



SNC • LAVALIN

Modern Slavery and Human Trafficking Statement

2022

At SNC-Lavalin, we are committed to preventing modern slavery and human trafficking in our operations. We are dedicated to protecting our people from any form of modern slavery and human trafficking by promoting our core values:

~~SAFETY~~

~~INTEGRITY~~

~~COLLABORATION~~

~~INNOVATION~~



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STRUCTURE, OPERATIONS AND SUPPLY CHAIN

STRUCTURE AND OPERATIONS

Founded in 1911, SNC-Lavalin is one of the world's leading professional services and project management organizations, dedicated to engineering a better future for our planet and its people. SNC-Lavalin creates sustainable solutions that connect people, data and technology to design, deliver and operate the most complex projects across the world.

MARKETS

SNC-Lavalin is strongly positioned with a leading presence across Canada, the United States, and the United Kingdom, as well as targeted operations in Europe, the Middle East, Asia-Pacific, and Latin America. SNC-Lavalin has primary focus on the built and natural environment across seven clearly defined end markets:



TRANSPORTATION

Rail and Transit,
Road and Bridges,
Aviation and Ports



BUILDING & PLACES

Social Infrastructure,
Commercial and
Residential Property,
Urban Development



DEFENSE

Aerospace,
Defense, Security



INDUSTRIAL & MINING

Pharma, Agri-food,
Data Centres,
Industrial, Life
Sciences, Mining
and Metallurgy



WATER

Water Utilities,
Industrial
Water Users,
Water Resource
Management



POWER & RENEWABLES

Transmission and
Distribution, Energy
Storage, Hydropower,
Renewable Energy



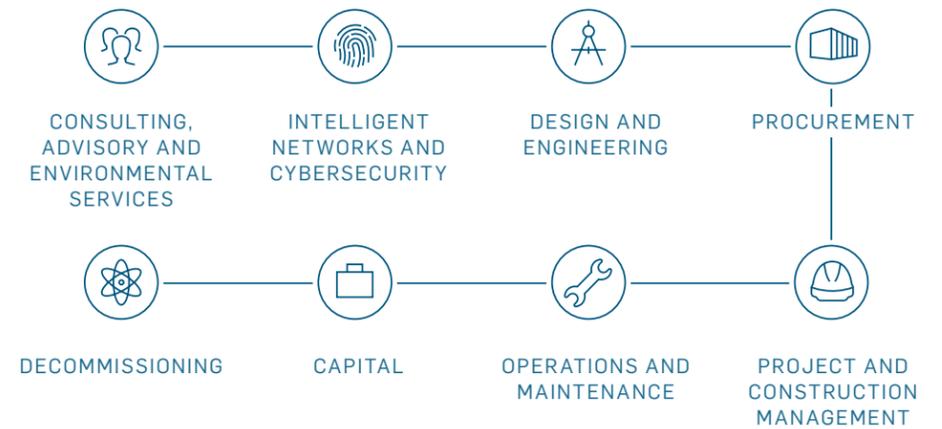
NUCLEAR

Waste
Management and
Decommissioning,
Reactor Support,
New Build



SERVICES

We deploy global capabilities locally to our clients and deliver unique end-to-end services across the whole life cycle of an asset, including:



Across our services, we leverage our capabilities to meet the demands of the future for our clients in decarbonization and sustainable solutions by connecting people, data and technology. We harness our global scale to maintain a relentless focus on consistency, efficiency and operational excellence across our portfolio of services - complemented by our regional delivery model.

We offer services individually or as a seamless, integrated partner, on small projects, long-term frameworks, and through collaborative roles on major projects.

As a services business, everything we do is driven by our people and ideas. They have created an inclusive, diverse and energized work environment and share an open culture founded on our values: SAFETY, INTEGRITY, INNOVATION and COLLABORATION.

GROWTH & LONG-TERM VALUE

We create value through the breadth and depth of our capabilities, consistently delivering high quality services to our customers, and a clear investment plan that will enable organic and inorganic growth. In addition to consistently driving growth in our core markets and services, we have identified four key growth areas:

- Engineering Services in the U.S.
- Nuclear Waste Management and Decommissioning (mostly in the U.S.)
- Major Projects with a focus on collaborative contract models
- Digital Transformation

In 2021 and as part of that strategy, SNC-Lavalin announced that it has closed the sale of its Resources Oil & Gas business, which marked another important step in the journey that began two years ago, when we first announced our strategic direction to simplify and de-risk our business. We believe the company strategy has effectively reduced our risk of modern slavery and human trafficking.

