

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code). ▶ Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089
		2015
		This Form is Open to Public Inspection

Part I	Annual Report Identification Information
For calendar plan year 2015 or fiscal plan year beginning <u>01/01/2015</u> and ending <u>12/31/2015</u>	
A This return/report is for:	☐ a multiemployer plan; ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions); or ☒ a single-employer plan; ☐ a DFE (specify) ____
B This return/report is:	☐ the first return/report; ☐ the final return/report; ☐ an amended return/report; ☐ a short plan year return/report (less than 12 months).
C If the plan is a collectively-bargained plan, check here.	☐
D Check box if filing under:	☒ Form 5558; ☐ automatic extension; ☐ the DFVC program; ☐ special extension (enter description)

Part II	Basic Plan Information —enter all requested information
1a Name of plan <u>COVANCE 401(K) SAVINGS PLAN</u>	1b Three-digit plan number (PN) ▶ <u>001</u> 1c Effective date of plan <u>07/01/1972</u>
2a Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) <u>COVANCE INC.</u> <u>210 CARNEGIE CENTER</u> <u>PRINCETON, NJ 08540</u>	2b Employer Identification Number (EIN) <u>22-3265977</u> 2c Plan Sponsor's telephone number <u>609-452-4088</u> 2d Business code (see instructions) <u>541700</u>

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	10/12/2016	SANDRA VAN DER VAART
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	10/12/2016	SANDRA VAN DER VAART
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE
Preparer's name (including firm name, if applicable) and address (include room or suite number)			Preparer's telephone number

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.

Form 5500 (2015)
v. 150123

3a Plan administrator's name and address ☒ Same as Plan Sponsor	3b Administrator's EIN 3c Administrator's telephone number <div style="background-color: #cccccc; height: 40px; width: 100%;"></div>
4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name	4b EIN 4c PN
5 Total number of participants at the beginning of the plan year	5 9802
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d).	
a(1) Total number of active participants at the beginning of the plan year.....	6a(1) 6936
a(2) Total number of active participants at the end of the plan year	6a(2) 7675
b Retired or separated participants receiving benefits.....	6b 15
c Other retired or separated participants entitled to future benefits.....	6c 2976
d Subtotal. Add lines 6a(2) , 6b , and 6c	6d 10666
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e 7
f Total. Add lines 6d and 6e	6f 10673
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	6g 10227
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	6h 490
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 2E 2F 2H 2J 2K 2S 2T 3H	
b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:	
9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)	
a Pension Schedules (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☐ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☐ A (Insurance Information) (4) ☒ C (Service Provider Information) (5) ☒ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)

Part III	Form M-1 Compliance Information (to be completed by welfare benefit plans)
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11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

11c Enter the Receipt Confirmation Code for the 2015 Form M-1 annual report. If the plan was not required to file the 2015 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

<div>SCHEDULE C</div> <div>(Form 5500)</div> <div>Department of the Treasury</div> <div>Internal Revenue Service</div> <div>Department of Labor</div> <div>Employee Benefits Security Administration</div> <div>Pension Benefit Guaranty Corporation</div>	<div>Service Provider Information</div> <div>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).</div> <div>▶ File as an attachment to Form 5500.</div>	OMB No. 1210-0110
		2015
		This Form is Open to Public Inspection.

For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015		
A Name of plan COVANCE 401(K) SAVINGS PLAN	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 COVANCE INC.	D Employer Identification Number (EIN) 22-3265977	

Part I	Service Provider Information (see instructions)
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You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

- a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... ☒ Yes ☐ No
- b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL
04-2647786

(b) Enter name and EIN or address of person who provided you disclosure on eligible indirect compensation
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(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

STRATEGIC ADVISORS, INC.

04-2654524

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
27	ADVISOR	138715	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

ERNST AND YOUNG

34-6565596

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
10	ACCOUNTANT/AUDITOR	40950	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

CAPFINANCIAL PARTNERS, LLC

26-0058143

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
16	CONSULTANT	35000	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

DECKERT LLP

23-1425587

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
16 99	OTHER SERVICES	18512	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

FIDELITY INVESTMENTS INSTITUTIONAL

04-2647786

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
37 60 64 65	RECORDKEEPER	-540834	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☒ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
<div style="text-align: center;">(d) Enter name and EIN (address) of source of indirect compensation</div>		
BARON GROWTH - DST SYSTEMS INC	0.40%	
43-1581814		
<div style="text-align: center;">(a) Enter service provider name as it appears on line 2</div>		
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
<div style="text-align: center;">(d) Enter name and EIN (address) of source of indirect compensation</div>		
BARON GROWTH INST - DST SYSTEMS IN	0.15%	
43-1581814		
<div style="text-align: center;">(a) Enter service provider name as it appears on line 2</div>		
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
<div style="text-align: center;">(d) Enter name and EIN (address) of source of indirect compensation</div>		
GS MIDCAP VALUE INST - GOLDMAN, SA	0.10%	
13-5108880		

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation		
JANUS OVERSEAS I - JANUS SERVICES 43-1804048	0.10%	
(a) Enter service provider name as it appears on line 2		
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation		
OAKMARK SELECT I - BOSTON FINANCIA P.O. BOX 8480 BOSTON, MA 02266	0.35%	
(a) Enter service provider name as it appears on line 2		
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation		
TRP SMALL-CAP VALUE - T. ROWE PRIC 52-2269240	0.15%	

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
WA CORE PLUS BOND I - BNY MELLON I P.O. BOX 9793 PROVIDENCE, RI 02940	0.10%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

Part III **Termination Information on Accountants and Enrolled Actuaries (see instructions)**
(complete as many entries as needed)

a Name: ERNST & YOUNG LLP	b EIN: 34-6565596
c Position: AUDITOR	
d Address: 99 WOOD AVENUE SOUTH ISELIN, NJ 08830	e Telephone: 732-516-4200

Explanation: COVANCE WAS ACQUIRED BY LABCORP EFFECTIVE FEBRUARY 2015. DUE TO THE ACQUISITION, OUR AUDITOR CHANGED TO HPG.

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

SCHEDULE D (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small>	DFE/Participating Plan Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2015 This Form is Open to Public Inspection.
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For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015

A Name of plan <u>COVANCE 401(K) SAVINGS PLAN</u>	B Three-digit plan number (PN) ►	<u>001</u>
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 <u>COVANCE INC.</u>	D Employer Identification Number (EIN) <u>22-3265977</u>	

Part I	Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)
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a Name of MTIA, CCT, PSA, or 103-12 IE: FID MGD INC PORT II

b Name of sponsor of entity listed in (a): FIDELITY MANAGEMENT TRUST COMPANY

c EIN-PN <u>04-3022712-025</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>59138415</u>
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a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)

Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN

SCHEDULE H (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2015 This Form is Open to Public Inspection
For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015		
A Name of plan COVANCE 401(K) SAVINGS PLAN	B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 COVANCE INC.	D Employer Identification Number (EIN) 22-3265977	

Part I Asset and Liability Statement			
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.			
Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a	0	0
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	76004	1818192
(2) Participant contributions	1b(2)	393017	1286052
(3) Other.....	1b(3)	0	0
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	2466260	0
(2) U.S. Government securities.....	1c(2)	0	0
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)	0	0
(B) All other.....	1c(3)(B)	0	0
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)	0	0
(B) Common	1c(4)(B)	0	0
(5) Partnership/joint venture interests	1c(5)	0	0
(6) Real estate (other than employer real property)	1c(6)	0	0
(7) Loans (other than to participants)	1c(7)	0	0
(8) Participant loans	1c(8)	9983239	9877521
(9) Value of interest in common/collective trusts.....	1c(9)	51396151	59138415
(10) Value of interest in pooled separate accounts.....	1c(10)	0	0
(11) Value of interest in master trust investment accounts	1c(11)	0	0
(12) Value of interest in 103-12 investment entities	1c(12)	0	0
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)	626970902	730318869
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other	1c(15)	0	0

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)	103637019	0
(2) Employer real property	1d(2)	0	0
e Buildings and other property used in plan operation	1e	0	0
f Total assets (add all amounts in lines 1a through 1e)	1f	794922592	802439049

