



Sustainability report 2017



About this report

This is ALS Limited's first Sustainability Report. It provides an overview of our sustainability performance during the 2017 financial year. Formal reporting assists ALS in demonstrating transparency in the way we manage a wide range of aspects across our four core sustainability areas of People, Environment, Governance and Society. ALS is committed to regularly measuring, improving and reporting against its targets which is a key driver of its long-term business performance. The objective of the report is to provide clarity to our stakeholders on sustainability and to act as a benchmark from which to measure future progress on sustainability.

The report has been designed with reference to the Global Reporting Initiative (GRI) Standards. ALS has assessed the materiality of the GRI Standards and the report reflects those aspects which have been considered the most critical in relation to ALS's business and its stakeholders. The report contains consolidated data from all ALS facilities across the globe. Data has been collected and collated by the ALS compliance and risk team relating to the 12 month period ending 31 March 2017.

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Managing Director's message

I am pleased to present ALS's inaugural Sustainability Report. This report highlights the important achievements ALS has made in the areas of economic performance, health and safety, compliance, diversity, labour practices, and community involvement, and outlines the further work planned to demonstrate responsible environmental management such as energy efficiency programs and waste recycling.

From our beginnings in 1863, the company has developed into an international business with state of the art equipment and facilities. To remain sustainable and viable into the future, we are acutely aware that we need to focus not only on running world class operations, but also need to understand the impact we have on our people, the environment, and the community we operate in. As a truly global business operating in first, second and third world countries, we recognise that "sustainability" means different things to different cultures, but ALS believes that when it comes to sustainability we must act in a consistent best practice manner regardless of where in the world we carry out our activities.

The key to our success is our culture and our dedication to sustainable long term growth has positioned ALS as one of Australia's most resilient businesses. This dedication together with adherence to our corporate principles has built a robust and diversified global entity with strong potential for future expansion.

Our safety record is a source of pride and over the last 10 years has become a stronger and stronger focus with our performance reaping the benefits of ever lower injury and illness records. Our plan is to ensure everyone goes home unharmed at the end of every shift.

Hand in hand with safety is ALS's commitment to social responsibility and sustainability. Whether it be reducing waste, reducing our environmental footprint, supporting local communities or simply participating in local activities, ALS strives to be a good corporate citizen in every region of the world we operate. This is important to our clients and local communities, but more so to our own staff. If we want to attract the very best and engender loyalty from staff, then we need to ensure they are proud to be associated with ALS. It is very important to staff that ALS behaves in a socially responsible manner, consistently and globally. There is always more we can do in this area but we are making progress and are well down the journey.

In completing our first Sustainability Report we reviewed the broad suite of potential sustainability aspects in accordance with the Global Reporting Initiative Standards (GRI) and assessed what is important to our business and prioritized what is critical to our clients, our people, and our communities. It is these issues of material importance that forms the basis of this report.

As a global company operating in the Testing, Inspection and Certification (TIC) market, integrity and accountability are central to the way we work and central to our reputation. We are committed to ethical business practices and the highest standards of governance. Honesty and integrity is one of our core values. For all ALS employees, this means being true to our word and doing what we say we are going to do. Integrity is what sets us apart and is what the ALS brand stands for.

Finally, although it has been a challenging year for all businesses involved in the resources sector, ALS has performed in line with forecast financial guidance. ALS will continue to grow organically and remain acquisitive in our core business streams to support the strategy of growing our market share as a leading global TIC company.

Greg Kilmister, Managing Director and CEO.





This report highlights the important achievements ALS has made in the areas of economic performance, health and safety, compliance, diversity, labour practices, and community involvement, and outlines the further work planned to demonstrate responsible environmental management such as energy efficiency programs and waste recycling.

ALS sustainability – How we do things at ALS

ALS Limited is one of the world's largest and most diversified testing services providers.

We are the global benchmark for quality and integrity, and have built our reputation on quality, client service, innovation, and technical excellence. With headquarters based in Brisbane, Australia we are one of the longest-established companies listed on the Australian Securities Exchange (ASX Code: ALQ). The Company was founded in 1863 and listed on the ASX in July 1952. We are an ASX100 Company with a multi-billion dollar market capitalisation. The ALS brand is well recognised internationally by our customers and competitors for delivery of high quality testing services.

The Company operates four main testing service areas: Life Sciences, Commodities, Industrial and Oil & Gas. ALS has over 13,000 employees, operating from 370 sites in 70 countries across Africa, Asia, Australia, Europe and the Americas. We operate one of the world's largest analytical and testing services businesses and our partnerships span major sectors including mining, natural resources, environmental, food, pharmaceutical, industrial and inspection services.

Our Company is focused on driving growth by continuing to successfully operate our existing businesses while pursuing new opportunities.

Our vision

ALS is committed to maintaining the strong and sustainable growth strategies which have made us a successful global Company. We will maintain the rewarding partnerships we share with our clients, business partners, shareholders and communities and identify and develop new opportunities.

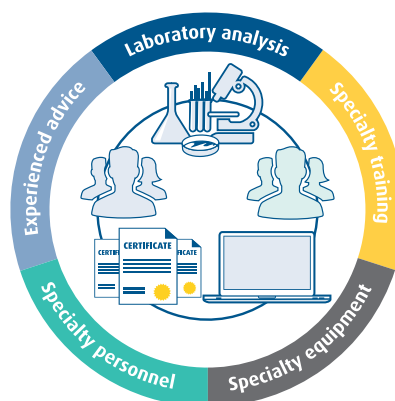
Our values

Our Company upholds the values which are the foundation of our proud tradition of excellence. Our people are dedicated to the values of quality, integrity, reliability and innovation which ensure we deliver the highest level of customer service. We value efficiency, safety and diversity in our workplaces. We value the leadership and learning that develops our people and our businesses.

How we do things

ALS Limited's corporate governance framework plays a key role in supporting our business operations and provides clear guidance on how authority is exercised within the company. Good corporate governance is a fundamental part of our culture and our business practices. Our corporate governance framework provides for effective decision making about the affairs of the company.

The company has an established an Audit and Risk Committee, People Committee and a Sustainability Committee, all of which operate under written terms of reference approved by the Board. These committees review and recommend to the Board the adoption of core values, policies and practices, a summary of which are outlined diagrammatically. *[pictured right]*



The foundation
of ALS's success –
simple, essential
and incorporated
into our daily
operations.

ALS core values

Corporate policies

- _ HSE policy _
- _ Code of conduct _
- _ Risk appetite and tolerance statement _
- _ Risk management framework _

ALS's
corporate
policies to
guide our
decisions for
a positive and
safe working
environment.

