

Environmental, Social and Governance (ESG) report

We care: Keeping patients at the heart of everything we do

With Heart™



Parexel's Environmental, Social and Governance (ESG) report outlines the company's ESG priorities, strategies and activities for calendar years 2022 to 2023 unless otherwise noted. We're committed to regular and transparent communication of our ESG efforts. To provide feedback or ask questions about this report, please email Lori Dorer, Senior Vice President, Corporate Communications at CorporateCommunications@Parexel.com.

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»»» A Letter from our CEO, Jamie Macdonald



At Parexel, what we do, we do With Heart™. Strengthened by the legacy of our leadership and focus on operational excellence, our Environmental, Social and Governance (ESG) priorities are key to our long-term success and resiliency in the evolving clinical development landscape.

This year Parexel's ESG Oversight and Governance Committee spearheaded our 2022 Materiality Assessment, establishing the environmental goals we aim to achieve by 2025. With these principles as our foundation, we will continue to enhance our strategy, culture and day-to-day operations in ways that advance the health of our patients, people and communities worldwide.

We know that the actions we take today are critical to support a sustainable future. It's with this future in mind that we're excited to highlight our progress.



“We firmly believe that having a diverse, equitable and inclusive organization allows us to build stronger relationships with our patients, sites, customers and suppliers, ultimately expanding care access to traditionally underrepresented patient populations. ”



»»» A Letter from our CEO, Jamie Macdonald (continued)



Our patients

Our work starts with patients who sit at the heart of everything we do. In 2022, we introduced cancer thriver and rare disease care partner Stacy Hurt as our first-ever Patient Ambassador. In her role, Stacy is helping us continue to develop patient-guided clinical trials that reduce patient burden so that participation is as easy as possible for patients and their families. Also in support of our Patients First focus we remain committed to the continued evolution of the clinical trials process and the achievement of health equity through our efforts and partnership with patient communities traditionally underrepresented in research.



Our people

Our progress in making a difference for patients worldwide would not be possible without continued investment in our people. We firmly believe that having a diverse, equitable and inclusive organization allows us to build stronger relationships with our patients, sites, customers and suppliers, ultimately expanding care access to traditionally underrepresented patient populations.

We are incredibly proud of our high ratings in employee satisfaction and continued external recognition of our efforts, including ranking highest among all CROs on the Human Rights Campaign's 2022 Corporate Equality Index and earning recognition as a winner of the highly prestigious Catalyst Award in 2022 for our work in leveraging gender partnership to advance women in leadership roles. As we continue fostering a culture that makes everyone feel valued, respected and supported, our Diversity, Equity and Inclusion (DEI) Employee Committees help our teams deepen their commitment to the work we do and each other.



Our communities and our world

The same care and commitment we demonstrate each day for our patients and people is also reflected in our communities. We continue to reduce our environmental footprint by scaling back our resource consumption, achieving 48% reduction in CO2 emissions from air travel in 2022 from our 2019 baseline. We've also made our facilities more sustainable, with 42% of our global operations located in LEED or BREEAM buildings. Our continued progress has been recognized by EcoVadis, achieving a silver award – ranking us within the top 12% of companies in our industry.

With the dedication of our 21,000+ colleagues across the globe, I'm confident in our ability to bring forth new, sustainable solutions that drive forward our greater mission to support people, communities and our world. I invite you to read on to learn more about how our ESG priorities are being implemented throughout our work – With Heart™.

Sincerely,

A handwritten signature in black ink, appearing to read "Jamie Macdonald".

Jamie Macdonald
Chief Executive Officer, Parexel

>>> Parexel by the numbers

parexel® Founded **1982**

Headquarters

Durham, NC



70+ countries

served by our pure-play
Phase I-IV CRO



21,000+ colleagues across **49 countries**



1,970
clinical projects
in the last five years



Double-digit
revenue growth
from 2021 to 2022



>>> About us and company values

About us

We speed your life-changing medicines to patients

Parexel is among the world's largest clinical research organizations (CROs), providing the full range of Phase I to IV clinical development services to help lifesaving treatments reach patients faster. Leveraging the breadth of our clinical, regulatory and therapeutic expertise, our team of more than 21,000 global professionals works in partnership with biopharmaceutical leaders, emerging innovators and sites to design and deliver clinical trials with patients in mind, increasing access and participation to make clinical research a care option for anyone, anywhere.

Our depth of industry knowledge and strong track record gained over the past 40 years is moving the industry forward and advancing clinical research in healthcare's most complex areas, while our innovation ecosystem offers solutions to make every phase of the clinical trial process more efficient. Our top-notch people, insight and focus on operational excellence allow us to work every day to treat patients with dignity and continuously learn from their experiences, so every trial makes a difference.

Our company values

Our values are at the center of our operating platform and our promise to speed life-changing medicine to market and engage patients With Heart™.



Patients First

We're all patients at some point in our lives, so we always see patients as people, not numbers or results. We remember how important they are to the success of our projects.



Empowerment and accountability

Our passion for the work we do drives us to embrace new challenges. It's how we develop as colleagues and innovate as a company. And most importantly, it enables us to improve the lives of patients. We trust each other to pursue great ideas, admit and learn from our mistakes and keep our commitments.



Respect

Our teams are supportive, compassionate and kind. We foster a work environment that is collaborative and confident. We respect the unique expertise and abilities we all bring and welcome the opportunity to give credit and praise and to reward our colleagues for a job well done. We are proactive and provide performance-based, real-time feedback against individual performance goals to help our colleagues improve their skills and grow as professionals.

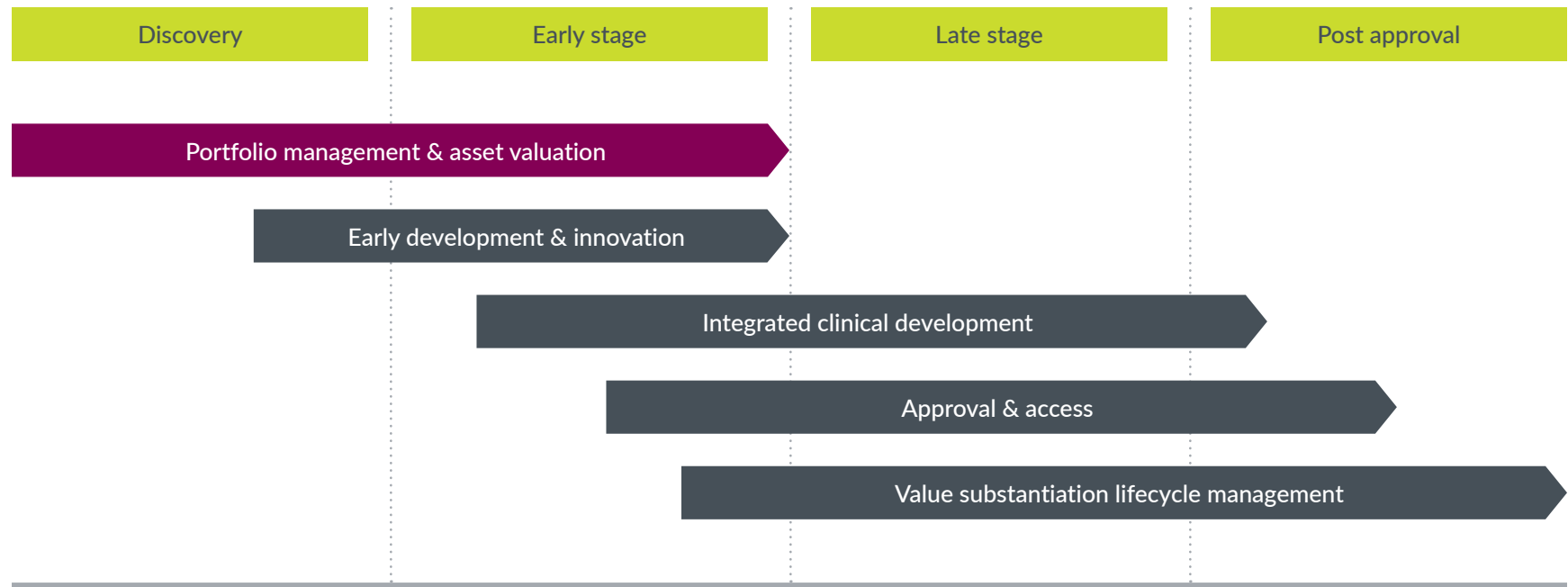


Quality

Operational and executional excellence is integral to everything we do. Customers remember the outstanding job we do for them, and we never miss the opportunity to make it better.

