

Corporate Mind

2018 Corporate Responsibility Report

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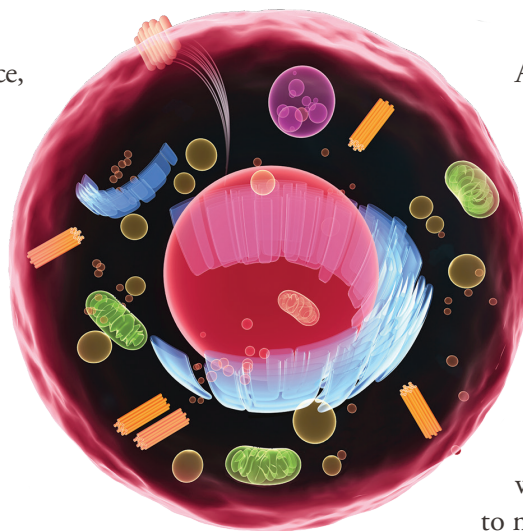
“

It seems the more we open up to our individual passions and let go of a singular approach, the more connected we become to something that brings meaning to all of us.

Bill Linton, Chairman and CEO

”

As Promega celebrates 40 years of supporting science, we reflect on how we can continue contributing to the advancement of science for improving life around the globe. In a rapidly changing world, we look for qualities that stand the test of time—the sense that we can seek and create purpose and meaning for ourselves as individuals, as an organization and in the larger community of customers, suppliers and stakeholders.



We use an image of an animal cell to represent corporate organization because the cell represents non-hierarchical, interdependent structure.

At Promega, our business is life science, but our lives are fueled by curiosity and life-long learning. We see this curiosity appear in countless forms across our global organization. Founded in 1978, our company is headquartered in Madison, WI, USA, with sales branches in 16 countries, more than 50 global distributors, and three global manufacturing locations. Promega is governed by a Board of Directors, while daily operations are led by the Corporate Leadership Team and global Branch Managers. This diverse group brings wide-ranging expertise and unique cultural experience to management decisions.



over **4,000** products



The text 'over 4,000 products' is in yellow and grey. A dashed line connects the '4,000' to a microcentrifuge tube icon. Another dashed line connects 'products' to a box icon.

1,483 employees



The text '1,483 employees' is in blue. A dashed line connects '1,483' to an icon of three people.

Sales branches in
16 countries






The text 'Sales branches in 16 countries' is in red. A dashed line connects '16' to a globe icon.

1.1 million square feet of facilities

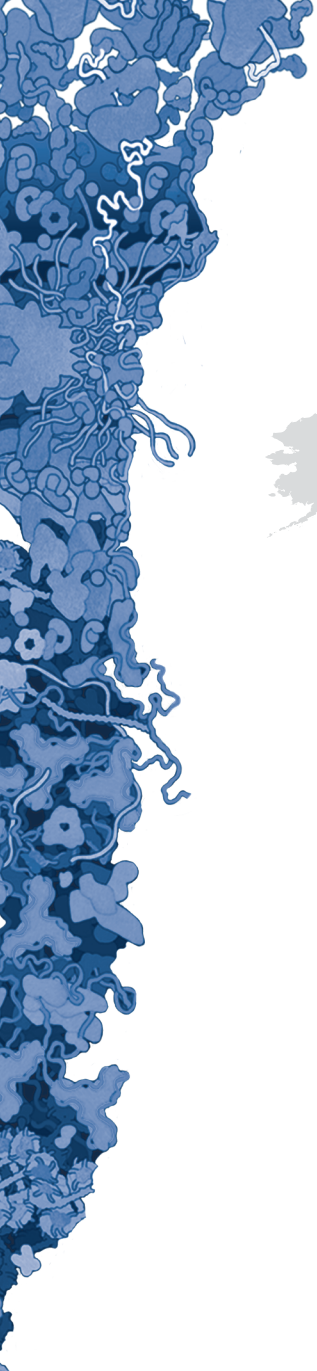


The text '1.1 million square feet of facilities' is in green. A dashed line connects '1.1 million' to a microscope icon. Another dashed line connects 'of facilities' to a building icon.

\$42 million invested in research & development



The text '\$42 million invested in research & development' is in blue. A dashed line connects '\$42 million' to a flask icon. Another dashed line connects 'invested in research & development' to a microscope icon. A third dashed line connects 'invested in research & development' to a document icon.



Purpose, Vision and Values

Purpose

Promega exists on an evolutionary frontier where the values of science, business and human well-being intersect. Acknowledging these interdependencies, Promega cultivates its environment to allow employees to flourish, develop deep and enduring relationships with all constituencies and create intelligent life-science solutions.

Vision

Promega Corporation grows from a vision where success is measured in meaning generated for people and in relationships sustained by both value and purpose. With an eye toward a changing future, Promega continues to evolve:

- Our life sciences tools to accelerate discovery and make possible increasingly innovative and practical applications of advanced technology.
- Our commitment to improving human health.
- Our work environments, which support and perpetuate curiosity, self-awareness and community integration.
- Our capacity as a stable resource for the growth and transformation of the people and communities we touch.

