process should be the starting point when it comes to assessing compliance program effectiveness. In response, our team conducts a detailed Legal Compliance risk assessment every other year to refresh the Company’s global compliance risks and processes.

Our most recent risk assessment process kicked off in Q4 2023, and includes a review of the impact, likelihood, and control effectiveness of 105+ risk topics, spanning 17 compliance risk areas. Input will be gathered from over 100 subject matter experts and key stakeholders via facilitated sessions led by our Legal Compliance team.

New for 2023, colleagues from our C> business took part, and we expanded the scope of the assessment to include additional Human Rights risk topics (see p.34 for more). The results of the assessment will be reported to the Audit Committee in Q1 2024 before actions and recommendations are implemented internally.

Raising Ethical Concerns

To help our people make the right ethical choices, the I-Comply program offers tools, information, resources, and answers to common questions related to compliance and ethics. We also encourage employees to “Speak Up” by raising any ethical concerns to their line manager, a member of HR, our Legal Compliance team, Legal Department, or through our dedicated helpline.

The [Charles River Helpline](#) is hosted by an independent third party, and available 24 hours a day in over 12 languages. As well as being accessible for our employees, it is open to suppliers and third-party vendors to raise any concerns they have over the phone or online. The confidential service promises no retaliation for making a good faith report of a complaint or concern.

In 2022–23, 129 reports were made through the Charles River Helpline, with an average close-out time of 36 days. While the number of complaints received through our helpline has risen since 2021, we consider this to be reflective of the success of our “Speak Up” campaign which has raised internal awareness of this mechanism significantly.

Anti-Bribery and Corruption

Our [Anti-Bribery Policy](#) defines our efforts to prevent, detect, and report all forms of direct and indirect bribery and other forms of corruption across our business activities. Legal Compliance oversees this risk area and provides annual updates to the Audit Committee of the Board on legal developments and related Legal Compliance priorities in the areas of bribery and corruption. We also conduct regular employee communications and training for relevant staff, and in 2022–23, 98% of our employees undertook training on our Anti-Bribery Policy and procedures.

In partnership with Internal Audit, Legal Compliance conducts regular audits of risks related to bribery and corruption. Charles River received no fines related to non-compliance in legal, ethical, anti-competitive behavior, anti-trust or monopoly practice matters in 2022 or 2023, including with respect to anti-bribery and corruption. We also received no monetary losses associated with false marketing claims.



SPOTLIGHT STORY

2023 Compliance Week Event

On November 1–7, 2023, Charles River celebrated Compliance Week. The event represented the ninth annual Legal Compliance global event dedicated to raising awareness and engaging employees on important compliance and ethics topics. The 2023 theme was “Doing Business the I-Comply Way” and featured messaging from Flavia Pease, Executive Vice President and Chief Financial Officer, on the importance of the Company’s Anti-Bribery program. The week also included a wide range of local events at our sites as well as interactive activities and communications on key risks.

Human Rights

Why It Matters

Charles River is committed to supporting and protecting human rights globally and opposes any form of human trafficking or forced labor in any aspect of our business, whether within the Company or supply chain. We believe that every individual is born free and equally and deserves to be treated fairly and with dignity.

Our commitment encompasses the risks posed by forced, prison, indentured, bonded, and child labor, debt servitude, or trafficking where coercion, threats, or deception are used to intimidate, penalize, or deceive workers, thereby creating situations of involuntary work and exploitation.

Management Approach

Our Senior Director of Corporate Compliance oversees our approach to Human Rights. To ensure consistent action across the business, we adopt a cross-functional approach through our risk-based model, with oversight by subject matter experts in Human Resources, Legal Compliance, and Procurement. Human Rights is a risk area that is evaluated as part of our Legal Compliance team's biennial Risk Assessment process, with the latest review initiated in Q4 2023.

How We Are Driving Progress

Policies and Frameworks

Charles River published a formal Human Rights Statement in January 2022, aligned with the principles outlined in the United Nations (U.N.) Universal Declaration of Human Rights and the U.N. Guiding Principles for Business and Human Rights.

Additionally, we ensure global compliance via the following policies and processes:

- **Code of Business Ethics and Conduct** – sets forth our expectations regarding compliance with laws, ethical conduct, and responsible business practices, including standards relating to Human Rights
- **Statement regarding the Prohibition of Human Trafficking** – outlines our opposition to any forms of human trafficking or forced labor and our commitment to prevent any such activity
- **Supplier Code of Conduct** – communicates the expectations of our suppliers to comply with all applicable laws, rules, and regulations, and our standards regarding Human Rights, ethics and compliance, health and safety, and the environment
- **Conflict Minerals Statement** – ensures that the metals and minerals used within our products are sourced and produced in an ethical and responsible manner
- **Modern Slavery Statement (U.K.)** – outlines our commitment to the prevention of Human Rights abuses within our operations including the prevention of human trafficking and modern slavery.

We promote and publicize avenues for raising concerns regarding legal, compliance, or ethics issues, including Human Rights concerns. Our most prominent avenue is the Charles River Helpline (see p.33), where employees and external parties can raise concerns 24 hours a day, seven days a week. In 2022–23, the Helpline received 0 cases linked to Human Rights issues or concerns.

In 2022–23 we received no fines or legal actions regarding instances of Human Rights violations within our direct or indirect operations and activities.

Alignment to International Standards

We respect all fundamental Human Rights and are committed to eliminating all forms of discrimination, harassment, workplace violence, human trafficking, slavery, torture, and child labor in and outside of the workplace.

We are a member of the Pharmaceutical Supply Chain Initiative (PSCI), and adhere to their principles on Human Rights, ethics, labor, health and safety, and the environment. We also leverage the PSCI framework and share best practices with our suppliers to encourage their adherence to these principles. This includes utilizing the PSCI Self-Assessment Questionnaire and Audit Report to help us monitor how closely our suppliers are taking appropriate action.

In 2023, we became signatories to the United Nations Global Compact (UNGC) and will publish our first Communication on Progress (COP) statement in our ESG Library later in 2024.



Freedom of Association and Collective Bargaining

We respect the rights of our people to take part in collective bargaining arrangements and to join trade unions, as outlined in our Human Rights Statement. We also align to legally binding collective agreements based on regional legislation in our main countries of operation.

Our employees are not unionized in the United States. Employees at some of our European facilities are represented by works councils, employee representative groups, and/or unions, which is consistent with local customs for our industry. We collaborate with works councils and believe we have good relationships with our employees.

Regulatory Affairs

Why It Matters

As a leading non-clinical drug development organization, it is vital that we engage with regulators transparently and ethically to share our expertise and insights in a way that contributes to improved healthcare outcomes.

With our wide contingent of scientific experts around the world, we are proud of our strong presence across international expert committees and monitoring authorities. Our contribution to regulatory discussions allows us to provide exceptional guidance and oversight for our clients' work, as well as to shape products and services that enable them to meet or exceed their strategic objectives.

Management Approach

The Charles River Corporate Regulatory Affairs team oversees our approach to regulatory matters. Their activities regarding regulatory compliance and engagement are directed by the CVP Manufacturing QA. Teams are notified of any regulatory inspections that are required to take place during the year, with oversight provided at a local, state, and federal level. Outputs from interactions are reported to our COO and CEO who are notified or consulted on specific topics when warranted (including inspections relating to quality assurance – see p.31). We adopt a localized approach to regulatory oversight that is location-specific, ensuring adequate resourcing and consistent engagement with relevant regulatory and accrediting bodies.

How We Are Driving Progress

Regulatory Engagement

Our employees realize the importance of maintaining strong scientific and compliance alliances with government and regulatory agencies. We maintain a strong presence in many professional societies and trade organizations and have provided input to policymakers, across various global monitoring authorities.

Our regulatory principles include:

- Supporting the quality and integrity of research, products, and services
- Assuring the protection of human subjects and the welfare of research animals
- Partnering with operations management and staff to maintain a culture of quality that meets or exceeds regulatory requirements
- Promoting timely and effective communications between our business units, our clients, and regulatory authorities
- Providing regulatory training and resources to support an integrated quality system

A list of our organizational associations can be found on page 89.



Engaging with Regulators to Improve Animal Welfare

With the advent of the Inflation Reduction Act and FDA Modernization Act, we have taken a strong position to work with scientists and clients to reduce the number of animals in study designs and look at new alternative model (NAM) development with a responsible focus on maintaining both scientific and compliance data integrity.

Through public lobbying, regular communications via our Eureka Blog, and offerings such as the Charles River Scientific Advisor Service, we regularly engage with regulatory bodies and clients to promote the use of alternatives in non-clinical research. Examples of key guidance to which we contributed in 2023 include:

- + FDA Discussion Paper on Artificial Intelligence in Drug Manufacturing
- + EMA guide on computerized systems and electronic data in clinical trials
- + ICH Good Clinical Practice (GCP), E6(R3)

Risk Management

Why It Matters

Managing our key risks is fundamental to creating a resilient business model and to acting as a responsible and trusted partner to our clients. Through our robust Enterprise Risk Management (ERM) framework, we are mitigating risk and maximizing opportunities to help our clients to grow and succeed.

Management Approach

The Charles River Board oversees our Company-wide risk management process. Key decision-making is informed by a comprehensive review of operational and business information, external data, and reports from our Board Committees, Senior Leadership, and Risk Management Teams – which feed into our ERM framework.

Areas of significant risk overseen by the Board and Board Committees include but are not limited to: cybersecurity and data privacy, supply chain management, talent attraction and retention, regulatory risk around the humane care of animals, quality control, and major business changes. The Board delegates responsibility for managing these risk impacts across both functional and site operational leaders.

Risks related to corporate citizenship and sustainability topics also fall under the responsibility of the Board. Here, identified risks may include those relating to environmental health and safety and disruptions to our supply chain from natural disasters or extreme weather conditions or other events. Additional risks relating

to financial compliance are monitored by our Audit Committee (see p.29), and further detail can be found in our [2023 Proxy statement](#) and [10-K](#).

How We Are Driving Progress

Enterprise Risk Management (ERM)

Our ERM function is overseen by the Senior Director of Risk Management and CVP Corporate Tax in collaboration with nine Steering Committee members. The CFO and COO serve as the ERM Executive sponsors. The ERM Executive sponsors, Steering Committee members, and Executive Director of Internal Audit meet regularly throughout the year to review ongoing ERM activities and progress, and updates are formally presented to the Board annually.

In 2023, we identified several opportunities to further enhance Charles River’s ERM process. Following detailed interviews with our ERM Steering Committee members in Q1 and Q2 of 2023, we implemented the following updates to our process:

- **Risk Register consolidation** – we streamlined the number of risks monitored in our Risk Register to enhance our focus on enterprise-oriented risks. We also combined risks to create broader risk categories
- **Risk level changes** – we increased financial rating metrics to align with our comprehensive financial statement materiality assessment

- **Risk factor updates** – we added “Velocity” of risks to our process to better assess the evolution of risks over time
- **Working group additions** – we are establishing cross-functional and/or a cross business unit working group to focus on each Enterprise Risk
- **Steering Committee changes** – we changed the focus of quarterly meetings to emphasize Working Group actions

For more information regarding our business and operational risks, please refer to [SEC filings](#). For more information about our approach to managing corporate risk, please refer to [Proxy Statements](#).



Business Resilience

Why It Matters

As a key supplier to our clients with a wide geographic scope, it is vitally important that we avoid disruption to our business activities to ensure we continue to provide urgent medical interventions around the clock. There are any number of events that could cause significant disruptions – from natural disasters to external global emergencies such as the COVID-19 pandemic. Such events may also lead to supply chain interruption and/or loss or damage to critical infrastructure. Our dedicated Business Continuity Plan (BCP), Disaster Recovery Plan, and Continuity of Operations (COOP) processes are critical tools for protecting our people, ensuring business continuity, and building trust with our clients.

Management Approach

Our BCP is the cornerstone of our business resilience strategy. Owned and managed by our Corporate Security Team, the BCP sets out how to respond and act in the event of an emergency, including our continuity plans.

At the site level, it is the responsibility of each Site Director to maintain and execute the plan in their location. Site Directors are also responsible for reviewing and updating their BCP plan annually and sharing progress with our Corporate Security Team. In 2022–23, our BCP was implemented across all businesses, to include any new mergers and acquisitions completed.

The site-level BCP includes a list of documented procedures and guidelines, including a Disaster Recovery Plan, which details the recommended mitigation process and procedures in the event of various crisis scenarios. Each site-level BCP is shaped by functional leaders, including Environment, Health and Safety, Global Facilities Management Services, Operations, Human Resources, Veterinary Services, Communications, Information Technology, Animal Welfare, Quality Assurance, and Global Security, all under the guidance of Charles River’s Executive Committee.

As part of our annual review process, all locations can request an on-site or remote BCP tabletop exercise to assess plan readiness and to receive recommendations from the Corporate Security Team. In 2022–23, over 24 tabletop exercises were conducted. Additionally, all BCP team members participated in mandatory BCP response training to ensure the safety, security, and continuity of business operations in times of emergency.

Over the last two years, we have increased BCP accessibility to ensure that no matter who or where our employees are, they are treated equally in an emergency. This includes implementing site-level support to oversee the broader needs of more vulnerable populations. Our BCP team also traveled to sites throughout the year to provide refresher training and to assess physical security requirements for employees with disabilities.

COVID-19 Response

We are proud to have played a significant role in the development of all available FDA-approved COVID vaccines and treatments since 2020.

Operationally, the criticality of our business in the drug discovery and development process means that a majority of our employee base was required to work on-site throughout the ongoing pandemic. To ensure successful continued operations, our global crisis management team continued to oversee our dynamic business continuity plans. This allowed us to support

critical vaccine research and development without compromising employee safety.

A shift that has occurred through our COVID-19 response has been our increased focus on extending our duty of care beyond the physical work environment. For those that can work remotely, we have broadened our approach to ensure that safety and security extends to their homes through regular communications and recommendations on safe behaviors.

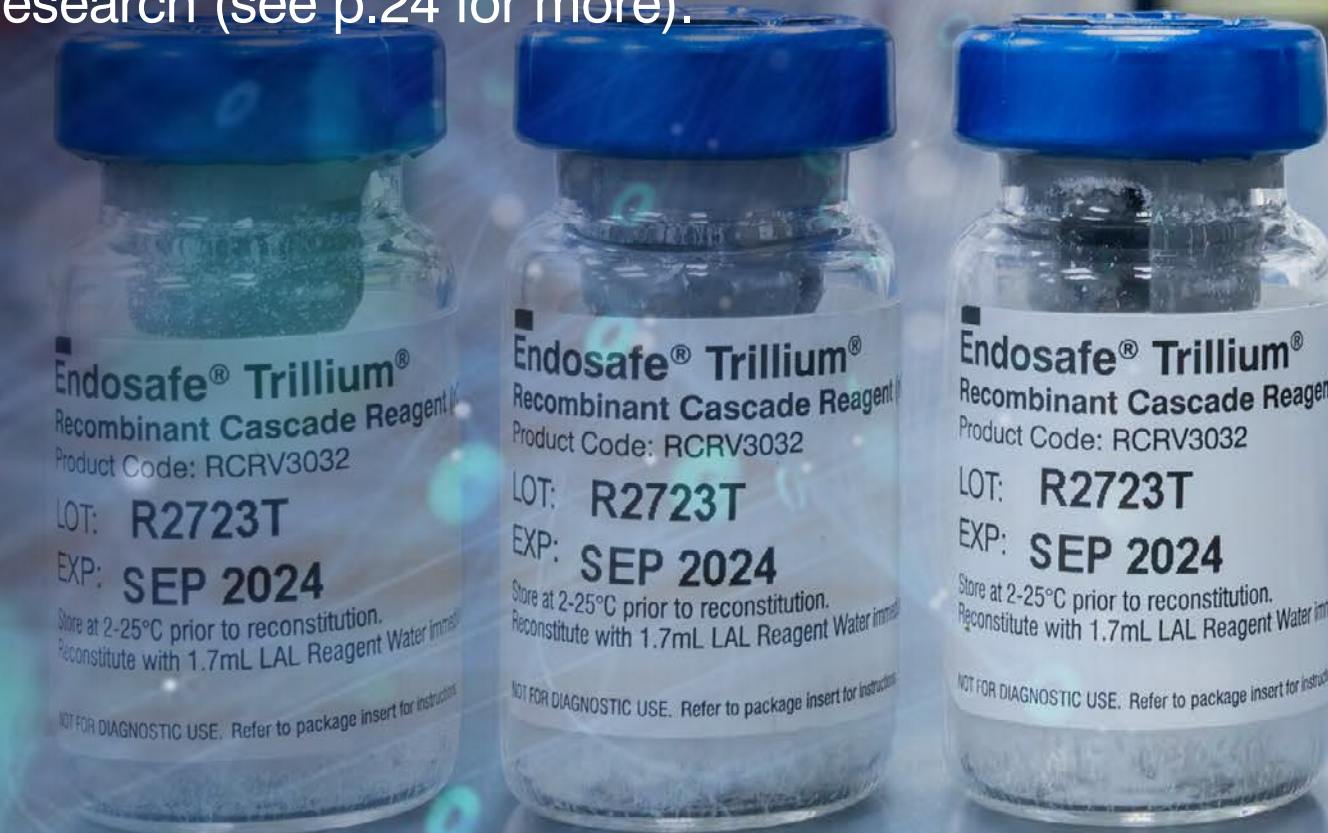


Progress is... taking an ethical approach to new alternative methods

The Atlantic horseshoe crab plays an essential role in supporting global public health. These blue-blooded marine invertebrates are used to ensure that the vaccines, injectable medicines, and medical devices utilized in human and veterinary medicine are safe from endotoxin contamination. Over the years, Charles River's purposefully built Endosafe® portfolio has transformed the way we approach endotoxin detection, evolving alongside our clients' needs for fast, simple, robust, and sustainable methods. Our Endosafe® FDA-Licensed limulus amoebocyte lysate (LAL) testing cartridges streamline and optimize testing by consolidating all the essential components into a single disposable cartridge, to provide real-time, quantitative endotoxin analysis. This technology utilizes 95% less LAL than traditional techniques, supporting client needs for fast, simple, robust, and sustainable methods. Across our portfolio of endotoxin testing, we are dedicated to balancing the industry's need for safe endotoxin testing with preserving a sustainable horseshoe crab population.