Corporate programs

- _ HSE foundation standards _
- _ Compliance portal _
- _ Group sustainability strategic plan _
- _ Life saving rules _

Corporate tools and programs to help ALS businesses
manage their compliance and risk obligations.

Local management procedures and practices

- _ Act locally, think globally _

Procedures and practices to embed corporate programs at a local
level that take into account regional legislation requirements.

ALS businesses

Our end markets

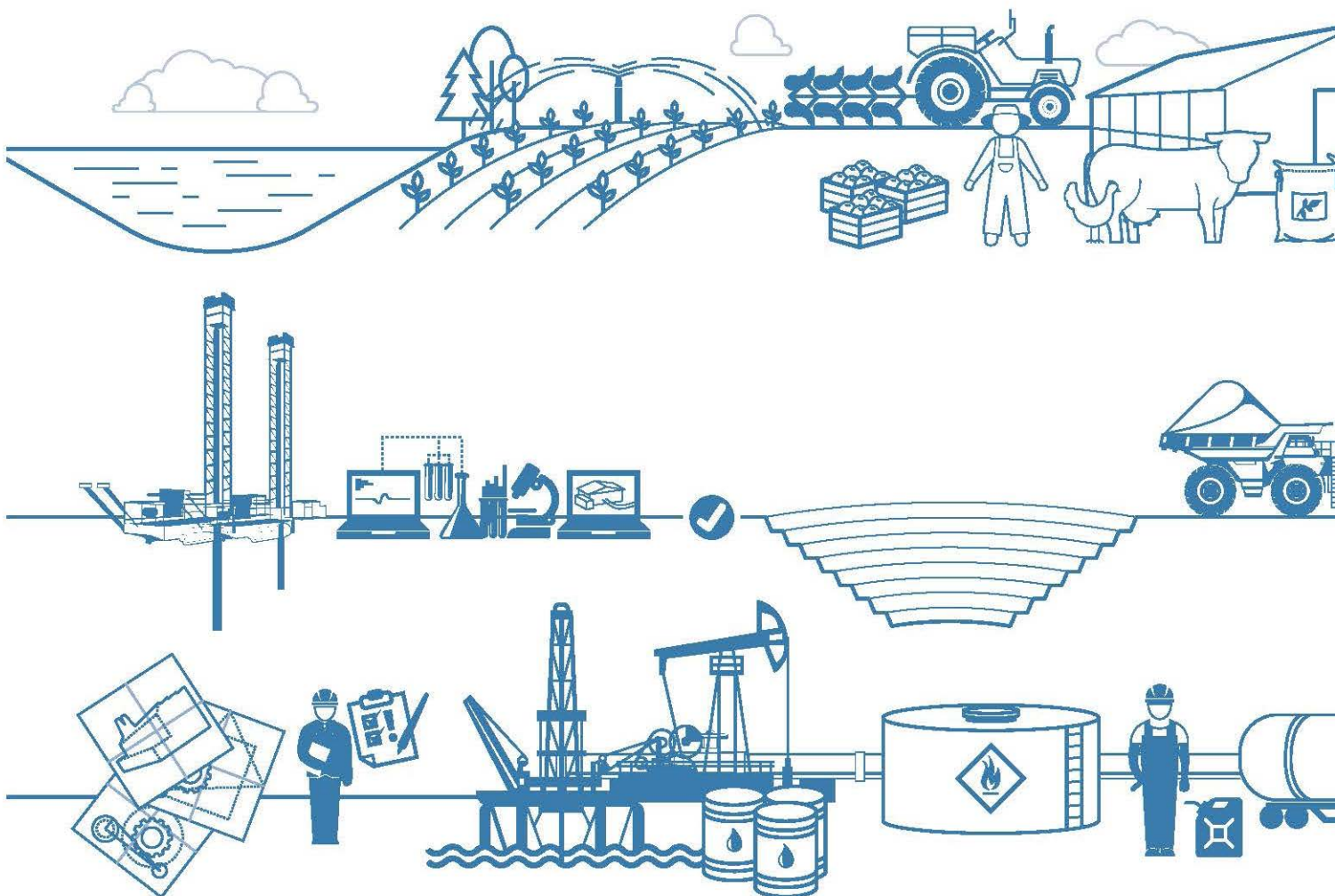
Over the past four decades ALS's focus has broadened to include dedicated services aligned to the needs of the following market sectors.

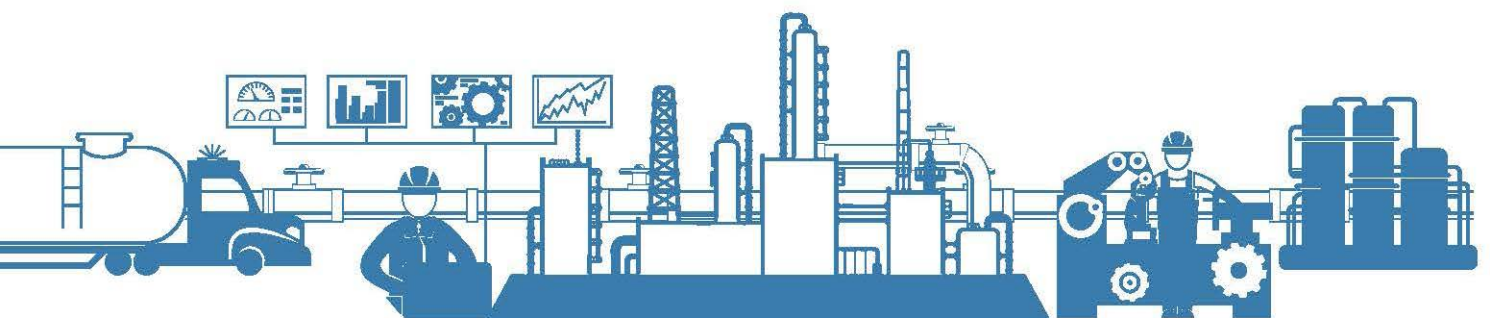
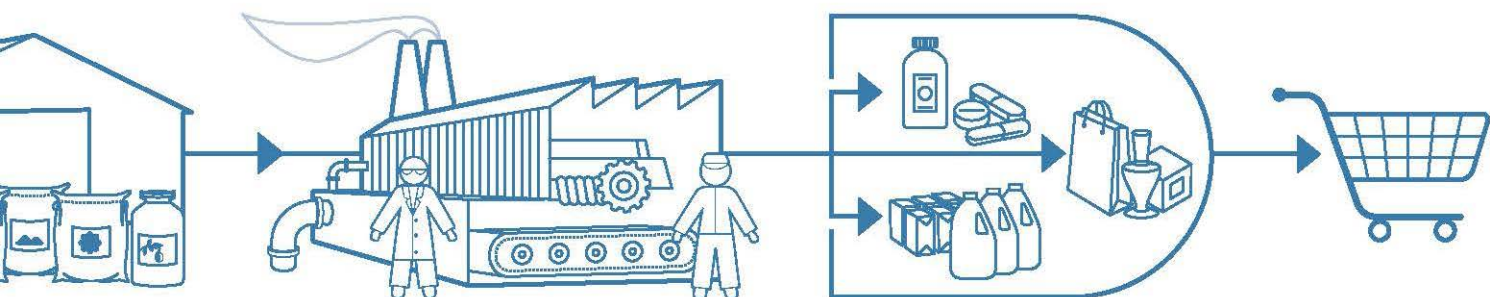
- ▶ Agriculture
- ▶ Civil infrastructure
- ▶ Consumer products
- ▶ Transportation
- ▶ Marine
- ▶ Oil & gas
- ▶ Pharmaceuticals
- ▶ Pulp & paper
- ▶ Commodity trading
- ▶ Aerospace & defence
- ▶ Construction
- ▶ Environmental, health & safety
- ▶ Food safety
- ▶ Mining & exploration
- ▶ Petrochemicals
- ▶ Power generation
- ▶ Smelting & refining
- ▶ Water