SUPPLY CHAIN

OUR EXPECTATIONS

The Company acknowledges the importance of ensuring that our suppliers deliver their products and services in a responsible and ethical manner to us and to our clients. We are committed to partnering with our supply chain in a manner consistent with our core values, and most specifically relating to safety, integrity, quality and sustainability. For information on standards demanded throughout our supply chain, [please watch this short video](#).

We recognize that there are risks regarding modern slavery and human trafficking in our supply chains. That environment is ever-changing, as our business spans, and fluctuates over many geographies and industry sectors, and a new chain is created for each new project that we embark upon. Depending on the requirements of each project, participants in these supply chains might include, subcontractors, equipment and material suppliers, labor brokers, and a variety of specialized service providers.

RISKS

COMPLIANCE RISK ASSESSMENTS

In 2021, the ad-hoc risk assessments to determine where our operations presented a higher risk of modern slavery were included to our Compliance Risk Assessment ("CRA") process. The CRA is questionnaire-based to determine salient risks. Corrective and preventive measures are discussed with management and implementation is monitored by the Integrity team. The KPI analysis for selecting jurisdictions included the Global Slavery Index.

CRAFT LABOUR WORKERS

We understand the risk of using craft labour workers, especially migrant workers. The sale of the Resources Oil & Gas business significantly reduced our exposure to risks related to craft labour workers.

RECRUITMENT PROCESS

It is well documented that the recruitment process, including the use of recruitment or placement agencies, may be a risk in term of modern slavery. We engage and work in collaboration with our recruitment or placement agencies to ensure no fees or costs of any kind are charged, no documents are withheld, no underage people are recruited, etc.





ACTIONS

POLICIES AND PROCEDURES

To ensure the transparency of the process, the company makes all governance documents available to all employees and main integrity-related governance documents available to the general public.

CODE OF CONDUCT

Our [Code of Conduct](#) sets the standards of how we work. This important document articulates our values and includes a section dedicated to modern slavery. We aim to maintain high ethical standards in the conduct of our business. As a result, compliance with the Code of Conduct is mandatory for all personnel: it is a condition of working with us.

COMPLIANCE PROCEDURE

Considering that our personnel are the front-line agents in the application of our Integrity value, we have a [Compliance Procedure](#) operationalizing the principles laid out in our Code of Conduct. These principles relate to anti-corruption and bribery, facilitation payments, antitrust, political contributions, gifts and hospitality, duty to report and how we deal with business partners.

SUPPLIERS & COUNTERPARTIES

We commit to undertake business with integrity and expect our suppliers, subcontractors, and consultants to respect and adhere to our values and high ethical standards of conduct. The [Supplier Code of Conduct](#) and the [Counterparty Code of Conduct](#) summarizes SNC-Lavalin's expectations and governing principles, including those related to human rights, modern slavery and human trafficking. Suppliers and Counterparties we engage with are expected to accept and adhere to our Supplier/Counterparty Code of Conduct.

PROCUREMENT

We strive to be competitive, yet fair and ethical in our business practice. To ensure the effectiveness of the process, the company has implemented a procurement policy that our personnel must follow. The policy communicates SNC-Lavalin's procurement principles and rules and contributes to create and maintain effective supply chain management capabilities, processes, and systems. Relevant governance documents include the Purchasing Management Procedure, Vendor Integrity Verification Procedure and Project Risk Identification work instruction which set out the necessary precautions to be taken to avoid modern slavery and human trafficking.

HUMAN RESOURCES

We also have human resources governance documents to protect our personnel and candidates from modern slavery and human trafficking. These include: the Human Resources Policy and Workplace Discrimination, Harassment and Violence Procedure. We have updated the Human Resources Policy to reflect our position on modern slavery and human trafficking which includes:

- Prohibiting human rights abuses, and any activities that encourage modern slavery, human trafficking, child labour, bonded labour, or forced labour and requiring our suppliers to do the same;
- Permitting workers, the choice to end, with appropriate notice, their employment;

- Ensuring workers maintain free access to their identity documents thereby allowing freedom of movement;
- Ensuring freedom of association;
- Bearing the full cost of recruitment and placement;
- Prohibiting compulsory and abusive overtime practices;
- Paying wages regularly, directly and on time; and
- Respecting the right to worker representation.