Keeping pace in an industry focused on revolutionizing science and innovation, Charles River has evolved and refined the next

addition to our bacterial endotoxin detection portfolio with Endosafe® Trillium®, an animal-free, robust recombinant cascade reagent (rCR) assay. Built on the sound science and quality standards that Charles River is known for, Endosafe® Trillium® detects and quantifies natural environmental endotoxins using a three-factor process. This addition to our portfolio is just one example of Charles River's broader Alternative Methods Advancement Project (AMAP), our focused efforts to purposefully target initiatives that lead to the reduction, and replacement of animals in medical research (see p.24 for more).



It is exciting to see Charles River not only meaningfully invest in innovative developments in science, digital, and other new technologies, but also purposefully use our voice in support of seeking new ideas and methods.”

Bruce Haynes, Senior Vice President, Corporate and External Affairs, Charles River

Inspire Our People

Our Focus

We inspire our people through a distinctive culture focused on an exceptional experience where employees are connected to our purpose, provided with a breadth of career opportunities, and can bring their full selves to work. In doing so, our thousands of difference-makers across the globe deliver the highest quality outcomes for each other, our communities, our clients, and the patients we serve every day.

Our Aim

We are committed to the quality of our people's work experience, skills, and scientific innovation. We strive to create a culture that focuses on well-being, appreciation, and leaders who are known for their ability to elevate talent, foster creativity, and accelerate growth.

Our ESG material topics in this area include:

- Our People Strategy (p.40)
- Talent Acquisition (p.43)
- Total Rewards and Well-being (p.44)
- Employee Engagement and Development (p.46)
- Diversity, Equity, and Inclusion (p.49)
- Health and Safety (p.52)
- Community Engagement and Support (p.55)

\$4M

DONATED ACROSS OUR THREE COMMUNITY PILLARS IN 2022-23

MAINTAINED HIGHLY EQUITABLE PAY WITH

<1% GAP

FOR RACE AND GENDER



~4,000

EMPLOYEES PARTICIPATING ACROSS 11 GLOBAL EMPLOYEE RESOURCE GROUPS BY YEAR-END 2023

Our People Strategy

Why It Matters

Our business is constantly evolving and expanding – and our speed, scale, integrated portfolio, and performance require skilled individuals who are supported and enabled by a great employee experience, intuitive HR service delivery, and the latest digital tools. Our three People Strategy pillars and subsequent priorities are designed to build a diverse and inclusive environment, where our people have what they need to thrive.

Management Approach

Our Chief People Officer (CPO) is responsible for oversight of our People Strategy, informed by members of the People and Culture leadership team which includes HR business leaders. Through a robust process of alignment and refinement, the CPO partners with key members of the management team, along with business and functional leaders, under the leadership of the CEO to ensure that our People Strategy and goals are prioritized and drive value across the organization.

How We Are Driving Progress

Our People Strategy

We are committed to delivering an exceptional employee experience through a distinctive culture. To achieve this, we refreshed our People Strategy and targets in 2022–23 to rearticulate our focus:



Connect to our purpose

Inspiring others through understanding the why, what, and how



Energize, grow, and develop

Continuously learning in a respectful, supported environment



Make a difference

By focusing on impactful and quality outcomes

Connect to Our Purpose

We build and support teams that deliver exceptional work and the highest quality outcomes for our colleagues, communities, clients, and the patients we work to help. Rooted in science and driven by our CRL DNA values of Care, Lead, Own, and Collaborate, we want our people to feel inspired by and engaged with the important work we do. This means prioritizing their development while truly connecting to our purpose.

- We have evolved our onboarding program to further engage and request feedback from new hires and connect them to our values (p.43)
- 98% of our employees received training on our Code of Business Conduct and Ethics (p.49)
- ERGs ensure each employee finds a community where they feel supported (p.51)

Energize, Grow, and Develop

We want to provide individuals with the resources and support they need to bring their full self to work every day and access personalized development opportunities. This means engaging and connecting with our colleagues to develop their skills and facilitate their growth. It also means creating an inclusive culture, where we embrace diverse perspectives to fuel innovation and progress.

- Our pulse surveys collect valuable feedback to drive engagement with our people (p.48)
- We have set dedicated goals for DE&I to enhance our culture of belonging and expand diverse representation (p.49).
- We utilize diverse candidate slates in the U.S. and diverse interview panels globally to support an equitable recruitment process (p.50)

Make a Difference

We recognize the demanding role our leaders have in balancing deliverables, while driving people development and engagement. We are committed to providing people leaders with the tools and resources they need to be the best they can be and inspire others through our values. Making a difference also means contributing to the communities where we live and operate.

- Employee recognition through effective compensation and Total Rewards enables us to attract and retain top talent (p.44)
- Inclusive leadership training drives our leaders to take ownership of their roles to inspire their teams to grow and develop (see p.47)
- We prioritize the health, safety, and well-being of our people in all that they do (p.52)

CRL DNA Characteristics and Behaviors

Our values – Care, Lead, Own, and Collaborate – are demonstrated in every aspect of our business. Our CRL DNA comprise these values and associated behaviors that guide how we make decisions, grow our future leaders, and pave the way for successful careers. By inspiring our people through a diverse and inclusive working environment, by protecting their health and well-being, and by recognizing their contribution to our collective success, we champion and support them to deliver quality outcomes for each other, our communities, clients, and the patients we serve.

CARE

DO THE RIGHT THING

- Show care and respect
- Create a culture of sustainability
- Demonstrate personal integrity

DEVELOP PEOPLE AND TEAMS

- Know the skills and experience we need
- Help others grow
- Fully leverage talent

LEAD

SHAPE OUR FUTURE

- Bring the outside in
- Communicate context
- Leverage data and analytics

INNOVATE AND DRIVE CHANGE

- Make the case
- Test and learn
- Build support

SET THE PACE

- Hold the bar high
- Balance speed and quality
- Foster agility

OWN

ACT LIKE AN OWNER

- Own the plan
- Follow through
- Own the outcome

DEVELOP SELF

- Own your growth
- Be humble
- Be resilient

SHOW COURAGE

- Break from the past
- Take a stand
- Be decisive

COLLABORATE

WORK INCLUSIVELY

- Engage inclusively
- Build partnerships
- Advance integration

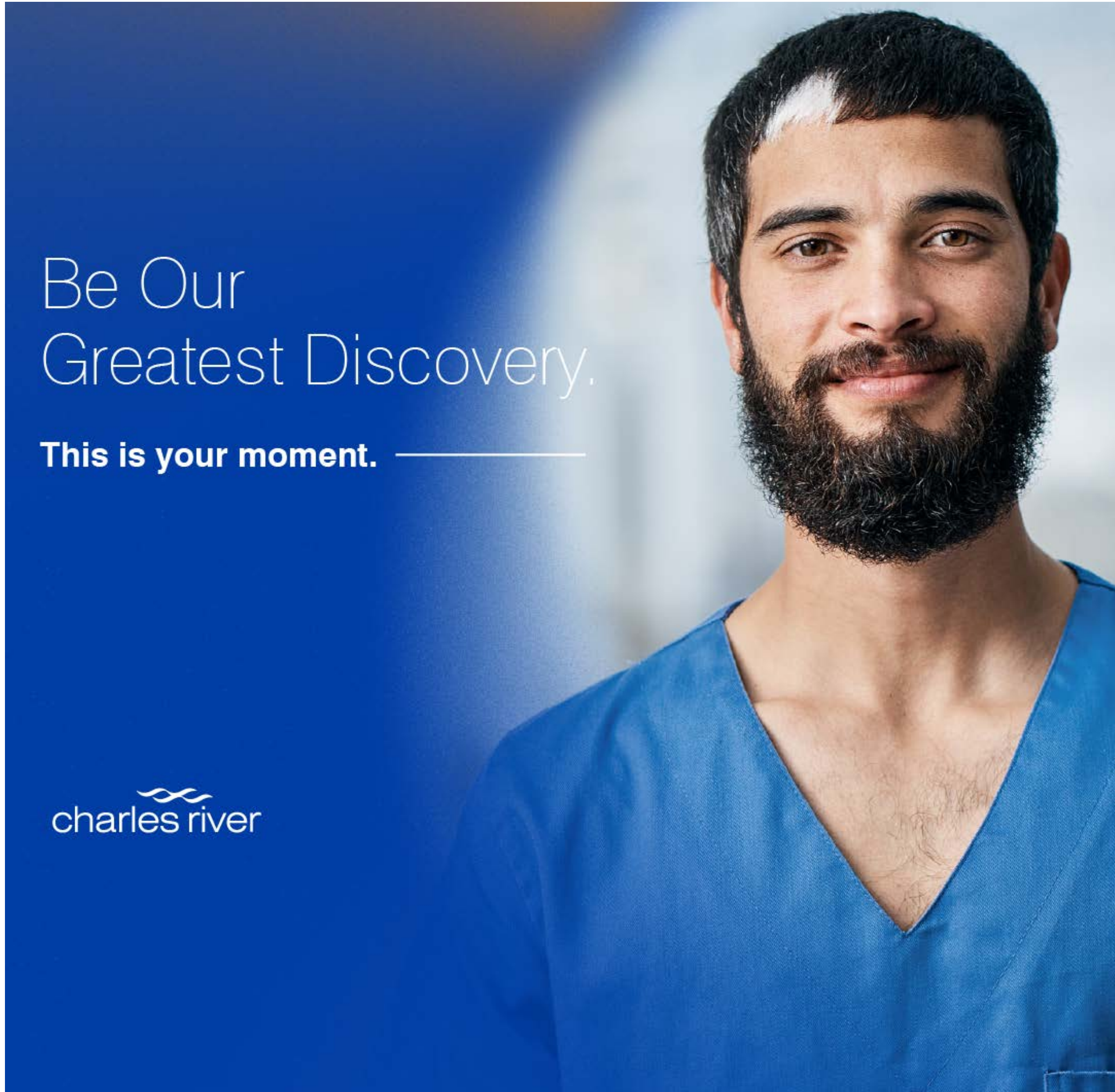
Our People Strategy

CONTINUED

Awards and Recognition

We are proud that Charles River continued to be recognized in 2022–23 for our strong people-related achievements. This included the following highlights:

- + Newsweek: 2023 America’s Greatest Workplaces for Diversity
- + The Boston Globe Top Places to Work 2022–2023
- + Fortune: World’s Most Admired Companies 2022
- + Montreal’s Top Employer 2022–2023
- + Best Workplaces Pharma and Healthcare Ireland 2022
- + UK Top Employer 2023



Be Our Greatest Discovery.

This is your moment. _____



SPOTLIGHT STORY

This is your moment

To codify our efforts to create an inclusive work environment where our people can be their authentic selves, we introduced our new employer brand in 2022 titled *This is your moment*.

First introduced through our talent acquisition strategy (see p.43), *This is your moment* features prominently in employee communications to motivate and engage our people.



At Charles River we emphasize the moments that matter; how we can Own them and take the Lead in being the difference, both personally and professionally.”

Vicky Creamer, Executive Vice President, Chief People Officer, Charles River

Talent Acquisition

Why It Matters

We want to attract and retain industry-leading talent to fuel our ambitions and deliver better global healthcare outcomes. To achieve this, our team consists of expert recruiters with extensive life sciences expertise who focus on delivering an excellent candidate experience at both professional level and high-volume, entry-level recruiting.

We strive to help highly skilled and motivated candidates identify the right position, while demonstrating care and inclusivity through every step of the recruitment process. Not only is it important to select the people with the right skills, it is also vital to find candidates who identify with our purpose and embody our CRL DNA values.

Management Approach

Our attraction and retention programs are driven by our CPO, CVP of Global Talent Acquisition, CVP of Total Rewards, CVP of DE&I and Corporate Citizenship, and CVP of Global Talent Management. They are supported by HR leaders who are accountable for collaborating on and implementing our approach across the organization.

Quarterly updates on attraction and retention metrics are reported to the management team, and regular updates are provided to the Board. We continuously identify opportunities for improvement by engaging and listening to our people and closely tracking metrics such as length of time to fill roles and attrition.

How We Are Driving Progress

Talent Acquisition

Our Talent Acquisition function has been on a journey to become a best-in-class organization. With the transition from a Recruitment Process Outsourcing (RPO) to an in-house employee model now complete, we are focused on scaling for rapid growth in a highly competitive market and driving excellence in employer branding, and the digital candidate experience.

Between 2022–23, we sharpened our sourcing skills by building out our Blue Wave Talent Search – an internal proprietary staffing agency and search firm. This full-time team of experts keeps our entry-level pipeline full and conducts niche market research to identify top talent. In 2023, we have saved \$1.7M in recruitment fees while filling important positions faster than the current life science benchmark.

Attraction and Engagement

In 2022–23, we evolved our employer brand to truly position Charles River as an employer of choice. Our *This is your moment* global employer brand has contributed to thousands of passive talent applications covering many roles (see p.42). Additionally, our targeted recruitment campaigns continue to identify industry-leading scientists and researchers. Our sites also work with universities to onboard talented students to kick-start their careers (see p.56).

Onboarding

We know that our new employees are interested in more than just acclimatizing to work when they start a new role – they want to thrive. We adopt a hybrid onboarding model that consists of both virtual and in-person experiences to connect new hires to their new colleagues and existing leaders, so that they feel at home right away.

Through onboarding initiatives such as our *Connect and Thrive* events, we are increasing retention and creating great experiences for new recruits. We also conduct New Talent Surveys to identify the effectiveness of our onboarding process. In 2022, we integrated these surveys into a virtual platform to receive up-to-date information to help us further strengthen our approach. From July 2022 through end of 2023, approximately 5,500 new hires experienced our onboarding program, with an average satisfaction rate of 86%. Through our employee-focused programs, we have achieved a retention rate of 77% for new talent in both 2022 and 2023.

Diverse Interview Panels

Our dedication to creating a culture of belonging begins with our hiring and interviewing processes. In 2021, we introduced diverse interview panels that enable candidates to see a wide representation of who we are, while creating an equitable and inclusive welcome. In 2022–23, we held 91% diverse interview panels in the U.S. and 73% diverse interview panels globally.



Connect and Thrive Events

In March 2023 we launched new bi-monthly events with connection in mind. Piloted with remote employees, Connect and Thrive sessions are a chance for new talent to step out of their busy day and into interesting virtual conversations with their colleagues. The events provide a topic, time, and space for new talent to get to know each other and make connections. Each session is facilitated by leaders from the business who share their vast experience and tips for new recruits to acclimatize to Charles River’s culture and to connect further.

Furthermore, we adapted our interview templates to create a set of interview guides based on the CRL DNA. This was supplemented by behavioral interview training for our people leaders to reduce bias and embed DE&I principles into the interview process.

Total Rewards and Well-being

Why It Matters

Attracting and retaining top talent is essential to accomplishing our mission of bringing industry-leading products and services to our clients and transforming conventional pre-clinical drug development timelines. To build and attract new talent, while also supporting, energizing, and retaining existing employees, we foster a culture of well-being and have an extensive range of benefits and offerings that meet their evolving needs.

Management Approach

Rewards and well-being at Charles River are managed by our global CVP of Total Rewards and Chief Well-being Officer, respectively, who report into our CPO. All employees receive guidance on eligible rewards as part of the onboarding process, and relevant information can be accessed throughout the year through iConnect (company intranet) which contains mobility information, access to well-being resources such as our International Employee Assistance Program (EAP), and compensation materials.