>>> Our solutions

Solutions across drug development



Parexel works with biopharmaceutical customers to capitalize on the full potential of their portfolios with optimization strategies that consider every aspect of drug development. Our efforts, supported by integrated expertise in clinical, regulatory, and market access strategy and planning, help customers make earlier, faster and more-informed decisions about risk and reward so that each asset has its greatest chance for success.

Services

- › Building patient insights into assets, profile and claims
- › Portfolio optimization
- › Asset valuation & indication prioritization
- › Early evidence review
- › Model-based drug development
- › Integrated development strategy and planning

»»» Our approach to sustainability

At Parexel, we offer our biotech and biopharmaceutical companies a portfolio of solutions delivered with a commitment to first-time quality. Our greatest contributions are through grounding ourselves in the patient perspective, elevating our impact through operational excellence and delivering integrated solutions and expertise across any or all phases of clinical development.

As our business continues to grow and our customer base diversifies, we challenge ourselves to think differently and continuously incorporate sustainability principles into the way we operate, serve and engage. We do this so that we can manage risk and create value for our stakeholders and ensure a long-term resilient and responsible business. This includes:



- Advancing our goal of equal opportunity for every patient to participate in research studies irrespective of their background, location or socioeconomic status.
- Preparing our employees and customers to eliminate barriers to access and ensure inclusivity and diversity so that trials are more reflective of real patient populations around the world.
- Actively managing and improving our own sustainability performance and disclosing our performance in line with the issues that are most important to our stakeholders and where possible, applying recognized frameworks.
- Creating an inclusive business culture to attract, recruit, develop and retain diverse talent to deliver to their full potential.
- Ensuring strong governance practices in all areas of our business with the right controls, policies and risk management as part of a culture of compliance.



>>> Our approach to sustainability *(continued)*

Materiality assessment

To identify our ESG priority topics, we engaged Schneider Electric to undertake a materiality assessment. This analysis was conducted in 2022 in alignment with international reputable standards such as the Global Reporting Initiative (GRI) and Sustainability Accounting Standards Board (SASB). We also support and align our reporting to the United Nations Sustainable Development Goals (UN SDGs) and UN Global Compact.

The materiality assessment analyzed our commercial landscape while engaging with our leadership team, Board of Directors and ESG Oversight and Governance Committee to prioritize issues based on pertinence to our industry, business and stakeholders. Our priority focus areas reflect these inputs and will help ensure that we can continue to build a meaningful ESG strategy that responds to external events, business priorities, stakeholder expectations and our own performance results. Our priority focus areas include:



Alignment with United Nations Global Compact and Sustainable Development Goals

In 2022 Parexel signed a commitment letter to join the UN Global Compact and make its principles part of the strategy, culture and day-to-day operations of our company. We also committed to engage in collaborative projects that advance the broader development goals of the UN, particularly the SDGs.

The UN SDGs represent complex global challenges, including several that intersect with our ESG priorities. Our focus is on addressing the SDGs where we can help make the greatest difference based on our expertise, business strategies and social impact efforts:



>>> Our approach to sustainability (continued)

ESG highlights



First CRO to introduce dedicated **Patient Ambassador**

55+ patient advisors and care partners across the globe

participate in Parexel's **Patient Advisory Council (PAC)**, representing a broad range of clinical conditions, including oncology and rare diseases

Conducted **250+ Decentralized Clinical Trials (DCTs)** in the last five years,



accelerating their usage in treating **patients and caregivers** as essential members of our expert team



47.4 % of VPs-and-above across Parexel organization are **women**

In the U.S.

41.6% of our employees are **people of color**

18.9% of our VP-and-above employees are **women of color**



42% of our global operations

are located in **LEED** or **BREEAM** buildings*



48% reduction in CO2 emissions

achieved from air travel in **2022** from a **2019** baseline



>\$1.2M+ in donations to patient advocacy groups, foundations, and industry associations

Awards & recognition



The Trusted Source for Clinical Trials Information

Top CRO to Work With (2023)
WCG CenterWatch Global Site Relationship Benchmark survey



Top Employer Award (2022)



Winner for the industry's top Decentralized Clinical Trials service



Of companies in the Scientific research and development industry benchmark group, in 2023 Parexel was rated:

In the top 12% overall

In the top 7% for environmental

In the top 1% for sustainable procurement



Corporate Equality Index 2022

2022 CATALYST AWARD

winner



>>> Patients and people

At Parexel, improving patients' lives is our mission, and putting people first is our culture.

Our **patients, people and suppliers** are the heart of our Social Sustainability strategy. We believe that we have a responsibility to cultivate a sense of belonging across our business and that diversity in race, ethnicity, gender, gender identity, sexual orientation, disability, age, pregnancy and lactation status and other differences is key to our success.

When patients participate in clinical research, they are reducing the impact on the local healthcare system by enabling early interventions that can help slow disease progression as well as reduce the demand on healthcare providers by having researchers conduct treatment and care.

With a cross-functional, multidisciplinary team of leaders around the world, we're committed to ensuring our organization – in our company culture and in practice – advances these priorities every day.



Patients: At the heart of everything we do

We recognize the critical role patients play in advancing medical knowledge and improving healthcare outcomes through clinical research. Our commitment to upholding the highest standards of patient access and care lives throughout our research activities. We firmly believe that every patient should have equal opportunities to participate in research studies – irrespective of their background, location or socioeconomic status. We strive to eliminate barriers to access and ensure inclusivity and diversity so that trials are more reflective of real patient populations around the world.

To fulfill this promise, we're committed to enhancing patient education, partnerships and engagement in clinical research. We actively foster collaborations with patient advocacy and social organizations to expand access to historically underrepresented populations and conduct ongoing monitoring and evaluation of our practices to enhance the patient experience and discover new ways to make clinical research accessible to all.

Our goal is to design inclusive clinical trials with our partners for all study phases. This will allow us to support patients holistically, especially those who are historically underrepresented as the industry adapts to a changing regulatory environment.



>>> Patients and people (continued)

Parexel Office of the Patient: Optimizing trial access and enhancing the patient experience

As the **first CRO to have a Chief Patient Officer**, Parexel has established an Office of the Patient focused on finding new ways to empower patients to become active participants in the drug development process.

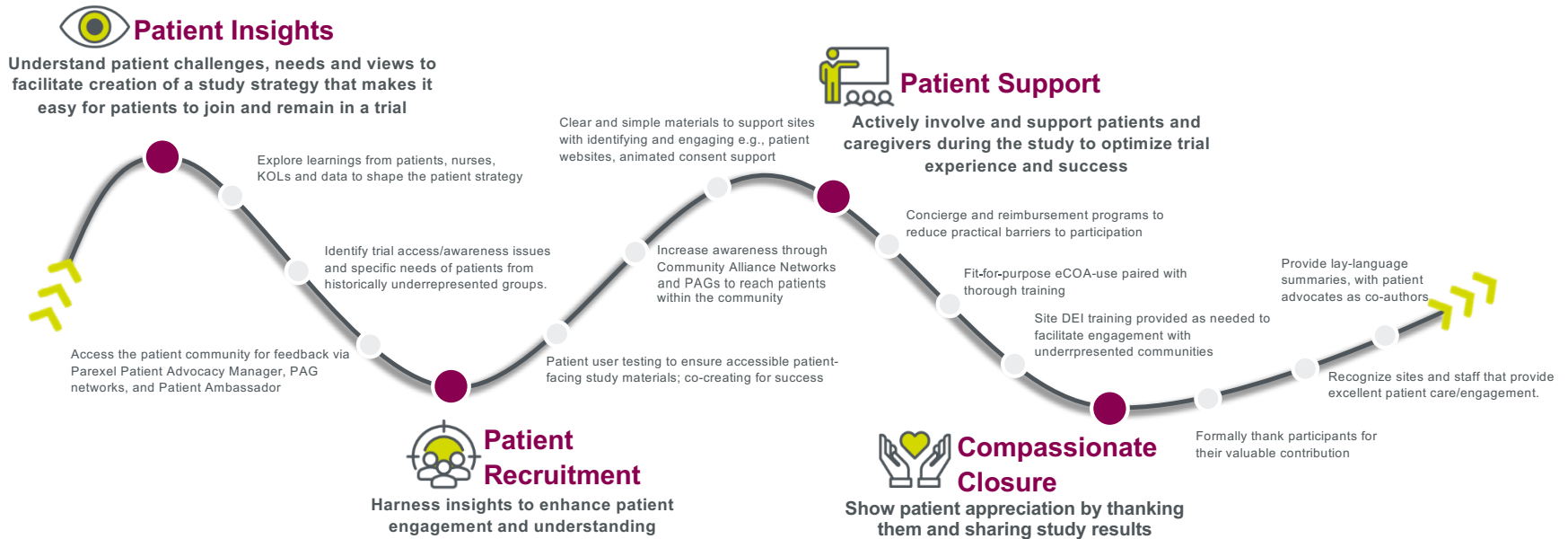
We aim to **improve access to trials** with the goal of achieving health equity while also **optimizing the patient experience**, removing barriers to participation and considering the needs of participants and care partners during trial planning. Through meaningful end-to-end patient engagement, we focus on the practicalities of patient access to recruit and retain a diverse and representative study population.