Liabilities

g Benefit claims payable	1g	0	0
h Operating payables	1h	0	0
i Acquisition indebtedness	1i	0	0
j Other liabilities	1j	180234	0
k Total liabilities (add all amounts in lines 1g through 1j)	1k	180234	0

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	794742358	802439049
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Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income**a Contributions:**

		(a) Amount	(b) Total
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	21937052	
(B) Participants	2a(1)(B)	44744537	
(C) Others (including rollovers)	2a(1)(C)	6592395	
(2) Noncash contributions	2a(2)	0	73273984
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		

b Earnings on investments:**(1) Interest:**

(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	1377	
(B) U.S. Government securities	2b(1)(B)	0	
(C) Corporate debt instruments	2b(1)(C)	0	
(D) Loans (other than to participants)	2b(1)(D)	0	
(E) Participant loans	2b(1)(E)	409478	
(F) Other	2b(1)(F)	0	
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		410855
(2) Dividends: (A) Preferred stock	2b(2)(A)	0	
(B) Common stock	2b(2)(B)	0	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	43885184	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		43885184
(3) Rents	2b(3)		0
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	166524112	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	161692473	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		4831639
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)	0	
(B) Other	2b(5)(B)	0	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		473549
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		0
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		0
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		0
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		-43767288
c Other income	2c		0
d Total income. Add all income amounts in column (b) and enter total	2d		79107923

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	71705875	
(2) To insurance carriers for the provision of benefits	2e(2)	0	
(3) Other	2e(3)	0	
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		71705875
f Corrective distributions (see instructions)	2f		11287
g Certain deemed distributions of participant loans (see instructions)	2g		178
h Interest expense	2h		0
i Administrative expenses: (1) Professional fees	2i(1)	0	
(2) Contract administrator fees	2i(2)	0	
(3) Investment advisory and management fees	2i(3)	138715	
(4) Other	2i(4)	-444823	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		-306108
j Total expenses. Add all expense amounts in column (b) and enter total	2j		71411232

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		7696691
l Transfers of assets:			
(1) To this plan	2l(1)		0
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☐ Unqualified (2) ☐ Qualified (3) ☒ Disclaimer (4) ☐ Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)?

☒ Yes ☐ No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: HUGHES PITTMAN & GUPTON, LLP

(2) EIN: 56-1415202

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

	Yes	No	N/A	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)		X		
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)		X		

	Yes	No	N/A	Amount
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X		
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)		X		
e Was this plan covered by a fidelity bond?	X			2000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X		
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X		
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X		
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	X			
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)		X		
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?		X		
l Has the plan failed to provide any benefit when due under the plan?		X		
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)		X		
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.		X		
o Did the plan trust incur unrelated business taxable income?				
p Were in-service distributions made during the plan year?				

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?
 If "Yes," enter the amount of any plan assets that reverted to the employer this year. ☐ Yes ☒ No Amount:

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)

5c If the plan is a defined benefit plan, is it covered under the PBGC insurance program (see ERISA section 4021)? ☐ Yes ☐ No ☐ Not determined

Part V Trust Information

6a Name of trust	6b Trust's EIN
6c Name of trustee or custodian	6d Trustee's or custodian's telephone number

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2015 This Form is Open to Public Inspection.
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For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015

A Name of plan <u>COVANCE 401(K) SAVINGS PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>COVANCE INC.</u>	D Employer Identification Number (EIN) <u>22-3265977</u>

Part I	Distributions
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All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>04-6568107</u>	
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.	
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....	3

Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part)
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4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?	☐ Yes	☐ No	☐ N/A
If the plan is a defined benefit plan, go to line 8.			
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____			
If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.			
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)	6a		
b Enter the amount contributed by the employer to the plan for this plan year	6b		
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....	6c		
If you completed line 6c, skip lines 8 and 9.			
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?	☐ Yes	☐ No	☐ N/A
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?	☐ Yes	☐ No	☐ N/A

Part III	Amendments
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9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box.	☐ Increase	☐ Decrease	☐ Both	☐ No
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Part IV	ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
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10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?	☐ Yes	☐ No
11 a Does the ESOP hold any preferred stock?	☐ Yes	☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)	☐ Yes	☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes	☐ No

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.

Schedule R (Form 5500) 2015
v. 150123

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

14	Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:		
	a The current year	14a	
	b The plan year immediately preceding the current plan year	14b	
	c The second preceding plan year	14c	
15	Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:		
	a The corresponding number for the plan year immediately preceding the current plan year	15a	
	b The corresponding number for the second preceding plan year	15b	
16	Information with respect to any employers who withdrew from the plan during the preceding plan year:		
	a Enter the number of employers who withdrew during the preceding plan year	16a	
	b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	16b	
17	If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐		

Part VI	Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans
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18	If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐
19	If the total number of participants is 1,000 or more, complete lines (a) through (c)
	a Enter the percentage of plan assets held as: Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%
	b Provide the average duration of the combined investment-grade and high-yield debt: ☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more
	c What duration measure was used to calculate line 19(b)? ☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____

Part VII	IRS Compliance Questions
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20a Is the plan a 401(k) plan?	☐ Yes	☐ No
20b If "Yes," how does the 401(k) plan satisfy the nondiscrimination requirements for employee deferrals and employer matching contributions (as applicable) under sections 401(k)(3) and 401(m)(2)?	☐ Design-based safe harbor method	☐ ADP/ACP test
20c If the ADP/ACP test is used, did the 401(k) plan perform ADP/ACP testing for the plan year using the "current year testing method" for nonhighly compensated employees (Treas. Reg sections 1.401(k)-2(a)(2)(ii) and 1.401(m)-2(a)(2)(ii))?	☐ Yes	☐ No
21a Check the box to indicate the method used by the plan to satisfy the coverage requirements under section 410(b):	☐ Ratio percentage test	☐ Average benefit test
21b Does the plan satisfy the coverage and nondiscrimination tests of sections 410(b) and 401(a)(4) by combining this plan with any other plans under the permissive aggregation rules?	☐ Yes	☐ No
22a Has the plan been timely amended for all required tax law changes?	☐ Yes	☐ No ☐ N/A
22b Date the last plan amendment/restatement for the required tax law changes was adopted ____/____/____. Enter the applicable code _____. (See instructions for tax law changes and codes).		
22c If the plan sponsor is an adopter of a pre-approved master and prototype (M&P) or volume submitter plan that is subject to a favorable IRS opinion or advisory letter, enter the date of that favorable letter ____/____/____ and the letter's serial number _____.		
22d If the plan is an individually-designed plan and received a favorable determination letter from the IRS, enter the date of the plan's last favorable determination letter ____/____/____.		
23 Is the Plan maintained in a U.S. territory (i.e., Puerto Rico (if no election under ERISA section 1022(i)(2) has been made), American Samoa, Guam, the Commonwealth of the Northern Mariana Islands or the U.S. Virgin Islands)?	☐ Yes	☐ No

COVANCE 401(K) SAVINGS PLAN

Financial Statements

December 31, 2015 and 2014

COVANCE 401(K) SAVINGS PLAN

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December 31, 2015 and 2014

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Hughes Pittman & Gupton, LLP

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Independent Auditors' Report

The Investment Committee
Covance 401(k) Savings Plan
Burlington, North Carolina

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of the Covance 401(k) Savings Plan, which comprise the statement of net assets available for benefits as of December 31, 2015, and the related statement of changes in net assets available for benefits for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's (DOL's) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 ("ERISA"), the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified by Fidelity Management Trust Company, the trustee of the Plan, except for comparing such information with the related information included in the financial statements. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the trustee as of and for the year ended December 31, 2015, that the information provided to the plan administrator by the trustee is complete and accurate.

Disclaimer of Opinion on 2015 Financial Statements

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient, appropriate audit evidence to provide a basis for an audit opinion on the 2015 financial statements. Accordingly, we do not express an opinion on the 2015 financial statements referred to in the first paragraph.

Other Matter - Supplemental Schedule

The supplemental schedule, as listed in the accompanying table of contents, as of December 31, 2015, is required by the DOL's Rules and Regulations for Reporting and Disclosure under ERISA and is presented for the purpose of additional analysis and is not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedule referred to above.