In essence, our vision includes all life and moves us to act on the knowledge that we are all interdependent.

Developing innovative small molecules at
Promega Biosciences in California



Values

Promega continues to reflect a set of living values that include:

- Contributing to the advancement of science for improving life in the global community.
- Appreciating that we operate as an adaptable living organism in which each element and human contribution are a vital part of a whole, capable of responding to the emerging complexities of our time.
- Encouraging personal development through inner and outer exploration and self-awareness practices.
- Recognizing that both work and home are places to cultivate wholeness and wholeheartedness through learning, offering the best of ourselves, integrating new insights and developing inner and outer qualities that allow each individual to be present and engaged.
- Rewarding and acknowledging achievement through creativity, risk taking, process improvements and innovation.
- Promoting adaptability and flexibility in the workplace.

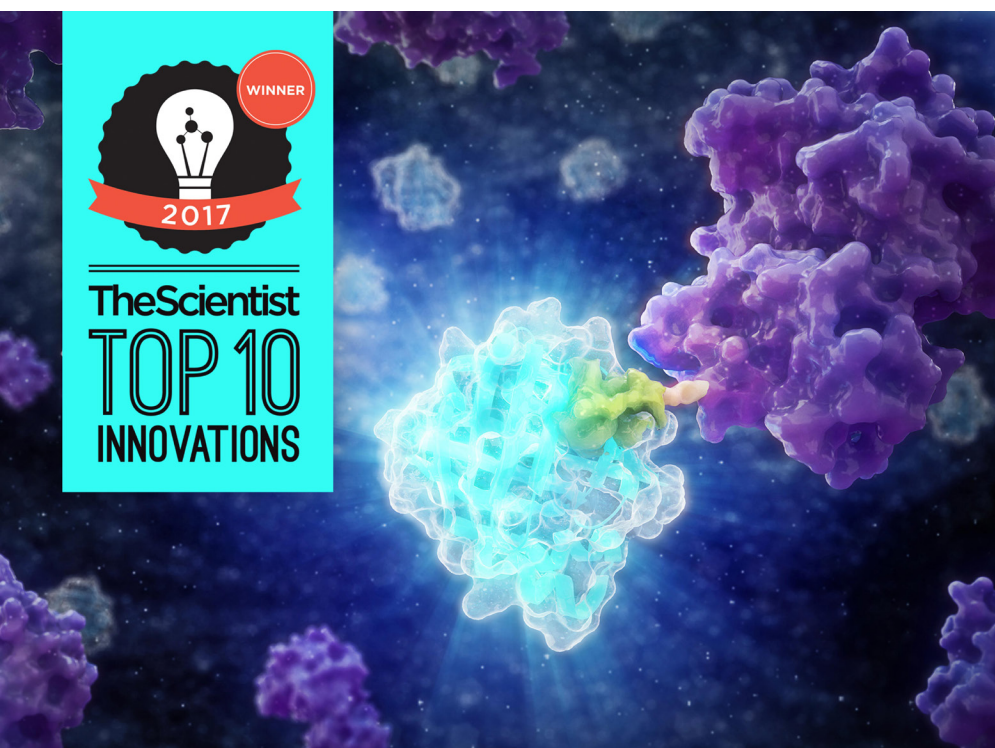
As a business focused on the long-term, we appreciate the importance of maintaining meaningful dialogue with all our stakeholders—customers, employees, suppliers, community and shareholders. In 2017, we initiated a self-reflective pilot project to better understand the importance of material issues to our stakeholders and their organizations. Consistent with the GRI (Global Reporting Initiative), the Promega 360 Pilot Project has provided valuable input and perspective on how our organization impacts and aligns in key areas of importance. We will continue to seek this type of reflective feedback and dialogue in the year ahead.

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Investment in the Future

We at Promega believe that a sustainable organization must evolve as the world and customer needs change. As a result, we look at human needs in an effort to anticipate our customers' needs while providing an inspiring place for employees to work and supporting the communities in which we live. We are committed to building a long-term sustainable future through investments in innovation, people, products and services, infrastructure and community outreach.

This commitment is evidenced by our investment in scientific innovation, expansion of global facilities and developing our technical and leadership capabilities. The focus in these areas allows us to continue to meet customer needs and generate increased value.



Effects of Products and Innovation

We provide innovative solutions and technical support to researchers, technicians and analysts in life sciences, industry and government. Over 4,000 catalog and additional custom products enable customers worldwide to advance knowledge in the fields of genomics, proteomics, cellular analysis, molecular diagnostics, human identification and applied biotechnology. In 2017, product revenue reached roughly \$400 million. The Product Reach section of this report expands on how our products benefit human health and advance the scientific community.

Our growing investment in innovative research resulted in 61 new patent filings in 2017, bringing our intellectual property library to over 370 granted patents and nearly 225 pending patents. In addition, 22 new products were launched fulfilling customer needs by:

- Aiding development of antibody-based treatments.
- Advancing forensic DNA testing.
- Improving methods for study cellular changes.
- Optimizing research in clinical labs.
- Expediting food safety testing.