In our work simplifying the patient journey, we've seen enhancements in patient satisfaction and compliance with study requirements and have used patient feedback to reduce their burden.

Benefits of the Office of the Patient

- > Optimal patient experience
- > Improved access to research for all patients
- > Compliance with regulatory requirements for patient involvement
- > Positive perception of the study and sponsor
- > Improved trial performance
- > Better product value story for payers

Meaningful patient engagement across the study life cycle



>>> Patients and people *(continued)*



Our end-to-end patient engagement process

Experts from our **Office of the Patient** and functions across Parexel collaborate to simplify the patient journey and maintain the scientific integrity of a study, ultimately ensuring deployment of the best strategy:

1

Patient insights

Our effective trial strategy begins with listening and learning from patients and caregivers. Our Patient Insights service enables us to do this effectively. In addition to engaging patients we're also able to engage our Nurse Advisory Panel of 100+ nurses from Parexel Site Alliance sites.

Feedback is analyzed and utilized to educate our employees about living with a specific disease, treatment pathways and challenging elements of either the protocol or practicalities of participation in addition to the needs and preferences of trial participants. This information enables us to improve patient access and experience for our sponsors' projects.

>>> Patients and people (continued)

2

Partnering with patient groups

We partner with patient groups to engage with patients across the life cycle of drug and therapy development through a number of initiatives:

- › **Patient Advocacy Group Engagement:** Partnerships with patient groups enable us to better understand and support the needs of patient communities and elevate awareness of clinical trials. We partner with more than 40 Patient Advocacy Groups around the world.
- › **Parexel Patient Ambassador:** In 2022, Parexel announced its first dedicated patient ambassador. Patient ambassadors champion the patient voice, work with our teams to co-design clinical trials with empathy and deliver an end-product that will better enable patient participation.
- › **Parexel Patient Advisory Council:** We collaborate with more than 55 Patient Advisors and care partners in 10 countries across the globe representing a wide range of clinical conditions, including oncology and rare diseases.
- › **Parexel Patient Community:** This forum empowers Parexel colleagues to share experiences as a patient, care partner or family member to help raise awareness of chronic, acute and life-threatening conditions.



Patient ambassador goals

Patient ease

Make clinical trial participation easier for the patient and their care partners

Champion patient voice

Build lasting partnerships across the organization to benefit the participant, the site, Parexel and the study sponsor


Best-in-Class


Partnerships


Industry standard

Patient realities

Pull through patient voice/insights into clinical research studies, especially diverse and underrepresented populations

Clinical trial effectiveness

Drive improvement in recruitment, adherence, retention, data interoperability and outcomes

>>> Patients and people *(continued)*

3

Patient recruitment

Many clinical trial participants face barriers to participation, from inadequate information about study opportunities to inconvenient times and locations for test visits. As a result, some patient populations have lacked access to possible therapies and studies have lacked the diversity of participants required to ensure widespread effectiveness.

Parexel recruits inclusively across race, ethnicity, gender, age and socioeconomic groups and also tracks study population diversity, collaboratively engaging and communicating with patients throughout the process to capture their preferences and address barriers they may experience.

4

Patient support

Each solution is unique to the needs of the patient population, study goals and geographical nuances. We offer a range of services and clear consent support materials to reduce patient burden across all phases of clinical trials. Our support includes assistance with travel and other financial barriers to participation in **Decentralized Clinical Trials (DCTs)**, which involve some aspects of a study being delivered to patients in their own homes or community locations.

5

Compassionate closure

At the end of a study, we deploy our Compassionate Closure program to thank patients for their participation and provide the study results in the form of a lay summary so that they know their time and efforts are valued.

Parexel in action

Parexel's Black Employee Advisory Consortium (BEACON) members partner with our Office of the Patient throughout the year to make clinical trials more accessible to communities historically underrepresented in clinical research. BEACON supports our efforts in bringing in voices of Black people representing different perspectives to design and execute more inclusive clinical trials.

Pistoia Alliance

Parexel joined the Pistoia Alliance in 2023 with the mission to work with peers across life sciences to lower the barriers to innovation in the sector. As part of our membership, Parexel serves on the Steering Committee for the Clinical Trials Environmental Impact Community of Interest (CoI) focused on minimizing environmental impacts in the development of new therapies for patients.

»»» Patients and people (continued)

Patient Advisory Council

The Parexel Patient Advisory Council provides a continuous forum for eliciting direct insights from diverse patient communities to integrate their experiences and perceptions of clinical trials with current industry best practices to shape future trial design and execution. Council members include patient advocates and care partners representing global patient populations as well as representatives from Parexel's Patient Engagement team and executive leadership.

Since 2019, the council has focused globally on promoting greater education and awareness about clinical trials as well as improving trust at the community level. As a result of their recommendations, we've implemented the following elements into our clinical trial strategy:

- › Mandatory inclusion of study participant thank you cards and plain language summaries in all clinical trials for which Parexel is CRO.
- › Development of interactive, easy-to-use informed consent forms and increased support for care partners, including the first childcare cost stipend for participants in a lupus study experiencing high financial and practical burden.
- › Deployment of digital ethnography service to help patients share their experience using multimedia, educating study teams on the reality of the disease.
- › Launch of our Patient Navigator service supporting patients and caregivers with the practicalities of study participation and creation of a dedicated Parexel Patient Partnerships team and Patient Ambassador role.
- › Launch of emotional support service for Parexel Patient Advisors.

Industry partnership for clinical trial diversity

Since 2013, the Parexel Site Alliance Network has ensured business partnerships with a diverse community of investigators and access to a diverse global patient population.

Our Alliance Site Partners include more than 480 sites and 21,000 investigators who foster long-term collaborative relationships with select research organizations across the globe to deliver efficiencies to patients, sites and our biopharmaceutical customers. These sites are encouraged to participate in the Diversity Site Assessment Tool (DSAT) developed by a working group with the Society for Clinical Research Sites.

Partners include:



Society for Clinical Research Sites (SCRS)



Association of Clinical Research Organizations (ACRO)
DEI working group



Diversity Initiative and the Center for Information and Study on Clinical Research Participation (CISCRP) Cross-Sponsor/CRO Collaborative on D&I in Clinical Trials

»»» Patients and people *(continued)*

Discussions on diversity

In 2022, Parexel began a global research series known as “**Discussions on Diversity**” featuring patient, academic and physician voices highlighting the importance of diversity and inclusivity in clinical trials to support greater understanding and highlight areas for action. This series encompasses the following to date:

➤ **Chapter 1:** Race and ethnicity (Bridging the Gap: Strategies for Addressing Racial, Ethnic and Cultural Disparities in Clinical Research)

➤ **Chapter 2:** Gender identity (Beyond the Binary: Navigating Gender Diversity in Clinical Research)

➤ **Chapters 3 & 4:** To be released in second-half 2023 with an emphasis on disability and socio-economic status. Chapter 4 is based on research done in partnership with Tufts University and a working group from leading biotech and pharmaceutical companies.

Our purpose drives culture

At Parexel, we see everything we do as an opportunity to transform the world for patients everywhere. When our employees bring together their many perspectives to tackle a new challenge, there's no limit to what we can accomplish. Our goal is to foster a culture that makes everyone feel valued, respected and supported — and we do this through talent, engagement and belonging strategies that drive transparency, accountability and alignment across our organization.