SUSTAINABILITY

We put [sustainability](#) at the heart of our corporate and project activities and business strategy. For that reason, every year we commit in our [Sustainability Policy Statement](#) to conduct business activities in a way that is beneficial to society and global and local economies. Therefore, our [sustainable business strategy](#) is aligned with the UN Sustainable Development Goals. We help clients address the global, local, social, environmental and economic impacts, opportunities and risk associated with our projects.



DUTY TO REPORT

At SNC-Lavalin, all our personnel, suppliers and counterparties have a duty to report any known or suspected violation of our Code of Conduct or any governance documents, as well as any violation of applicable laws, rules or regulations. These requirements are set out in our Code of Conduct, Compliance Procedure and Supplier Code of Conduct.

The various reporting channels are set out in our Reporting Work Instruction. One such channel, the [Reporting Line](#), is an independent, confidential, and anonymous reporting line operated by an external service provider. The reporting line allows anyone to report ethical and compliance concerns, including any concerns about modern slavery and human trafficking. The line is available for both SNC-Lavalin personnel and third parties who may potentially witness a violation by our personnel or anyone working on our projects. The line is staffed by individuals speaking a variety of languages, to facilitate communication and reporting in any region of the world. We make sure our personnel can disclose, without fear of retaliation, concerns, complaints or allegations of known or suspected wrongdoing or misconduct, regardless of the local norms and culture. We review all reported matters and investigate when required, within a reasonable timeframe.

DUE DILIGENCE

At SNC-Lavalin, we expect third parties we work with to adhere to business principles and values similar to our own and to comply with all applicable laws and regulations. Before making any commitments towards third parties, we take steps to appropriately evaluate the relationship and mitigate any associated risks by carrying out risk-based due diligence and checks:

- The Vendor Integrity Verification process is an integral part of SNC-Lavalin's Integrity program. We use multiple screening tools and databases to ensure vendors are ethical through a rigorous screening, including an ongoing monitoring process on our business partners.
- All clients for international projects undergo an Integrity Check. If there are any findings a prior review and endorsement by an Integrity Officer is required, as well as approval up to the Sector President.
- Our Integrity Checks verify if a third party is listed on any national or international risk and compliance databases and watchlists (including denied and sanctions lists), has a history of corruption, collusion, fraud or labor/human right violations or related issues through adverse media and publicly available information research, whether it is a state-owned entity/politically exposed person, or appears on SNC-Lavalin's Reference List before we decide whether to proceed with engaging them.
- A uniform risk assessment of business partners performing intermediary functions between SNC-Lavalin and third parties is a companywide requirement. Based on a set of defined risk indicators – such as the risk of corruption in the country in which the work is undertaken – a risk rating (basic, standard or enhanced) is specified for each transaction. The risk rating determines the subsequent action (e.g., due diligence, approval requirements and mandatory contractual clauses) taken regarding business partners.
- Counterparties/Suppliers are required to accept integrity-related contractual provisions and adhere to our Counterparty/Supplier Code of Conduct.
- In high-risk areas, we ensure our contracts with employment agencies stipulate that it is prohibited to require employees to pay recruitment fees. In addition, as part of our onboarding process in these areas, we verify with craft labour workers that they were not asked to pay such fees.

TRAINING & AWARENESS

Every year, SNC-Lavalin personnel at all levels are required to complete a mandatory certification process to ensure that our Code of Conduct is understood and properly applied to our daily activities.

For our craft and general labor workforce, we ensure awareness of our Code of Conduct and values by providing information by various means such as onboarding presentations and posters. Pictograms have specifically been developed to aid understanding and knowledge of the principles covered by the Code of Conduct. The modern slavery and human trafficking toolbox (which includes posters and a facilitation guide) provides our workforce with a summary of our modern slavery and human trafficking principles, giving real life examples and advising how to report any suspected or known violations.