For our U.S operations, employees can access the Benefits Portal, where they can view the extensive range of available core, value-added, and work-life benefits. Additionally, talentHUB (our employee portal) contains further information on employee compensation. All regional operations have similar portals, with benefits varying on a country-by-country basis.

How We Are Driving Progress

Charles River offers a range of benefits, programs, and services.

- **Core Benefits:** include health benefits (e.g., medical care; pharmacy and medicine support; dental and vision care; virtual healthcare); retirement benefits; parental leave; disability benefits; stock awards at eligible levels; stock purchase capability in certain countries; vacation and leave
- **Value Added:** include additional offerings such as premium membership to [Care.com](#); tuition reimbursement; employee discounts; and employee recognition

Compensation and Pay Equity

We leverage internal data, peer benchmarking, market trends, and employee feedback to improve our compensation strategy. In 2023, we provided additional compensation information to our people leaders, to assist them in promoting pay transparency and holding more effective compensation conversations with employees.

To help evaluate pay equity, we conducted a biennial pay equity analysis in 2022 to ensure that our compensation practices continue to be market competitive and equitable across race and gender, commensurate with experience and expertise. This is in addition to the legally required, country-specific pay assessment which showed that Charles River operates on highly equitable pay with a <1% pay gap in race (U.S.) and gender (global) (see p.51).





Total Rewards and Well-being

CONTINUED

Well-being

Benefits and compensation are two aspects of supporting our people. As part of our holistic well-being strategy, we are committed to supporting our people across their well-being journey by providing resources and tools that align with the following core pillars:

Career: Our aim is to inspire employees to seek new challenges by providing them opportunities to reach their potential and thrive in their role. We offer programs that help employees align to their personal and professional goals via regular learning and development, ongoing training, and clear career progression opportunities (see p.48).

Physical and Emotional: Our Health and Wellness programs support employees and their families in achieving optimal health and well-being. For example, our employees have access to Wellable and to a dedicated EAP, which consolidates our broad range of work, life, and online services to support our colleagues and their families under one roof. Since 2022, we have expanded our Mental Health First Aid program by adding 130 new Mental Health First Aiders across the business. Additionally, we launched an optional mental health course on World Mental Health Day in October 2022 that over 12,640 employees have completed.

Financial: We offer competitive pay, time off, stock awards, employee discounts, tuition reimbursement, retirement options, and assistance with legal and financial guidance. In the U.S., employees receive six weeks' paid parental leave on birth or adoption in addition to paid medical leave. U.S. employees also can apply for reimbursement for qualified adoption expenses. Furthermore, we offer a global Charles River Employee Relief Fund, which supports employees facing financial difficulties after a natural disaster or unforeseen personal hardship. Since 2021, the Fund has provided more than \$150,000 in approved grants.

Social and Community: Our Social and Community programs are designed to help nurture personal growth and connection through participation in our ERGs and providing opportunities for community outreach through paid volunteer time off (VTO), sabbatical programs, and financial support for communities (see p.55). For example, our Emotional Health and Wellness ERG provides dedicated sessions and check-ins designed to be a non-judgmental, confidential, and safe space and community at work.

Employee Engagement and Development

Why It Matters

At Charles River, employee engagement and development start from day one and are cultivated throughout the employee journey to create an exceptional employee experience through a distinctive and inspiring culture. Our goal is to provide endless and equitable opportunities for all employees and leaders to grow their skills, have fulfilling careers, elevate performance, and achieve success.

Central to our ethos is the necessity to ensure our people are engaged and motivated, and that they can bring their best self to work every day throughout their career with us. By regularly listening to their needs, by empowering and equipping our leaders, and by adopting an agile approach, we can respond quickly and effectively. We drive meaningful change when we empower everyone to grow, perform, and succeed.

Management Approach

Our CPO and CVP of Global Talent Management and Development (GTM&D) own employee engagement and development at Charles River. The People and Culture Leadership team collectively establishes key priorities based on business and employee needs, ensuring execution within each business and function.

Our Senior Leadership team reviews human capital, talent, learning, and engagement metrics monthly to monitor progress and identify continuous improvement opportunities. To ensure oversight at a Board level, employee engagement and development

are covered in depth through our annual People Strategy review and in general updates throughout the year.

How We Are Driving Progress

Talent Management and Development

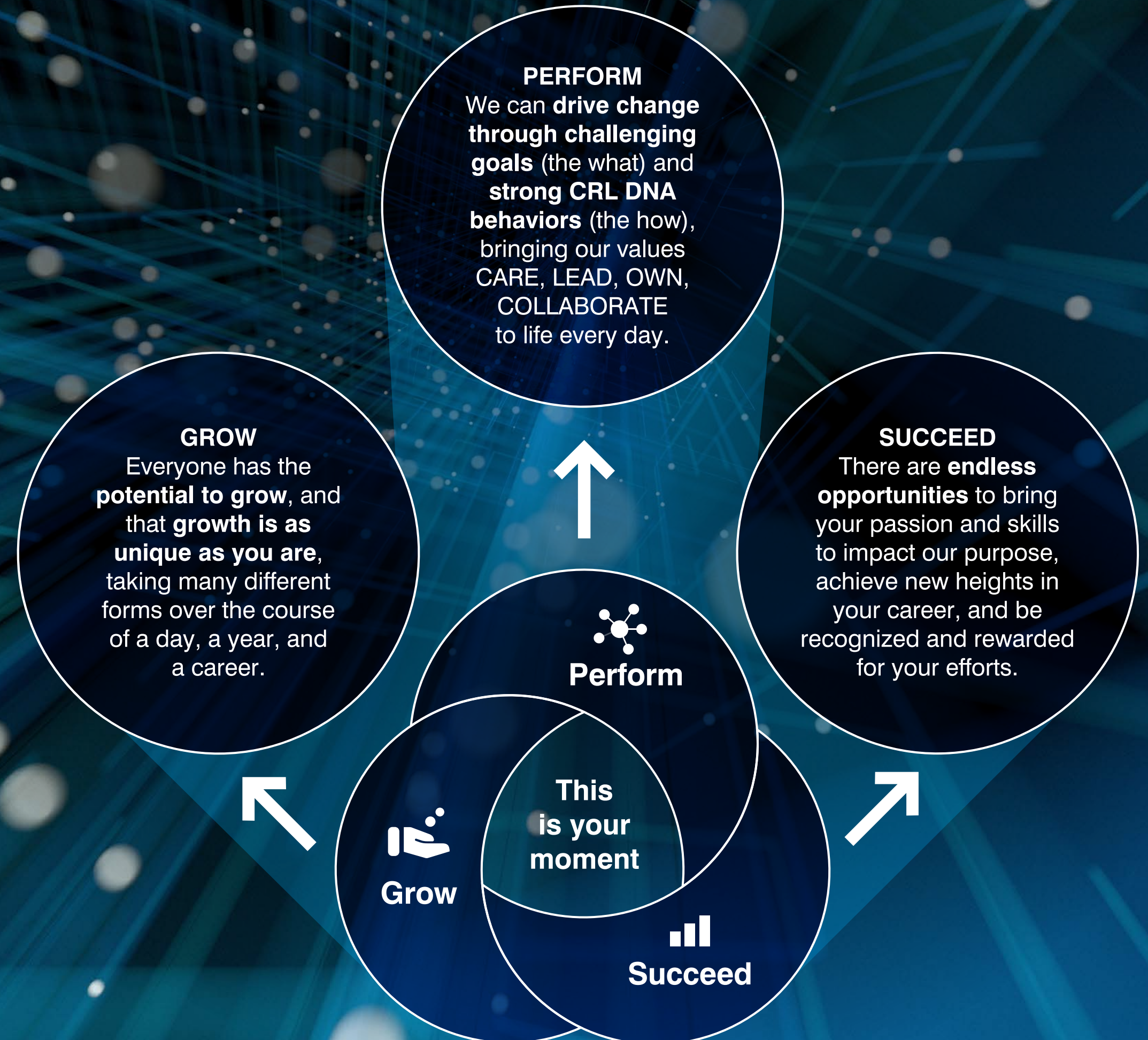
With our ambitious purpose and passion for what we do, there are endless opportunities for our people to Grow, Perform, and Succeed (GPS) at Charles River. Our GPS approach serves to harness this energy and momentum and activate the principles of our employer brand, *This is Your Moment*, into all our engagement and development efforts (see p.42).

We believe each day presents new opportunities to work together, deliver change, create impact, and make a difference. Our leaders are instrumental to the success of our GPS and Performance Management approach, thus by emphasizing leadership development and effective succession management, we also ensure quality performance management.

Top Talent Identification

We conduct organization-wide talent reviews annually to ensure that we identify and develop top talent for roles that will lead us into the future. In 2023, this review focused on identifying talent deeper in the organization, including a spotlight on diverse leadership pipelines, and accelerating the development of key roles including our General Manager talent pool.

GPS Approach Grow. Perform. Succeed.



Our People Leader Strategy

LEARNING AND DEVELOPMENT

Programs/initiatives

- **GM Accelerator** – Cohort of identified leaders from across the business that receive monthly training and development on general manager leadership topics
- **Leading the Frontline** – Leadership curriculum launched in 2022 that will impact 2,000+ leaders by the end of 2024

ROLES AND GOALS

Programs/initiatives

- **People Leader Goal** – Goal-setting on role as a leader and with the opportunity to receive ongoing feedback throughout the year
- **Success Profiles** – Overviews of the knowledge, experiences, competencies, and attributes that frontline leaders and GMs generally need to be successful in their roles

TOOLS AND INSPIRATION

Programs/initiatives

- **People Leader Power Hours** – Monthly learning forum in which 1,000+ people leaders share best practices
- **Self-Awareness and Reflection** – 360-leadership assessment tool first piloted in 2023, with access expanded to all people leaders in 2024

COMMUNICATIONS

Programs/initiatives

- **People Leader Guide** – Monthly information and inspiration from our CPO for people leaders to share with their teams
- **CRL DNA Guides** – One-page guides to equip people leaders to embed CRL DNA, as part of our culture

Employee Engagement and Development

CONTINUED

Growing Leaders to Grow Our People

Our people leaders bring our culture to life every day through their actions, experience, and leadership. We want to create leaders at every level of Charles River and provide them with the tools, resources, and inspiration they need to elevate talent, foster creativity, and make a difference in the lives of our employees.

In 2023, we established a multi-year people leader strategy to build capability, evolve our culture, and improve their impact on our employees and business. Our aim is to inspire, enable, and retain the best people leaders in the industry, and the four guideposts to the left serve as our roadmap to help us get there.

SPOTLIGHT STORY

Leading The Frontline

In 2022, we launched a groundbreaking, enterprise-wide development program, “Leading the Frontline: Cultivate Your Leadership,” for frontline leaders. The six-month, predominately in-person program consisted of monthly learning sessions, coaching pods, and online microcourses to build foundational people leadership skills linked to our CRL DNA.

Over 50 certified Charles River facilitators lead these sessions, helping participants immediately apply these important concepts in practice. This is an important way not only to develop leadership, but to embed our employee brand and CRL DNA behaviors across the Company.

As of year-end 2023, over 1,000 leaders, representing 51% of our frontline leaders,



had completed or were actively completing the program. By the end of 2024 we aim to reach 90% of our frontline leaders.



This entire course has been helpful for me as a people leader. I’ve been challenged to review how I approach my interactions with my team, and I look forward to applying what I’ve learned!”

Leading the Frontline participant

Employee Engagement and Development

CONTINUED

Growing Our People: Learning, Career Development, and Upskilling Opportunities

We want to ensure that every individual at Charles River has equal access to individualized growth opportunities that empower them to achieve remarkable things. To achieve this, we provide several career and development opportunities to help our people thrive.

In 2023, our employees completed an average of 11 hours of annual learning. We expect this number to increase over the coming years as we continue to integrate the tracking of our training and course participation into our LMS platform. The growth opportunities we provide include:

- **Technical Training:** Each business conducts regular on-the-job learning and technical training to help our employees stay current, gain necessary certifications, and deliver the highest quality service to clients. For example, in one of our businesses, we utilized virtual reality training tool Virtuosi for our new hires to immerse themselves within the lab environment while maintaining the microbiological integrity of our classified spaces.
- **Professional Development:** Employees have access to thousands of courses to stay current, learn new skills, advance their career, fulfill their

curiosity, and realize their potential. This includes our focus on LinkedIn Learning, where employees engaged in more than 16,000 hours of dedicated training through the platform. We increased the number of LinkedIn Learning users from 6,500 to 10,500 in 2023.

- **Self-Awareness and Team Effectiveness:** We offer numerous ways for employees and teams to learn about themselves and ways to improve their interactions, collaboration, and performance. Through tools such as CliftonStrengths, DiSC, and Team Resilience and Alignment, teams and individuals can partner with professionals to improve their self-awareness and team effectiveness.

Performance Management

We provide a structured approach to facilitate continuous and meaningful conversations between people leaders and employees. In addition to measuring what work gets done, our process measures how work gets done through our CRL DNA behaviors, which provide a healthy balance for a distinctive growth and performance culture.

We offer leadership and employee guides, tools, and training resources, as well as on-the-job learning and coaching to assist with performance management. Our approach encourages employees to collaborate with management to seek new opportunities and take ownership of their goals. This occurs through structured goal setting and development-planning, regular 1:1 meetings, and formal mid-year and year-end reviews. In 2022, 88% of our employees received a year-end performance review which increased by 1% to 89% in 2023.

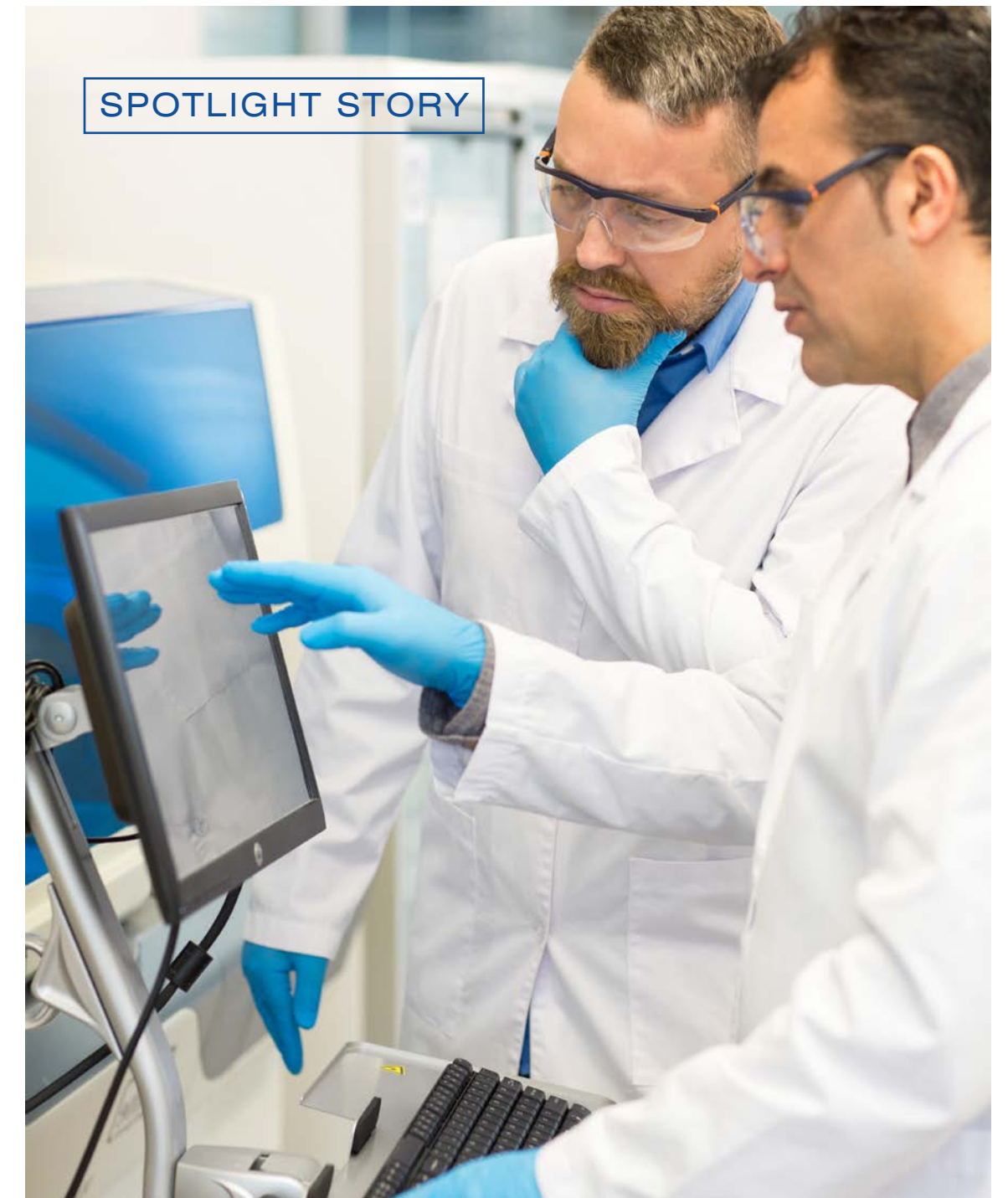
Employee Engagement and Feedback

Our Engagement Pulse Survey is part of our listening strategy designed to help us learn more about what is working at Charles River, what we can improve, and how we can facilitate more meaningful conversations between our employees and our people leaders.