>>> Patients and people *(continued)*

Fostering diversity, equity and inclusion

Fostering diversity, equity and inclusion (DEI) within our business is the right thing to do and aligns with our commitment to our people and patients. It creates greater understanding of cultural, racial and ethnic differences and beliefs; helps us be more innovative; and enables us to better meet customer needs and anticipate market demands.



“When we say ‘We Care’ we mean it. All of us – no matter what we do at Parexel – recognize the importance of the people we serve and ensure that our customers, patients and partners feel valued, respected and supported by our work. This culture of inclusion powers our mission and drives us to make a difference every day.”

– Jamie Macdonald, Chief Executive Officer



Our goal is to achieve a minimum of 40% women and men at all levels of the organization and a workforce mirroring our U.S. patient population in race, ethnicity, disability and gender identity.

Parexel's global workforce by the numbers

47.4% of VPs and above across the organization are **women**, up from 33.5% in 2014

18.9% of women VPs and above in the U.S. are **women of color**, up from 8.6% in 2014

70.0% of global workforce are **women**

41.5% of women in the U.S. are **women of color**

41.6% of U.S. employees are **people of color**

63.6% of our global colleagues are **under 40**

>>> Patients and people *(continued)*

Diversity, equity and inclusion highlights

150+ professionals participated in the Parexel and **Black Women in Clinical Research (BWICR)** “Power of We”: Working Together to Advance Women of Color in the Workplace Summit” in October 2022.



Parexel received a **top 20% ranking** on the Human Rights Campaign’s 2022 Corporate Equality Index – the highest among all CROs.



Parexel was recognized for successfully incorporating equitable practices for the **LGBTQ+ community** that ensure employees and patients thrive and live life authentically.



Parexel’s **Aida Sabo, Senior Vice President and Global Head, DEI**, was featured on Color’s inaugural Power List of 50 Chief Diversity Officers and named to COLOR Magazine’s Power List of 50 Chief Diversity Officers.



Awarded Top 20 Most Innovative Practices in 2022

by JobsForHer for Parexel **India’s Women Returnee Programs**, an initiative to support women in their return to work during the pandemic.

Dr. Arjun Narayan was awarded Top 20 DivHERsity Champion in the large enterprise category by JobsForHer for promoting gender diversity at Parexel.



Named 2022 Catalyst Award Winner

by the global nonprofit organization Catalyst in recognition of our commitment to gender inclusion through the **Leveraging Gender Partnership to Advance Women in Leadership** initiative.



“Our commitment to addressing the unique challenges faced by the LGBTQ+ community allows us to cultivate more inclusive clinical trials and create a safe, supportive workplace for our colleagues.”

– **Kim Maguire-Wright, VP, Real-World Evidence**

»»» Patients and people *(continued)*

DEI employee committees

Parexel promotes DEI through committees that bring together employees with common identities and related interests:

- › **BEACON (Black Employees Advisory Consortium):** This subcommittee of our Multicultural Steering Committee helps to make Parexel the employer of choice for Black professionals — including those in CRA roles — and to be a leader in DEI by advancing the interests of both Black employees and Black patients we serve.
- › **Gender Partnership:** This steering committee works to create an environment where all genders flourish.
- › **Multicultural:** This committee works to advance an environment of inclusion to better collaborate and deliver excellence as we work across ethnicity, nationality, culture and regions.
- › **ParAbility:** Established in December 2021, ParAbility empowers people with disabilities to have control over their lives through equitable access to opportunities to achieve as individuals in society, in research and in business. ParAbility also provides leadership on issues impacting the disabled community to help drive the actions we can take as a company to make Parexel an example of inclusivity — in our industry and beyond.
- › **Pride:** Our Pride Committee seeks to advance and promote an inclusive “We care” culture in which our colleagues can bring their authentic selves to work every day. This group not only leads in celebrating our LGBTQ+ community but informs our programs and policies so that Parexel remains a workplace for everyone.
- › **Supporting and Employing Veterans** is a U.S. initiative aimed at bringing together a network of veterans and providing a pathway to attract future high-caliber talent from the veteran community whose skills and career goals closely align with our business needs. Two of Parexel’s six Executive Leadership Team members are veterans — John Bell, Chief Quality Officer and Jonathan Shough, Chief Information Officer.
- › **Talent Acquisition:** This important group helps to expand the candidate pool by attracting and retaining diverse talent and supporting the understanding and needs of a global workforce.



“ParAbility fosters an inclusive environment for our colleagues, patients and customers with disabilities and envisions a future of equal opportunities, accessibility and fairness for all.”

– **David Dent**, Executive Director, Business Development



“BEACON works to support the recruitment, development and retention of Black colleagues while advancing the inclusion of Black patients in clinical trials.”

– **Mwango Kashoki**, SVP, Global Head of Regulatory Strategy



»»» Patients and people (continued)

Supporting development of women, people of color and veterans

Parexel offers extensive programs to support the development of women and people of color in leadership, engagement of men in enhancing cross-gender partnerships and inclusive leadership skill development. These programs include:

› **Forum for Executive Women** is an advanced, one-year, executive leadership development program through Women Unlimited. Parexel has been offering this program since 2012 and 20 Parexel colleagues have participated.

› **Women in Leadership** is a one-year development acceleration program that celebrated its 10-year anniversary in 2023. It includes a four-day kick-off, provided through Linkage, Inc. and Menttium Corp. Graduates from the 2022 cohort were in director and vice president roles from 12 countries across seven business units. Since 2013 nearly 300 women leaders have participated.



› **Wisdom Circle** is a nine-month leadership program for manager-to-director level leaders to enhance personal and professional development through structured, peer-based learning. To date, more than 700 highly talented individuals at Parexel from across the globe have participated in Wisdom Circles and have reported very high levels of satisfaction, personal growth and skill development.



› **Change Makers** is a leadership multi-day course for men, women and other genders to explore gender stereotypes and strategies for cross-gender partnership. We focus on how gender expectations define talent and leadership; how group dynamics affect workplace equity; and how teams can work across differences. Since 2015, Parexel has run 15 Change Makers programs for leaders in North America, Europe, India and Japan, with more than 600 participants.

› **Next Generation Executive Program** was designed with The Partnership, Inc. to help multicultural participants take the next step in their careers and formally prepare for executive roles. Since 2014, 46 Parexel colleagues have participated.

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In 2023, Parexel implemented a focused initiative to better support diversity in clinical research through advancement of our Latinx workforce. The company is partnering with various organizations such as the Association of Clinical Research Professionals (ACRP), the MCA Foundation and colleges and universities with healthcare-related studies to increase our recruitment of Latinx candidates. Eleven percent of the candidates hired into our U.S. APEX CRA training program since its inception in April 2022 have identified as Hispanic.

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>>> Patients and people (continued)

Talent Philosophy | Human Capital Management

Parexel's Talent Philosophy is focused on best developing and managing our people to achieve our business strategy and deliver on the needs of our customers and patients. It ensures a disciplined and consistent experience for our talent practices to deliver the best results for Parexel and provide the best support for our colleagues. It also holds our leaders accountable for building a high-performing organization and ensuring our employees are living by our behaviors. We provide clarity on where our employees stand and reward great contributions. At Parexel we believe employees should feel empowered to speak their minds and know that their voices are respected.

~30%
of our job
openings are filled
by internal
hires

89%
retention of
talent in 2022

15%
of our talent
were promoted
in 2022



**67 average training hours
per employee**

with a total of almost 1.5 million training hours across
all training Parexel provided in 2022

Learning and development

We believe that investing in professional and personal development is an investment in Parexel. To ensure the highest quality of work for our customers and the safety of our patients, Parexel takes a targeted and balanced approach to support both immediate training and long-term development of our employees. Some of our cornerstone learning and development programs include:

- › **Navigating Your Career:** Virtual career and development programs to build meaningful experiences at key milestones.
- › **Women in Leadership:** A one-year leadership program designed to accelerate the development of women leaders in support of equity.
- › **Managing With Heart™:** Provides Parexel managers with the opportunity to develop skills to drive our We Care guiding principle.

»»» Patients and people *(continued)*

Employee engagement

Parexel conducted an employee experience survey in October 2022 requesting our global organization to share their experiences working at the company. Our goal was to gather actionable insights on the employee experience. The survey was conducted by third-party Willis Towers Watson to ensure survey integrity and anonymity.

As part of our standard process, the overall results were reviewed by the Executive Leadership Team and with all managers and employees. Action plans at the company, department and manager level were developed and are being executed in 2023.

