

Shareholder Proposal for LabCorp 2023 Proxy Ballot
Submitted by Tara Health Foundation

WHEREAS: Following the revocation of the constitutional right to an abortion in June 2022, federal policymakers and legislators have become concerned about the use of personal digital data for the enforcement of state laws that ban or limit abortion access. Congress is currently considering bills that would increase privacy protections for personal reproductive health information. California now requires out-of-state law enforcement seeking personal data from California corporations to attest that the investigation does not involve any crime concerning an abortion that is lawful in California.

Law enforcement frequently relies on digital consumer data. While LabCorp does not publicly report figures on law enforcement requests compliance, Alphabet and Meta alone collectively received around 110,000 requests in the second half of 2021, and each complied with about 80% of those requests.¹ In 2022, Meta satisfied a Nebraska police warrant for private Facebook messages from a defendant facing felony charges for allegedly helping her daughter terminate a pregnancy,² to significant negative press.

LabCorp collects sensitive consumer information such as personal health data, internet activity, and commercial information. Shareholders are concerned that such data will be accessed without consumer consent by states that criminalize abortion. Indeed, the Company's privacy policies allow LabCorp to disclose personal consumer information "in response to duly authorized information requests of any law enforcement agency."³ However, such requests may seek evidence of consumer acts that are inappropriate for LabCorp to voluntarily share – for example, a customer's activities that were legal in the state where they occurred, such as laboratory testing related to an abortion.

Since LabCorp collects and stores digital consumer data, the Company is not immune to abortion-related law enforcement requests that may create significant reputational, financial, and legal risks. LabCorp is already complying with "deletion rights" under California law, wherein consumers may request that the Company delete collected personal data that is not legally required to retain. Accordingly, there is a strong brand benefit to upholding and increasing longstanding consumer privacy expectations.

¹ <https://transparencyreport.google.com/user-data/overview?hl=en>; <https://transparency.fb.com/data/government-data-requests/country/us/>

² <https://www.npr.org/2022/08/12/1117092169/nebraska-cops-used-facebook-messages-to-investigate-an-alleged-illegal-abortion>

³ <https://www.labcorp.com/hipaa-privacy>

RESOLVED: Shareholders request that our Board issue a public report detailing any known and potential risks and costs to the Company of fulfilling information requests relating to LabCorp customers for the enforcement of state laws criminalizing abortion access, and setting forth any strategies beyond legal compliance that the Company may deploy to minimize or mitigate these risks. The report should be produced at reasonable expense, exclude proprietary or legally privileged information, and be published within one year of the annual meeting.

SUPPORTING STATEMENT: Shareholders recommend, at board and management discretion, that input from reproductive rights and civil liberties organizations be solicited and reflected in the report, and that the report contain:

- (1) An assessment of the implementation of a nationwide data privacy policy wherein consumers would have “deletion rights;” and
- (2) An evaluation of the benefits of notifying consumers about law enforcement information requests regarding their data prior to, and with sufficient time for consumer response before complying with any such request.