In 2023, we reduced the frequency of the survey from three times a year to twice yearly to allow more time for leaders to drive ACT (Acknowledge, Collaborate, Take Action) conversations with employees. In 2023, we also made a change which made it easier for frontline employees to access the survey. This resulted in a record high of 27,576 comments – which will help us to further strengthen our culture. We had a response rate of 65% in 2022, 68% in 2023, and maintained an average engagement score of 70 year-over-year.

Recognition

Recognizing and rewarding our employees is part of our culture. We hold annual Presidential Awards – Charles River’s highest honor for employee excellence – in addition to the Values award for those who deliver an outstanding outcome while exemplifying our values. Various local awards programs and virtual “Be the Difference” cards are also utilized to show appreciation to our people. In 2024, we will be launching an enterprise-wide recognition platform that will offer more robust recognition opportunities across all our sites and geographies.



SPOTLIGHT STORY

Career Month

In June 2023, we hosted multiple career offerings and resources designed to support both personal and professional growth, including 12 “Own Your Career” webinars attended by over 1,400 employees. Employees also had the opportunity to share career stories, participate in a career health check assessment, and learn that the top two skills where employees need help are networking and spotting career opportunities. This feedback will drive our programming focus for 2024.

Diversity, Equity, and Inclusion (DE&I)

Why It Matters

We are committed to building a safe, inclusive, equitable, and welcoming workplace that brings out the best in our 21,800 global employees. Driven from the top, our DE&I Strategy seeks to create a culture of belonging and inclusion where diverse perspectives are valued to strengthen our business, increase our ability to innovate, and deepen our impact on science and healthcare.

We remain focused on attracting, energizing, and elevating the best people by creating an exceptional employee experience that encompasses diversity of thought, work styles, and beliefs as well as race, color, religion, gender, national or ethnic origin or ancestry, age, sexual orientation, gender identity and expression, military or veteran status, disability, and all other categories outlined in our [Code of Business Conduct and Ethics](#) (see p.32).

Management Approach

Our focus on DE&I and belonging spans all employment-related decisions – from hiring and promotions, to succession planning, compensation, performance reviews, training, and career development. Our Global DE&I team is led by our CVP of DE&I and Corporate Citizenship who reports into our CPO.

To drive leadership from the top, our DE&I Council guides global action across the organization. Led by our CEO, the executive-level Council meets quarterly to discuss progress against our multi-year DE&I strategy and goals. Additionally, each business is required

to share their DE&I metrics with the CEO through quarterly business reviews to ensure leadership accountability. These metrics include gender and generational representation globally, as well as race and ethnicity in our U.S. operations.

We also recognize that diversity and inclusion initiatives must be tailored to the unique needs of locations, roles, and geographies. To meet these needs, most of our sites and functions have developed localized DE&I Plans mapped to our five strategic DE&I pillars. Our HR Compliance Manager also monitors alignment to the U.S. Affirmative Action Program, and we are an equal employment opportunity (EEO) company.

We continuously revise our internal policies to better promote diversity and equity, and we participate in external benchmarks such as the Disability Equality Index, Corporate Equality Index, and the Bloomberg Gender-Equality Index to enhance transparency and improve industry-wide comparability of disclosure.

How We Are Driving Progress

Our Strategy

We are dedicated to creating a workplace where all our people can thrive and succeed. Our focus on DE&I is anchored in five strategic pillars that inform our approach: Build Awareness and Understanding, Strengthen Belonging and Inclusion, Increase Diverse Representation, Focus on Equity, and Partner with our Communities.

Our Public Goals

45%

WOMEN IN VP+ ROLES BY 2025 AND MAINTAIN 50% OF WOMEN IN MANAGER ROLES

PROGRESS THROUGH 2023: 42% WOMEN IN VP+ ROLES/ 53% WOMEN IN MANAGER ROLES

30%

MANAGERS FROM UNDERREPRESENTED RACIAL AND ETHNIC GROUPS IN THE U.S. BY 2025

PROGRESS THROUGH 2023: 21% MANAGERS FROM UREGS

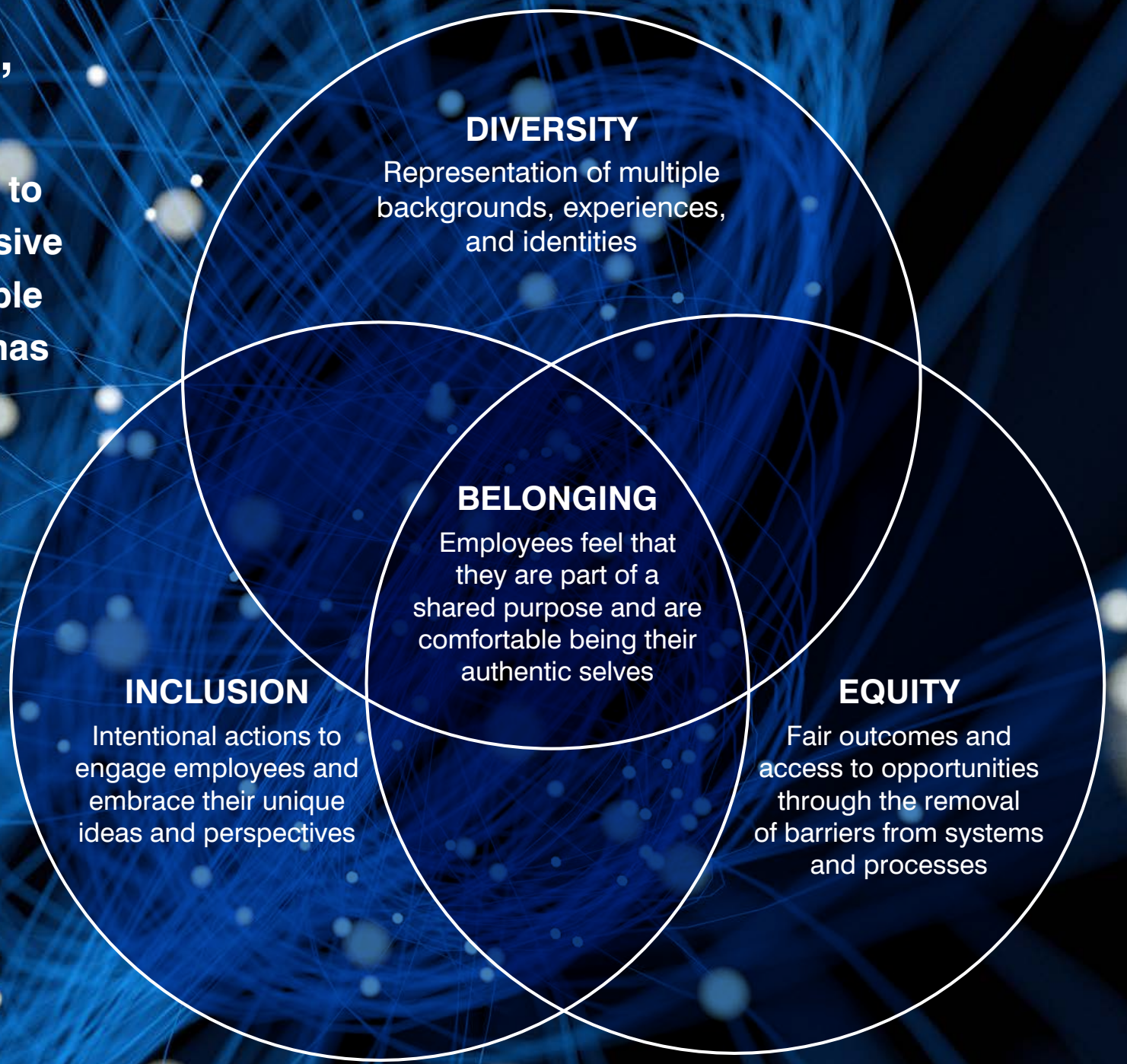
71

EMPLOYEE ENGAGEMENT SCORE FOR BELONGING BY 2025

PROGRESS THROUGH 2023: 67 SCORE

Diversity, Equity, Inclusion, and Belonging

At Charles River we are committed to increasing diversity, building inclusive behaviors, and fostering an equitable workplace where every employee has a sense of belonging.



Diversity, Equity, and Inclusion (DE&I)

CONTINUED

To monitor our progress, we launched three public DE&I goals in 2023. Also beginning in 2023, our CEO, with concurrence of the Compensation Committee, is eligible to make adjustments of up to 5% to the Bonus pool funding for senior leaders, based on progress toward those goals.

Build Awareness and Understanding

We empower curiosity to drive deeper understanding and build greater respect and support throughout Charles River. We do this through continuous learning opportunities, foundational DE&I courses, celebrating our cultural differences, promoting allyship, and by actively supporting each other through listening, empathy, respect, and compassion (see p.32).

We continued to deliver mandatory unconscious bias, anti-harassment, and anti-discrimination training to all employees through our Dignity and Respect in the Workplace training module. In 2022–23, we achieved a 97% completion rate for all employees.

Furthermore, by the end of 2023, 1,450 people leaders participated in our Tackling Bias and Creating Inclusion training. To further embed these learnings, we offer cohort connection sessions where leaders can discuss applying what they have learned. We have also built a Creating an Inclusive Environment session into our Leading the Frontline program (see p.47).

Strengthen Belonging and Inclusion

We know that an inclusive culture where everyone can be their authentic selves, be appreciated for their differences, and share their unique perspectives is key to employee engagement. To achieve this, we focus on educating people leaders, empowering employees to create an inclusive environment, and expanding our ERGs (see spotlight on p.51).

Another way that we strengthen belonging is through I Belong at Charles River conversations. Led by the Global DE&I team, these monthly discussions typically feature a panel of employees, or an external speaker that offer storytelling on topics relating to inclusion. In 2022–23 we held 25 I Belong sessions which had more than 5,000 attendees.

To measure our progress in creating a culture of belonging, our twice-yearly Pulse surveys (see p.48) provide valuable employee insights. In 2023, we achieved a belonging score of 67 which represents a decrease of 1 point from 2022. We continue to review feedback and develop relevant resources to support our goal to achieve a belonging score of 71 by 2025. For example, in 2024, we will be offering two new learning modules called Creating a Culture of Belonging and Allyship: Becoming a Champion for Belonging.

Increase Diverse Representation

We remain committed to increasing diverse representation by forging key partnerships, strengthening our sourcing channels, creating pipelines for early talent, encouraging diverse interview panels and diverse candidate slates, as well as mitigating unconscious bias at every step in the employee journey. Diverse representation is reviewed regularly in our CEO business reviews and is covered by two of our three DE&I goals.

Women represented 53% of our total leadership in 2023 (and 52% in 2022), and the composition

of women at our Executive Leadership level increased to 42% in 2023, up from 38% in 2022 (see p.84).

The percentage of employees from underrepresented racial and ethnic groups (UREGs) increased to 31% in the U.S. in 2022, and 32% in 2023, with representation of 21% within leadership in 2022, and 21% in 2023. For our full DE&I data information, please refer to p.84.

To further advance our DE&I goals, our CEO is a signatory and advocate of CEO Action for Diversity and Inclusion – a global CEO-driven commitment to increasing diverse representation within their organization, industries, and beyond.



Diversity, Equity, and Inclusion (DE&I)

CONTINUED

Focus on Equity

Our focus on equity ensures all employees have the ability to progress at every level of our organization. We regularly review our practices and metrics to ensure equitable outcomes in areas such as pay, total rewards, engagement, performance, promotion, development, and talent reviews.

Charles River continued to demonstrate equitable pay practices, with a less-than-1% gap in pay by gender (globally) as well as race and ethnicity (U.S.). We also continued to make strides to improve equity through our supplier diversity program to ensure enhanced economic development opportunities for diverse business enterprises. In 2023, 22% of our total addressable spend within the U.S. was with small and/or diverse suppliers. This percentage includes spend with small, minority-owned, women-owned, small-disadvantaged, HUB Zone, veteran-owned, and service-disabled businesses (see p.64).

Partner with Our Communities

We partner with organizations globally to ensure thriving communities, increase awareness of disease and health outcomes, and create better access to Science, Technology, Engineering, and Mathematics (STEM) Education for today's youth, inspiring the next generation of diverse scientists and technicians.

In 2023, we focused on building out a strategic DE&I partnership framework to oversee our strategic collaborations which support diverse talent attraction and workplace inclusion. Here are a selection of our key partnerships in 2022–23:

- Black Professionals Scotland
- CEO Action for Diversity and Inclusion
- Disability:IN
- Mindfulness Business Charter
- myGwork
- Tanenbaum

SPOTLIGHT STORY

Employee Resource Groups (ERGs)

Our Company-supported ERGs are open to all employees and are an integral part of our vision to foster an equitable, inclusive, and diverse workplace. Consisting of 11 distinct groups, our ERGs help to cultivate a keen sense of belonging through community involvement, professional development,

and ally education. Since 2021, ERG membership has expanded to nearly 4,000 employees worldwide. This includes the addition of four new ERGs over the last two years: Disability and Neurodiversity, Juntos, Indigenous Peoples, and Multi-Faith. We also rebranded our Young Professionals ERG to Emerging Professionals to attract a wider pool of employees.



Health and Safety

Why It Matters

As good corporate citizens, we are committed to safeguarding the health, safety, and well-being of our people, visitors, customers, and the communities in which we operate. Guided by our strong sense of purpose and our robust Environmental, Health, Safety, and Sustainability (EHS&S) Global Operating Framework (GOF), we implement safe and sustainable business practices that comply with applicable safety laws, regulations, and international standards.

Management Approach

The Charles River Global EHS&S team developed its EHS&S Strategic Plan in 2019, which focuses on continuous improvement and the promotion of a safety-first culture. The Strategic Plan and supporting initiatives are aligned to our [Global Policy on Safety and Sustainability](#). The Global EHS&S team works collaboratively with business unit (BU) leaders, site EHS&S leaders, and site leadership to drive its implementation and the achievement of our 2030 EHS&S goals (see p.53).

To ensure a consistent management approach, Charles River launched the EHS&S GOF in 2021 which details our internal EHS&S requirements and management system. The GOF sets the minimum expectations for program requirements and promotes best practices across our sites. Sites are required to conduct initial and periodic programmatic risk assessments to determine program applicability, followed by self-assessments to determine

opportunities for improvement. Training sessions are provided on how to implement the GOF, and additional materials are readily available for site use through our EHS&S GOF Library. This includes training modules, model programs, and self-assessment tools that promote site-level program improvements.

To ensure direct engagement, as well as ongoing feedback and support of our BUs, we launched the EH&S Advisory Council in 2022. This Council includes key members of the Corporate EHS&S Group as well as a designated business leader from each of our BUs. The Council meets quarterly to review progress on performance objectives, program implementation, and to discuss and review new initiatives. Other aspects of our EHS&S governance framework include monthly EHS&S Operations meetings and EHS&S Council meetings which bring together leaders and staff to discuss our ongoing strategy and goals as well as to share best practices and lessons learned.

In 2021, we rolled out the global EHS&S Management Information System (MIS) – Enablon. The MIS promotes consistency in the way we manage, track, and record incidents and leading indicators, including near misses, safety concerns, and good saves. It also allows sites to conduct proactive safety inspections and track assessment results to mitigate potential items of concern and assign corrective actions quickly and effectively.



Health and Safety

CONTINUED

Strengthening Safety Performance

The health, safety, and well-being of our people is our highest priority – and our focus on continuously identifying new ways to improve our safety performance is central to our approach.

To reduce injuries in the workplace, we are committed to halving our Total Recordable Injury Rate (TRIR) by 2030. Consistent with our DE&I commitments (see p.49), progress against this goal is now tied into executive compensation. As of year-end 2023, we achieved a 1% reduction in our TRIR.

In addition to our TRIR reduction goal, we track several other safety performance KPIs including both leading and lagging indicators to promote continuous improvement across all areas of our H&S strategy.

Our Public Goals

50%

REDUCTION OF TRIR FROM A BASELINE YEAR OF 2018

PROGRESS THROUGH 2023: 1% REDUCTION IN TRIR

These include the following metrics:

- Total Recordable Incident Rate (TRIR)
- Lost Time Injury Rate (LTIR)
- Proactive reporting
- Training hours: Charles River employees are provided with regular training to conduct their jobs safely. Training is delivered by site teams as well as globally through the Charles River LMS and dedicated HSI Safety Training in North America

Charles River also offers a range of benefits, programs, and services to promote our employees’ health and well-being (see p.44).