Whilst ALS's early history was very focused on servicing the mineral exploration community, today we are a very different company.

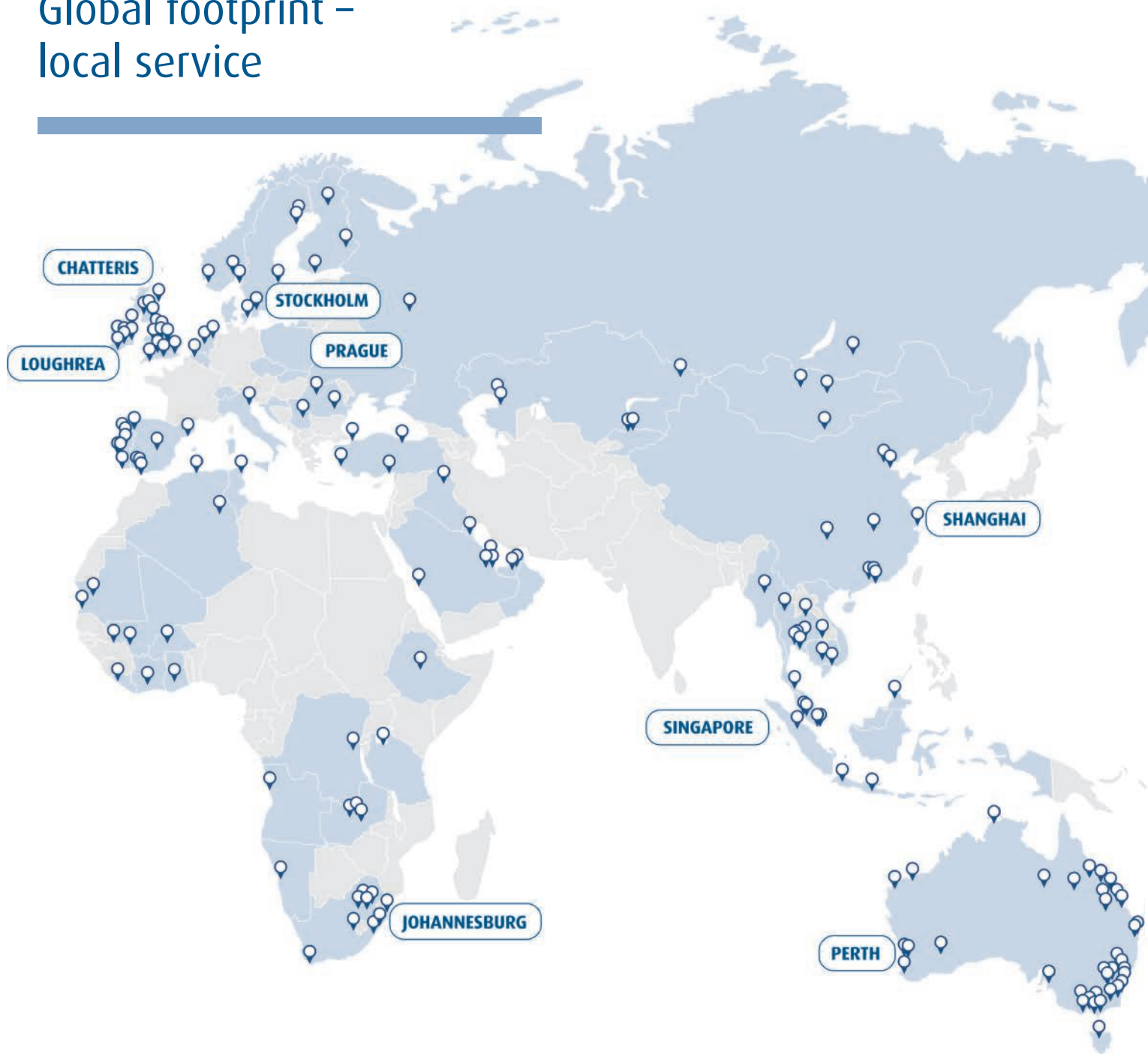
Our service lines

ALS operates its businesses along specialist service lines. This ensures we have the appropriate technical resources, geographic positioning, reporting systems, and holistic service culture that is aligned to the specific needs of our clients.





Global footprint – local service



Life Sciences

Life Sciences is comprised of four primary analytical testing areas: Environmental, Food and Pharmaceutical, Electronics, and Consumer Products. It is the leader in global, comprehensive analytical testing services demonstrating expertise in microbiological, physical and chemical testing services.