Other Matter - 2014 Financial Statements

The financial statements of the Plan as of December 31, 2014, were audited by predecessor auditors. As permitted by 29 CFR 2520.103-8 of the DOL's Rules and Regulations for Reporting and Disclosure under ERISA, the plan administrator instructed the predecessor auditors not to perform, and they did not perform any auditing procedures with respect to the information certified by Fidelity Management Trust Company, the trustee of the Plan. Their report, dated July 2, 2015, indicated that (a) because of the significance of the information that they did not audit, they were unable to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion and accordingly, they did not express an opinion on the financial statements; and (b) the form and content of the information included in the financial statements other than that derived from the information certified by the trustee, were presented in compliance with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

Report on Form and Content in Compliance with DOL's Rules and Regulations for 2015

The form and content of the information included in the 2015 financial statements and supplemental schedule, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

Hughes Patman & Garton, LLP

Raleigh, North Carolina
October 11, 2016

COVANCE 401(K) SAVINGS PLAN

Statements of Net Assets Available for Benefits

December 31, 2015 and 2014

(Dollars in Thousands)

	<u>2015</u>	<u>2014</u>
Assets		
Investments at fair value:		
Mutual funds	\$ 730,319	\$ 626,972
Collective trust fund	59,139	51,396
Covance Stock Fund	-	106,103
	<hr/>	<hr/>
Total investments at fair value	789,458	784,471
Receivables:		
Notes receivable from participants	9,878	9,983
Participants' contribution receivable	1,286	393
Employer contribution receivable	1,818	76
	<hr/>	<hr/>
Total receivables	12,982	10,452
	<hr/>	<hr/>
Total assets	802,440	794,923
Liabilities		
Other liabilities	-	180
	<hr/>	<hr/>
Net assets available for benefits at fair value	802,440	794,743
Adjustment from fair value to contract value for fully benefit-responsive investment contract	(422)	(740)
	<hr/>	<hr/>
Net assets available for benefits	<u>\$ 802,018</u>	<u>\$ 794,003</u>

See accompanying notes to financial statements

COVANCE 401(K) SAVINGS PLAN

Statement of Changes in Net Assets Available for Benefits

For the Year Ended December 31, 2015

(Dollars in thousands)

Additions

Additions to net assets attributed to:

Investment activity:

Net depreciation in fair value of investments	\$ (38,144)
Interest and dividends	43,887

Interest income on notes receivable from participants	410
---	-----

Contributions:

Participants'	44,745
Employer's	21,937
Rollovers	6,592

Total contributions	73,274
---------------------	--------

Other income	619
--------------	-----

Total additions	80,046
-----------------	--------

Deductions

Deductions from net assets attributed to:

Benefits paid to participants	71,717
Administrative expenses	314

Total deductions	72,031
------------------	--------

Net increase	8,015
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Net assets available for benefits at beginning of year	794,003
--	---------

Net assets available for benefits at end of year	\$ 802,018
--	------------

See accompanying notes to financial statements

COVANCE 401(K) SAVINGS PLAN

Notes to Financial Statements

December 31, 2015 and 2014

(Dollars in Thousands)

NOTE 1: DESCRIPTION OF THE PLAN

The following description of the Covance 401(k) Savings Plan (the “Plan”) provides only general information. Participants should refer to the plan document for a more complete description of the Plan’s provisions.

Plan Description

The Plan is a defined contribution plan qualified under Section 401(k) of the Internal Revenue Code (the “IRC”). Covance Inc. (the “Company”) employees who are working in the United States and have completed one hour of service with the Company are eligible to participate in the Plan, except for those with collective bargaining rights, unless negotiated, leased employees, or individuals classified as independent contractors. During 2015 and 2014, Fidelity Management Trust Company (“Fidelity”) served as the Plan’s trustee (the “Trustee”) and recordkeeper. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (“ERISA”).

On February 19, 2015, Laboratory Corporation of America Holdings (“LabCorp”) acquired Covance Inc., at which point the Covance Stock Fund in the Plan was terminated.

Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan, subject to provisions of ERISA. In the event of Plan termination, participants will become 100% vested in their accounts.

Contributions

Each participant may contribute any whole percentage of their eligible compensation between 1% and 50%, subject to annual Internal Revenue Service (“IRS”) limitations. The Company makes a matching contribution to the Plan equal to two times each participant’s contribution for the first 1% of eligible compensation contributed to the Plan and 50% of each additional 1% of each participant’s eligible compensation contributed to the Plan up to an additional 5%, resulting in a maximum matching contribution of 4.5% for a participant who contributes 6% or more of their eligible compensation.

COVANCE 401(K) SAVINGS PLAN

Notes to Financial Statements

December 31, 2015 and 2014

(Dollars in Thousands)

NOTE 1: DESCRIPTION OF THE PLAN (continued)

At its own discretion, the Company may make a discretionary contribution to the Plan (“Discretionary Contribution”) in any year, which would be allocable equally to all eligible participants employed by the Company at the end of the plan year, provided that any such Discretionary Contribution for any plan year may only be made out of current or accumulated Company earnings and profits, and may not exceed the maximum allowable as a deduction to the Company under Section 404 of the IRC. No such Discretionary Contribution has been made to the Plan for the years ended December 31, 2015 and 2014.

Employees are automatically enrolled in the Plan one month after their hire date at an initial contribution rate of 3% of their eligible compensation. Employees have the option to cancel their automatic enrollment at any time.

Participants may elect to have their contributions and Company matching contributions invested in any one or a combination of select funds offered by Fidelity in accordance with the plan document. In addition, participants could elect to have contributions invested in the Covance Stock Fund prior to its termination in February 2015.

Participants’ Accounts

Each participant’s account is credited with the participant’s contribution and allocations of (a) the Company’s contributions, and (b) plan earnings, and charged with an allocation of administrative expenses. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant’s vested account.

Vesting

Participants are immediately vested in their contributions plus actual earnings thereon. Participants become 25%, 50%, and 100% vested in Company contributions after two, three, and four years of service. Participants become 100% vested in Company contributions regardless of years of service upon reaching age 65 or in the event of total and permanent disability or death.

Forfeited Accounts

As of December 31, 2015 and 2014, forfeited nonvested accounts totaled \$31 and \$128. These accounts represent nonvested matching contributions of participants who have terminated their employment with the Company and will be used to reduce future employer contributions and/or to pay Plan administration expenses. In 2015, employer contributions were reduced by \$1,825, and administrative expenses were reduced by \$6 from forfeited nonvested accounts.

COVANCE 401(K) SAVINGS PLAN

Notes to Financial Statements

December 31, 2015 and 2014

(Dollars in Thousands)

NOTE 1: DESCRIPTION OF THE PLAN (concluded)

Notes Receivable from Participants

Participants may borrow from their fund accounts a minimum of \$1 up to a maximum equal to the lesser of \$50 or 50% of their vested account balance. Loan terms range from one to five years or up to ten years for the purchase of a primary residence. The loans are secured by the balance in the participant's account and bear interest at a rate of 1% above the federal prime rate at the time of the loan. A participant may only have one loan outstanding at any time. Principal and interest is paid ratably through payroll deductions.

Payment of Benefits

Each participant is entitled to receive the balance of their account upon retirement on or after age 65, or in the event of total and permanent disability or death. In addition, upon termination of employment with the Company, a participant may elect to be paid a lump-sum amount equal to the value of the vested portion of their account balance. Participants entitled to a distribution of benefits with a vested account balance of \$1 or less will automatically receive a lump-sum payment. If the balance of a participant's account exceeds \$1 they can elect to receive either an immediate distribution or defer taking a distribution (but not beyond age 70½). Payments shall be distributed in cash, except to the extent that a participant had previously elected otherwise under the terms of the Plan in effect at the time of such election.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Plan are presented on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

Benefits are recorded when paid.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires the plan administrator to make estimates and assumptions that affect the reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

COVANCE 401(K) SAVINGS PLAN

Notes to Financial Statements

December 31, 2015 and 2014

(Dollars in Thousands)

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investment Valuation and Income Recognition

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 4 for discussion of fair value measurements.

