



Combating modern slavery and human trafficking statement

“Labcorp acknowledges that Modern Slavery is a complex human rights issue, and with the COVID-19 pandemic, it has only become more complex. At Labcorp we prioritize the health, safety and well-being of our employees and patients. Our employees are deeply aware that their work is profoundly important to our mission to improve health and improve lives. That work is governed by our commitment to act responsibly and to place ethics and integrity at the heart of all we do, including doing our part to protect human rights and eradicate modern slavery in all its different forms. We are dedicated to creating and promoting a diverse and inclusive workforce and supply chain and expect the same from our business partners. Through these principles, we will continue to be a leading source for advancing health by powering clear, confident decisions.”

- Adam Schechter, Chairman and Chief Executive Officer, Labcorp

INTRODUCTION

Laboratory Corporation of America® Holdings and its respective subsidiaries¹ (collectively, “Labcorp”) publishes this statement for the financial year ending 31 December 2021 pursuant to section 54 of the UK Modern Slavery Act 2015 and the Australia Modern Slavery Act 2018. Previous statements may be found by clicking [here](#).

Through a combination of policies, procedures and training, Labcorp identifies, prevents, detects and addresses human trafficking, forced labor (including slavery, servitude and debt bondage), unlawful child labor, commercial sexual exploitation, and other unethical or illegal labor practices (collectively, “Modern Slavery”) by applying high ethical standards both within its business and its supply chain.

LABCORP’S BUSINESS, STRUCTURE AND SUPPLY CHAINS

Labcorp is a leading global life sciences company that provides vital information to help doctors, hospitals, pharmaceutical companies, researchers, and patients make clear and confident decisions. Through our unparalleled diagnostics and drug development capabilities, we provide insights and accelerate innovations to improve health and improve lives. With more than 75,000 employees, we serve clients in more than 100 countries. Labcorp (NYSE: LH) reported revenue of \$16 billion in FY2021.

Labcorp serves a broad range of customers, including managed care organizations, pharmaceutical, biotechnology, medical device and diagnostics companies, governmental agencies, physicians and other healthcare providers, hospitals and health systems, employers, patients and consumers, contract research organizations (CROs), and independent clinical laboratories. It reports operating results under two business segments, Diagnostics and Drug Development.

Labcorp’s supply chain includes agents, consultants, subcontractors, vendors, representatives, intermediaries, distributors, including their employees, and other individuals or entities engaged to provide services to or for Labcorp (collectively “Third Parties”). Labcorp purchases goods such as equipment, laboratory supplies, pharmaceutical ingredients, office supplies and furniture, and other items and services such as recruitment, staffing, facilities management, IT systems, records storage, courier, freight and ground transportation from its Third Parties.

¹Labcorp Development Pty Ltd, Fairfax Storage Limited, Labcorp Clinical Development Limited, Labcorp Clinical Research Unit Limited, Labcorp Early Development Laboratories Limited, Endpoint (UK) Ltd

Learn more at www.labcorp.com or follow the company on [LinkedIn](#), [Twitter \(@Labcorp\)](#), [YouTube \(Labcorp\)](#), [Instagram \(Labcorp\)](#) and [Facebook \(Labcorp\)](#). Further information about Labcorp can be found in its Form [10-K Annual Report](#) and [Corporate Responsibility Report](#).

POLICIES

The [Labcorp Code of Conduct and Ethics](#) and the [Labcorp Supplier Code of Conduct](#) form the foundation for conducting business with integrity at Labcorp, and these codes expressly prohibit any type of Modern Slavery. Labcorp has deployed and regularly enhances its enterprise-wide *Ethical Labor and Anti-Human Trafficking Policy* (available [here](#)). Labcorp adopted a Compliance Plan for Combatting Human Trafficking Under U.S. Government Contracts, and applies it to other contracts and subcontracts where appropriate. Additionally, Labcorp addresses human rights and environmental issues connected with the mining and trading of Conflict Minerals.

Labcorp does not tolerate Modern Slavery by its employees, Third Parties, or anywhere in its supply chain. Labcorp's employees or Third Parties who violate its policies will be subject to remedial action up to and including disciplinary action and termination.