Commodities (Minerals & Coal)

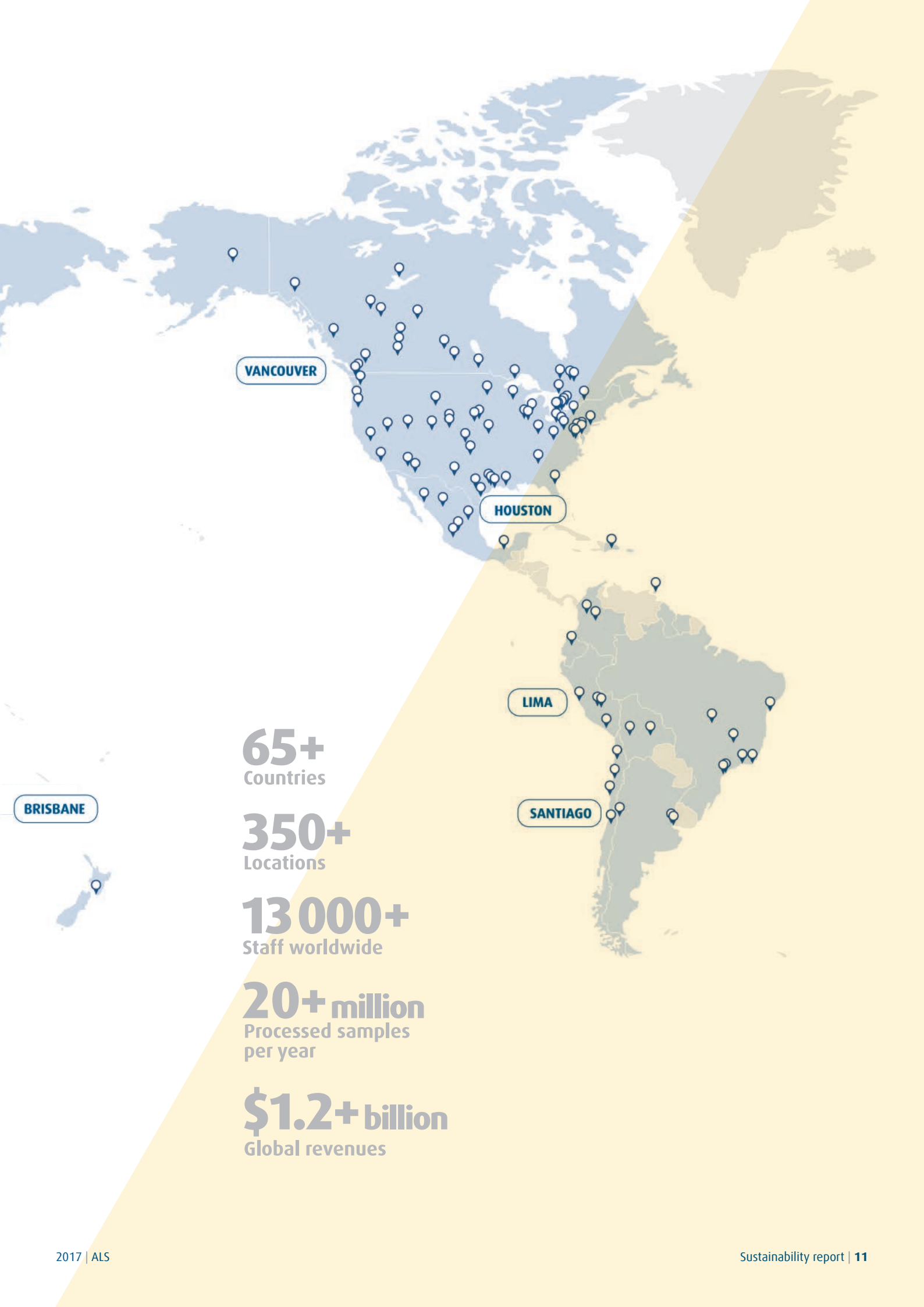
Commodities is the leading full-service provider of testing services for the global mining industry in four key service areas: Geochemistry, Metallurgy, Inspection and Coal Quality. Its testing and consulting services cover the entire resource life-cycle from exploration through to rehabilitation.

Industrial

Industrial is a leading provider of diagnostic testing and engineering solutions for the energy, resources, transportation and infrastructure sectors. It is comprised of two complementary business streams: Asset Care and Tribology.

Oil & Gas

Oil & Gas provides specialist services to the oil and gas industries such as analysis and certification, hydrocarbon formation evaluation services, specialist well services and related analytical testing.



65+
Countries

350+
Locations

13 000+
Staff worldwide

20+ million
Processed samples
per year

\$1.2+ billion
Global revenues

Financial highlights

(from Continuing Operations)¹

Revenue up

2.7% to \$1.272 billion

Underlying net profit[^] up

4.0% to \$112.7 million

Underlying Earnings[^] per share

down 5.5% to 22.4 cents

Total dividend for the year

unchanged at 13.5 cents per share

[^] Underlying net profit is a non-IFRS disclosure and has been presented to assist in the assessment of the relevant performance of the Group from year to year.

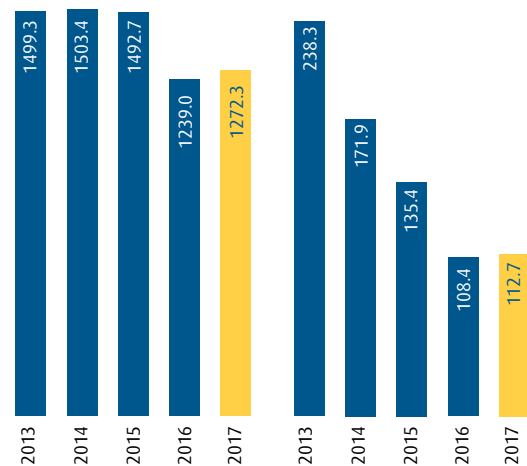
^A 2016 figures restated for discontinued Oil & Gas operations.

Sales revenue (\$m)^A

1,272.3

Underlying Net Profit after Tax (\$m)^A

112.7



Dividends

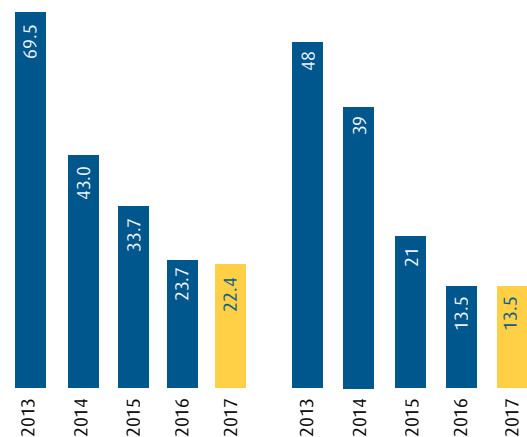
The Company will pay a final, partly-franked (40%) dividend for 2017 of 8.0 cents per share (2016: 6 cents) at the 30% tax rate (2016: 30%). The total dividend for the year will be 13.5 cents (2016: 13.5 cents).

Underlying Earnings per share (cents)^A

22.4

Dividend paid per share (cents)

13.5



¹ Continuing operations excludes those Oil & Gas operations which are "held for sale".