Investment contracts held by a defined contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan. The statements of net assets available for benefits present the fair value of the investment contracts as well as the adjustment of the fully benefit-responsive investment contracts from fair value to contract value. The statement of changes in net assets available for benefits is prepared on a contract value basis.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net depreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Delinquent participant loans are reclassified as distributions based upon the terms of the plan document.

Administrative Expenses

Certain expenses of maintaining the Plan are paid directly by the Company and are excluded from these financial statements. Trustee and recordkeeping fees incurred in connection with the general administration of the Plan that are paid by the Plan are included in administrative expenses. Fees related to the administration of notes receivable from participants are charged directly to the participant's account and are included in administrative expenses. Investment related expenses are included in net depreciation of fair value of investments.

COVANCE 401(K) SAVINGS PLAN

Notes to Financial Statements

December 31, 2015 and 2014

(Dollars in Thousands)

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (concluded)

Risks and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near-term and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits.

Financial Instruments

The carrying amount of certain of the Plan's financial instruments, including contributions receivable and other liabilities, approximates fair value due to their short maturities.

NOTE 3: INFORMATION PREPARED AND CERTIFIED BY TRUSTEE

All investment information disclosed in the accompanying financial statements and supplemental schedule, including investments held as of December 31, 2015 and 2014, and net depreciation in fair value of investments and interest and dividends for 2015 was obtained or derived from information supplied to the plan administrator and certified as complete and accurate by the Trustee.

Investments at fair value as of December 31 include:

	2015	2014
Mutual funds	\$ 730,319	\$ 626,972
Collective trust fund	59,139	51,396
Covance stock fund	-	106,103
Total investments	<u>\$ 789,458</u>	<u>\$ 784,471</u>
Notes receivable from participants	<u>\$ 9,878</u>	<u>\$ 9,983</u>
Total investment income	<u>\$ 5,743</u>	
Interest income on notes receivable from participants	<u>\$ 410</u>	

COVANCE 401(K) SAVINGS PLAN

Notes to Financial Statements

December 31, 2015 and 2014

(Dollars in Thousands)

NOTE 3: INFORMATION PREPARED AND CERTIFIED BY TRUSTEE (concluded)

The Trustee also certified as complete and accurate the collective trust fund at contract value of \$58,717 and \$50,656 as of December 31, 2015 and 2014.

The Plan's independent accountants did not perform auditing procedures with respect to this information, except for comparing such information included in the financial statements and supplemental schedule.

NOTE 4: FAIR VALUE MEASUREMENTS

Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 820, *Fair Value Measurement* ("FASB ASC 820"), provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820's framework are described as follows:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

COVANCE 401(K) SAVINGS PLAN

Notes to Financial Statements

December 31, 2015 and 2014

(Dollars in Thousands)

NOTE 4: FAIR VALUE MEASUREMENTS (continued)

Following is a description of the valuation methodologies used for investments measured at fair value. There have been no changes in the methodologies used as of December 31, 2015 and 2014.

Mutual funds - Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-end mutual funds that are registered with the Securities and Exchange Commission. The mutual funds are required to publish their daily net asset value and to transact at that price. These funds held by the Plan are deemed to be actively traded.

Collective trust fund - Valued based on the underlying unit value as provided by the Trustee. Valuation of the fund's units is published daily and is the basis for current transactions. Unit values are determined by dividing the value of the fund's net assets by the total number of participants' units outstanding on the valuation date. Participant transactions (purchases and sales) may occur daily. Were the Plan to initiate a full redemption of the collective trust, the investment advisor reserves the right to temporarily delay withdrawal from the trust in order to ensure that securities' liquidations will be carried out in an orderly business manner.

Covance stock fund - Valued at the quoted market price on the last day of the plan year, which represents fair value.

The following table sets forth the Plan's investments at fair value as of December 31, 2015 and 2014:

	2015			
	Investments at Fair Value			
	Level 1	Level 2	Level 3	Total
Mutual funds:				
Equity and bond funds	\$ 418,877	\$ -	\$ -	\$ 418,877
Lifecycle funds	280,993	-	-	280,993
Balanced fund	30,449	-	-	30,449
Collective trust fund:				
Fixed income fund	-	59,139	-	59,139
Total	\$ 730,319	\$ 59,139	\$ -	\$ 789,458

COVANCE 401(K) SAVINGS PLAN

Notes to Financial Statements

December 31, 2015 and 2014

(Dollars in Thousands)

NOTE 4: FAIR VALUE MEASUREMENTS (concluded)

	2014			
	Investments at Fair Value			
	Level 1	Level 2	Level 3	Total
Mutual funds:				
Equity and bond funds	\$ 373,917	\$ -	\$ -	\$ 373,917
Lifecycle funds	224,834	-	-	224,834
Balanced fund	28,221	-	-	28,221
Covance Stock Fund	106,103	-	-	106,103
Collective trust fund:				
Fixed income fund	-	51,396	-	51,396
Total	\$ 733,075	\$ 51,396	\$ -	\$ 784,471

NOTE 5: INVESTMENTS

The following presents investments as of December 31, 2015 and 2014, that represent 5% or more of the Plan's net assets:

	2015	2014
Fidelity Contrafund K, 1,223,563 and 1,021,875 shares	\$ 120,986	\$ 100,042
Fidelity Managed Income Portfolio II Fund, 58,716,863 and 50,656,432 shares	59,139	51,396
Fidelity Freedom K 2040 Fund, 3,672,023 and 2,900,328 shares	54,309	45,390
Fidelity Freedom K 2030 Fund, 3,721,746 and 2,866,095 shares	53,333	43,479
Fidelity Freedom K 2020 Fund, 3,025,539 shares for 2015	40,905	*
Covance Stock Fund, 998,045 shares for 2014	*	106,103

* Amounts not greater than 5% of the Plan's net assets.

COVANCE 401(K) SAVINGS PLAN

Notes to Financial Statements

December 31, 2015 and 2014

(Dollars in Thousands)

NOTE 5: INVESTMENTS (continued)

During 2015, the Plan's investments (including both investments bought and sold as well as held during the year) appreciated (depreciated) in value as follows:

Mutual funds	\$ (42,976)
Covance stock fund	<u>4,832</u>
	<u>\$ (38,144)</u>

Certain Plan participants invest in the Fidelity Managed Income Portfolio II Fund (the "FMIP Fund"), a fully benefit-responsive investment contract, with the trustee.

The FMIP Fund, which is a stable value investment in a collective trust fund, primarily invests in various types of fixed income securities, including conventional and synthetic investment contracts issued by insurance companies, banks and other financial institutions, debt obligations issued or guaranteed by the United States ("U.S.") government, debt obligations of domestic and non-U.S. corporations and foreign governmental issuers, mortgage backed securities, and asset-backed securities. The underlying fully benefit-responsive investment contracts held in the FMIP Fund are reported at contract value. Fidelity maintains the contributions in a general account. The account is credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses. As of December 31, 2015 and 2014, the fair value to contract value ratio of net assets in the FMIP Fund was 100.7% and 101.5%.

Because the FMIP Fund is fully benefit-responsive, contract value is the relevant measurement attribute for that portion of the net assets available for benefits attributable to the FMIP Fund. The FMIP Fund is presented on the statements of net assets available for benefits at fair value with an adjustment to contract value in arriving at net assets available for benefits. Contract value, as reported to the Plan by Fidelity, represents contributions made under the contract, plus earnings, less participant withdrawals and administrative expenses. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value.

The fair value as December 31, 2015 and 2014, was \$59,139 and \$51,396. The crediting interest rates for the years ended December 31, 2015 and 2014, for the FMIP Fund were 1.77% and 1.56%. The crediting interest rate is based on a formula agreed upon with the issuer. Such interest rates are reviewed on a quarterly basis for resetting. The average yield interest rates for the FMIP Fund were 1.34% and 1.15% for December 31, 2015 and 2014. There are no reserves against contract value for credit risk of the contract issuer or otherwise.