Labcorp's Corporate Compliance Department and Human Resources Department have primary responsibility for monitoring compliance with these policies, codes and plans, which are distributed throughout its business, including employees and management at all levels, and to its supply chain. Employees receive annual training on these policies and Third Parties are furnished with Labcorp's *Supplier Code of Conduct*.

RISK ASSESSMENT AND MANAGEMENT

Labcorp acknowledges that as its global workforce and footprint continue to grow, there is increased exposure to Modern Slavery risks. While Labcorp recognizes Modern Slavery as a potential risk, the risk is considerably reduced in its operations, which largely consists of skilled and/or educated workers in a sophisticated and highly regulated environment operating under a framework of established policies, processes, audits and monitoring.

Labcorp has adopted employment and recruitment standards to mitigate the risk of Modern Slavery, including detailed pre-employment background checks and providing fair and equitable wages, benefits, and other conditions of employment in accordance with local laws. Labcorp recognizes employees' right to freedom of association and Labcorp is committed to providing humane and safe working conditions free from discrimination and harassment. These standards are detailed in the *Ethical Labor and Anti-Human Trafficking Policy* and applicable Human Resources policies.

Labcorp completes risk assessments and monitoring of its business and supply chain to identify Third Parties with whom the risk of Modern Slavery and unethical or illegal labor practices may be prevalent, especially those where workers are unskilled, temporary, seasonal, short term or low paid. These include staffing and recruitment agencies, facilities management providers, call centers, construction companies, ground and freight transportation providers and other types of Third Parties with whom a higher risk of Modern Slavery could exist.

Labcorp has identified areas of risk related to (1) supplier partnerships in the provision of products for laboratory operations and (2) service provider partnerships in supplying contingent labor. In March 2021, Labcorp learned that one of the largest disposable glove manufacturers had been implicated in allegations of Modern Slavery. Labcorp swiftly conducted a Modern Slavery inquiry with suppliers providing disposable gloves. Labcorp did not identify any disposable gloves manufactured by the subject manufacturer in its supply chain, and shortly thereafter the allegations were resolved. As we continue our focus on efficiently acquiring, on boarding and managing risks related to contingent workers to meet business needs across our organization, Labcorp has announced a unified Contingent Workforce Program. This includes strong partnerships with industry leaders to provide unified and improved labor quality, process efficiency, and agency source supplier management. This program has been implemented in the U.S. and will be rolled out in Labcorp's global operations.

Additionally, Labcorp has designated responsible departments to identify Modern Slavery risks and enhance or introduce appropriate measures to address those risks. All Third Parties are required to comply with Labcorp's *Supplier Code of Conduct* or to provide evidence of an established Code, corresponding policies and training.

Employees and Third Parties are encouraged and required to report any suspected Modern Slavery or other activity inconsistent with Labcorp's *Code of Conduct and Ethics*, policies or applicable laws.

DUE DILIGENCE PROCESSES

Labcorp established an anti-human trafficking due diligence process, which includes the completion of a questionnaire and provision of applicable documentation to demonstrate an effective anti-human trafficking program, applicable to a subset of Third Parties. This questionnaire, augmented in 2019 together with an internal risk assessment tool, assesses and categorizes the level of associated risk presented to Labcorp by the Third Party.

The process includes:

- identifying, assessing and monitoring potential risk areas in Labcorp's business and supply chains,
- completing pre-contract (and on-going) due diligence review on Third Parties, for example:
 - o assessing the scope of goods and services to be provided,
 - o using the Global Slavery Index² to rank countries in which the goods and services are to be provided,
 - o reviewing the engagement of subcontractors,
 - o reviewing Third Party policies such as codes of conduct, anti-human trafficking policies and training provided to Third Party employees,
 - o reviewing the compliance frameworks (including downstream mapping, risk assessment, due diligence and audits of its supply chain, and whistleblowing arrangements),
 - o compliance with local minimum wage and child labor laws,
 - o screening for adverse media, and
 - o certification of compliance with Labcorp's *Ethical Labor and Anti-Human Trafficking Policy* and *Supplier Code of Conduct*,
- incorporating anti-human trafficking provisions in all its contracts with Third Parties,
- documenting and mitigating anti-human trafficking red flags which may surface in its business or supply chain, and
- protecting whistle-blowers.