Year at a glance

(from Continuing Operations)¹

| 31 March | 2017 | 2016 ^Δ |
|--|---------|-------------------|
| Revenue (\$m) | 1,272.3 | 1,239.0 |
| Underlying EBITDA* (\$m) | 253.1 | 258.0 |
| Underlying EBIT* (\$m) | 186.1 | 188.9 |
| Underlying NPAT [^] (\$m) | 112.7 | 108.4 |
| Underlying earnings per share (cents) | 22.4 | 23.7 |
| Statutory NPAT (\$m) | 81.6 | (240.7) |
| Statutory earnings per share (attributable to members) (cents) | 16.2 | (52.5) |
| Dividends per share (cents) | 13.5 | 13.5 |
| Gearing ratio (net debt/(net debt + total equity) (%) | 29.0 | 27.0 |

[^] NPAT = Net profit after tax

Underlying net profit is a non-IFRS disclosure and has been presented to assist in the assessment of the relevant performance of the Group from year to year.

* EBITDA = EBIT plus depreciation and amortisation. EBIT = Earnings before interest and tax. The terms EBITDA and EBIT are non-IFRS disclosures.

The calculations of EBITDA and EBIT are unaudited.

^Δ restated for discontinued Oil & Gas operations.

Revenue

Total revenue from continuing operations for the consolidated Group was \$1.272 billion for 2017, a 2.7% increase on the \$1.239 billion recorded in 2016.

The revenue generated by each Business segment was as follows:

| Business Segment | 2017 (\$m) | 2016 (\$m) | % Change |
|---|---------------|---------------|-------------|
| Life Sciences | 641.6 | 633.5 | +1.3 |
| Commodities | 427.2 | 401.8 | +6.3 |
| Industrial | 192.7 | 185.6 | +3.8 |
| Oil and Gas (Laboratory Services only) | 10.8 | 18.1 | -40.3 |

Underlying Net Profit

Underlying net profit after tax from continuing operations, attributable to equity holders of the Company, was \$112.7 million for 2017, a 4.0% increase on the \$108.4 million underlying net profit achieved in 2016.

The underlying profit contribution from ordinary activities, before interest, tax and corporate overheads for each Business segment was as follows:

| Business Segment | 2017 (\$m) | 2016 (\$m) | % Change |
|---|---------------|---------------|-------------|
| Life Sciences | 99.8 | 110.0 | -9.3 |
| Commodities | 86.1 | 67.2 | +28.1 |
| Industrial | 26.5 | 25.1 | +5.6 |
| Oil and Gas (Laboratory Services only) | (6.3) | (5.4) | -16.7 |

¹ Continuing operations excludes those Oil & Gas operations which are "held for sale".

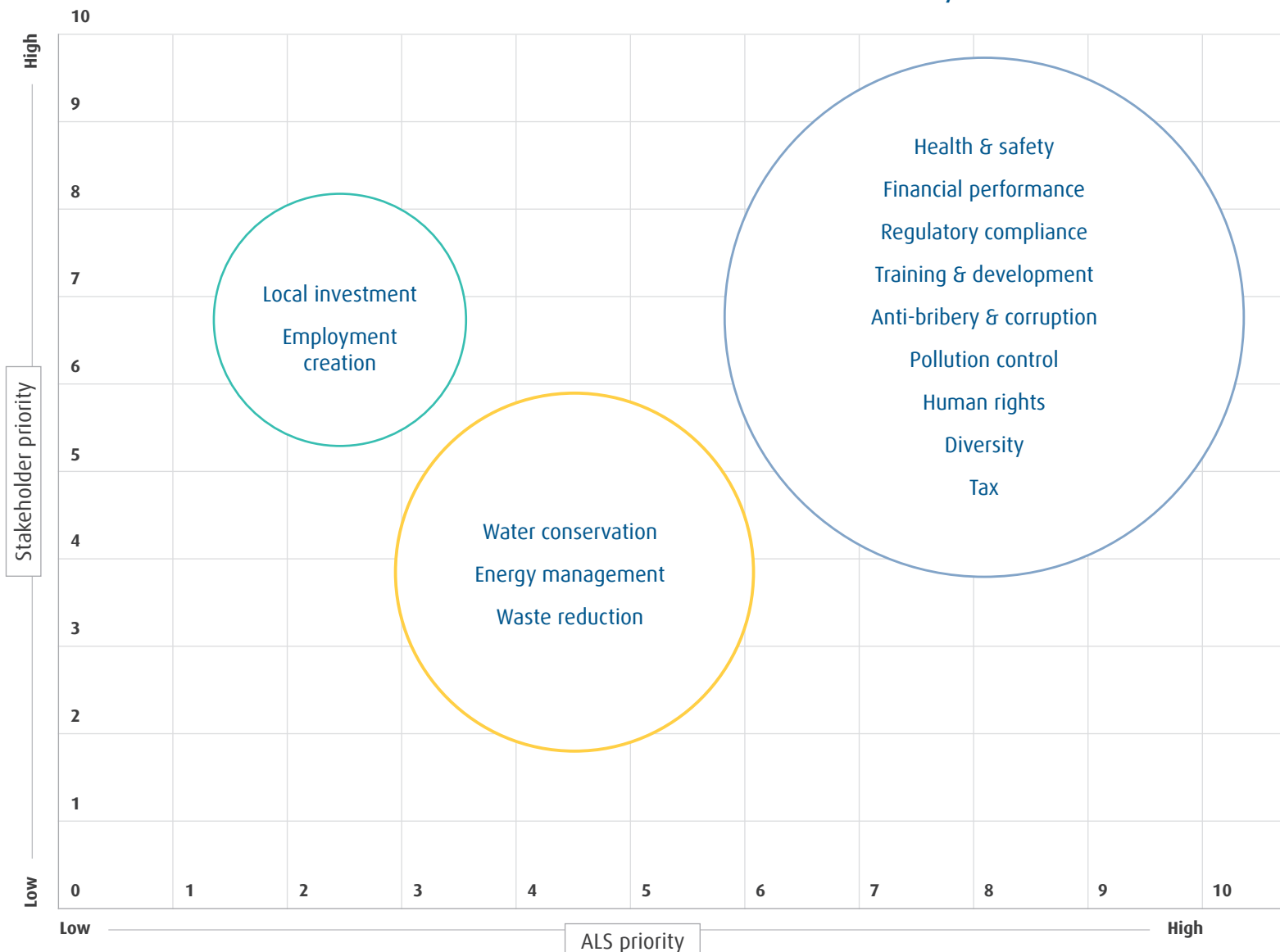
Sustainability focus areas

ALS has performed a materiality assessment to identify issues that are considered the most critical to our stakeholders and business operations from a sustainability perspective. The assessment process included the following:

- ▶ Review of the organisation risk register
- ▶ Review of the GRI Reporting Standards
- ▶ Feedback from stakeholders such as shareholders, employees, community groups, and industry groups
- ▶ Feedback from Group Executive Management on the issues impacting specific business streams (including issues that impact the wider industry sector)
- ▶ Input from the ALS Sustainability Committee and the Board.