COVANCE 401(K) SAVINGS PLAN

Notes to Financial Statements

December 31, 2015 and 2014

(Dollars in Thousands)

NOTE 5: INVESTMENTS (concluded)

Certain events limit the ability of the Plan to transact at contract value with the issuer. Such events include (1) amendments to the plan documents (including complete or partial plan termination or merger with another plan), (2) changes to the Plan's prohibition on competing investment options or deletion of equity wash provisions, (3) bankruptcy of the Plan Sponsor or other Plan-sponsored events (for example, divestitures or spin-offs of a subsidiary) that cause a significant withdrawal from the Plan, or (4) the failure of the trust to qualify for exemption from federal income taxes or any required prohibited transaction exemption under ERISA. The plan administrator believes that any events that would limit the Plan's ability to transact at contract value with participants are not probable of occurring.

In addition, certain events allow the issuer to terminate the contract with the Plan and settle at an amount different from contract value. Such events include (1) an uncured violation of the Plan's investment guidelines, (2) a breach of material obligation under the contract, (3) a material misrepresentation, or (4) a material amendment to the agreement without the consent of the issuer.

NOTE 6: RELATED PARTY TRANSACTIONS

The Plan holds investments in a collective trust fund managed by Fidelity, the trustee of the Plan. Additionally, a portion of the Plan's assets were invested in the Company's common stock during 2014, and liquidated in 2015. These transactions qualify as party in interest transactions; however, they are exempt from the prohibited transactions rules under ERISA.

Fidelity provides certain administrative services to the Plan pursuant to the agreement between the Plan and Fidelity. Fidelity receives revenue from mutual fund and collective trust fund service providers for services Fidelity provides to the funds. This revenue is used to offset certain amounts owed to Fidelity for its administrative services provided to the Plan. If the revenue received by Fidelity from such mutual fund or collective trust fund service providers exceeds the amount owed under the agreement, Fidelity remits the excess to the Plan on a quarterly basis. During 2015, the amounts received by the Plan were approximately \$619 and are included as other income on the statement of changes in net assets available for benefits.

Fees incurred by the Plan for the investment management services are included in net depreciation in fair value of the investments, as they are paid through revenue sharing, rather than a direct payment. The Plan made direct payments to the Trustee of \$81, direct payments to an investment advisor of \$174, and \$59 to other service providers, all of which were covered by revenue sharing. The Plan Sponsor pays directly any other fees related to the Plan's operations.

COVANCE 401(K) SAVINGS PLAN

Notes to Financial Statements

December 31, 2015 and 2014

(Dollars in Thousands)

NOTE 7: RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

The following is a reconciliation of net assets available for benefits per the financial statements to the Form 5500 as of December 31, 2015 and 2014:

	<u>2015</u>	<u>2014</u>
Net assets available for benefits per the financial statements	\$ 802,018	\$ 794,003
Adjustment from fair value to contract value for fully benefit-responsive investment contracts	<u>422</u>	<u>740</u>
Net assets available for benefits per the Form 5500	<u>\$ 802,440</u>	<u>\$ 794,743</u>

The following is a reconciliation of net increase in net assets available for benefits made to the Plan per the financial statements for the year ended December 31, 2015 to the Form 5500:

Net increase in net assets available for benefits per the financial statements	\$ 8,015
Cumulative adjustment from contract value to fair value for fully benefit-responsive investment contract	<u>(318)</u>
Net increase in net assets available for benefits per the Form 5500	<u><u>\$ 7,697</u></u>

The difference between the net assets available for benefits and the net increase in net assets available for benefits per the Plan's financial statements and the net assets available for benefits and the net increase in net assets available for benefits per the Form 5500 is because the financial statements were prepared using the contract value for fully benefit-responsive investment contracts and the Form 5500 was prepared using the fair value for fully benefit-responsive investment contracts.

NOTE 8: INCOME TAX STATUS

The Plan has received a determination letter from the IRS dated September 26, 2013, stating that the Plan is qualified under Section 401(a) of the IRC and, therefore, the related trust is tax-exempt. Once qualified, the Plan is required to operate in conformity with the IRC to maintain its qualification. Although the Plan has been amended since receiving the determination letter, the plan administrator believes that the Plan is designed and currently being operated in compliance with the applicable requirements of the IRC. Therefore, no provision for income taxes has been included in the Plan's financial statements.

COVANCE 401(K) SAVINGS PLAN

Notes to Financial Statements

December 31, 2015 and 2014

(Dollars in Thousands)

NOTE 8: INCOME TAX STATUS (concluded)

U.S. GAAP requires plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset), if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by federal and state tax authorities.

NOTE 9: SUBSEQUENT EVENTS

The plan administrator has evaluated subsequent events through October 11, 2016, the date these financial statements were available for issuance, and determined that there were no events which have occurred that would require adjustment to or disclosure in these financial statements.

COVANCE 401(K) SAVINGS PLAN

EIN: 22-3265977

Plan Number: 001

Schedule H, Line 4i - Schedule of Assets Held as of End of Year

December 31, 2015

(Dollars in Thousands)

(a)	(b) Identity of Issue, Borrower, Lessor, or Similar Party	(c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(d) Cost	(e) Current Value
* Fidelity Management Trust Company:				
	Collective trust fund:			
		Fidelity Managed Income Portfolio II Fund	**	\$ 59,139
	Mutual funds:			
		Fidelity Contrafund K	**	120,986
		Fidelity Freedom K 2040 Fund	**	54,309
		Fidelity Freedom K 2030 Fund	**	53,333
		Fidelity Freedom K 2020 Fund	**	40,905
		Fidelity Equity Income K Fund	**	32,867
		Fidelity Balanced K Fund	**	30,449
		Fidelity International Discovery K Fund	**	35,353
		Fidelity Freedom K 2035 Fund	**	33,079
		Fidelity Freedom K 2050 Fund	**	26,617
		Fidelity Mid Cap Stock K Fund	**	22,741
		Fidelity Freedom K 2045 Fund	**	25,787
		Fidelity Freedom K 2025 Fund	**	27,464
		Fidelity Capital Appreciation K Fund	**	19,911
		Fidelity Freedom K 2015 Fund	**	7,776
		Fidelity Freedom K 2010 Fund	**	4,871
		Fidelity Freedom K Income Fund	**	4,655
		Fidelity Freedom K 2055 Fund	**	5,569
		Fidelity Freedom K 2005 Fund	**	1,125
		Fidelity Freedom K 2060 Fund	**	159
		Spartan 500 Index Fund Institutional	**	31,383
		Spartan US Bond Index Fund	**	24,569
		Oakmark Select I	**	18,247
		Neuberger Berman Genesis Trust R6	**	23,088
		Baron Growth Institutional Fund	**	21,471
		Western Asset Core Plus Bond Fund	**	21,801

COVANCE 401(K) SAVINGS PLAN

EIN: 22-3265977

Plan Number: 001

Schedule H, Line 4i - Schedule of Assets Held as of End of Year

December 31, 2015

(Dollars in Thousands)

(a)	(b) Identity of Issue, Borrower, Lessor, or Similar Party	(c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(d) Cost	(e) Current Value
		Goldman-Sachs Mid-Cap Value Fund	**	13,575
		Spartan International Index Fund Inv	**	13,026
		Spartan Extended Market Index Advantage	**	5,525
		T. Rowe Price Small-Cap Value Fund	**	4,761
		Spartan Emerging Markets Index Fund	**	2,287
		Janus Overseas I	**	347
		J P Morgan Equity Income R6 Fund	**	2,283
		Total		789,458
*	Participant loans	Loans with interest rates ranging between 4.25% and 9.25%	**	9,878
		Total investments		<u>\$ 799,336</u>

* Denotes party in interest

** Cost omitted for participant directed investments

Note: Information in this schedule as reported by Fidelity Management Trust Company.

COVANCE 401(K) SAVINGS PLAN

Financial Statements

December 31, 2015 and 2014

COVANCE 401(K) SAVINGS PLAN

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December 31, 2015 and 2014

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Hughes Pittman & Gupton, LLP

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Independent Auditors' Report

The Investment Committee
Covance 401(k) Savings Plan
Burlington, North Carolina

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of the Covance 401(k) Savings Plan, which comprise the statement of net assets available for benefits as of December 31, 2015, and the related statement of changes in net assets available for benefits for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's (DOL's) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 ("ERISA"), the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified by Fidelity Management Trust Company, the trustee of the Plan, except for comparing such information with the related information included in the financial statements. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the trustee as of and for the year ended December 31, 2015, that the information provided to the plan administrator by the trustee is complete and accurate.

