



Modern Slavery Statement FY2021

Introduction

This Modern Slavery Statement is made on behalf of ALS Limited (ABN 92 009 657 489)¹ and the entities it owns and controls, including Australian Laboratory Services Pty Ltd (ABN 84 009 936 029) and ALS Industrial Pty Ltd (ABN 21 006 353 046)², collectively referred to in this Statement as “ALS” or “the Group”. This Statement is made for the purposes of the Australian Modern Slavery Act 2018 (Cth) and section 54 of the United Kingdom’s Modern Slavery Act 2015.

ALS is one of the world’s largest analytical and testing services businesses, servicing multiple industries globally, with a workforce of more than 15,000 people operating from more than 350 sites in over 65 countries across Africa, Asia, Australia, Europe and the Americas. Our website (www.alsglobal.com) provides information on the range of services provided by the Group, the countries in which we operate, as well as the industries that we provide services to.

ALS is committed to ethical and responsible business conduct in its operations. We believe in treating all our employees and those who work in our supply chains with dignity and respect and consider fair labour practices to be an important component of their human rights.

We seek to engage with business partners that respect the protection of human rights and that demonstrate sound ethical performance. We expect our employees and all individuals who work for us, or on our behalf, to respect and uphold the human rights of others.

Our Operations and Supply Chains

ALS’s main operations include the laboratories that it owns and operates, and the people it directly employs throughout.

The Group’s supply chains include the various goods and services it procures that contribute to the services the Group provides. Our supply chains includes the supply of goods and services in all of the regions in which we operate. Broadly, these fall into the categories of equipment, consumables, property and utilities, transport and freight, and facilities management and maintenance services. The Group also procures the services of various professional advisers and other services, such as those provided by finance and banking institutions. From time to time the Group procures labour through sub-contractors, agency staff and recruitment agencies.

The risks of modern slavery practices in our operations and supply chains

Although the Group does not operate in a sector or industry identified as having high modern slavery risks, the Group does procure goods and services likely to have high modern slavery risks due to the way these goods and services are manufactured or provided. Given the countries that the Group operates in, geographic risk also arises in those countries having a high prevalence of modern slavery.

¹ ALS Limited is a publicly listed company on the Australian Securities Exchange (ASX:ALQ), with corporate headquarters based in Brisbane, Australia.

² Australian Laboratories Services Pty Ltd and ALS Industrial Pty Ltd are wholly owned subsidiaries of ALS Limited. A list of material operating entities owned and controlled by ALS Limited are contained in ALS Limited’s latest published Annual Report.



In FY2021, the approach taken to understand the potential for the Group to cause, contribute to, or be directly linked to modern slavery practices through our operations and supply chains continued to consider the location of our operations and our supply chains in the context of third-party spend (excluding suppliers of property and utilities, and finance and banking facilities).

This assessment continues to highlight that the greatest potential for modern slavery practices is most likely associated with the Group's procurement of:

- electronic-related goods such as analytical testing equipment, computers, and mobile devices: Possible risks identified are predominately associated with the manufacturing suppliers of our direct suppliers operating in countries where there is a high degree of foreign migrant labour and lack of legal protections and or enforcement of protections for migrant labour.
- transport and freight services: Possible risks identified are predominately associated with sub-contractor labour and agency workers.
- laboratory consumables, such as gloves and ceramic-based consumables: Risks identified are predominately associated with the materials incorporated into these consumables, for example rubber.
- services supporting our laboratories and offices, such as the provision of cleaning services due to lower wages and manual labour have a higher risk of modern slavery practices.
- ALS branded merchandise: Risks identified predominately associated with the high risk of modern slavery associated with textiles and fashion.

Actions taken to assess and address modern slavery risks

In FY2021 our actions continued to focus on strengthening our understanding and capabilities to identify potential modern slavery risks in our operations and supply chains, improving our policies and processes, and enhancing engagement with our suppliers to communicate expected standards of behaviour in partnering with us.

Strengthened our understanding and capabilities:

- Improved our understanding and capability to manage modern slavery risks in our operations and supply chains by engaging with external advisors and organisations having expert knowledge of modern slavery compliance, supply chains risk management, human rights and ethical procurement and supply.
- Outlined the requirements of the Modern Slavery legislation the Group is subject to, to the ALS Limited Board.