The overall engagement score was **86%** (outperforming Life Sciences and Pharmaceutical Norms).

91% of employees said Parexel is a good place to work.

90% of employees said their work provides them with a sense of meaning and purpose.

Meaningful employee engagement helps our company make decisions that put our people first. Additional methods for engaging and soliciting feedback from employees include:

- › Quarterly business unit meetings and town halls
- › Parexel Connect events engaging home-based colleagues not in proximity to an office
- › Local “Parexel On the Pulse” meetings for those employees in regional offices
- › Annual Global Leadership and Sales Summit



>>> Patients and people *(continued)*

Total rewards

Taking great care of our customers and patients requires taking great care of our employees. Our goal of attracting and retaining a high-performance workforce motivates the development of our employee-centric programs. We provide our employees with market-competitive total rewards packages that recognize achievement and regularly conduct compensation analysis by role and geography to ensure competitiveness.

Our benefits solutions differ by country and enable accountability, flexibility and choice while satisfying the diverse needs of our colleagues and their families.

Some examples include:

- › **Flexible work:** Where appropriate and applicable, Parexel offers flex-time policies that allow for flexibility in the hours of work as well as work-from-home options to support better work-life balance.
- › **Recognition program:** Our employees receive and give recognition all year round – colleague-to-colleague, from their manager, for service anniversaries and life events.
- › **Employee Assistance Program (EAP):** Experienced global vendors offer confidential licensed counseling and coaching as well as on-demand resources and other support.
- › **Competitive benefits package:** All U.S. employees receive competitive benefits that include medical, dental, vision, retirement, personal and dependent life insurance.

Pay equity

Parexel regularly reviews our pay practices to ensure they are market competitive and attract the best talent. In 2023 we performed a gender pay analysis of our global workforce based on an employee report and comparison of average salaries by country and found that pay is equitable between genders.

Employee wellness

Although Parexel's wellness programs vary by country and are based on local needs, they exist within a common framework designed to offer physical, emotional, financial and social support to employees and their families. Representative programs available include:



Healthcare-related support includes healthcare advocacy, expert second opinion, quality and cost comparison and condition management support.

Employees across Parexel have confidential, 24/7 access to critical mental health and other support through the Employee Assistance Program.

»»» Patients and people *(continued)*

Employee safety

Employee safety is core to how we work and we expect each employee to embrace a zero-accident mindset as the basis for our safety culture. No operation is considered so important or a scheduling deadline so critical that safety is compromised. We are dedicated to providing an integrated, adaptable and consistent companywide safety program.

Corporate citizenship

Every year, Parexel supports organizations that share in our mission to keep patients – and people – at the heart of everything we do.

Our commitment extends beyond our own efforts, supporting a diverse range of organizations and initiatives that we believe can make a meaningful difference for patients around the world. By investing in a broad range of health-related causes, we put our Patient-First focus into action.

To this end we have a strong tradition of providing support to external, independent, not-for-profit organizations that support our shared goals to provide broad public benefit, advance world health and improve patient outcomes. We do this through donations, partnerships and volunteerism in the communities where we live and work.

Parexel is committed to ensuring that our support of external, independent, not-for-profit organizations (including patient advocacy groups and therapeutic associations) is conducted in strict compliance with relevant laws and regulations, industry codes, external standards and internal guidelines.

Parexel follows a policy that prohibits discrimination across race, color, religion, sex, gender identity, sexual orientation, national origin, citizenship, age, marital status, veteran status, or disability. We do not fund or support any philanthropic cause or activity of any non-religious organizations that have a written policy that is counter to our nondiscrimination policy.

Our support for organizations working to address local and global health and patient outcomes-related causes has included:

- › American Cancer Society
- › American Society of Clinical Oncology
- › American Society of Hematology
- › American Telemedicine Association
- › Asrid
- › Council for Entrepreneurial Development
- › Crohn's and Colitis Foundation
- › CureSearch for Children's Cancer
- › Dress for Success
- › Eurordis
- › Everylife Foundation for Rare Diseases
- › The Foundation Fighting Blindness
- › Fred Hutchinson Cancer Research Center
- › Friends of Cancer Research
- › Global Genes
- › Greater Gift Initiative
- › Health Level Seven International
- › Illness Challenge Foundation China
- › The Leukemia & Lymphoma Society
- › Lupus LA
- › Make-A-Wish Foundation
- › National Health Council
- › NORD
- › Spaulding Rehabilitation Hospital
- › Susan G Komen Breast Cancer Foundation
- › Uplifting Athletes

»»» Patients and people (continued)

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Through the generous volunteer efforts of our colleagues, we had a positive impact on communities around the world in 2022, from tutoring to food drives to raising awareness of clinical trials and supporting local health-related causes. For example, between 2021 and 2022, Parexel's India team donated 100 hours to volunteer programs.

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Parexel is proud to support these organizations through various initiatives throughout the year:

- ▶ **Susan G. Komen and Note in the Pocket:** Parexel colleagues participated in two local causes in the heart of North Carolina in 2022 – Note in the Pocket's 9th Annual Socks and Undie 5K Rundie – providing quality clothing to children and families in need – and the Susan G. Komen Race for the Cure, supporting breast cancer research.
- ▶ **International Support for Ukraine:** Parexel colleagues around the world have shown tremendous care and compassion for all those who have been impacted by the war in Ukraine. For example, our colleagues across Europe coordinated a large-scale charitable initiative to collect and deliver medication, medical supplies, first aid kits, hygiene products, canned food and other provisions to those in need.
- ▶ **Leukemia & Lymphoma Society's Light the Night:** We were thrilled to have our colleagues, friends and families join Team Parexel in Massachusetts and North Carolina for The Leukemia & Lymphoma Society's (LLS) Light the Night events. Donations from Light the Night events enable LLS to raise awareness of blood cancers and fund research for new treatments for patients. Parexel is the presenting sponsor for the 2023 Triangle event, with Peyton Howell, Chief Operating and Growth Officer, serving as executive sponsor. We are excited to continue our support of LLS to shine a bright light on the darkness of cancer.
- ▶ **United Way Bengaluru:** In collaboration with our Corporate Social Responsibility (CSR) Partner United Way of Bengaluru, Parexel India inaugurated five new Anganwadis Centres facilities – rural childcare centers in India – to help provide free nutrition, care and education for women and children.

»»» Environmental responsibility

Environmental sustainability

As a company focused on advancing world health, Parexel has a deep responsibility to minimize the risks posed to human health by climate change. Across our business we strive to reduce our environmental footprint while increasing our operational excellence. Whether it's leading the adoption of decentralized clinical trials, scaling back our resource consumption or reducing our physical office footprint, we actively seek innovative ways to do our part to create a healthier planet.



Our approach

We set ambitious goals for 2020 to 2025 to put our strategy into practice. Our CEO has signed a commitment letter indicating our intent to establish net zero value chain Greenhouse Gas (GHG) emissions in line with the Science-Based Targets (SBTi) Net Zero Standard and the United Nations Sustainable Development Goals (UN SDGs). In addition, through its 2021 commitment, our private equity owner EQT will be the first private market firm to set SBTi across its portfolio.

In 2022 we participated in the EcoVadis assessment process for the ninth consecutive year, increasing our score for the third consecutive year – from 50 points in 2020 to 58 points in 2021 to 60 points in 2022. Notably, we maintained our Silver rating and ranking in the top quartile of companies for the third straight year. Our environmental program places Parexel in the top 7% of companies in the life sciences category and with our sustainable procurement program we're ranked in the top 1% of companies in life sciences.

Our Sustainability Charter is aligned with Coalition for Environmentally Responsible Economies (CERES) principles aimed at stabilizing the climate and protecting natural resources. We achieved 100% renewable energy in 2022 through local energy options, green building occupancy and Energy Attribute Certificates (EACs) and neutralized globally all

of our market-based Scope 2 consumed electricity. In June 2023 we submitted our emissions (for calendar year 2022) to the Carbon Disclosure Project (CDP) for the ninth consecutive year.

To monitor our progress, Parexel's Board of Directors provides oversight on climate-related strategies with periodic updates from executive management on the impact of our actions. Parexel's Chief Procurement Officer and Head of Corporate Services, Kevin L. Brandenburg, is responsible for our environmental sustainability efforts, including quarterly reporting to CEO Jamie Macdonald and the Executive Leadership Team and presentation annually to our Board of Directors.