Labcorp continues to improve its due diligence processes. A cross-functional team within Labcorp is developing an automated Third Party screening process that will enhance our capability to identify all Third Parties that should be subject to Labcorp's anti-human trafficking due diligence process.

MEASURING EFFECTIVENESS

Labcorp institutes measures which provide insight into the practices of its Third Parties. Our commitment is to continue to review and assess all commercial relationships within our supply chain and to educate the key stakeholders regarding Modern Slavery in the process.

Labcorp is proud to work with some of the most recognized Third Parties in our industry that share our commitment to the eradication of Modern Slavery.

We continue to promote our organizational values throughout all aspects of our business, and we insist that our Third Parties continue to do the same. If we find evidence of a failure to comply with our policies, we will seek to either address or terminate our relationship with the relevant Third Party.

REPORTING AND INVESTIGATING CONCERNS

Labcorp has defined and publicized clear methods for employees and Third Parties to report any actual or potential activity inconsistent with its policies (including *Ethical Labor and Anti-Human Trafficking Policy*), *Code of Conduct and Ethics* and/or applicable laws. This includes reporting confidentially and/or anonymously through the Labcorp Action Line at labcorp.ethicspoint.com available 24 hours a day, seven days a week.

² The Minderoo Foundation Trust, operating as The Walk Free Foundation. (2018). *Global Slavery Index*. Global Slavery Index. <https://www.globalslaveryindex.org/2018/findings/highlights/>

Interpreters are available to provide support in over 150 languages. Additional confidential reporting options include:

- US National Human Trafficking hotline: 1-888-373-7888
- UK Modern Slavery helpline: 0800 012 1700

Labcorp prohibits retaliation in any form against any person for reporting in good faith any actual or potential violation of laws or Labcorp policies including the *Ethical Labor and Anti-Human Trafficking Policy*.

Labcorp's internal investigation procedures include a synchronised framework, system and process for the escalation and investigation of all suspected or actual misconduct and violations of Labcorp's *Code of Conduct and Ethics*, policies, and applicable laws and regulations. The investigation process is designed to be fair, consistent and effective leading to appropriate remedial actions.

Labcorp's annual Modern Slavery statement is available for all employees of Labcorp and the public to review. The publication of the report provides an opportunity for Labcorp's employees, customers, investors and suppliers to learn about Labcorp's efforts to reduce Modern Slavery. Labcorp seeks through its Modern Slavery statements and its underlying anti-human trafficking program to bring awareness to this important human rights issue.

TRAINING ON MODERN SLAVERY

To educate Labcorp employees on how to identify Modern Slavery and associated red flags in its business and supply chain, new employees receive training within 30 days of hire and all employees receive annual training along with periodic communications to highlight the importance of identifying, monitoring and reporting potential Modern Slavery.

Labcorp provides additional targeted training to personnel in supply chain management, human resources, legal, facilities, security and other stakeholders who may encounter Modern Slavery concerns within its business or supply chain.

To mitigate risk in its supply chain and further educate business partners, Labcorp offers anti-human trafficking training, available in 15 languages, to low and medium risk Third Parties and mandates training of all its high risk Third Parties. These categories are determined by the associated risk output evaluated through its risk assessment tool.

CONCLUSION

Labcorp's policies, procedures, supply chain risk evaluation and management provide reasonable assurances that Labcorp has reduced its risk of Modern Slavery in its business and its supply chain. Labcorp is committed to continually improve its efforts on subsequent monitoring, identification and prevention of Modern Slavery within its business and its supply chain.

This statement has been approved by the respective Board of Directors on April 6th, May 4th and 19th, 2022.



Adam Schechter, Chairman, President and
Chief Executive Officer
Director, Laboratory Corporation of America® Holdings



Robert S. Pringle, Senior Vice President
Director, Labcorp Development Pty Ltd
Director, Fairfax Storage Limited
Director, Labcorp Clinical Development Limited
Director, Labcorp Clinical Research Unit Limited
Director, Labcorp Early Development
Laboratories Limited
Director, Endpoint (UK) Ltd