



# Combatting modern slavery and human trafficking statement

*“Labcorp provides diagnostic, drug development, and technology-enabled solutions for millions of patient encounters each week. Our employees are deeply aware that their work is profoundly important to our mission of improving health and improving lives around the world, which became more important than ever before through our role helping to fight the COVID-19 pandemic. 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 subsidiaries<sup>1</sup> (collectively, “Labcorp”) publishes this statement for the financial year ending 31 December 2020 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 unparalleled diagnostics and drug development capabilities, Labcorp provides insights and accelerates innovations to improve health and save lives. With over 70,000 employees, the company serves clients in more than 100 countries. Labcorp (NYSE: LH) reported revenue of \$14 billion in FY2020.

Labcorp serves a broad range of customers, including managed care organizations, biopharmaceutical companies, governmental agencies, physicians and other healthcare providers (e.g., physician assistants and nurse practitioners), hospitals and health systems, employers, patients and consumers, contract research

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<sup>1</sup> Chiltern International Limited, Covance Clinical and Periapproval Services Limited, Covance Clinical Research Unit Limited, Covance Consulting Limited, Covance CRS Analytics Ltd, Covance CRS International Limited, Covance CRS Limited, Covance CRS Research Limited, Covance Laboratories Limited, Covance Limited, Covance Pharma Consulting Limited, Covance Pty. Ltd., Endpoint Clinical (UK) Limited, Fairfax Storage Limited, LSR Pension Scheme Ltd, Medaxial Limited, Ockham Europe Limited, Sciformix Europe Limited

organizations, 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.

Learn more at [www.Labcorp.com](http://www.Labcorp.com) or follow the company on [LinkedIn](#), Twitter ([@Labcorp](#)), YouTube ([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

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 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 and corresponding 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.

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 Index<sup>2</sup> 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.

## 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 Labcorp's Global Action Line at [www.Labcorp.com/globalactionline](http://www.Labcorp.com/globalactionline), available 24 hours a day, seven days a week. Interpreters are available to provide support in over 300 languages. Additional confidential reporting options include:

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

- US National Human Trafficking hotline 1-844-373-FREE
- UK Modern Slavery helpline 0800 0121 700

**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.

### 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 7, 2021.



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



**Robert S. Pringle**, Senior Vice President  
Director, Chiltern International Limited  
Director, Covance Clinical and Periapproval Services Limited  
Director, Covance Clinical Research Unit Limited  
Director, Covance Laboratories Limited  
Director, Covance Limited

Director, Covance Pty. Ltd.  
Director, Endpoint Clinical (UK) Limited  
Director, Fairfax Storage Limited  
Director, LSR Pension Scheme Ltd  
Director, Medaxial Limited  
Director, Ockham Europe Limited  
Director, Sciformix Europe Limited

*Sandra D. van der Vaart*

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**Sandra D. van der Vaart**, Executive Vice President

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Director, Covance CRS Analytics Ltd  
Director, Covance CRS International Limited  
Director, Covance CRS Limited  
Director, Covance CRS Research Limited  
Director, Covance Pharma Consulting Limited