'The Scientist' named HiBiT Protein Tagging System as a 2017 Top 10 Innovation. Learn more about this technology and how our customers are applying other Promega technologies to develop vaccines and predict reactions to immunotherapy in the Product Reach section.

Investments in People and Place

In 2017, Promega global facilities exceeded 1.1 million square feet or 110,000 square meters. Exciting branch expansion in the UK and Germany is well underway. Using sustainable design approaches, these new facilities will provide creative workplaces and healthy spaces for our employees, customers and community outreach. In addition, two new significant projects commenced: a state-of-the-art organic chemistry research & manufacturing facility in San Luis Obispo, CA, and a world-class research building in Madison, WI. Currently in design phase, these buildings will likely add 300,000 ft² or 28,000 m² to the Promega footprint when completed in the next few years. For details on the expansion and environmental effect and reduction in carbon emissions, see the Planet Aware section of this report.

Promega reduced carbon emissions by 6% as indexed to revenue in the last year. Learn more about our commitments to energy efficiency, sustainable design, resource conservation and much more in the Planet Aware section.

The Feynman Center has a living wall to bring the outdoors inside and provides a stimulating workspace for employees.



Conscious Leadership

At the heart of science is the understanding of the interdependent, complex and dynamic nature of systems. With a headcount nearing 1,500 individuals worldwide, this complexity is increasingly true at Promega as well. In rapidly changing environments, our leadership must have the latent capacities of mind and heart to flourish. We are actively and continuously developing an organizational environment that fosters the formation of deep personal connections, creates trust in the face of ambiguity to encourage conscientious and courageous action, and supports the simultaneous use of intuition and intelligence in developing vision and outlook. Ultimately we also want to provide space in which everyone has an opportunity for self-awareness, personal transformation and professional development. The People Care section of this report expands on ways that Promega invests in our people and focuses on strengthening relationships.

An active and continuously developing Emotional and Social Intelligence (ESI) initiative emphasizes connection and encourages employees to become their best self. Shanghai Promega is one location that educated employees on ESI in 2017. Learn more about all the ways Promega supports employees in the People Care section.



Valuing Diversity

Promega believes in and practices equal opportunity and affirmative action. As a global company, we acknowledge and honor the fundamental value and dignity of all individuals and pledge ourselves to creating and maintaining an environment that respects diverse traditions, heritages, experiences and perspectives. With offices in 16 culturally diverse locations, the organization benefits from the unique cultures and experiences of all employees. Women represent approximately 48% of employees worldwide and occupy 43% of management positions.



Promega general managers at the Leadership Forum.

Respecting Human Rights

As a member to the UN Global Compact, Promega follows all regulations regarding employment and has zero tolerance for violations of human rights. We are committed to upholding and advancing The Universal Declaration of Human Rights in how our business develops productive relationships around the world to continue working cooperatively among different customs and cultures. Issues that we take very seriously include:

- Protecting children from exploitation.
- Protecting all workers from compulsory labor.
- Paying at least minimum wages.
- Providing safe working conditions.

Promega complies with all local workplace regulations and ensures that our employees and community members are treated with respect and dignity. We hold the same expectations for our suppliers and look to align with organizations that uphold international human rights and labor standards.

Prioritizing Anti-Corruption

Promega aims to operate with the greatest integrity and has zero tolerance for corruption or bribery. This commitment to anti-corruption is communicated to all employees in a Code of Conduct and training is provided to managers and employees in purchasing or sales.



A Broader Sense of Place

At Promega, we think of place as the integration of work, home and community. In addition to supporting employee community engagement, we focus on outreach in education, science and creativity. Stories showing our commitment to the communities in which we work are shared in the Community Touch section of this report.

“The Promega in Action program greatly benefits employees by providing time for them to connect with communities and fulfill roles outside of the scope of their everyday lives. I volunteered with a nonprofit afterschool center in Nairobi, Kenya, to provide hands-on science workshops for youth, exploring topics such as pH, heat exchange and aerodynamics. My Promega in Action experience left me feeling grateful, connected creatively inspired and reenergized.” Learn more about the ways we give back in the Community Touch section.

Aligning Values Throughout the Supply Chain

Promega recognizes the effect and importance that suppliers have in the scope of our Corporate Responsibility, and forms partnerships with companies who have similar commitments. Our Supplier Code of Conduct outlines our expectations relating to business ethics, labor, health and safety and environmental responsibility. This document is shared with new and existing suppliers to encourage collaboration in these areas. A focus on sourcing from local suppliers also supports local communities and reduces environmental effects from shipping.

Our Economic Benefit

Growth and success of any business, especially one the size and scope of Promega, has a positive ripple effect on the communities in which it operates. In the state of Wisconsin alone, a third party economist has estimated our multiplied annual economic impact at more than \$600 million. This analysis accounts for direct, indirect and induced Promega effect from job creation to expense of goods and services.

Mindful focus on building a long-term sustainable organization, along with continued investment in infrastructure, will enable Promega to meet the rapidly changing needs of the scientific community.