Information gathered from these sources was collated, reviewed and assessed using the materiality matrix to determine where priority areas lie for both ALS and key stakeholders.

Sustainability assessment matrix



These critical issues have been grouped into four key priority areas:



People

Health & safety

Safety as a priority

Diversity & equality

Respecting differences

Training & development

Investing in talent development

Human rights

Worker's rights upheld



Environment

Pollution control

Management of adverse environmental emissions

Energy management

The pursuit of energy efficiency

Waste reduction

Reduce, reuse, recycle

Water conservation

Managing a scarce resource

Society

Tax

Paying our fair share

Local investment

Investing in the local community

Employment creation

Creating jobs in the local community



Governance

Financial performance

Maximise return for shareholders

Honesty & integrity

An ALS core value

Anti-bribery & corruption

Zero tolerance for bribery and corruption

Regulatory compliance

Systems to maintain legal compliance



Our scorecard – measuring our performance

ALS's sustainability scorecard demonstrates our approach to balancing sustainability considerations with economic returns. Such measures are compatible and complimentary; in many cases, you can't have one without the other. Establishing and maintaining our corporate social responsibility is key to ALS's long term success. Without the support of our shareholders, our employees, the community and government, ALS would not be able to deliver on its strategic objectives.

People



Environment



Society



Governance



Achieved ✓

Not achieved ✗

In progress →

2017

No fatalities

10% reduction of Group LTIFR against 2016 baseline of 1.23

10% reduction of Group TRIFR against 2016 baseline of 3.16

Group PPI Scorecard of 90% or greater

100% of compulsory compliance training sessions completed

Gender diversity (total female employee new hires in professional roles – 50% or more)

Human Rights – first year program.
No target set for 2017

No environmental complaints of negative air, noise, or land impact from surrounding neighbours

Nil environment related prosecutions across the Group

No reportable environmental incidents (spill or uncontrolled release)

New waste reduction target to be set for 2018
– Two new reduction strategies or waste recycling initiatives per business stream

5% reduction in motor vehicle fuel consumption for Australia fleet*

Energy Consumption – New energy consumption target to be set for 2018 – All Business Streams:

Geochemistry

Coal

Inspection

Metallurgy

Environmental

Food and Pharmaceutical

Asset Care

Tribology

Oil and Gas

Targeted donations to charities that operate in the communities we work in

Taxes paid - first year program. No target set for 2017

Audit Whistleblower Program

Audit Cyber Security Program

Risk Appetite Statement – first year program. No target set for 2017

*Note: Australian Motor Vehicle Fleet makes up over 50% of the total global fleet numbers.

| Results | 2018 |
|--|--|
| ✓ 0 fatalities | No fatalities |
| ✓ 13% reduction achieved (LTIFR=1.07) | 5% reduction of Group LTIFR against 2017 baseline of 1.07 |
| ✗ Increase in TRIFR to 4.08 | 10% reduction of Group TRIFR against 2017 baseline of 4.08 |
| ✓ 90% | Group PPI Scorecard of 90% or greater |
| ✓ 100% achieved | 100% of compulsory compliance training sessions completed |
| ✓ 53% | Total female employee new hires in professional roles – 50% or more |
| → In progress. | Human Rights – Develop a modern slavery statement and publish on ALS website |
| ✓ 0 complaints reported | No environmental complaints of negative air, noise, or land impact from surrounding neighbours |
| ✓ 0 prosecutions | Nil environmental related prosecutions across the Group |
| ✓ No reportable environmental incidents (spill or uncontrolled release) | No reportable environmental incidents |
| → In progress | Two reduction strategies or waste recycling initiatives per business stream per year |
| ✓ 6% reduction (9.04L/100km for 2016, 8.45L/100km for 2017) | 5% reduction in motor vehicle fuel consumption.* |
| → In progress (baseline = 89,879,621 kWh consumed) | 5% reduction on total kWh (across main sites/hub laboratories) |
| → In progress (baseline = 11,414,003 kWh consumed) | 5% reduction on total kWh (across main sites/hub laboratories) |
| → In progress (baseline = 4,463,105 kWh consumed) | 5% reduction on total kWh (across main sites/hub laboratories) |
| → In progress (baseline = 5,624,065 kWh consumed) | 5% reduction on total kWh (across main sites/hub laboratories) |
| → In progress (baseline = 58,558,298 kWh consumed) | 5% reduction on total kWh (across main sites/hub laboratories) |
| → In progress (baseline = 5,383,529 kWh consumed) | 5% reduction on total kWh (across main sites/hub laboratories) |
| → In progress (baseline = 2,311,251 kWh consumed) | 5% reduction on total kWh (across main sites/hub laboratories) |
| → In progress (baseline = 2,276,176 kWh consumed) | 5% reduction on total kWh (across main sites/hub laboratories) |
| → In progress (baseline = 5,369,406 kWh consumed) | 5% reduction on total kWh (across main sites/hub laboratories) |
| ✓ \$125,668 provided to range of charities that match ALS values (within budget of circa \$130k) | Continued donations to charities that match ALS values (within budget of circa \$150k) |
| → In progress | Taxes – Develop taxes paid statement outlining income tax paid across all ALS entities |
| ✓ Audit conducted on ALS Integrity Hotline | Release revised Whistleblower program |
| ✓ Audit completed on ALS Cyber Security Program | Roll out revised Cyber Awareness program |
| → In progress | Complete review of Risk Appetite and Tolerance Statement |

People

- ▶ 24 LTIs across the Group; down from 27 in 2016.
- ▶ 28,513 training sessions delivered.
- ▶ 100% of all mandatory compliance training completed.
- ▶ 44% of employees are women.



Health & safety

Safety as a priority

ALS recognises that health, safety and environment are critical components of good business and good management. Moreover, it is the right of all workers, visitors and contractors to work in an environment that is safe and without risk to their health. The working environment across ALS varies from office-based to laboratory-based, client sites to maintenance workshops, and outdoors to offshore. As a result, safety must be a priority, integrated into the organisational management, procedures and protocols. Safety as a priority is an ALS core value.