“Parexel recognizes that our work impacts our patients and our world. We take a holistic approach to assessing our business practices and identify areas where we can make improvements to reduce our environmental footprint.”

– Kevin L. Brandenburg, Chief Procurement Officer & Head of Corporate Services



>>> Environmental responsibility (continued)

Parexel year-end 2025 environment goals

- 1 Global green properties:** Increase our occupancy in green properties to 50% by end of 2025 from the 23% baseline set in 2019.
- 2 Renewable energy use:** Increase our total energy consumption coming from renewable energy to 100% by end of 2025 from the ~9% baseline set in 2019.
- 3 Travel and company car fleet:** Reduce CO2 emissions from air travel by 20% from the ~20.06M CO2 kg baseline set in 2019, and the average fleet emissions* by 50% from the average 123 g/km of CO2 baseline set in 2019, by end of 2025.
- 4 Sustainable procurement:** Establish Scope 3 metrics based on our top 100 suppliers by end of 2022 and reduce Scope 3 emissions from our supply base by 25% by 2030.
- 5 Patient sustainability:** Introduce a sustainable clinical trial framework by 2025, including methods to ensure patient population resiliency and reduce waste and alternative study approaches to lower CO2 emissions.

*For all automobiles plus new automobile orders

Environmental progress achieved in 2022

42% of our global operations



are located in **LEED or BREEAM** buildings.*

**LEED is Leadership in Energy Environmental Design and BREEAM is Building Research Establishment Environmental Assessment Methodology*



48% reduction in CO2 emissions

from air travel from a 2019 baseline. We reduced average emissions from our company car fleet from a 2019 baseline of 123 g/km to 118g/km, a **4% reduction**.

Silver Rating, placing Parexel in the

top 12% of companies

rated by EcoVadis in the **Scientific Research and Development Industry**. We received a "C" rating with CDP for our Climate Change and Supplier Engagement.

100% renewable energy goal achieved

through local energy options, green building occupancy and supplemented with minimal reliance on **Energy Attribute Certificates (EACs)**.



44% of preferred suppliers

reported ESG or CSR performance.



»»» Environmental responsibility *(continued)*

Climate action

In 2022 Parexel conducted a comprehensive review of our sources of Scope 1, 2 and 3 GHG emissions using definitions from the World Resource Institute's Greenhouse Gas Protocol's Corporate Accounting and Reporting Standard (GHG Protocol). The GHG Protocol defines Scope 1 GHG emissions as emissions from owned or controlled sources such as on-site fuel combustion and fleet vehicles. Scope 2 emissions are those from indirect sources such as purchased electricity, and Scope 3 includes indirect emissions in a company's value chain.

Total GHGs (in metric tons)	2019	2020	2021	2022	Improvement to 2019 baseline
Scope 1	15,510	15,426	3,013	3,104	-80.0%
Scope 2 (Location-Based)	15,750	15,781	9,624	6,017	-61.8%
Scope 2 (Market-Based)	11,632	11,223	9,572	0	-100.0%
Total GHGs (Location and Market-Based)	27,382	27,004	19,196	6,017	-78.0%
Scope 3	Not reported	Not reported	912,602	961,305	
Total GHG Intensity			954,007	976,442	

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In November 2021, Parexel's CEO signed a commitment letter indicating intent to establish net zero value chain GHG emissions in line with the Science-Based Targets Initiative and the United Nations Sustainable Development Goals.

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To achieve a 100% reduction in Scope 1 direct emissions, we supplemented our green initiatives with the purchase of Carbon Offset certificates for Industrial Process Emissions Reductions. These follow the American Carbon Registry (ACR) Standard for quantification, monitoring, reporting, verification, registration and issuance of project-based GHG emission reductions and carbon credits.

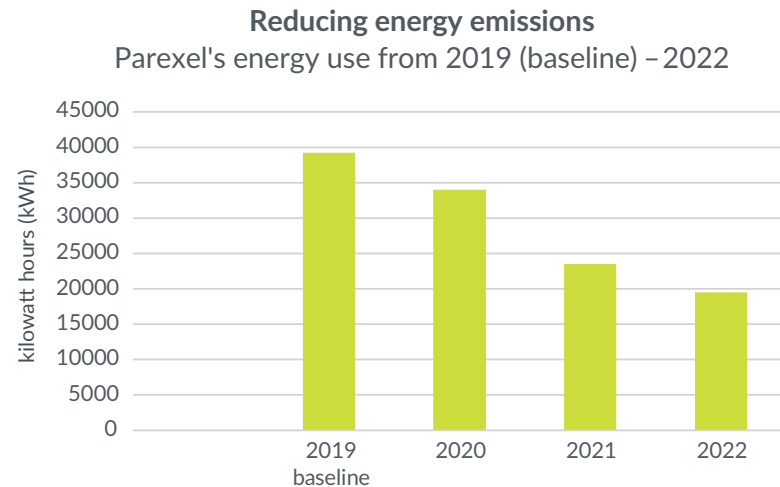
»»» Environmental responsibility (continued)

Energy use

We are taking steps to reduce our energy consumption and have committed to sourcing 100% of our purchased electricity from renewable energy by 2025.

In 2022, we reduced our total energy usage to 19,511 MWh from a 2019 baseline of 39,215 MWh – achieving about a 50% reduction within four years. We will continue to monitor our energy usage and work to transition our operations to renewable energy resources to lower our footprint.

Today more than 19% of Parexel's consumed electricity is coming from renewable energy at source. Our combined strategy to occupy a greater number of green buildings and purchase Energy Attribute Certificates (EACs) balances the gap in our energy use, enabling us to achieve 100% renewable energy. Purchased EACs meet the Renewable Energy 100 Technical Criteria for achieving 100% renewable energy use.



Global green properties

Parexel takes pride in making each of our office spaces across the globe environmentally responsible with the target of increasing our occupancy in green properties to 50% by 2025 from the 23% baseline set in 2019. We're pleased that 42% of our space was LEED or BREEAM certified by year-end 2022, and we're on track to achieve full commitment by year-end 2025.

We've also expanded our Flexible Work Arrangement program, enabling the company to reduce our physical office space and in turn positively impacting our environmental footprint.

We have established baseline metrics so that we can monitor performance of our sustainable efforts as we improve our footprint moving forward. Examples of recent initiatives in place include the diversion of obsolete material to landfills, a goal to use 50% or more recycled or reclaimed products in new construction or office renovations, and enhancement of the greening of our procurement supply chain.

»»» Environmental responsibility *(continued)*

Employee impact

We encourage and empower our employees to join us on our journey to reduce our environmental footprint, including:

- › **Data & technology:** Migrating data centers to cloud services, where possible.
- › **Site operations:** Implementing waste management programs, including recycling and composting.
- › **Communications and HR:** Using companywide communication channels to educate employees on sustainable practices, including energy conservation, recycling and water preservation.
- › **Training:** Conducting training sessions to educate our colleagues on sustainable opportunities at the office and at home.

Earth Day 2022

Parexel invited employees to a lunch-and-learn session to share in our commitments to invest in the health of our planet. Employees were invited to share images of themselves practicing sustainable living and environmental tips to inspire others to join these efforts.

Parexel is establishing a baseline of CO2 emissions from clinical trial visits and expects to report impacts and potential reduction targets beginning in **2024**

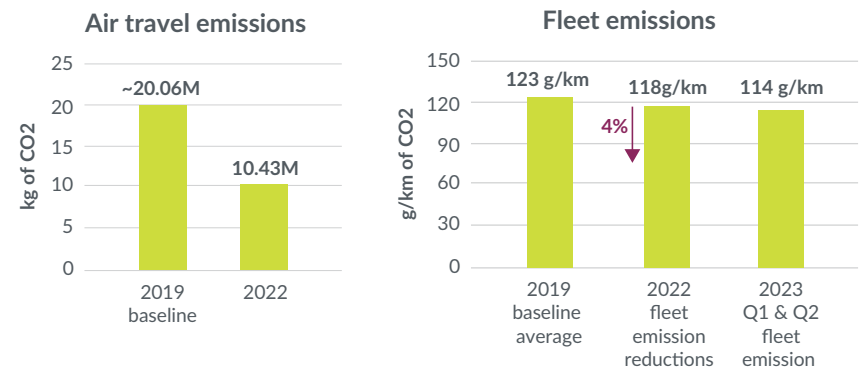
Travel and company car fleet

Parexel's Travel Policy encourages colleagues to embrace a hybrid approach using digital technology to reduce air, train and vehicle travel. Through these efforts, we achieved a 48% reduction in CO2 emissions from air travel in 2022 from our 2019 baseline and are on track to meet our goal of 50% reduction by 2025.