Improved our policies and processes:

- Reviewed our existing Human Rights Policy to ensure it continued to clearly communicate our stance on, and the fundamental elements of our approach to, the protection of human rights.
- Launched our refreshed Code of Conduct and associated all-employee mandatory training to include a focus on respecting and upholding human rights.
- Further enhanced our Supplier and Subcontractor Questionnaire for use to determine the commitment of our suppliers to upholding human rights, and to understand the level of due diligence undertaken by our suppliers to assess the possibility of modern slavery practices in their operations or supply chains.
- Revised our Request for Proposal and Tender Request for Quote processes to better assess the response of proposed suppliers in addressing modern slavery risks in their operations and supply chains.



- Commenced the rollout of our Supplier Code of Conduct which states the expectation we have of our suppliers to be committed to respecting and upholding the human rights of all of their workers and workers in their supply chains, and to not be complicit in human rights abuses.

Enhanced engagement with our suppliers:

- Continued to set expectations with our suppliers and gathered further insights into our supply chains through the dissemination of our Supplier and Subcontractor Questionnaire to 70 of our managed suppliers (excluding suppliers of property and utilities, and finance and banking facilities).
- Quarterly reviews with a range of our critical suppliers to foster open communication about modern slavery risks and business ethics.

Continued provision of an independent confidential external hotline:

- Continued provision of an independent confidential external reporting hotline to ensure concerns as to actual or suspected unethical or unlawful conduct, including those in relation to human rights not being respected, can be reported on a confidential basis, safely and without fear of reprisal or retaliation.

While no incidents of modern slavery-related practices were confirmed in FY2021, we will ensure that our reporting hotline remains available and accessible to all individuals. If an adverse human rights incident or practice is reported, occurs or is identified, we will seek to remedy the situation as appropriate in line with our values, policies and procedures.

Assessing the effectiveness of our actions

Our modern slavery risk management actions undertaken in FY2021 and due diligence processes were reviewed as part of our Sustainability Program, our annual risk management review processes, and as part of our compliance with reporting obligations under the United Kingdom's Modern Slavery Act 2015.

For FY2021, the effectiveness of our actions was assessed against the following:

- Frequency of engagement and nature of communications between our Procurement personnel, Group Sustainability Manager and other members of our Corporate Compliance and Risk team.
- Nature and extent of the dissemination of information to our employees on human rights and modern slavery practices.
- Informing our Board as to the requirements and obligations of modern slavery legislation, and our policies and practices that support the implementation of our Human Rights Policy.
- Consideration of the level of engagement of our suppliers in our due diligence processes to identify, prevent and mitigate modern slavery practices.
- Our regular review and assessment of the effectiveness of our Code of Conduct, policies, procedures and processes as part of our risk management framework.
- Reviewing the nature of matters raised under our Whistleblower Program, including to the ALS Integrity + Compliance Helpline, of submissions related to possible human rights violations and modern slavery practices.



Our focus for FY2022

We are committed to continuous improvement in our approach to address modern slavery risks within our operations and supply chains to ensure a practical and effective framework to address these risks. Our focus in the coming year will be to:

- undertake a training needs analysis for those of our employees interacting with our suppliers, contractors and other business partners to develop practical guidance documentation and training that increases their understanding of human rights, the identification of modern slavery risks (including risks linked to the impacts of COVID-19), and the timely escalation of any 'risk to people' concerns.
- collaborate with business peers and peak bodies to identify best-practice approaches to protect and support vulnerable workers in our operations and supply chains.

Process of consultation

The entities owned and controlled by ALS Limited all operate under the direction and governance of the Board of ALS Limited and share the same executive management team. The directors of the controlled entities that are reporting entities pursuant to the Australian Modern Slavery Act 2018 (Cth)³ have been made aware of this statement and its contents.

The ALS Board Sustainability and Innovation Committee retain oversight of the Group's management of its modern slavery risks through the Committee's oversight of the Group's Sustainability Program.

This statement is made for the financial year ending 31 March 2021. It was approved by the Board of ALS on 30 March 2021.

Raj Naran
Managing Director

30 March 2021

³ Australian Laboratory Services Pty Ltd (ABN 84 009 936 029) and ALS Industrial Pty Ltd (ABN 21 006 353 046) are reporting entities pursuant to the Modern Slavery Act 2018 (Cth).