Disclaimer of Opinion on 2015 Financial Statements

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient, appropriate audit evidence to provide a basis for an audit opinion on the 2015 financial statements. Accordingly, we do not express an opinion on the 2015 financial statements referred to in the first paragraph.

Other Matter - Supplemental Schedule

The supplemental schedule, as listed in the accompanying table of contents, as of December 31, 2015, is required by the DOL's Rules and Regulations for Reporting and Disclosure under ERISA and is presented for the purpose of additional analysis and is not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedule referred to above.

Other Matter - 2014 Financial Statements

The financial statements of the Plan as of December 31, 2014, were audited by predecessor auditors. As permitted by 29 CFR 2520.103-8 of the DOL's Rules and Regulations for Reporting and Disclosure under ERISA, the plan administrator instructed the predecessor auditors not to perform, and they did not perform any auditing procedures with respect to the information certified by Fidelity Management Trust Company, the trustee of the Plan. Their report, dated July 2, 2015, indicated that (a) because of the significance of the information that they did not audit, they were unable to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion and accordingly, they did not express an opinion on the financial statements; and (b) the form and content of the information included in the financial statements other than that derived from the information certified by the trustee, were presented in compliance with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

Report on Form and Content in Compliance with DOL's Rules and Regulations for 2015

The form and content of the information included in the 2015 financial statements and supplemental schedule, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

Hughes Patman & Gustin, LLP

Raleigh, North Carolina
October 11, 2016

COVANCE 401(K) SAVINGS PLAN

Statements of Net Assets Available for Benefits

December 31, 2015 and 2014

(Dollars in Thousands)

	<u>2015</u>	<u>2014</u>
Assets		
Investments at fair value:		
Mutual funds	\$ 730,319	\$ 626,972
Collective trust fund	59,139	51,396
Covance Stock Fund	-	106,103
	<hr/>	<hr/>
Total investments at fair value	789,458	784,471
Receivables:		
Notes receivable from participants	9,878	9,983
Participants' contribution receivable	1,286	393
Employer contribution receivable	1,818	76
	<hr/>	<hr/>
Total receivables	12,982	10,452
	<hr/>	<hr/>
Total assets	802,440	794,923
 Liabilities		
Other liabilities	-	180
	<hr/>	<hr/>
Net assets available for benefits at fair value	802,440	794,743
Adjustment from fair value to contract value for fully benefit-responsive investment contract	(422)	(740)
	<hr/>	<hr/>
Net assets available for benefits	<u>\$ 802,018</u>	<u>\$ 794,003</u>

See accompanying notes to financial statements

COVANCE 401(K) SAVINGS PLAN

Statement of Changes in Net Assets Available for Benefits

For the Year Ended December 31, 2015

(Dollars in thousands)

Additions

Additions to net assets attributed to:

Investment activity:

Net depreciation in fair value of investments	\$ (38,144)
Interest and dividends	43,887

Interest income on notes receivable from participants	410
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Contributions:

Participants'	44,745
Employer's	21,937
Rollovers	6,592

Total contributions	73,274
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Other income	619
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Total additions	80,046
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Deductions

Deductions from net assets attributed to:

Benefits paid to participants	71,717
Administrative expenses	314

Total deductions	72,031
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Net increase	8,015
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Net assets available for benefits at beginning of year	794,003
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Net assets available for benefits at end of year	\$ 802,018
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See accompanying notes to financial statements

COVANCE 401(K) SAVINGS PLAN

Notes to Financial Statements

December 31, 2015 and 2014

(Dollars in Thousands)

NOTE 1: DESCRIPTION OF THE PLAN

The following description of the Covance 401(k) Savings Plan (the “Plan”) provides only general information. Participants should refer to the plan document for a more complete description of the Plan’s provisions.

Plan Description

The Plan is a defined contribution plan qualified under Section 401(k) of the Internal Revenue Code (the “IRC”). Covance Inc. (the “Company”) employees who are working in the United States and have completed one hour of service with the Company are eligible to participate in the Plan, except for those with collective bargaining rights, unless negotiated, leased employees, or individuals classified as independent contractors. During 2015 and 2014, Fidelity Management Trust Company (“Fidelity”) served as the Plan’s trustee (the “Trustee”) and recordkeeper. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (“ERISA”).

On February 19, 2015, Laboratory Corporation of America Holdings (“LabCorp”) acquired Covance Inc., at which point the Covance Stock Fund in the Plan was terminated.

Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan, subject to provisions of ERISA. In the event of Plan termination, participants will become 100% vested in their accounts.

Contributions

Each participant may contribute any whole percentage of their eligible compensation between 1% and 50%, subject to annual Internal Revenue Service (“IRS”) limitations. The Company makes a matching contribution to the Plan equal to two times each participant’s contribution for the first 1% of eligible compensation contributed to the Plan and 50% of each additional 1% of each participant’s eligible compensation contributed to the Plan up to an additional 5%, resulting in a maximum matching contribution of 4.5% for a participant who contributes 6% or more of their eligible compensation.

COVANCE 401(K) SAVINGS PLAN

Notes to Financial Statements

December 31, 2015 and 2014

(Dollars in Thousands)

NOTE 1: DESCRIPTION OF THE PLAN (continued)

At its own discretion, the Company may make a discretionary contribution to the Plan (“Discretionary Contribution”) in any year, which would be allocable equally to all eligible participants employed by the Company at the end of the plan year, provided that any such Discretionary Contribution for any plan year may only be made out of current or accumulated Company earnings and profits, and may not exceed the maximum allowable as a deduction to the Company under Section 404 of the IRC. No such Discretionary Contribution has been made to the Plan for the years ended December 31, 2015 and 2014.

Employees are automatically enrolled in the Plan one month after their hire date at an initial contribution rate of 3% of their eligible compensation. Employees have the option to cancel their automatic enrollment at any time.

Participants may elect to have their contributions and Company matching contributions invested in any one or a combination of select funds offered by Fidelity in accordance with the plan document. In addition, participants could elect to have contributions invested in the Covance Stock Fund prior to its termination in February 2015.

Participants’ Accounts

Each participant’s account is credited with the participant’s contribution and allocations of (a) the Company’s contributions, and (b) plan earnings, and charged with an allocation of administrative expenses. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant’s vested account.

Vesting

Participants are immediately vested in their contributions plus actual earnings thereon. Participants become 25%, 50%, and 100% vested in Company contributions after two, three, and four years of service. Participants become 100% vested in Company contributions regardless of years of service upon reaching age 65 or in the event of total and permanent disability or death.

Forfeited Accounts

As of December 31, 2015 and 2014, forfeited nonvested accounts totaled \$31 and \$128. These accounts represent nonvested matching contributions of participants who have terminated their employment with the Company and will be used to reduce future employer contributions and/or to pay Plan administration expenses. In 2015, employer contributions were reduced by \$1,825, and administrative expenses were reduced by \$6 from forfeited nonvested accounts.

COVANCE 401(K) SAVINGS PLAN

Notes to Financial Statements

December 31, 2015 and 2014

(Dollars in Thousands)

NOTE 1: DESCRIPTION OF THE PLAN (concluded)

Notes Receivable from Participants

Participants may borrow from their fund accounts a minimum of \$1 up to a maximum equal to the lesser of \$50 or 50% of their vested account balance. Loan terms range from one to five years or up to ten years for the purchase of a primary residence. The loans are secured by the balance in the participant's account and bear interest at a rate of 1% above the federal prime rate at the time of the loan. A participant may only have one loan outstanding at any time. Principal and interest is paid ratably through payroll deductions.