Occupational Health

Our occupational health program adopts a preventative approach to promote and maintain the health and safety of our people in the workplace. This includes measures to prevent work-related injuries and illnesses through proactive health screenings prior to onboarding of new hires, as well as ongoing assessments which are commensurate with job role hazards.

These occupational program elements are outlined in our GOF and are developed by our global occupational health nurse and consulting medical physician.

The mission of our occupational health team is to provide effective and consistent guidance using best-in-class industry standards. This includes conducting regular employee health assessments, educating our people, and compliance with occupational health regulations which align with our strategy.

To assure effective, fair, and equitable access to occupational health services, we incorporate a hybrid network of on-site teams and off-site clinics. This program approach provides employees with access to industry health professionals and is designed to focus on improving our workplace environment, conducting regular risk assessments, and implementing preventive measures. Our approach ensures compliance with relevant health and safety regulations, job specific training on safety protocols, and prompt response to any employee health-related concerns.

Creating a Safety-First Culture

We launched a Safety-First Culture initiative in 2022 to ensure that every person working for and on behalf of Charles River recognizes the importance of putting safe working practices first. As part of this campaign, all sites were requested to form Safety Committees comprised of both management and employees. In 2023, Committees were encouraged to meet no less than quarterly to drive site-level progress and make site-specific improvements to safety performance.



Celebrating Safety at Our Sites

Our Leiden site in the Netherlands was the inaugural winner of the Charles River President’s Award for Excellence in Safety Culture and Performance in 2022. The site displayed excellent leadership in engaging their employees in the site’s safety programs and culture, embraced proactive reporting of safety concerns, demonstrated a no-blame safety culture, and is a leader in aligning their business and EHS objectives.

Health and Safety

CONTINUED

In 2022–23, Charles River conducted several additional activities to raise the visibility of our safety programs through a global series of training, communications, and leadership courses:

- Establishing the EHS&S Advisory Council in 2022 with representation from all BUs (see Management Approach)
- Rolling out a Global Health and Safety Awareness campaign as part of Employee Safety Month in 2023
- Launching a Safety Champion Awards program across all sites and an Annual President’s Award for Safety Excellence to recognize excellence in safety culture and performance
- Delivering interactive Site GM Safety Culture Training via two virtual sessions for all global GMs in 2022 and 2023
- Launching the first module of our People Leader Safety First Culture Training (e-Learning) to all people leaders globally in 2023
- Delivering two interactive virtual Safety Culture workshops for executive leaders in 2023

To further gauge employee perspectives, we added a safety question to our biannual employee engagement survey (see p.48). Looking ahead, we will continue surveying our employees no less than annually for their perspectives and feedback on our safety culture journey.

In 2023, we launched a formal EHS&S Assessment program that is supported by a third-party consultant and evaluates our site programs and performance against both internal and regulatory requirements. In 2023, 12 sites were assessed by EHS&S auditors, and we expect to assess approximately 20 sites per year from 2024 and beyond.

Strengthening Incident Reporting

As part of our EHS&S MIS rollout in 2021, we set out to strengthen our internal health and safety reporting processes by implementing proactive reporting related to incident reporting. By measuring important precursors to potential accidents such as near misses, safety concerns raised and good saves, we can identify potential incidents, implement corrective actions, and prevent them from happening ahead of time.

We continue to improve our processes to identify and correct potential incidents before they happen, and we are pleased to report that in 2023 over 20% of events reported within the EHS&S MIS were proactive indicators, well exceeding our target of 10%. We will expand on this culture of proactive reporting in 2024 and beyond.



Embedding a Culture of Safety

We believe in the importance of creating a Culture of Safety, where all our people are aware of the steps that they must take to protect their own health, safety, and well-being, and that of their colleagues. To reinforce this ethos, we designated May of 2023 as Safety Month, which we

launched on World Day for Safety and Health at Work. Throughout the month, we asked employees: “Who do you work safely for?” to encourage them to take a personalized approach on the importance of adopting safe working practices. The campaign included awareness posters, intranet posts, and emails, as well as engaging videos and training modules focused on workplace safety.

Community Engagement and Support

Why It Matters

As a global organization, we are committed to supporting and investing in the communities where we live and work. We believe that a healthier future belongs to us all, and through our CRL Cares Programs, we invest and serve our local communities with our time, expertise, and giving. We are proud to make a difference across three strategic community pillars: Thriving Communities; Science, Technology, Engineering, and Math (STEM) Education; and Health Outcomes.

Management Approach

The Charles River Global Corporate Citizenship Team consists of the Associate Director of Corporate Citizenship and Strategic Philanthropy and the Manager of Community Engagement. They report into our CVP of DE&I and Corporate Citizenship who oversees our community strategy and engagement program, with consultation and input from our CPO and CEO.

To drive action, our community activities are supported by a network of more than 155 Global Community Ambassadors, who volunteer their time to bring events and programs to local sites. Our Global Community Team hosts monthly calls with Ambassadors to establish best practices, provide program updates, and deliver material support. In 2023, the team hosted an inaugural Community Ambassador Summit to deliver training, host talks from guest speakers, and deliver interactive sessions to drive engagement and collaboration.

In 2023, we published an internal Global Giving Policy, which details our CRL Cares Programs and continued areas of focus. We also updated our VTO and Sabbatical Leave Policies to align with our three community pillars.

How We Are Driving Progress

Our Strategy

Our strategic approach to community engagement and support seeks to contribute to initiatives that are strongly linked to our purpose: Together, we create healthier lives. We empower our people to make a difference by providing paid volunteer time off (VTO), employee charitable match, Days of Service grants, Purpose Months, and paid sabbaticals linked to our community pillars.

VTO

Employees receive 12.5 hours of VTO each year to volunteer in their local communities. To encourage participation, each site has an annual VTO goal based on the number of employees in each location. In 2022, our employees volunteered 22,025 hours of their time. This increased to over 29,000 hours in 2023 – which sees employee volunteering surpass pre-pandemic levels.



Community Service Sabbatical – Philippines

In 2023, we partnered with global hunger relief organization, Rise Against Hunger (RAH), to provide Charles River employees with life-changing, community service sabbatical opportunities. During the year, six employees took a four-week paid sabbatical to volunteer for RAH. Three employees traveled to the Philippines and South Africa to support local projects; one built video assets for RAH’s marketing team; another advised RAH on how to make their packaging more sustainable; and one provided learning and development expertise to RAH’s leadership team.

One of our volunteers, Kacie C., spent her sabbatical as a “Zero Hunger Advocate” at RAH’s Good Food Farm in the Philippines – an urban community farm. During her time there, Kacie helped grow and deliver organic produce to local food pantries, supported educational projects, and assisted in the daily upkeep of the farm.



This was an eye-opening experience and I encourage all eligible Charles River employees to pursue this opportunity!”

Kacie C., Charles River Community Service Sabbatical participant

Community Engagement and Support

CONTINUED

Days of Service Grants

First piloted in 2022, once a Charles River site reaches its annual VTO goal, a monetary grant is released to a charity nominated by employees. This is a great way to incentivize our people to use their time to support local causes. Since 2022, we have distributed within nine countries across Europe and North America more than \$500,000 in Days of Service grants to local food banks, social services agencies, hospices, and other qualifying charities.

Employee Charitable Match

We launched our pilot Employee Match Program through the CRL Cares Portal in 2022, to provide support for Ukrainian refugees. Charles River matched all employee donations made on a 1:1 basis to five global relief charities. Employees from 71 locations and 16 countries participated in the match campaign. In 2023, we expanded our approved charity list to over 1,000 charities eligible for matching. From 2022–23, our employee giving programs generated more than \$350,000 in company donations to qualifying charities.

Our Community Pillars

Thriving Communities

We contribute to thriving communities by meaningfully partnering with local organizations that provide essential services for children and individuals in need. This involves supporting local food banks, emergency shelters, disaster relief organizations, and youth and family service agencies.

As COVID-19 cases began to slow, in-person volunteering returned in mid-2022. As a result, we sunsetted our Acts of Kindness program and introduced an expanded version of our previous Global Day of Service, now referred to as “Days of Service” in 2022 and 2023 (see Days of Service Grants). In 2023, we also bolstered our disaster relief volunteer programs by establishing a partnership with Team Rubicon – a veteran-led humanitarian organization.

STEM Education

Our focus on STEM education seeks to introduce today’s youth to the possibilities of a career in STEM and inspire the next generation of scientists and difference-makers. We invest in STEM education through grants and partnerships with charitable organizations and schools. This includes engaging and inspiring students and children through the Eureka Science Fair, global STEM Day, and Take Your Child to Science Days.

In 2022–23, Charles River donated \$1.5M to charity partners in STEM educational outreach projects. This included our sponsorship of a scholarship program through Foster Love that provides foster youth with access to education, training, and support in the field of Veterinary Technology.

We also launched two new key partnerships, including joining Discovery Education’s STEM Careers Coalition, to support STEM-based learning opportunities for girls and students of color. These partnerships create opportunities to connect with local schools and provide curated content to translate classroom learning into real-life careers. In 2023, our STEM Education outreach resulted in nearly 700 employees

SPOTLIGHT STORY

Cell and Gene Therapy Internship Program – Memphis, U.S.

In 2021, Charles River Memphis launched a successful cell and gene therapy (C>) internship training program to engage a new wave of talent in this emerging scientific area. Initially partnering with the biotech and forensic science department of a local community college, the program has since grown significantly.

From 2022–23, the program hosted 37 student interns, many of whom applied for roles and joined Charles River full-time after graduation. During the internship, students are given projects and hands-on experience that teaches them about

volunteering their time through in-school virtual drop-ins or in-person events.

Health Outcomes

Our Health Outcomes initiatives target key therapeutic areas of research where Charles River has some of its greatest impact and breadth of work – including areas such as oncology and the treatment of rare diseases.

We honor Rare Disease Month and Oncology Awareness Month every year. Throughout these months, we share stories where Charles River’s scientific research has contributed to drug approvals, and in



biomanufacturing and how this industry is positively impacting healthcare outcomes in the development of new cell and gene therapies.



“We’ve been able to advise on useful skills and techniques that will better prepare students. Everyone benefits, the students are more prepared, and the applicant pool expands.”

Molly Field, Charles River University and Community Relations Manager

some cases, stories where colleagues facing a disease diagnosis received this very treatment (see p.10). As part of Oncology Awareness Month, employees volunteered nearly 3,000 hours in support of oncology-related charities in 2022–23. We also helped to assemble more than 2,000 care packs for cancer patients.

In 2023, for Rare Disease Month, our employees assembled nearly 1,000 children’s hospital activity kits, painted four murals for local hospitals and rare disease centers, and volunteered more than 400 hours to support rare disease charities.

Community Engagement and Support

CONTINUED

COMMUNITY ENGAGEMENT IN NUMBERS

>50,000

HOURS VOLUNTEERED IN 2022-23

>\$4M

DONATED ACROSS THRIVING COMMUNITIES, STEM EDUCATION, AND HEALTH OUTCOMES (2022-23)

2,700

STEM KITS CREATED FOR KIDS FOR GLOBAL STEM DAY IN 2022 AND 2023

SPOTLIGHT STORY

Days of Service Grants Program – Portishead and Bristol Children’s Hospital, U.K.

Through Charles River’s Days of Service program, our sites can increase their community impact by reaching their annual site VTO goal, to trigger the release of a monetary grant to a local charity. Colleagues in Portishead, U.K. reached their 2023 VTO site goal by volunteering over 200 hours of time, resulting in a contribution to Portishead’s charity of choice: The Grand Appeal, the Bristol Children’s Hospital Charity. The grant was awarded to provide music therapy sessions for young patients receiving treatment and care in Bristol Children’s Hospital. The sessions, delivered by the charity’s qualified music therapists, are designed to support the well-being of children during their time in the hospital.

Bristol Children’s Hospital cares for more than 100,000 patients annually across South West and South Wales, covering the single largest geographic area of any children’s hospital in England. Their official charity, The Grand Appeal, provides family accommodation; medical research; life-saving equipment; arts, music, and play therapy; and much more.



It is a wonderful local charity that is close to the hearts of many Charles River colleagues.”

Becky Longley, Site Community Ambassador

Progress is... driving inclusion and belonging

Our ERGs offer a sense of belonging for our people by celebrating heritage events, supporting career development, and giving back through community work. The African Ancestry ERG is a prime example of how our ERGs support our people and culture.

In 2023, the African Ancestry ERG undertook several impactful initiatives to drive Company-wide engagement and action:

- Organized celebrations for Martin Luther King Day, Black History Month, and Juneteenth. Additionally, the ERG influenced adding Juneteenth to the holiday calendar for all U.S. sites, beginning in 2022
- Participated in listening sessions with our Global DE&I team to share experiences and perspective on how to make Charles River an even more inclusive place to work
- Hosted intersectional events through collaborations with other ERGs on topics of disability, LGBTQ+, and emotional health. These included film discussions, book clubs, and panel events

- Offered speed mentoring to provide an opportunity to hear from a cross-section of leaders across the Company about their career journeys and tips for advancement
- Volunteered with multiple charities including Blessings in a Backpack, which is a non-profit organization that feeds school children in the U.S.



I am so proud of the work that our ERGs like African Ancestry are doing to foster a culture of belonging at Charles River. It is a testament to the strong leadership and advocacy within the group that propels this ERG to drive progress across every pillar of our DE&I strategy.”

Livia Konkel, Vice President,
DE&I and Corporate Citizenship, Charles River



Protect Our Planet

Our Focus

We are committed to safeguarding our planet by collaborating to drive positive change within the pharmaceutical industry and beyond.

By setting science-based targets that support meaningful GHG reductions, our 2030 climate commitments focus on reducing our direct and indirect value chain emissions to advance sustainability, reduce climate risk, and make a lasting positive impact on the communities in which we operate.

Our Aim

Our aim is to reduce Scope 1 and 2 GHG emissions by 50%, and our Scope 3 GHG emissions by 15%, by 2030. We will also continue to champion efforts to promote a more sustainable and diverse supply chain.

Our ESG material topics in this area include:

- Climate and GHG Emissions (p.60)
- Responsible Supply Chain Management (p.63)

37%

ABSOLUTE SCOPE 1 AND 2 GHG EMISSIONS REDUCTION FROM 2018 TO 2023

92%

GLOBAL RENEWABLE ELECTRICITY USAGE ACHIEVED LARGELY THROUGH VIRTUAL POWER PURCHASE AGREEMENTS (VPPAs)

\$13.5M

IN APPROVED SUSTAINABILITY CAPITAL PROJECTS SINCE 2020



Climate and GHG Emissions

Why It Matters

With over 75 years of scientific expertise, we want to leverage our trusted leadership position to address environmental sustainability and do our part to tackle climate change. By setting long-term commitments to significantly reduce our direct Scope 1 and 2 GHG emissions by 2030, and by collaborating with others in the pharmaceutical industry to promote a more sustainable supply chain, we can influence change both within our industry and beyond.

Management Approach

At Charles River, our EHS&S team is responsible for the development and implementation of our climate strategy in collaboration with business leaders. The Team has oversight of our 2030 Scope 1, 2, and 3 GHG emissions goals and our renewable energy target. Our climate and GHG emissions strategy is approved by the CEO and Charles River ESG Council, which is chaired by our COO. Supporting internal targets are socialized to all site and business unit (BU) leaders who present ongoing progress through quarterly business reviews run by the executive team. EHS&S forms part of the Global Engineering, Facilities, and Real Estate function within Charles River.

Implementation of the GHG reduction strategy is supported by various functions including EHS&S, Global Engineering, Facilities Support, Master Planning, and Global Procurement, as well as BU leaders and Site General Managers. The Company's

framework for managing EHS&S Strategy and GHG reduction projects identified supports our safety and sustainability vision as outlined in the [Global Policy on Safety and Sustainability](#).

Site-based energy conservation and GHG reduction activities are conducted in accordance with our EHS&S GOF, which outlines a high-level, consistent, and cohesive framework for global EHS&S activities, including energy conservation and GHG reductions. In 2023, we launched an Energy Assessment Program to help further identify site-level energy conservation opportunities. In the first year of the program, energy assessments were conducted across several of our largest energy-consuming sites, and numerous energy conservation and GHG reduction projects identified.

How We Are Driving Progress

Climate Change and GHG Emissions

As a global business operating across 155 locations in 24 countries, we are committed to taking action to address climate change and reduce our carbon footprint. To formalize this commitment, we developed 2030 GHG emissions reduction targets which were approved by the [Science Based Targets initiative](#) (SBTi) in 2021.