We currently have a fleet of approximately 800 vehicles in Europe, the Middle East and Africa used by our colleagues to conduct business activities. Beginning in 2023, new car fleet orders must be 100% electric (BEV) or hybrids (HEV), and combustion-only engines will no longer be acquired. For those employees interested in doing more to reduce their impact on the environment, Parexel offers alternative compensation options to leasing a vehicle.

Our goal is to reduce average fleet emissions 20% by 2025 from our 2019 baseline, and we're committed to fully converting our fleet to sustainable vehicles over the next four years.

In 2023, Parexel is launching an updated travel policy enforcing modern micro-mobility and sustainable transport methods and promoting the use of high-speed rail over flights for trips less than four hours in duration.



»»» Environmental responsibility *(continued)*

Sustainable procurement

Strong supplier relationships are critical to creating a sustainable environment. Our **Supplier Code of Conduct** – introduced to all Parexel suppliers in 2021 and updated annually – requires compliance with laws regarding environmental practices and encourages our partners to consistently strive to improve their own environmental performance. These measures are included as part of our publicly available supplier selection criteria and request for proposal sourcing processes.

Our Procurement team periodically reviews our top suppliers regarding their ESG efforts and sustainability goals to ensure alignment with our journey. In 2023 we'll establish Scope 3 emission metrics based on our top 100 suppliers and anticipate establishing a goal to reduce emissions from our supply base 25% by 2030 from a 2021 baseline. In 2022, 44% of our preferred suppliers reported on their ESG activities in alignment with Parexel's data collection efforts. We will continue to partner with our top suppliers to implement emission reduction targets in line with Parexel's goals.

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All new Suppliers are required to meet our Environmental Code of Conduct (Environmental Code). We are in the process of integrating the Environmental Code into our existing Supplier agreements, with an expected completion by year-end 2023 for all preferred providers.

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Clinical trial sustainability

Parexel is committed to addressing the influence our clinical trial activities have on the environment. The Green Clinical Trial Framework (GCTF) is designed to raise awareness of the sustainability of studies managed by Parexel and identify opportunities for discussion with sponsors to introduce methods that may lessen our collective impact on the environment.

The GCTF considers the full lifecycle of a trial to ascertain patient burden, site and third-party capabilities, and sustainable considerations a sponsor may elect to pursue in an effort to offset the environmental footprint of a clinical trial.

In 2022, we rolled out a program to reduce waste in clinical trial materials transfer, which includes the use of reusable va-Q-tec temperature-controlled shipment boxes. We averted 23,096 kg from landfills within six months in 2022 from the implementation of this shipping process alone.

The GCTF initiative is the latest effort in our pursuit to create a sustainable environment for future generations. While we have only recently embarked on our journey, we have already discovered several promising opportunities and are excited about the potential positive environmental impact of the initiative.

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In 2023 Parexel joined the ENERGIZE program, which is a collaboration run by Schneider Electric among 18 global pharmaceutical companies. The focus is on engaging suppliers to support the adoption of renewable energy and reduce greenhouse gas emissions within their supply chains.

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»»» Ethics, values and compliance

Ethics and integrity are the foundation for how we operate and are essential to our continued success. Having a strong governance culture improves our company's decision-making, adaptability and reliability. We strive to maintain a culture through which employees can and are encouraged to speak up and ensure our ethics and values are represented in everything we do.



Approach to ethics and compliance

Our Global Compliance Program is governed by our Board of Directors, which reviews it quarterly as part of the Audit, Finance and Compliance Committee. Parexel's Chief Compliance Officer Marty Mahoney reports on a dotted-line basis to the Chair of the Parexel Audit, Finance and Compliance Committee, leading the Global Compliance team and maintaining accountability for administering the Corporate Compliance Program, which ensures employees are aware of and trained on Corporate Policies addressing ethics and compliance, such as our Code of Conduct and **anti-bribery and anti-corruption policies**.

The Audit, Finance and Compliance Committee reviews the company's compliance program quarterly, including policies and procedures; training, investigation and reporting of anti-bribery/anti-corruption matters; risk assessments and management; employee education and training; internal controls; audit and monitoring; third-party compliance; and reporting and investigation processes for general compliance matters.



“Ethics and compliance are at the heart of every aspect of our business. Our Global Compliance Program ensures our business and our people operate with the utmost integrity to maintain the trust of our customers, patients, suppliers and sites.”

– **Mike Crowley**, CAO and General Counsel



Code of Conduct

Our Code of Conduct is a roadmap designed to guide employees and other Parexel representatives in conducting themselves with honesty and integrity in all actions on behalf of our organization. Our Code defines the principles, values, behavior and standards that our organization considers significant and believes are fundamental to our successful operation. Ethical business conduct is part of every employee's job and they are responsible for understanding and complying with this code. We never compromise our commitment to “Doing Business with Integrity.” Read our **Code of Conduct**.

Our Speak Up program and policy encourage employees and third parties to ask questions and report possible misconduct any time they see or become aware of a suspected violation of laws, regulations, or company policies and procedures. Issues are reported through a confidential ethics hotline that is operated by an independent third party. All reported issues are thoroughly investigated in a timely manner. Retaliation is never tolerated. Read our **Speak Up Policy** and **Ask a Question or Report a Concern via our Ethics Hotline**.

>>> Ethics, values and compliance *(continued)*

Supplier code of conduct

We believe that a strong relationship with our Suppliers is critical to ensuring our continued success. Parexel's Supplier Code of Conduct ('Supplier Code') is the foundation of our relationship with them, creating a mutual understanding of our core values and beliefs and communicating our expectations.

Our Supplier Code establishes the principles and requirements for establishing and maintaining a business relationship with Parexel. Parexel expects all Suppliers, their employees and subcontractors to comply with the letter and spirit of all applicable laws, rules and regulations in the countries in which they operate as well as the principles set out in our Supplier Code. Read our [Supplier Code of Conduct](#).

Human rights

We respect human rights in all facets of our organization and will not conduct business with companies or individuals that violate human rights, including child labor; forced, involuntary, slave or indentured labor; human trafficking; modern slavery; and physical punishment.

Our Supplier Code of Conduct contains provisions for labor and human rights, and suppliers that have contracts or purchase orders with Parexel must agree to the terms and principles within the Supplier Code of Conduct. Suppliers within our clinical GxP work undergo a robust qualification process that requires them to fill out and sign a qualification form, including human rights.

Any activity that may violate human rights can be reported to the Chief Compliance Officer or to the Ethics Hotline.

100%
of colleagues and contractors are required to complete annual online training and certification regarding our **Code of Conduct** and to act with honesty and integrity.

100%
of colleagues and contractors are required to complete annual online **Anti-Bribery/Anti-Corruption** training to ensure compliance with all laws, regulations and codes.

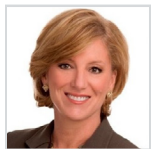
100%
of colleagues and all third parties have access to our **Speak Up** program either through internal channels or an independent, confidential ethics hotline.

>>> Ethics, values and compliance *(continued)*

Board of Directors

Parexel's Board of Directors is composed of eight members. Four are independent and provide outside influence and perspectives, one is from our Executive Leadership team, two are from our controlling investors – EQT and Goldman Sachs Asset Management – and one is an expert from the finance and healthcare industries. Our Board diversity makeup is 37.5% women and 25% people of color.

The Board has two committees: the Audit, Compliance and Environmental, Social and Governance Committee and the Compensation Committee.



Sheri McCoy
Independent Director & former CEO and Director of Avon Products, Inc., Chairperson of the Board



John Groetelaars
Independent Director and former CEO, Hillrom



Jamie Macdonald
CEO, Parexel



Maykin Ho, Ph.D.
Former Partner, Goldman Sachs



Michael Bruun
Partner, Global co-Head of Private Equity, Goldman Sachs Asset Management



Kristin Johnsen
Independent Director, Former Corporate Vice President, Microsoft Services



Bill Chase
Independent Director and former CFO, AbbVie



Eric Liu
Partner, Head of North American Private Equity and Global Co-Head of Healthcare, EQT

ESG governance

Strong governance is foundational to our ESG efforts. Parexel's full Board oversees our ESG strategy and reviews it annually. Throughout the year, the Board is briefed at each scheduled Board meeting on various ESG topics ranging from risk management and legal compliance to ESG-specific activities.