To ensure a good understanding of the risks of modern slavery and human trafficking in our supply chains and business, we provide additional training for personnel in key positions. Our training actively explains human trafficking, how to recognize it, and proposes compliance strategies to use internally and throughout the supply chains. Every member of our board of directors has completed it as part of their onboarding. It is also available to all our employees and each manager may, at their discretion, assign it to their employees.

In addition, we have on our website a short video on our Supplier Code of Conduct which includes a portion on human rights and the Duty to Report. [The video is available in four languages](#) (English, French, Spanish and Portuguese).

ALIGNING WITH GLOBAL INITIATIVES AND BEST PRACTICES

In late 2015, we joined the United Nations Global Compact (UNGC), the world's largest corporate social initiative, with more than 9,000 business and 3,000 non-business participants in more than 160 countries. Joining the UNGC underscores our commitment to putting our extensive know-how and resources to work to meet the world's sustainability challenges. It also signals our intention to align our strategies and operations with the UNGC's ten Principles on human rights, labor, environment and anti-corruption.

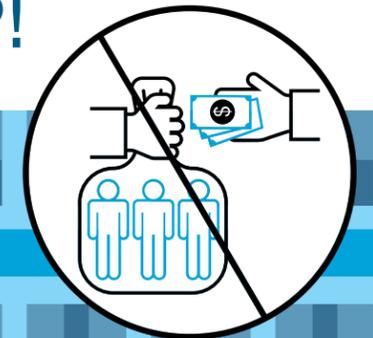
For a second year, on [World Day Against Trafficking in Persons](#), we took the opportunity to reiterate internally our commitment to prevent modern slavery and human trafficking in our operations. We shared a reading list and an animated video on our intranet.



My passport is being detained without my consent.

What should I do?

SPEAK UP!



Modern slavery and human trafficking are strictly prohibited.

If you want to report something or need advice, talk to any one of the following:

- > Your supervisor
- > Your Human Resources representative
- > Your security or health, safety and environment representative
- > Your Integrity Officer
- > Legal Affairs
- > The SNC-Lavalin Reporting Line





EFFECTIVENESS

Monitoring the effectiveness of our actions is a key element to ensure we are effectively reducing the risk of modern slavery.

As previously mentioned, we undertake to review all reported matters and investigate when required, within a reasonable timeframe. We keep track of all our employees' mandatory training sessions: ensuring it is completed on time and following up when necessary. We have audit processes to flag, identify and address potential weaknesses or risks. We believe these are key elements to spread the message, set the tone and to ensure any suspected act of modern slavery is dealt with accordingly.

COMPLIANCE CONTROL FRAMEWORK

SNC-Lavalin has used its Compliance Control Framework ("CCF") to test and monitor the internal controls that comprise its [Integrity Program](#). The CCF is carried out by members of the Compliance Investigations team ("CI"). CI identifies main risks we face that are related to integrity and holds discussions with relevant stakeholders to identify the key controls that directly respond to those risks. These controls are sampled and tested by the review team to determine whether the Integrity Program is being implemented effectively in practice.

OUR COMMITMENT

At SNC-Lavalin, we are committed to preventing modern slavery and human trafficking in our operations. We are dedicated to protecting our people from any form of modern slavery and human trafficking by promoting our core values: Safety, Integrity, Collaboration and Innovation.

We do not tolerate any form of forced labour, slavery or human trafficking in any part of our business. As a signatory to the UNGC, we are committed to implementing internationally recognized best practices. This includes adhering to the sixth principle that addresses working conditions and human rights. Our Code of Conduct and Supplier Code of Conduct specifically prohibit human trafficking as well as child and forced labor. All personnel must abide by our Code of Conduct. In fact, they must undergo mandatory annual certification on the Code, followed by an exam that they need to pass to continue working with us. In terms of our operations, our sustainable business strategy is aligned with the UN Sustainable Development Goals. Our mission is to do business while taking into consideration the economic, social and environmental realities in different countries around the world.

This statement relates to our financial year that ended on December 31, 2021 and is made in accordance with the UK Modern Slavery Act 2015 and the Australian Modern Slavery Act 2018 (Cth). It applies to SNC-Lavalin Group Inc. and all its subsidiaries.



IAN L. EDWARDS
President and CEO

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