Payment of Benefits

Each participant is entitled to receive the balance of their account upon retirement on or after age 65, or in the event of total and permanent disability or death. In addition, upon termination of employment with the Company, a participant may elect to be paid a lump-sum amount equal to the value of the vested portion of their account balance. Participants entitled to a distribution of benefits with a vested account balance of \$1 or less will automatically receive a lump-sum payment. If the balance of a participant's account exceeds \$1 they can elect to receive either an immediate distribution or defer taking a distribution (but not beyond age 70½). Payments shall be distributed in cash, except to the extent that a participant had previously elected otherwise under the terms of the Plan in effect at the time of such election.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Plan are presented on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

Benefits are recorded when paid.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires the plan administrator to make estimates and assumptions that affect the reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

COVANCE 401(K) SAVINGS PLAN

Notes to Financial Statements

December 31, 2015 and 2014

(Dollars in Thousands)

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investment Valuation and Income Recognition

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 4 for discussion of fair value measurements.

Investment contracts held by a defined contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan. The statements of net assets available for benefits present the fair value of the investment contracts as well as the adjustment of the fully benefit-responsive investment contracts from fair value to contract value. The statement of changes in net assets available for benefits is prepared on a contract value basis.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net depreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Delinquent participant loans are reclassified as distributions based upon the terms of the plan document.

Administrative Expenses

Certain expenses of maintaining the Plan are paid directly by the Company and are excluded from these financial statements. Trustee and recordkeeping fees incurred in connection with the general administration of the Plan that are paid by the Plan are included in administrative expenses. Fees related to the administration of notes receivable from participants are charged directly to the participant's account and are included in administrative expenses. Investment related expenses are included in net depreciation of fair value of investments.

COVANCE 401(K) SAVINGS PLAN

Notes to Financial Statements

December 31, 2015 and 2014

(Dollars in Thousands)

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (concluded)

Risks and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near-term and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits.

Financial Instruments

The carrying amount of certain of the Plan's financial instruments, including contributions receivable and other liabilities, approximates fair value due to their short maturities.

NOTE 3: INFORMATION PREPARED AND CERTIFIED BY TRUSTEE

All investment information disclosed in the accompanying financial statements and supplemental schedule, including investments held as of December 31, 2015 and 2014, and net depreciation in fair value of investments and interest and dividends for 2015 was obtained or derived from information supplied to the plan administrator and certified as complete and accurate by the Trustee.

Investments at fair value as of December 31 include:

	2015	2014
Mutual funds	\$ 730,319	\$ 626,972
Collective trust fund	59,139	51,396
Covance stock fund	-	106,103
Total investments	<u>\$ 789,458</u>	<u>\$ 784,471</u>
Notes receivable from participants	<u>\$ 9,878</u>	<u>\$ 9,983</u>
Total investment income	<u>\$ 5,743</u>	
Interest income on notes receivable from participants	<u>\$ 410</u>	

COVANCE 401(K) SAVINGS PLAN

Notes to Financial Statements

December 31, 2015 and 2014

(Dollars in Thousands)

NOTE 3: INFORMATION PREPARED AND CERTIFIED BY TRUSTEE (concluded)

The Trustee also certified as complete and accurate the collective trust fund at contract value of \$58,717 and \$50,656 as of December 31, 2015 and 2014.

The Plan's independent accountants did not perform auditing procedures with respect to this information, except for comparing such information included in the financial statements and supplemental schedule.

NOTE 4: FAIR VALUE MEASUREMENTS

Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 820, *Fair Value Measurement* ("FASB ASC 820"), provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820's framework are described as follows:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

COVANCE 401(K) SAVINGS PLAN

Notes to Financial Statements

December 31, 2015 and 2014

(Dollars in Thousands)

NOTE 4: FAIR VALUE MEASUREMENTS (continued)

Following is a description of the valuation methodologies used for investments measured at fair value. There have been no changes in the methodologies used as of December 31, 2015 and 2014.

Mutual funds - Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-end mutual funds that are registered with the Securities and Exchange Commission. The mutual funds are required to publish their daily net asset value and to transact at that price. These funds held by the Plan are deemed to be actively traded.

Collective trust fund - Valued based on the underlying unit value as provided by the Trustee. Valuation of the fund's units is published daily and is the basis for current transactions. Unit values are determined by dividing the value of the fund's net assets by the total number of participants' units outstanding on the valuation date. Participant transactions (purchases and sales) may occur daily. Were the Plan to initiate a full redemption of the collective trust, the investment advisor reserves the right to temporarily delay withdrawal from the trust in order to ensure that securities' liquidations will be carried out in an orderly business manner.

Covance stock fund - Valued at the quoted market price on the last day of the plan year, which represents fair value.

The following table sets forth the Plan's investments at fair value as of December 31, 2015 and 2014:

	2015			
	Investments at Fair Value			
	Level 1	Level 2	Level 3	Total
Mutual funds:				
Equity and bond funds	\$ 418,877	\$ -	\$ -	\$ 418,877
Lifecycle funds	280,993	-	-	280,993
Balanced fund	30,449	-	-	30,449
Collective trust fund:				
Fixed income fund	-	59,139	-	59,139
Total	\$ 730,319	\$ 59,139	\$ -	\$ 789,458

COVANCE 401(K) SAVINGS PLAN

Notes to Financial Statements

December 31, 2015 and 2014

(Dollars in Thousands)

NOTE 4: FAIR VALUE MEASUREMENTS (concluded)

	2014			
	Investments at Fair Value			
	Level 1	Level 2	Level 3	Total
Mutual funds:				
Equity and bond funds	\$ 373,917	\$ -	\$ -	\$ 373,917
Lifecycle funds	224,834	-	-	224,834
Balanced fund	28,221	-	-	28,221
Covance Stock Fund	106,103	-	-	106,103
Collective trust fund:				
Fixed income fund	-	51,396	-	51,396
Total	\$ 733,075	\$ 51,396	\$ -	\$ 784,471

NOTE 5: INVESTMENTS

The following presents investments as of December 31, 2015 and 2014, that represent 5% or more of the Plan's net assets:

	2015	2014
Fidelity Contrafund K, 1,223,563 and 1,021,875 shares	\$ 120,986	\$ 100,042
Fidelity Managed Income Portfolio II Fund, 58,716,863 and 50,656,432 shares	59,139	51,396
Fidelity Freedom K 2040 Fund, 3,672,023 and 2,900,328 shares	54,309	45,390
Fidelity Freedom K 2030 Fund, 3,721,746 and 2,866,095 shares	53,333	43,479
Fidelity Freedom K 2020 Fund, 3,025,539 shares for 2015	40,905	*
Covance Stock Fund, 998,045 shares for 2014	*	106,103

* Amounts not greater than 5% of the Plan's net assets.

COVANCE 401(K) SAVINGS PLAN

Notes to Financial Statements

December 31, 2015 and 2014

(Dollars in Thousands)

NOTE 5: INVESTMENTS (continued)

During 2015, the Plan's investments (including both investments bought and sold as well as held during the year) appreciated (depreciated) in value as follows:

Mutual funds	\$ (42,976)
Covance stock fund	<u>4,832</u>
	<u>\$ (38,144)</u>

Certain Plan participants invest in the Fidelity Managed Income Portfolio II Fund (the "FMIP Fund"), a fully benefit-responsive investment contract, with the trustee.

The FMIP Fund, which is a stable value investment in a collective trust fund, primarily invests in various types of fixed income securities, including conventional and synthetic investment contracts issued by insurance companies, banks and other financial institutions, debt obligations issued or guaranteed by the United States ("U.S.") government, debt obligations of domestic and non-U.S. corporations and foreign governmental issuers, mortgage backed securities, and asset-backed securities. The underlying fully benefit-responsive investment contracts held in the FMIP Fund are reported at contract value. Fidelity maintains the contributions in a general account. The account is credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses. As of December 31, 2015 and 2014, the fair value to contract value ratio of net assets in the FMIP Fund was 100.7% and 101.5%.

Because the FMIP Fund is fully benefit-responsive, contract value is the relevant measurement attribute for that portion of the net assets available for benefits attributable to the FMIP Fund. The FMIP Fund is presented on the statements of net assets available for benefits at fair value with an adjustment to contract value in arriving at net assets available for benefits. Contract value, as reported to the Plan by Fidelity, represents contributions made under the contract, plus earnings, less participant withdrawals and administrative expenses. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value.