We are members of [Business Ambition](#) for 1.5°C, [RE100](#), and we report on our GHG reduction activities through leading external frameworks such as the Carbon Disclosure Project ([CDP](#)). In both 2022 and 2023, we received a CDP Climate Score of A-.

In 2022, our Scope 1 and 2 emissions decreased on an absolute basis by 18% from our baseline year of 2018. This further decreased in 2023 to a 37% reduction. This progress was achieved by the successful implementation of vPPAs across our North American and European operations, as well as the implementation of efficiency projects funded through the Charles River Sustainability Capital Fund.

Our total energy use was 770,449 MWh with 92% of our electricity coming from renewable sources by the end of 2023 (see p.61). In 2024, we will be pursuing options to source renewable electricity for our Asia-Pacific operations, with the view to achieving 100% renewable electricity globally by 2025, a full five years ahead of our 2030 target.

Our Public Goals

50%
REDUCTION OF SCOPE 1 AND 2 GREENHOUSE GAS (GHG) EMISSIONS BY 2030 FROM A BASELINE YEAR OF 2018

PROGRESS THROUGH 2023:
37% REDUCTION

15%
REDUCTION OF SCOPE 3 GHG EMISSIONS BY 2030 FROM A BASELINE YEAR OF 2019

PROGRESS THROUGH 2023:
30% INCREASE

100%
ACHIEVEMENT OF RENEWABLE ELECTRICITY BY 2030

PROGRESS THROUGH 2023:
92% ACHIEVED

Climate and GHG Emissions

CONTINUED

Sustainable Design

Our efforts to reduce GHG emissions through sustainable design initiatives are supported by the Charles River Sustainability Capital Fund: a \$5M annual commitment to fund sustainability projects that reduce our environmental footprint across our global sites. Since its inception in 2020, \$13.5M has been approved for sustainability capital projects. These projects represent emissions reductions and avoidances of over 12,800 metric tons. This equates to over 7% of our baseline year Scope 1 and 2 GHG emissions.

To identify and implement improvements on the ground, we have developed a network of site-based and global team members that meet monthly to share best practices, review new technologies, and discuss opportunities for further reducing our environmental footprint. These teams include our Global Sustainability Champions, Global Energy Efficiency Champions, and our Green Labs Team.



Through the dedication of these groups, we implemented numerous sustainability and energy-efficiency projects across our facilities through 2022–23 including LED light retrofitting, the introduction of more efficient cooling units, and the use of solar thermal heating to produce hot water. We are pleased that our Leiden, Netherlands facility obtained green certification through My Green Labs, and several of our other facilities are also pursuing relevant environmental certification.

Renewable Electricity

Our renewable electricity procurement strategy is a key driver in our overall GHG reduction ambitions. Our journey began in 2020 when we became one of the first 300 members of **RE100** – a global corporate renewable energy initiative that commits Charles River to operating on 100% renewable electricity globally by 2030.

The first step in implementing our strategy was to execute a 15-year contract for a 102-megawatt solar vPPA located in Texas in 2020, which, as of January 2023, provides 100% of our North American electric power requirements with clean, renewable energy. We also signed a 12-year 30-megawatt wind power vPPA located in Spain in 2021. This went live in August 2023, and covers our entire European electricity load (including the U.K.). By the end of 2023, 92% of the electricity used within our global facilities came from renewable sources (see p.81 for more).

In addition to vPPAs, we partner with leading organizations to drive the adoption of green energy solutions. In 2022, we were recognized by the U.S. Environmental Protection Agency’s Green Power Partnership as a leader in green electricity use in the



Deriva Energy Solar Farm in Pisgah Ridge, Texas

United States. In 2023, we became members of the **Renewable Thermal Collaborative** – joining other leading companies looking to scale renewable energy for heating and cooling. We also became a sponsor of **Energize** through 2023, to increase access to renewable electricity in the pharmaceutical industry supply chain (see p.64).

Scope 3 Emissions

Our Scope 3 emissions reduction goal of 15% by 2030 will be achieved through ongoing engagement and collaboration with key suppliers. Understanding value chain emissions is a vital step to more accurately determining our carbon footprint – and our quantification of supplier sustainability practices provides us with more detailed and actionable data each year. As of 2023, approximately 75% of our total Scope 3 emissions sit within our supply chain –

with around 70% coming from purchased goods and services, and 5% from capital goods.

Beginning in 2021, we identified our Top 200 suppliers by GHG emissions (representing over 70% of our total supply chain GHG emissions) and invited them to share their emissions data. Total supplier participation has also increased year-over-year, and by the end of 2023 over 40% of the targeted suppliers were providing their emissions data.

In 2023, our total Scope 3 emissions increased by 30% from a baseline year of 2019. This continues to be driven by increased spending with our suppliers to support business growth. To achieve our 2030 commitment, we will need to further engage with suppliers and encourage them to commit to science-based targets and implement renewable electricity within their operations.

Climate and GHG Emissions

CONTINUED

Climate Risk

[The Task Force on Climate-related Financial Disclosures \(TCFD\)](#) is a framework which enables companies to provide better information to investors across the four key areas of: Climate Change; Governance; Risk Management; Strategy; and Metrics and Targets. In 2023, we partnered with Schneider Electric to conduct our first climate scenario analysis and aligned our approach with the TCFD recommendations, which we expect to complete during 2024. We are committed to evolving our internal program to continue to meet these requirements moving forward – and our formal response can be found in our inaugural TCFD Report, which will be available on our website later in 2024.

Waste and Water

Our EHS&S GOF and sustainable design programs seek to minimize waste through a focus on reduction, reuse, and recycling to divert waste away from landfill. We also promote the responsible use of water by focusing on conservation and reuse across our operations where possible.

In 2023, we commenced a pilot project with a strategic waste management partner at our Wilmington headquarters to promote waste minimization. We will do the same in 2024 at a select number of our U.K. sites and we will replicate any successes and learnings from these pilots across additional sites in the future.

SPOTLIGHT STORY

Award-winning Ways to Reduce Emissions

Charles River’s “Customized High Efficiency Automated Energy Recovery System” utilized at two of the Company’s facilities in China, was selected as an Energy Star Top Project of the Year in 2023 by the United States Environmental Protection Agency (US EPA) and was recognized at the ENERGY STAR Industrial Meeting in Orlando, Florida.

The two installations at our Chengdu and Shunde facilities collectively avoided over 5,300 metric tons of GHG emissions, as well as around 11,000 MWh of electricity use. A second project, “Solar Thermal System to Support Process Hot Water Loads” was also given an honorable mention. This U.K. solar thermal project pilot avoided 4,000 gallons of fuel oil to save 40 metric tons of annual GHG emissions during the year.



We have a responsibility to reduce our climate impact. I am proud of our efforts to reduce energy use and minimize our greenhouse gas emissions.”

John Wilkinson, Vice President Global Engineering, Facilities, Real Estate, Charles River



Responsible Supply Chain Management

Why It Matters

We recognize that the total impact of our operations doesn't stop with us – it extends across our global supply chain. We are dedicated to ensuring that our robust sustainability and social responsibility practices are commonplace across our entire supply base to create a responsible and ethically driven pharmaceutical industry.

We evaluate our suppliers regularly to ensure that they align to our standards of quality, accountability, and sustainability, and we directly engage with those who have the highest potential impact on environmental and social outcomes. Through our membership of the [Pharmaceutical Supply Chain Initiative \(PSCI\)](#) and [Energize](#), we adopt best practices while encouraging our suppliers to participate in sustainable initiatives that drive our industry forward.

Management Approach

Our CVP of Global Procurement is responsible for our supply chain management program. The CVP reports into our CFO, who has oversight of our global supply-chain standards and processes. Our Executive Director of EHS&S works with our procurement team to promote responsible supply chain practices.

This approach details the expectations we have of our suppliers to align with Charles River standards and PSCI principles covering human rights, ethics, labor, health and safety, and environment, including decarbonization.

In 2023, Charles River created a Senior Director of Supplier Diversity and Sustainability role to increase the operational focus on positive supplier ESG impact. The role reports directly to the CVP of Global Procurement.

How We Are Driving Progress

PSCI Membership

In June 2021, we became a member of the [Pharmaceutical Supply Chain Initiative \(PSCI\)](#), an association of pharmaceutical and healthcare companies dedicated to promoting responsible supply chain practices. The principles set out the relevant practices any business operating within the pharmaceutical supply chain is expected to uphold. All members are required to support and incorporate these principles into key supplier documents and agreements.

As a member of the PSCI, Charles River adheres to their principles for Responsible Supply Chain Management, and we expect our supply chain partners to do the same. The [Charles River Supplier Code of Conduct](#) is aligned with the PSCI principles, and in 2023, we enhanced our responsible supply chain management program by participating in various PSCI working groups and implementing PSCI best practices. Our Senior Director for Supplier Diversity and Sustainability is the co-lead of the PSCI Management Systems Topic Team.



Responsible Supply Chain Management

CONTINUED

We leverage many of the tools and resources of the PSCI to increase alignment with core PSCI principles across our supply chain. This includes our sponsorship of initiatives such as **Energize** to drive industry-wide action on renewable energy.

Risk Management and Screening

To assess supply chain risks, we use tools and technology that improve the completeness and accuracy of our supplier data, while also allowing us to gather information to better identify and mitigate any potential risks. For new and existing suppliers, we leverage these tools to build new processes and procedures that continuously monitor key risk indicators, collect data and certifications to better understand performance, and leverage ESG criteria to inform purchasing decisions. In 2023, we focused on driving improvements across three key technologies of risk assessment workflow, data sourcing, and repository information.

We are committed to reporting to shareholders on measures the Company is taking to reinforce confidence that the non-human primates we import are purpose-bred in accordance with applicable laws and our risk management standards. More detail is available on our website.

Supplier Diversity

We are passionate about partnering with diverse and small suppliers to create economic opportunities and strong relationships with local businesses. As a U.S. government contractor, a percentage of our annual spend is targeted for small businesses which grows year-over-year commensurate with business growth.

In 2023, 22% of our total U.S. addressable spend was with small and/or diverse suppliers. This percentage includes spend with U.S.-based small, minority-owned, women-owned, small-disadvantaged, HUB Zone, veteran-owned, and service-disabled businesses. As well as increasing supplier diversity during the year, we continued to engage with suppliers on a regular basis.

SPOTLIGHT STORY

Driving Sustainable Supply-Chain Practices Through Energize

In 2023, we became a sponsor of Energize – a first-of-its-kind program administered by Schneider Electric in partnership with the Pharmaceutical Supply Chain Initiative (PSCI). The program has two main objectives: to help suppliers learn about

renewable electricity purchasing, and to help them purchase renewable electricity via pathways that may not have been previously available.

In collaboration with Energize, Charles River aims to reduce Scope 3 GHG emissions by engaging with suppliers to promote the adoption of more sustainable supply chain practices.



Progress is... achieving 92% renewable electricity use globally

Charles River has set ambitious science-based targets to reduce our Scope 1 and 2 emissions by 50% for 2030 (see p.60). To help deliver this, we are also committed to using 100% renewable electricity across our global facilities by 2030, in line with our pledge to RE100 – a corporate renewable energy initiative that brings together businesses committed to 100% renewable electricity.

As of 2023, we have already achieved 92% renewable electricity implementation globally, and are now targeting 100% by 2025 – five years earlier than planned. Our rapid progress is the result of our vPPAs in North America (utilizing solar) and Europe (utilizing wind-power) that will supply all facilities in these regions with 100% renewable electricity for the next 12–15 years.

See p.60 to read more about our vPPAs, as well as our climate strategy and commitments.



Our vPPA strategy is helping us transition to the use of renewable electricity to power our global operations, while delivering our climate commitments ahead of time.”

Gregg Belardo, Executive Director,
Global EHS and Sustainability, Charles River

GRI Content Index

GRI Standard		Location/response	Omission
General Disclosures			
GRI 102: General Disclosures 2021			
2-1	Organizational details	About This Report (p.3), Our Company (p.6) Proxy statement	
2-2	Entities included in the organization’s sustainability reporting	About This Report (p.3), Proxy statement	
2-3	Reporting period, frequency and contact point	About This Report (p.3)	
2-4	Restatements of information	About This Report (p.3), ESG Data table (p.80)	
2-5	External assurance	ESG Library	
2-6	Activities, value chain and other business relationships	Our Company (p.6)	
2-7	Employees	ESG Data table (p.80)	
2-8	Workers who are not employees	Our Company (p.6)	
2-9	Governance structure and composition	Governance (p.29), Proxy statement	
2-10	Nomination and selection of the highest governance body	Governance (p.29), Proxy statement	
2-11	Chair of the highest governance body	Governance (p.29), Proxy statement	
2-12	Role of the highest governance body in overseeing the management of impacts	Governance (p.29), Proxy statement	
2-13	Delegation of responsibility for managing impacts	Governance (p.29), Proxy statement	
2-14	Role of the highest governance body in sustainability reporting	Governance (p.29), Proxy statement	
2-15	Conflicts of interest	Governance (p.29), Proxy statement	
2-16	Communication of critical concerns	Governance (p.29), Proxy statement	
2-17	Collective knowledge of the highest governance body	Governance (p.29), Proxy statement	
2-18	Evaluation of the performance of the highest governance body	Governance (p.29), Proxy statement	

GRI Standard		Location/response	Omission
2-19	Remuneration policies	Governance (p.29), Proxy statement	
2-20	Process to determine remuneration	Governance (p.29), Proxy statement	
2-21	Annual total compensation ratio	Proxy statement	
2-22	Statement on sustainable development strategy	Our Corporate Citizenship Strategy (p.8)	
2-23	Policy commitments	Compliance and Ethics (p.32), Human Rights (p.34). We maintain a global policy management process that governs the management of the Company’s corporate policies, including their creation, revision, retirement, review, approval, implementation, communication, and maintenance. The most senior representative of the applicable corporate function must approve all new policies, revisions to existing policies, and retirement of existing policies. This process applies to all employees of the Company worldwide.	
2-24	Embedding policy commitments	Compliance and Ethics (p.32)	
2-25	Processes to remediate negative impacts	Compliance and Ethics (p.32), Risk Management (p.36)	
2-26	Mechanisms for seeking advice and raising concerns	Compliance and Ethics (p.32)	
2-27	Compliance with laws and regulations		Confidentiality – We report in accordance with SEC requirements and do not publicly disclose fines imposed for non-material instances of non-compliance.
2-28	Membership associations	DE&I (p.49), Memberships and Organizations (p.89). More information on the animal welfare organizations we partner with can be found on our website: www.criver.com	
2-29	Approach to stakeholder engagement	Regulatory Affairs (p.35), Stakeholder Engagement (p.3)	
2-30	Collective bargaining agreements	Our employees are not unionized in the U.S. employees at some of our European facilities are represented by works councils, employee representative groups and/or unions, which is consistent with local customs for our industry. We collaborate with the works councils and believe we have good relationships with our employees. Proxy statement	Information unavailable – We do not track the percentage of total employees covered by collective bargaining agreements.

GRI Standard		Location/response	Omission
Material topics			
GRI 3: Material Topics 2021			
3-1	Process to determine material topics	Our Corporate Citizenship Strategy (p.8)	
3-2	List of material topics	Our Corporate Citizenship Strategy (p.8)	
Economic Performance			
GRI 3: Material Topics 2021			
3-3	Management of material topic	Our Company (p.6)	
GRI 201: Economic Performance 2016			
201-1	Direct economic value generated and distributed	Our Company (p.6)	
201-2	Financial implications and other risks and opportunities due to climate change	Climate and GHG Emissions (p.60), ESG Library	Partial omission [Data incomplete]. Refer to TCFD Report, to publish on ESG Library later in 2024.
201-3	Defined benefit plan obligations and other retirement plans	Several of our U.S. and non-U.S. subsidiaries sponsor either defined benefit pension and other post-retirement benefit plans. Furthermore, the Charles River Laboratories Employee Savings Plan is a defined contribution plan in the form of a qualified 401(k) plan in which substantially all U.S. employees are eligible to participate upon employment. The plan contains a provision whereby the Company matches a percentage of employee contributions. 10-K	
Market Presence			
GRI 3: Material Topics 2021			
3-3	Management of material topic	Total Rewards and Well-being (p.44), Community Engagement and Support (p.55)	
Change to GRI 202: Market Presence 2016			
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	We always meet minimum wage, and we pay fairly across gender.	
202-2	Proportion of senior management hired from the local community	We attract and hire the best talent for the role. In some cases this hiring occurs within the local geography, and in other cases this may require relocation. In the advent of increased virtual work as a result of the pandemic, we see the significance of geographic boundaries with respect to senior management lessening.	