Board



CEO and Chief Procurement Officer



ESG Oversight and Governance Committee



Material Topic Working Groups

In 2021, we established an ESG Oversight and Governance Committee led by Chief Executive Officer Jamie Macdonald and Chief Procurement and Head of Corporate Services Kevin L. Brandenburg to further integrate sustainability into our business strategy and operations.

The committee meets quarterly and working teams assigned to each material topic area report out on progress. Monthly updates are also provided to share progress against our goals. In addition, we continue to assess our business activities and promote practices that enhance our sustainable efforts and address the issues most material to our stakeholders. This ESG report is one way we intend to show transparency in our journey.

The committee's efforts include spearheading our 2022 Materiality Assessment completed in partnership with Schneider Electric and leading the creation of Parexel's go-forward approach to ESG, including the five environmental goals we aim to achieve by 2025.

>>> Ethics, values and compliance *(continued)*

Enterprise Risk Management

Parexel and the company's Executive Leadership Team and Board of Directors are committed to our customers, patients and employees and to protecting and enhancing our business and reputation.

Our Enterprise Risk Management Committee (ERMC) oversees the Enterprise Risk Management (ERM) risk management framework across the organization. Our ERM framework is structured around ISO 31000:2018 and the COSO Enterprise Risk Management principles.

Parexel's risk strategy is to establish and maintain an integrated ERM framework that supports risk and opportunity identification aligned with our corporate values, strategy and objectives. Our ERM framework is based on a top-down and bottom-up approach that supports all business areas to identify the material, enterprise risks that could impact the attainment of our business objectives. It is comprised of the following elements:

Governance & culture

- › Parexel Board of Directors
- › Executive Leadership Team
- › Enterprise Risk Management Committee
- › Project, Department and Business Unit risk functions

Risk identification

- › Annual Risk Assessments
- › Global Risk Analysis
- › Emerging Risk Reports

Risk assessment

- › Effectiveness of our internal controls is assessed when calculating the financial, operational and reputational probability and severity impacts
- › Risk Portfolio and Prioritization

Control risks

- › Implement action plans for risks with identified gaps or risk levels outside of agreed target thresholds
- › Establish sub-committees comprised of leaders across the organization who regularly come together to advance the action plans for material risks
- › Evaluate effectiveness of action plans

Monitor risks

- › Quarterly ERM updates to the Board Audit Finance & Compliance Committee
- › Annual ERM Report
- › Risk registers to monitor risks across the organization
- › Follow up surveys
- › Report on progress by Risk Owners

»»» Ethics, values and compliance (continued)

Data privacy

In our everyday course of business, we collect and process the personal data of Parexel employees, clinical trial volunteers, investigative site staff, customer employees, business partners and their employees, independent contractors, agency workers and others. As an organization that keeps our employees, customers and patients at the heart of everything we do, we're committed to respecting data protection and privacy requirements and have developed policies and procedures that govern the processing of personal data by either Parexel or our business partners. We use many different systems to manage, process, receive and share this personal data.

Our companywide Data Protection and Privacy team is comprised of data protection and privacy professionals and officers who define our strategy, identify risks and opportunities, and improve our policies and standards. Our efforts are led by our Chief Privacy Officer and the data protection and privacy compliance program is outlined in our companywide data protection and privacy policies as controlled documents.

Our Data & Technology and Information Security teams work closely with the Data Protection and Privacy team to align on how we collect, store and move personal data and ensure our technical colleagues are aware of data protection and privacy requirements. Our Legal and Risk Management department provides additional support to make sure all documents – such as contracts, customer questionnaires and requests for proposals – meet our data protection and privacy obligations. As outlined in our business Code of Conduct, everyone at Parexel is accountable and responsible for following data protection and privacy obligations.

We emphasize the importance of data protection and privacy in our daily operations and engage with colleagues to facilitate learning and share best practices. Our companywide Data Protection and Privacy team maintains SharePoint pages to further embed data protection and privacy

Enhancing data management in clinical trials

Ever-increasing trial complexity, expanded data sources, surging data volumes and a host of new delivery models require fundamentally different approaches to how we collect and manage clinical trial data.

Parexel offers risk-based quality management services (RBQM), keeping customers ahead of clinical development data challenges with essential monitoring that has become a requirement in today's high-functioning clinical trial ecosystem.

Our approach forms the basis of a fit-for-purpose monitoring strategy, using study risk assessments, complexity, country requirements and site monitoring and capabilities as key considerations. Additionally, our advanced analytic capabilities leverage historical data across hundreds of trials to model predictive scenarios and categorize risk by severity of impact. Artificial Intelligence (AI) techniques complement clinical development and therapeutic knowledge to offer an unprecedented level of sensitivity when characterizing trends of importance or potential compliance issues.

knowledge across the business and we expect colleagues to understand data protection and privacy principles, identify potential risks and raise any concerns. Regular trainings ensure our employees remain up-to-date with the latest developments and good practices such as integrating data protection and privacy by design and by default principles into business practices by deploying effective pseudonymisation capabilities.

Maintaining data protection and privacy beyond and between organizational boundaries requires collaboration with peers, policymakers and regulators. For example, our active membership of the Association of Clinical Research Organizations (ACRO) enables us to exchange knowledge and expertise with peers on leading-edge data protection and privacy practices in the clinical research space.

»»» Ethics, values and compliance *(continued)*

Cybersecurity

Caring for our colleagues, patients and sites is a top priority at Parexel. We place great importance on information security, including cybersecurity, to protect against cyber threats. We maintain a formal Information Security & Risk Program structured around NIST and ISO 27001 Frameworks. The Cyber Security & Technology Quality program is managed by our Chief Information Security Officer Nelly Nauman.

The mission of our Information Security program is to safeguard the confidentiality, integrity and availability of our data, services and systems by providing proactive security expertise, measures, controls and fostering a culture of security awareness and compliance throughout the organization. Our strategy is focused on detection, analysis and response to cyber threats, cyber risks and resilience against cyber incidents. We continuously monitor threats, assess our tools and capabilities against evolving cyber threats, and make investments to protect our environment.

Parexel has implemented multiple layers of cyber protection and detection tools across our network. We continuously and actively monitor our environment using a layered defense system. For example, we employ firewalls, intrusion detection systems, end point protection and email security to protect our systems from malware, viruses and other types of malicious traffic. We also implement access control mechanisms to regulate information access and ensure that confidential or privileged data are not compromised.

At Parexel, we understand people are a critical and significant component of our security program, and we provide regular training sessions that educate our employees on information security risks and best practices. We also conduct spot checks, drills and security assessments to identify potential security threats and test the effectiveness of our security controls.

In the event we detect a threat in our environment, we're ready to invoke our incident response plan and take immediate steps to eradicate, contain and remediate any security issues.

Parexel's Information Security Program consists of core functions aligned with NIST and ISO Frameworks:

Identify	Detect
<ul style="list-style-type: none"> › Enterprise Information Security Risk Management Committee › Policies and standards › Third party risk management › Data classification › Cyber tabletop exercises 	<ul style="list-style-type: none"> › Threat and vulnerability management › Security monitoring (SOC)
Protect	Respond & recover
<ul style="list-style-type: none"> › Perimeter security › End point security › Infrastructure security › User awareness and training › Security architecture › Application security › Identity and access management 	<ul style="list-style-type: none"> › Cyber Incident Response Plan and team › Cyber Crisis Management Plan and team › Business continuity › Resiliency (back up and disaster recovery)

Our commitment to information security governance and our ongoing dedication to the adoption of industry best-practices reflect our desire to stay ahead of a constantly-evolving threat landscape. We continuously prioritize security and ensure that our environment is protected from cyber-attacks.



“Over the past 40 years, Parexel has driven the industry forward by advancing clinical research in healthcare’s most complex areas, offering solutions to make every phase of the clinical trial process more efficient and equitable. This would not be possible without our patients, our people and our dedication to bettering the world around us. We aim to continuously lead and learn from the experiences of others, implementing diversity, equity and inclusion into every trial to make a difference in the lives of patients everywhere.”

– Jamie Macdonald, Chief Executive Officer



*With Heart*TM

>>> We're always available for a conversation.

*With Heart*TM

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