Measuring our Performance

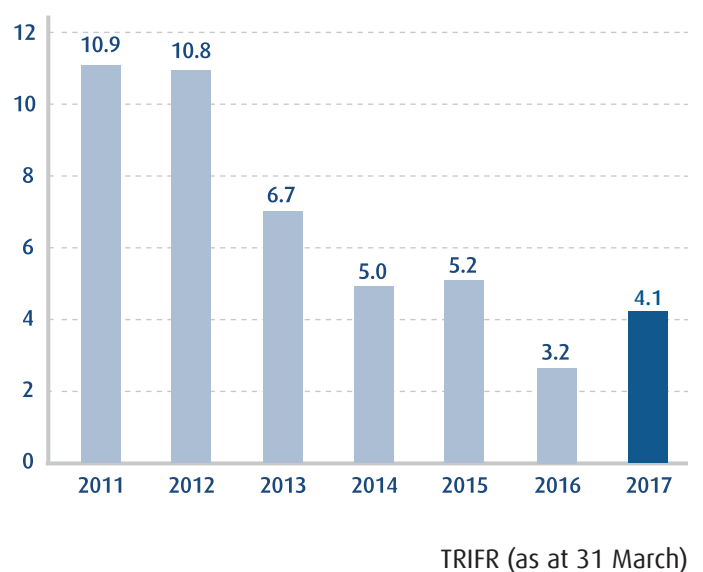
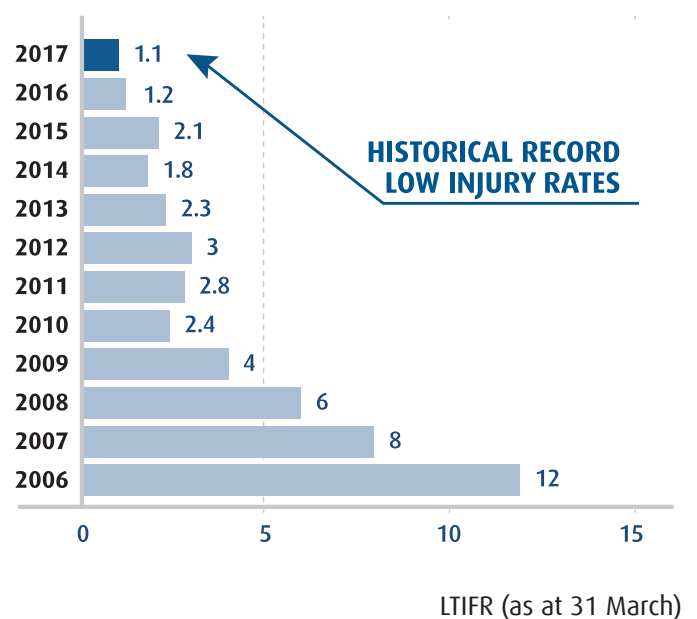
The most commonly used method to measure health and safety performance is the Lost Time Injury Frequency Rate (LTIFR) which measures the number of Lost Time Injuries (LTIs)* per million hours of work (reported as per Australian Standard AS 1885.1 Workplace Injury and Disease Recording Standard).

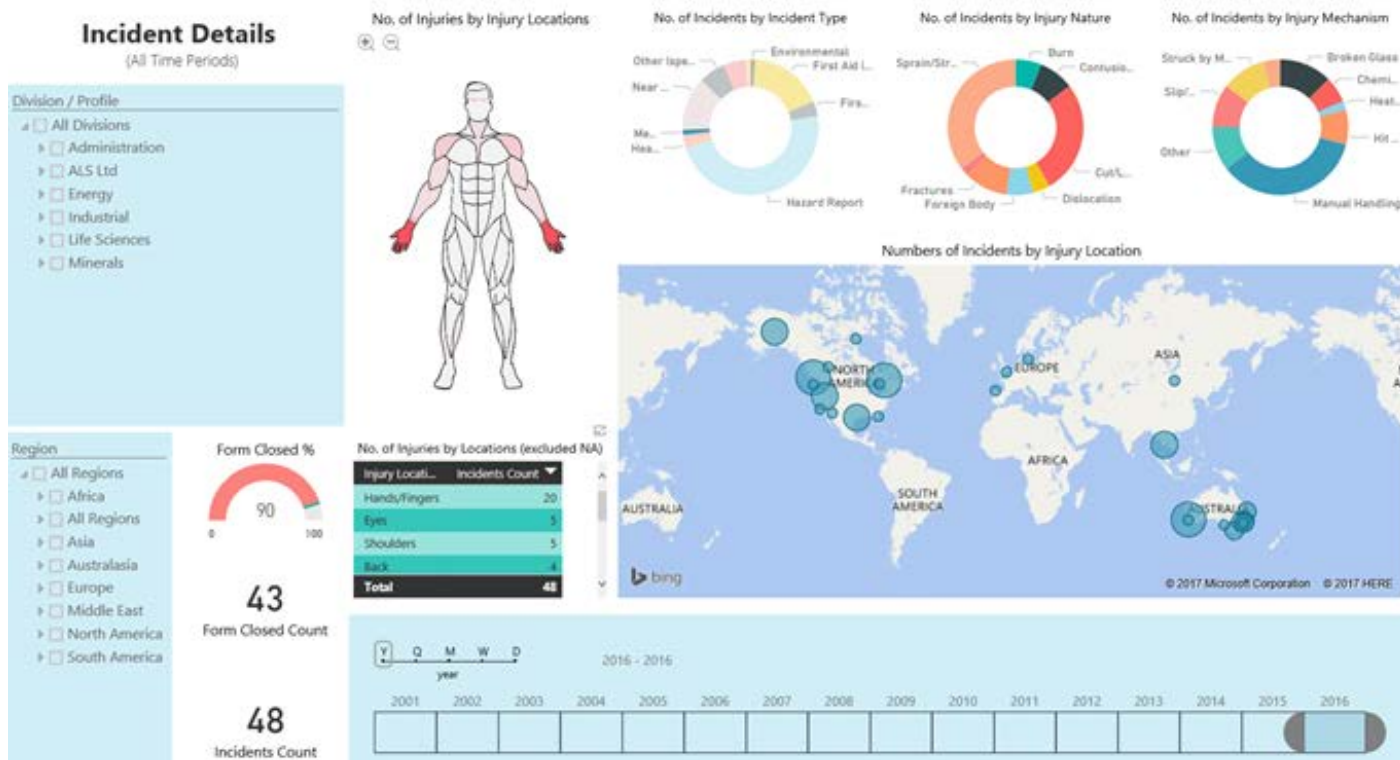
**LTI is a work injury that results in an inability to work for at least one full day or shift any time after the day or shift in which the injury occurred.*

During the year, we made excellent progress with reducing the total number of LTIs across the group. The LTIFR figure at 31 March 2017 was 1.07, a 13% decrease compared with an LTIFR of 1.23 for 2015/16, which is a historical record for the ALS Group.