GRI Standard		Location/response	Omission
Procurement Practices			
GRI 3: Material Topics 2021			
3-3	Management of material topic	Responsible Supply Chain Management (p.63)	
GRI 204: Procurement Practices 2016			
204-1	Proportion of spending on local suppliers	We are focused on increasing our small business spend as a part of our commitment as a U.S. Government contractor. We measure spend with small business and engage in programs, led by our Site Supplier Diversity and Inclusivity Champions, to identify potential small business engagement through participation in local Chambers of Commerce and other small business forums. We continue to expand both our analytical capabilities to connect site spend with local suppliers and our work with qualified small business suppliers wherever possible. ESG Data table (p.80)	
Anti-corruption			
GRI 3: Material Topics 2021			
3-3	Management of material topic	Compliance and Ethics (p.32)	
GRI 205: Anti-corruption 2016			
205-1	Operations assessed for risks related to corruption	Compliance and Ethics (p.32)	
205-2	Communication and training about anti-corruption policies and procedures	Compliance and Ethics (p.32)	
205-3	Confirmed incidents of corruption and actions taken	Charles River does not have any confirmed incidents of corruption and actions taken.	
Anti-competitive Behavior			
GRI 3: Material Topics 2021			
3-3	Management of material topic	Compliance and Ethics (p.32)	
GRI 206: Anti-competitive Behavior 2016			
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	ESG Data table (p.80)	

GRI Standard		Location/response	Omission
Energy			
GRI 3: Material Topics 2021			
3-3	Management of material topic	Climate and GHG Emissions (p.60)	
GRI 302: Energy 2016			
302-1	Energy consumption within the organization	ESG Data table (p.80)	
302-2	Energy consumption outside of the organization	ESG Data table (p.80)	
302-3	Energy intensity	ESG Data table (p.80)	
302-4	Reduction of energy consumption	ESG Data table (p.80)	
302-5	Reductions in energy requirements of products and services	ESG Data table (p.80)	
Water and Effluents			
GRI 3: Material Topics 2021			
3-3	Management of material topic	Climate and GHG Emissions (p.60)	
GRI 303: Water and Effluents 2018			
303-1 ¹	Interactions with water as a shared resource		
303-2 ¹	Management of water discharge-related impacts		
303-3 ¹	Water withdrawal		
303-4 ¹	Water discharge		
303-5 ¹	Water consumption		
Biodiversity			
GRI 3: Material Topics 2021			
3-3	Management of material topic	Climate and GHG Emissions (p.60)	

¹ Partial omission [Data incomplete]. We are building tracking mechanisms for these data, for a future ESG Report.

GRI Standard		Location/response	Omission
GRI 304: Biodiversity 2016			
304-2	Significant impacts of activities, products, and services on biodiversity	Charles River negotiated and collectively agreed to limit the habitats and timeframe for horseshoe crab harvesting in South Carolina to support both the horseshoe crab and migrating red knot populations. Subsequently, Charles River introduced a synthetic alternative, Endosafe® Trillium®, that has the capacity to significantly reduce the need for horseshoe crab material in biomedical testing. Joint press release	
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	We are committed to reporting to shareholders on measures the Company is taking to reinforce confidence that the non-human primates, such as Long-tailed Macaques, that we import are purpose-bred in accordance with applicable laws and our risk management standards. More detail is available on our website.	
Emissions			
GRI 3: Material Topics 2021			
3-3	Management of material topic	Climate and GHG Emissions (p.60)	
GRI 305: Emissions 2016			
305-1	Direct (Scope 1) GHG emissions	ESG Data table (p.80)	
305-2	Energy indirect (Scope 2) GHG emissions	ESG Data table (p.80)	
305-3	Other indirect (Scope 3) GHG emissions	ESG Data table (p.80)	
305-4	GHG emissions intensity	ESG Data table (p.80)	
305-5	Reduction of GHG emissions	ESG Data table (p.80)	
Waste			
GRI 3: Material Topics 2021			
3-3	Management of material topic	Climate and GHG Emissions (p.60)	
GRI 306: Waste 2020			
306-1 ¹	Waste generation and significant waste-related impacts		

¹ Partial omission [Data incomplete]. We are building tracking mechanisms for these data, for a future ESG Report.

GRI Standard		Location/response	Omission
306-2 ¹	Management of significant waste-related impacts		
306-3 ¹	Waste generated		
306-4 ¹	Waste diverted from disposal		
306-5 ¹	Waste directed to disposal		
Supplier Environmental Assessment			
GRI 3: Material Topics 2021			
3-3	Management of material topic	Climate and GHG Emissions (p.60)	
GRI 308: Supplier Environmental Assessment 2016			
308-1	New suppliers that were screened using environmental criteria	Since 2019, all new North American-based suppliers are asked a series of environmental questions, and this process was extended to our European suppliers in 2023. The environmental screening questions cover such topics as policy coverage, regulatory fines, and the measurement of the reduction of GHGs, water use, and waste generation.	
308-2 ¹	Negative environmental impacts in the supply chain and actions taken		
Employment			
GRI 3: Material Topics 2021			
3-3	Management of material topic	Total Rewards and Well-being (p.44)	
GRI 401: Employment 2016			
401-1	New employee hires and employee turnover	ESG Data table (p.80)	

¹ Partial omission [Data incomplete]. We are building tracking mechanisms for these data, for a future ESG Report.

GRI Standard		Location/response	Omission
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	As a global organization, our growth and development depends on hiring and retaining a skilled and diverse workforce in a highly competitive marketplace. We continue to invest in our total compensation package, engagement approach, career development, and employee well-being. Our goal is to be best in class and we do so by maintaining an effective and equitable attraction and retention strategy and informing practices through collaboration, data analysis, and regular feedback. We offer competitive pay, time off, stock awards, employee discounts, tuition reimbursement, and competitive retirement options to employees who are generally designated as full-time and part-time employees in selected countries. Our Pay Policies and Benefit Offerings are available for all our employees and detail our process for fair compensation. Proxy statement	
401-3	Parental leave	Total Rewards and Well-being (p.44). We offer all U.S employees six weeks' paid parental leave on birth or adoption. For birth mothers, this is in addition to the 6-8 weeks they would receive in short-term disability (depending on the type of birth).	
Labor/Management Relations			
GRI 3: Material Topics 2021			
3-3	Management of material topic	Human Rights (p.34), People Strategy (p.40)	
GRI 402: Labor/Management Relations 2016			
402-1	Minimum notice periods regarding operational changes	We comply with federal and local state requirements regarding announcements of significant operational changes. Furthermore, we work with our local works councils with our jurisdictions and in compliance with local laws and collective bargaining agreements.	
Occupational Health and Safety			
GRI 3: Material Topics 2021			
3-3	Management of material topic	Health and Safety (p.52)	
GRI 403: Occupational Health and Safety 2018			
403-1	Occupational health and safety management system	Health and Safety (p.52)	
403-2	Hazard identification, risk assessment, and incident investigation	Health and Safety (p.52)	
403-3	Occupational health services	Health and Safety (p.52)	

GRI Standard		Location/response	Omission
403-4	Worker participation, consultation, and communication on occupational health and safety	Health and Safety (p.52)	
403-5	Worker training on occupational health and safety	Health and Safety (p.52)	
403-6	Promotion of worker health	Benefits page	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Health and Safety (p.52)	
403-8	Workers covered by an occupational health and safety management system	We utilize a EHS&S global operating framework (GOF) which includes topics related to occupational health and safety (p.52)	
403-9	Work-related injuries	Health and Safety (p.52). In September 2022, one of our facilities experienced a fatality as a result of a Utility Terrain Vehicle (UTV) incident. As an organization, we redoubled our efforts to maintain a safe workplace.	
403-10	Work-related ill health	These data are included as part of our TRIR (p.53)	
Training and education			
GRI 3: Material Topics 2021			
3-3	Management of material topic	Employee Engagement and Development (p.46)	
GRI 404: Training and Education 2016			
404-1	Average hours of training per year per employee	ESG Data table (p.80)	
404-2	Programs for upgrading employee skills and transition assistance programs	Employee Engagement and Development (p.46)	
404-3	Percentage of employees receiving regular performance and career development reviews	ESG Data table (p.80)	
Diversity and equal opportunity			
GRI 3: Material Topics 2021			
3-3	Management of material topic	DE&I (p.49)	
GRI 405: Diversity and Equal Opportunity 2016			
405-1	Diversity of governance bodies and employees	DE&I (p.49)	

GRI Standard		Location/response	Omission
405-2	Ratio of basic salary and remuneration of women to men	Charles River continues to demonstrate equitable pay practices with a <1% gap by gender globally. We perform pay equity audits in countries where they are legally required, and we also perform a larger pay equity analysis on a global scale and take corrective action where appropriate. Furthermore, our global job architecture generally allows for aligning pay by job role with market rates and serves as a career path tool to encourage a culture of advancement. Gender pay gap reports for various operations in the U.K., France, and Europe can be found on the ESG Library page of our Company website.	
Non-discrimination			
GRI 3: Material Topics 2021			
3-3	Management of material topic	Compliance and Ethics (p.32). We are an Equal Employment Opportunity (EEO) employer and comply with regulations. Code of Business Conduct	
GRI 406: Non-discrimination 2016			
406-1	Incidents of discrimination and corrective actions taken		Confidentiality – We report in accordance with SEC requirements and do not publicly disclose incidents or individual cases of discrimination.
Freedom of Association and Collective Bargaining			
GRI 3: Material Topics 2021			
3-3	Management of material topic	Human Rights (p.34). With respect to these issues, we operate in compliance with all applicable laws and regulations.	
GRI 407: Freedom of Association and Collective Bargaining 2016			
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Human Rights (p.34). With respect to these issues, we operate in compliance with all applicable laws and regulations.	

GRI Standard		Location/response	Omission
Child Labor			
GRI 3: Material Topics 2021			
3-3	Management of material topic	Human Rights (p.34). We have policies and statements in place, as well as mitigation and due diligence processes to help prevent instances of child labor and to operate in compliance with all applicable laws and regulations.	
GRI 408: Child Labor 2016			
408-1	Operations and suppliers at significant risk for incidents of child labor	Charles River is not aware of any operations or suppliers at significant risk.	
Forced or Compulsory Labor			
GRI 3: Material Topics 2021			
3-3	Management of material topic	Human Rights (p.34). With respect to these issues, we have policies and statements in place as well as mitigation and due diligence processes to help prevent instances of forced or compulsory labor.	
GRI 409: Forced or Compulsory Labor 2016			
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	We have mitigation and due diligence processes to help prevent instances of forced or compulsory labor.	
Local Communities			
GRI 3: Material Topics 2021			
3-3	Management of material topic	Community Engagement and Support (p.55)	
GRI 413: Local Communities 2016			
413-1	Operations with local community engagement, impact assessments, and development programs	Community Engagement and Support (p.55)	
Supplier social assessment			
GRI 3: Material Topics 2021			
3-3	Management of material topic	Responsible Supply Chain Management (p.63)	

GRI Standard		Location/response	Omission
GRI 414: Supplier Social Assessment 2016			
414-1	New suppliers that were screened using social criteria	Since 2019, all new North American-based suppliers are asked a series of questions to understand their Labor and Ethics Practices. In 2023 these were extended to European suppliers. The screening questions cover such topics as freely-chosen labor; non-hazardous work; legal age for employment; business ethics and compliance; and truthful and accurate advertising.	
414-2 ¹	Negative social impacts in the supply chain and actions taken		
Public Policy			
GRI 3: Material Topics 2021			
3-3	Management of material topic	Regulatory Affairs (p.35)	
GRI 415: Public Policy 2016			
415-1	Political contributions	Charles River does not make direct political contributions to individual candidates, parties, committees, or IRS Section 527 entities, or to influence the outcome of campaigns or ballot measures. In addition, Charles River does not contribute directly to any independent expenditure or electioneering communication (as those are defined by law). Charles River also does not generally make payments to 501(c)(4) tax-exempt organization that the recipient may use for political purposes, and we do not presently have a Political Action Committee (PAC). Political Contributions Policy	
Customer Privacy			
GRI 3: Material Topics 2021			
3-3	Management of material topic	Data Security and Privacy (p.27)	
GRI 418: Customer Privacy 2016			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Data Security and Privacy (p.27). In 2022-23, we did not have any substantiated customer complaints from outside parties or regulatory bodies.	

Topics not included in this index are deemed to be non-material by Charles River.

¹ Partial omission [Data incomplete]. We are building tracking mechanisms for these data, for a future ESG Report.

SASB Biotechnology and Pharmaceuticals Index

Topic	Code	Accounting Metric	Location or Direct Answer
Safety of Clinical Trial Participants	HC-BP-210a.1	Discussion, by world region, of management process for ensuring quality and patient safety during clinical trials	Omission: Metric is not applicable. Charles River does not conduct clinical trials.
Safety of Clinical Trial Participants	HC-BP-210a.2	Number of FDA Sponsor Inspections related to clinical trial management and pharmacovigilance that resulted in: (1) Voluntary Action Indicated (VAI) and (2) Official Action Indicated (OAI)	
Safety of Clinical Trial Participants	HC-BP-210a.3	Total amount of monetary losses as a result of legal proceedings associated with clinical trials in developing countries	
Access to Medicines	HC-BP-240a.1	Description of actions and initiatives to promote access to health care products for priority diseases and in priority countries as defined by the Access to Medicine Index	Omission: Metric is not applicable. Charles River does not engage directly with patients or doctors, and does not promote, market, sell, or prescribe medications.
Access to Medicines	HC-BP-240a.2	List of products on the WHO List of Prequalified Medicinal Products as part of its Prequalification of Medicines Programme (PQP)	
Affordability and Pricing	HC-BP-240b.1	Number of settlements of Abbreviated New Drug Application (ANDA) litigation that involved payments and/or provisions to delay bringing an authorized generic product to market for a defined time period	
Affordability and Pricing	HC-BP-240b.2	Percentage change in: (1) average list price and (2) average net price across U.S. product portfolio compared to previous year	
Affordability and Pricing	HC-BP-240b.3	3 Percentage change in: (1) list price and (2) net price of product with largest increase compared to previous year	
Drug Safety	HC-BP-250a.1	List of products listed in the Food and Drug Administration’s (FDA) MedWatch Safety Alerts for Human Medical Products database	
Drug Safety	HC-BP-250a.2	Number of fatalities associated with products as reported in the FDA Adverse Event Reporting System	
Drug Safety	HC-BP-250a.3	Number of recalls issued, total units recalled	
Drug Safety	HC-BP-250a.4	Total amount of product accepted for takeback, reuse, or disposal	
Drug Safety	HC-BP-250a.5	Total amount of product accepted for takeback, reuse, or disposal	
Counterfeit Drugs	HC-BP-260a.1	Description of methods and technologies used to maintain traceability of products throughout the supply chain and prevent counterfeiting	
Counterfeit Drugs	HC-BP-260a.2	Discussion of process for alerting customers and business partners of potential or known risks associated with counterfeit products	
Counterfeit Drugs	HC-BP-260a.3	Number of actions that led to raids, seizure, arrests, and/or filing of criminal charges related to counterfeit products	

Topic	Code	Accounting Metric	Location or Direct Answer
Ethical Marketing	HC-BP-270a.1	Total amount of monetary losses as a result of legal proceedings associated with false marketing claims.	ESG Data table (p.88)
Ethical Marketing	HC-BP-270a.2	Description of code of ethics governing promotion of off-label use of products.	Omission: Metric is not applicable. Charles River does not engage directly with patients or doctors, and does not promote, market, sell, or prescribe medications.
Employee Recruitment, Development, and Retention	HC-BP-330a.1	Discussion of talent recruitment and retention efforts for scientists and research and development personnel.	Talent Acquisition (p.43)
	HC-BP-330a.2	– (1) Voluntary and (2) involuntary turnover rate for: (a) executives/senior managers, (b) midlevel managers, (c) professionals, and (d) all others.	ESG Data table (p.86)
• Supply Chain Management	HC-BP-430a.1	Percentage of (1) entity’s facilities and (2) Tier I suppliers’ facilities participating in the Rx-360 International Pharmaceutical Supply Chain Consortium audit program or equivalent third-party audit programs for integrity of supply chain and ingredients	<ul style="list-style-type: none"> • Code of Business Conduct and Ethics • Supplier Code of Conduct • Responsible Supply Chain Management (p.63)
• Business Ethics	HC-BP-510a.1	Total amount of monetary losses as a result of legal proceedings associated with corruption and bribery.	ESG Data table (p.88)
	HC-BP-510a.2	Description of code of ethics governing interactions with health care professionals	Omission: Metric is not applicable. Charles River does not engage directly with patients or doctors, and does not promote, market, sell, or prescribe medications.
• Activity Metric	HC-BP-000.A	Number of patients treated	Omission: Metric is not applicable. Charles River does not engage directly with patients or doctors, and does not promote, market, sell, or prescribe medications.
	HC-BP-000.B	Number of drugs (1) in portfolio and (2) in research and development (Phases 1–3)	Omission: Metric is not applicable. Charles River does not conduct clinical trials.