The fair value as December 31, 2015 and 2014, was \$59,139 and \$51,396. The crediting interest rates for the years ended December 31, 2015 and 2014, for the FMIP Fund were 1.77% and 1.56%. The crediting interest rate is based on a formula agreed upon with the issuer. Such interest rates are reviewed on a quarterly basis for resetting. The average yield interest rates for the FMIP Fund were 1.34% and 1.15% for December 31, 2015 and 2014. There are no reserves against contract value for credit risk of the contract issuer or otherwise.

COVANCE 401(K) SAVINGS PLAN

Notes to Financial Statements

December 31, 2015 and 2014

(Dollars in Thousands)

NOTE 5: INVESTMENTS (concluded)

Certain events limit the ability of the Plan to transact at contract value with the issuer. Such events include (1) amendments to the plan documents (including complete or partial plan termination or merger with another plan), (2) changes to the Plan's prohibition on competing investment options or deletion of equity wash provisions, (3) bankruptcy of the Plan Sponsor or other Plan-sponsored events (for example, divestitures or spin-offs of a subsidiary) that cause a significant withdrawal from the Plan, or (4) the failure of the trust to qualify for exemption from federal income taxes or any required prohibited transaction exemption under ERISA. The plan administrator believes that any events that would limit the Plan's ability to transact at contract value with participants are not probable of occurring.

In addition, certain events allow the issuer to terminate the contract with the Plan and settle at an amount different from contract value. Such events include (1) an uncured violation of the Plan's investment guidelines, (2) a breach of material obligation under the contract, (3) a material misrepresentation, or (4) a material amendment to the agreement without the consent of the issuer.

NOTE 6: RELATED PARTY TRANSACTIONS

The Plan holds investments in a collective trust fund managed by Fidelity, the trustee of the Plan. Additionally, a portion of the Plan's assets were invested in the Company's common stock during 2014, and liquidated in 2015. These transactions qualify as party in interest transactions; however, they are exempt from the prohibited transactions rules under ERISA.

Fidelity provides certain administrative services to the Plan pursuant to the agreement between the Plan and Fidelity. Fidelity receives revenue from mutual fund and collective trust fund service providers for services Fidelity provides to the funds. This revenue is used to offset certain amounts owed to Fidelity for its administrative services provided to the Plan. If the revenue received by Fidelity from such mutual fund or collective trust fund service providers exceeds the amount owed under the agreement, Fidelity remits the excess to the Plan on a quarterly basis. During 2015, the amounts received by the Plan were approximately \$619 and are included as other income on the statement of changes in net assets available for benefits.

Fees incurred by the Plan for the investment management services are included in net depreciation in fair value of the investments, as they are paid through revenue sharing, rather than a direct payment. The Plan made direct payments to the Trustee of \$81, direct payments to an investment advisor of \$174, and \$59 to other service providers, all of which were covered by revenue sharing. The Plan Sponsor pays directly any other fees related to the Plan's operations.

COVANCE 401(K) SAVINGS PLAN

Notes to Financial Statements

December 31, 2015 and 2014

(Dollars in Thousands)

NOTE 7: RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

The following is a reconciliation of net assets available for benefits per the financial statements to the Form 5500 as of December 31, 2015 and 2014:

	<u>2015</u>	<u>2014</u>
Net assets available for benefits per the financial statements	\$ 802,018	\$ 794,003
Adjustment from fair value to contract value for fully benefit-responsive investment contracts	<u>422</u>	<u>740</u>
Net assets available for benefits per the Form 5500	<u>\$ 802,440</u>	<u>\$ 794,743</u>

The following is a reconciliation of net increase in net assets available for benefits made to the Plan per the financial statements for the year ended December 31, 2015 to the Form 5500:

Net increase in net assets available for benefits per the financial statements	\$ 8,015
Cumulative adjustment from contract value to fair value for fully benefit-responsive investment contract	<u>(318)</u>
Net increase in net assets available for benefits per the Form 5500	<u><u>\$ 7,697</u></u>

The difference between the net assets available for benefits and the net increase in net assets available for benefits per the Plan's financial statements and the net assets available for benefits and the net increase in net assets available for benefits per the Form 5500 is because the financial statements were prepared using the contract value for fully benefit-responsive investment contracts and the Form 5500 was prepared using the fair value for fully benefit-responsive investment contracts.

NOTE 8: INCOME TAX STATUS

The Plan has received a determination letter from the IRS dated September 26, 2013, stating that the Plan is qualified under Section 401(a) of the IRC and, therefore, the related trust is tax-exempt. Once qualified, the Plan is required to operate in conformity with the IRC to maintain its qualification. Although the Plan has been amended since receiving the determination letter, the plan administrator believes that the Plan is designed and currently being operated in compliance with the applicable requirements of the IRC. Therefore, no provision for income taxes has been included in the Plan's financial statements.

COVANCE 401(K) SAVINGS PLAN

Notes to Financial Statements

December 31, 2015 and 2014

(Dollars in Thousands)

NOTE 8: INCOME TAX STATUS (concluded)

U.S. GAAP requires plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset), if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by federal and state tax authorities.

NOTE 9: SUBSEQUENT EVENTS

The plan administrator has evaluated subsequent events through October 11, 2016, the date these financial statements were available for issuance, and determined that there were no events which have occurred that would require adjustment to or disclosure in these financial statements.

COVANCE 401(K) SAVINGS PLAN

EIN: 22-3265977

Plan Number: 001

Schedule H, Line 4i - Schedule of Assets Held as of End of Year

December 31, 2015

(Dollars in Thousands)

(a)	(b) Identity of Issue, Borrower, Lessor, or Similar Party	(c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(d) Cost	(e) Current Value
* Fidelity Management Trust Company:				
	Collective trust fund:			
		Fidelity Managed Income Portfolio II Fund	**	\$ 59,139
	Mutual funds:			
		Fidelity Contrafund K	**	120,986
		Fidelity Freedom K 2040 Fund	**	54,309
		Fidelity Freedom K 2030 Fund	**	53,333
		Fidelity Freedom K 2020 Fund	**	40,905
		Fidelity Equity Income K Fund	**	32,867
		Fidelity Balanced K Fund	**	30,449
		Fidelity International Discovery K Fund	**	35,353
		Fidelity Freedom K 2035 Fund	**	33,079
		Fidelity Freedom K 2050 Fund	**	26,617
		Fidelity Mid Cap Stock K Fund	**	22,741
		Fidelity Freedom K 2045 Fund	**	25,787
		Fidelity Freedom K 2025 Fund	**	27,464
		Fidelity Capital Appreciation K Fund	**	19,911
		Fidelity Freedom K 2015 Fund	**	7,776
		Fidelity Freedom K 2010 Fund	**	4,871
		Fidelity Freedom K Income Fund	**	4,655
		Fidelity Freedom K 2055 Fund	**	5,569
		Fidelity Freedom K 2005 Fund	**	1,125
		Fidelity Freedom K 2060 Fund	**	159
		Spartan 500 Index Fund Institutional	**	31,383
		Spartan US Bond Index Fund	**	24,569
		Oakmark Select I	**	18,247
		Neuberger Berman Genesis Trust R6	**	23,088
		Baron Growth Institutional Fund	**	21,471
		Western Asset Core Plus Bond Fund	**	21,801

COVANCE 401(K) SAVINGS PLAN

EIN: 22-3265977

Plan Number: 001

Schedule H, Line 4i - Schedule of Assets Held as of End of Year

December 31, 2015

(Dollars in Thousands)

(a)	(b) Identity of Issue, Borrower, Lessor, or Similar Party	(c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(d) Cost	(e) Current Value
		Goldman-Sachs Mid-Cap Value Fund	**	13,575
		Spartan International Index Fund Inv	**	13,026
		Spartan Extended Market Index Advantage	**	5,525
		T. Rowe Price Small-Cap Value Fund	**	4,761
		Spartan Emerging Markets Index Fund	**	2,287
		Janus Overseas I	**	347
		J P Morgan Equity Income R6 Fund	**	2,283
		Total		789,458
*	Participant loans	Loans with interest rates ranging between 4.25% and 9.25%	**	9,878
		Total investments		<u>\$ 799,336</u>

* Denotes party in interest

** Cost omitted for participant directed investments

Note: Information in this schedule as reported by Fidelity Management Trust Company.