Charles River ESG Performance Data

Metric	Unit	Baseline	2021	2022	2023	Notes
Company information						
Employees						
Total employees	#	–	20,000	21,400	21,800	Headcount as of fiscal year-end.
Science professionals with advanced degrees, including Ph.D.s, D.V.M.s, and M.D.s	#	–	2,000	2,600	2,600	–
Annual revenue	\$ billions	–	\$3.54	\$3.98	\$4.13	–
Number of regulatory approvals for new products	#	–	Worked on 86% of FDA approved drugs	Worked on 76% of FDA approved drugs	Worked on 85% of FDA approved drugs	–
Environmental						
GHG Emissions						
Scope 1 (Direct) Emissions ¹	MT CO ₂ e	86,284	89,005	90,002	85,957	Baseline is 2018.
Carbon Dioxide (CO ₂) emissions ¹	MT CO ₂ e	85,758	88,437	89,407	85,356	
Methane (CH ₄) emissions ¹	MT CO ₂ e	49	50	51	48	
Nitrous Oxide (N ₂ O) emissions ¹	MT CO ₂ e	53	55	56	53	
HFCs ¹	#	424	463	489	499	
Scope 2 (Energy Indirect) Emissions ¹	MT CO ₂ e	79,271	42,266	45,976	18,031	Baseline is 2018.
Scope 1 and 2 GHGs ¹	MT CO ₂ e	165,555	131,271	135,978	102,610	Baseline is 2018.
Scope 1 and 2 GHG Reduction based on 2018 baseline ¹	%	–	-20.7%	-17.9%	-37.2%	
Scope 3 (Other Indirect) Emissions ¹	MT CO ₂ e	334,829	395,537	423,884	435,795	Baseline is 2019. Data is result of both actual and economic model calculations.

¹ Annual data reflects data through December 31 of the respective year. Verification of 2023 GHG data will be completed in 2024 with confirmed data published to the 2023 ESG Data Table on Charles River’s [ESG Library](#). Historical data for 2021–23 updated to reflect both divested sites and sites acquired through acquisition. Noveprim acquisition not included in data.

Metric	Unit	Baseline	2021	2022	2023	Notes
Scope 3 GHG Changed based on 2019 baseline	%	–	^ 18.1%	^ 26.6%	^ 30.2%	–
CDP Climate Score	–	C	A-	A-	A-	From CDP Climate Survey.
CDP Supplier Engagement rating	–	C	A	A-	B	From CDP Climate Survey.
Energy						
Steam Consumption ¹	MWh	186,720	205,509	204,325	194,386	
Heating Consumption ¹	MWh	281,249	290,921	294,269	280,312	
Total Electricity Consumption ¹	MWh	253,711	269,706	292,780	301,260	
Electricity consumption from renewable sources ¹	MWh	1,257	96,904	104,254	275,929	
Electricity consumption from non-renewable sources ¹	MWh	252,454	172,801	188,525	25,331	
Solar Thermal Heating – On Site	MWh	0	0	0	12	
Fuel used – Natural Gas ¹	MWh	442,275	458,976	460,608	437,273	
Fuel Used – Kerosene ¹	MWh	1,045	6,270	6,530	8,039	
Fuel used – Gasoline ¹	MWh	1,617	566	886	213	
Fuel used – Diesel ¹	MWh	16,394	12,191	13,371	12,903	
Fuel used – Propane ¹	MWh	4,200	2,500	3,586	3,844	
Fuel Used – Biomass ¹	MWh	30	840	884	1,041	
Environmental Management						
EHS&S-related notices of non-compliance	#	–	6	1	6	–
Environmental Fines	#	–	0	1	2	–
Environmental Fines (amount)	\$	–	\$0	\$3,175	\$13,561	U.S. Dept. of Labor OSHA – July 10, 2023= \$3,386.00 U.S. Dept. of Labor OSHA – February 7, 2023= \$10,175.00

¹ Annual data reflects data through December 31 of the respective year. Verification of 2023 GHG data will be completed in 2024 with confirmed data published to the 2023 ESG Data Table on Charles River’s [ESG Library](#). Historical data for 2021–23 updated to reflect both divested sites and sites acquired through acquisition. Noveprim acquisition not included in data.

Metric	Unit	Baseline	2021	2022	2023	Notes
Spills						
Total spills resulting in release	#	–	0	0	0	
Amount of spills resulting in release	BOE	–	0	0	0	
Social						
Community Impact						
Total Investments	\$	–	\$2,809,091	\$2,809,792	–	Data based on IRS Federal Returns – what is claimed as a charitable contribution on line 19. The 2023 final donation amount will be based on IRS Federal Returns filed late 2024.
Total Volunteer Time Off (VTO) hours	#	–	13,126	22,025	29,014	In response to the COVID-19 pandemic, in 2021 and 2022, the scope of VTO expanded to include “Acts of Care”. Employees, through “Acts of Caregiving”, could utilize VTO in support of the caregiving of another. Acts of Caregiving sunsetted on December 31, 2022.
Employee Participation in VTO	#	–	1,829	3,444	5,252	Based on employee headcounts as of December 31. Headcount does not include Insourcing Solutions employees.
Employee Participation in VTO	%	–	10%	16%	26%	Based on employee headcounts as of December 31. Headcount does not include Insourcing Solutions employees.
Employees²						
Permanent Employees	#		20,000	21,400	21,800	Headcount as of fiscal year-end
Men	#		8,100	8,600	8,600	Excludes Noveprim
Women	#		11,900	12,800	12,800	Excludes Noveprim
United States	#		10,000	10,800	10,700	–
Asia	#		1,100	900	1,300	–
Europe	#		6,300	6,600	6,700	–
Other	#		2,600	3,100	3,200	–
Temporary Employees	#	–	3,300	3,400	2,900	Headcount with a designation of “Temp” in the “Reg/Temp” field
Men	#		–	–	–	Our HR systems do not collect this data

² Numbers rounded to nearest hundred or tens, as applicable.

Metric	Unit	Baseline	2021	2022	2023	Notes
Women	#		–	–	–	Our HR systems do not collect this data
United States	#		1,000	1,100	1,000	–
Asia	#		400	400	100	–
Europe	#		1,700	1,800	1,700	–
Other	#		200	100	100	–
Non-guaranteed hours employees	#		250	270	220	Headcount with a designation of “On Call” in the Full-/Part-Time field
Men	#		100	100	80	–
Women	#		100	200	140	–
United States	#		20	20	10	–
Asia	#		–	–	–	–
Europe	#		50	70	60	–
Other	#		180	180	150	–
Full-time Employees	#		18,700	20,000	20,400	Headcount with a designation of “FT” in the “Full-/Part-Time” field
Men	#		7,800	8,300	8,300	Excludes Noveprim acquisition.
Women	#		10,900	11,700	11,600	Excludes Noveprim acquisition.
United States	#		9,800	10,600	10,500	–
Asia	#		1,100	900	900	–
Europe	#		5,300	5,500	5,500	–
Other	#		2,500	3,000	3,500	–
Part-time Employees	#	–	1,400	1,500	1,400	Headcount with a designation of “PT” in the “Full-/Part-Time” field
Men	#		300	300	300	–
Women	#		1,100	1,200	1,100	–
United States	#		200	200	160	–

Metric	Unit	Baseline	2021	2022	2023	Notes
Asia	#		7	6	2	–
Europe	#		1,100	1,200	1,160	–
Other	#		100	100	100	–
Workers who are not employees and whose work is controlled by the organization	#		1,400	1,400	1,000	Contingent Contract Workers
Type of worker – example one	#		500	400	300	IT Functional Area
Type of worker – example two	#		600	700	400	Safety and RMS Operational Functional Area
Employee Diversity						
Men in Workforce	%	–	40.5%	40.0%	40.2%	All roles globally.
Women in Workforce	%	–	59.5%	60.0%	59.8%	All roles globally.
Employees from underrepresented racial and ethnic groups	%	–	29.1%	31.2%	31.8%	U.S. only: Underrepresented racial and ethnic group definition: where ethnic group is not white.
Asian	%	–	7.2%	7.2%	7.7%	U.S. only.
Black/African American	%	–	8.3%	9.0%	9.3%	U.S. only.
Hispanic/Latino	%	–	11.1%	12.0%	11.8%	U.S. only.
Two or more races	%	–	2.1%	2.5%	2.5%	U.S. only.
White	%	–	70.6%	68.6%	68.2%	U.S. only.
American Indian/Alaskan Native	%	–	0.2%	0.03%	0.30%	U.S. only.
Native Hawaiian or other Pacific Islander	%	–	0.3%	0.3%	0.3%	U.S. only.
Do not wish to disclose	%	–	0.3%	0.2%	0.0%	U.S. only.
Executive Leadership						
Women	%	–	34.8%	38.0%	42.1%	Defined as VP+.
Underrepresented racial and ethnic groups	%	–	11.1%	7.4%	10.3%	Defined as VP+ (U.S. only). Underrepresented racial and ethnic group definition: where ethnic group is not white.

Metric	Unit	Baseline	2021	2022	2023	Notes
Managers						
Women	%	–	51.3%	52.1%	52.9%	Defined as manager, excludes executive leadership (VP+).
Underrepresented racial and ethnic groups	%	–	18.9%	21.0%	21.2%	Defined as manager, excludes executive leadership (VP+). U.S. only. Underrepresented racial and ethnic group definition: where ethnic group is not white.
Employee Attraction³						
Hires By Region						
United States	#	–	2,929	3,263	2,000	–
Asia	#	–	289	427	300	–
Europe	#	–	1,514	1,427	1,000	–
Other	#	–	581	593	400	–
Total Employee Hires	#	–	5,313	5,710	3,700	–
Hires by Gender						
Female	#	–	3,210	2,406	2,100	–
Male	#	–	2,101	3,304	1,600	–
Hires by Age Group						
Under 30	#	–	2,904	3,232	2,100	–
30–50	#	–	2,009	2,119	1,400	–
50+	#	–	390	359	200	–
Employee Development						
Employee recognition e-cards sent	#	–	18,118	20,021	20,662	–
Total completed courses	#	–	291,959	337,239	410,042	Does not include onboarding data for Insourcing Solutions hires.

³ 2023 numbers rounded to nearest hundred or tens, as applicable.

Metric	Unit	Baseline	2021	2022	2023	Notes
Average number of completed courses per employee	#	–	15	15	19	The implementation of talentHUB Learning starting in 2021 is part of a multi-year strategy to centralize, capture, and further integrate learning for our employees in the coming years. This average does not include a majority of the skill-based and scientific regulated training captured in local systems.
Average number of training hours per employee			–	–	11	Based on total hours of training (233,589) divided by employee count.
Percentage of employees receiving regular performance reviews	%	–	93%	88%	89%	Baseline from 2019.
Employee Engagement Survey – employee participation	%	–	62%	65%	68%	Per employee feedback, listening strategy in 2023 shifted from three to two Employee Pulse Surveys throughout the year.
Employee Retention						
Voluntary turnover rate (a) executives/senior managers, (b) midlevel managers, (c) professionals, and (d) all others	#	–	(a) 3.10% (b) 7.6% (c) 11.6% (d) 19.6%	(a) 10.6% (b) 7.3% (c) 11.8% (d) 18.0%	(a) 6.9% (b) 5.4% (c) 7.4% (d) 14.1%	–
Involuntary turnover rate (a) executives/senior managers, (b) midlevel managers, (c) professionals, and (d) all others	#	–	(a) 6.1% (b) 3.5% (c) 7.4% (d) 5.5%	(a) 4.1% (b) 2.4% (c) 1.5% (d) 3.8%	(a) 4.3% (b) 3.4% (c) 3.4% (d) 6.0%	–
Total Turnover (Rate)	%	–	21.1%	20.0%	18.0%	–
Turnover by gender						
Female (Rate)	%	–	20.7%	19.5%	17.3%	–
Male (Rate)	%	–	22.0%	20.5%	19.0%	–
Turnover by age group						
Under 30 (Rate)	%	–	31.4%	29.2%	20.0%	–
30–50 (Rate)	%	–	17.0%	15.2%	10.5%	–
50+ (Rate)	%	–	16.3%	14.4%	8.4%	–

Metric	Unit	Baseline	2021	2022	2023	Notes
Worker Safety⁴						
Main types of work-related injury	Type					Injury by animal; injury by sharp object; injury through manual handling and lifting
Fatalities from work-related injury – Employees	#	–	0	1	0	
Fatalities from work-related injury – Contractors	#	–	0	0	0	
Lost Time Incident Rate – Employees	rate	1.96	2.29	2.04	2.51	Baseline is 2018.
Total Recordable Incident Rate (TRIR) – Employees	rate	4.97	4.01	4.44	4.91	Baseline is 2018.
TRIR Reduction based on 2018 baseline	%	–	-19.3%	-10.7%	-1.2%	
U.S. Suppliers: Diverse (including Small Business)⁵						
Small Business	\$	–	\$136,678,390	\$159,894,131	\$171,664,365	
Veteran	\$	–	\$1,707,279	\$9,555,010	\$12,951,837	
Women Owned Business	\$	–	\$10,240,400	\$12,916,220	\$15,867,726	
Minority	\$	–	\$1,133,657	\$3,753,370	\$5,466,665	
Small Disadvantaged Business	\$	–	\$6,205,800	\$18,711,250	\$25,599,868	
Disadvantaged Business	\$	–	\$538,674	\$1,141,406	\$645,969	Reduction in spend impacted by a migration of 12 suppliers away from the DBE qualification.
HUB Zone	\$	–	\$193,210	\$237,215	\$404,555	
Veteran Disabled Business	\$	–	\$160,362	\$1,078,688	\$1,494,530	
Animal Welfare						
Facilities subject to national and international certification	%	–	~95%	~95%	~95%	CRL sites accredited according to national and/or international guidelines or accreditation standards. Figures represent estimates. Plan is to achieve 100% accreditation.
Governance						
Board						
Number of Board members	#	–	10	11	11	2021 data updated to reflect year-end.

⁴ Excludes Noveprim acquisition.

⁵ U.S. only. Some suppliers may be classified in one or more area(s). Our changes in reported spend across diverse categories in 2023 reflect the addition of spend source data available through our corporate card partner.

Metric	Unit	Baseline	2021	2022	2023	Notes
Board members – Independent	%	–	90.0%	82.0%	82.0%	2021 data updated to reflect year-end.
Board members – Female	%	–	30.0%	27.0%	27.0%	2021 data updated to reflect year-end.
Board members – Underrepresented racial and ethnic groups	%	–	10.0%	9.0%	9.0%	2021 data updated to reflect year-end.
Board members – Under 30	%	–	0%	0%	0%	–
Board members – 30–50	%	–	0%	0%	0%	–
Board members – 50+	%	–	100.0%	100.0%	100.0%	–
Directors Attending 75% or More of Board Meetings and Committee Meetings	%	–	100.0%	100.0%	100.0%	Each director attended 75% or more of the aggregate number of Board meetings and the committee meetings of the Board on which he or she served.
Ethics and Responsible Business						
Inquiries received through ethics reporting channels	#	–	36	48	81	Based on reports submitted through the Charles River Helpline.
Monetary loss from legal proceedings associated with corruption and bribery	\$	–	\$0	\$0	\$0	Charles River is unaware of any current legal proceedings associated with bribery and corruption.
Monetary losses as a result of legal proceedings associated with false marketing claims	\$	–	\$0	\$0	\$0	–
Total base salaries for named executive officers as set forth in 2023 Summary Compensation Table in Proxy Statement	\$	–	\$3,495,854	\$3,955,133	\$3,895,736	2021 amount corrected to reflect total base salaries as published in 2021 Proxy.

Memberships and Organizations

Memberships and Organizations

Charles River actively engages in and partners with organizations and peer networks to advance our corporate, industry, and ESG efforts. Our key partnerships and memberships include:

- AAALAC International
- American Association for Animal Laboratory Science (AALAS)
- American Veterinary Medical Association (AVMA)
- BioPharma EHS Forum
- Boston College Center for Corporate Citizenship (BCCCC)
- Business Ambition for 1.5C
- Carbon Disclosure Project (CDP)
- Centre for Alternatives to Animal Testing (CAAT)
- Chief Executives for Corporate Purpose (CECP)
- Disability:IN
- Diversity Alliance For Science (DA4S)
- Energize
- European Animal Research Organization (EARA)
- myGwork
- National Centre for the Replacement, Reduction, and Refinement of Animals in Research (NC3Rs)
- 3Rs Collaborative (3RsC)
- Pharmaceutical Supply Chain Initiative (PSCI)
- RE100 Climate Group
- Renewable Thermal Collaborative
- Science Based Targets initiative (SBTi)
- STEM Connector
- Tanenbaum
- United Global Compact
- Universities Federation for Animal Welfare (UFAW)
- US EPA Energy Star Partner