In measuring safety performance, ALS looks at a number of metrics to provide the most representative picture of the company. To provide a more in depth picture of incidents, ALS records total recordable incident frequency rate (TRIFR). TRIFR measures incidents of lesser harm like restricted work cases and medical treatment incidents. Although of lesser severity, all incidents have the potential for harm and are important to record and analyse. The TRIFR has seen a 60% reduction in the rate over the last six years. Unfortunately the rate slightly increased for the year from 3.16 to 4.08.

In 2018 we will roll out targeted programs to address specific areas where we have seen minor medical treatment injuries occur. A new HSE dashboard was released during 2017 which has highlighted the key areas to focus on, for example, cuts from broken glassware in our Life Sciences laboratories, and muscle strains from manual handling in Geochemistry sample preparation areas.





Without diminishing the importance of measuring lost time injuries and other incidents ALS acknowledges that these measures are reactive and only tell the Company about outcomes not processes. To provide a greater balance to the safety performance picture ALS has developed and implemented a suite of positive performance indicators. These are seen as lead indicators of the safety system. Managers are measured on the implementation of these positive measures and are held accountable.

The four areas of PPI are:

1. Injury Metrics

Requires businesses to meet safety targets including LTIFR, TRIFR and near miss reporting.

2. Leadership Metrics

Measures managers' engagement and participation in safety and requires targets for manager's personal involvement in inspections and safety presentations.

3. Program Metrics

Require the businesses to achieve set targets for the completion of incident reports being closed out and compliance issues to be completed.

4. Training Metrics

Requires training goals to be reached including businesses to ensure all new employees have undertaken safety inductions, and managers have completed safety training modules.

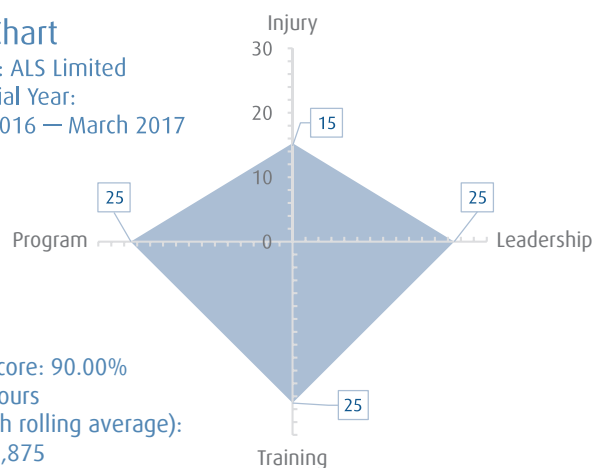
A new HSE dashboard was released during 2017 which has highlighted the key areas to focus on, for example, cuts from broken glassware in our Life Sciences laboratories, and muscle strains from manual handling in Geochemistry sample preparation areas.

PPI Chart

Profile: ALS Limited

Financial Year:

April 2016 — March 2017



Key metrics of the PPI scorecard achieved in the year were:

- ▶ An overall score of 90.00%
- ▶ 97% close out of incident report corrective actions across all divisions
- ▶ 100% of all employee and manager safety training completed
- ▶ 100% close out of corrective actions raised in annual compliance sign-offs

| Metric | PPI metric description | Target score | Actual score | PPI total available | PPI achievement |
|----------------------|--|----------------------------|--------------|---------------------|-----------------|
| Injury | Total recordable injury frequency rate (divisional level TRIFR) | 2.92 | 4.08 | 5.00 | 0.00 |
| Injury | Significant Lost Time Injury Frequency Rate (regional level SLTIFR) | 0.18 | 0.13 | 5.00 | 5.00 |
| Injury | Lost Time Injury Frequency Rate (divisional level LTIFR) | 1.11 | 1.07 | 5.00 | 5.00 |
| Injury | Average days lost per Lost Time Injury (days) (Site Level) | 10.80 | 22.67 | 5.00 | 0.00 |
| Injury | No. of High Potential Incidents/Life Saving Rules Breaches (<4/year/div) | 16 | 3 | 5.00 | 5.00 |
| Leadership & Culture | Number of Presentations of a safety topic to staff (base employees and management) | 2 | 3 | 6.25 | 6.25 |
| Leadership & Culture | Manager participation in site safety inspections (count) | 2 | 3 | 6.25 | 6.25 |
| Leadership & Culture | Positive statements provided to site/area/individual regarding safety performance | 2 | 3 | 6.25 | 6.25 |
| Leadership & Culture | Hazard Observation Reports submitted | 5 $5 \times 375 = 1975$ | 2347 | 6.25 | 6.25 |
| Program | Close out of incident reports reported on compliance portal (%) | 90% | 97% | 6.25 | 6.25 |
| Program | Close out of Annual Compliance Sign-off Corrective Actions (%) | 100% | 100% | 6.25 | 6.25 |
| Program | Load qualified first aiders onto the Portal – 100% | 100% | 100% | 6.25 | 6.25 |
| Program | 100% compliance with loss control spreadsheet | 100% | 100% | 6.25 | 6.25 |
| Training | New employees completed induction training in ALStar | 100% | 100% | 8.33 | 8.33 |
| Training | Managers completion of compliance training in ALStar | 100% | 100% | 8.33 | 8.33 |
| Training | 2 mandatory training topics completed in ALStar | 100% | 100% | 8.33 | 8.33 |
| Total | | | | | 90.00 |

Investment in Safety Training

During 2017 ALS increased its focus on training and education using different modalities and approaches to reach staff and managers in getting the safety message out. Staff and managers attendance at mandatory safety training sessions is recorded on the ALS compliance portal with over 8000 sessions run last year in multiple languages. 5521 induction courses were run, over 700 driver safety sessions, 423 first aid courses and over 100 injury management courses completed.

Life Saving Rules

During 2017 we revised and rolled out a new set of Life Saving Rules across all our business streams.

The rules were developed following a review of serious injuries and high potential incidents across ALS businesses to identify key risks that could put lives at risk. In addition to looking within ALS, further investigation was undertaken on risks unique to the industries ALS works in to arrive at the final set of rules. The intent of this review was to use the best available information to guide the development of relevant Life Saving Rules.



| Icon | Title | Description |
|--|-------------------------------------|--|
| 1  | Stop – Unsafe work | Stop and always intervene to correct an unsafe act or condition. |
| 2  | Fitness for work | Always attend work fit and free from the effects of fatigue, drugs and alcohol. |
| 3  | Safe Driving | Drive safe roadworthy vehicles according to the conditions, observe speed limit and wear seat belts. |
| 4  | Lethal chemicals/substances | All staff need to be aware of chemicals/substances that can kill and strictly adhere to all applicable control measures, including safe handling, storage and wearing appropriate PPE. |
| 5  | Confined space entry | Always obtain authorisation prior to entering a confined space. |
| 6  | Traffic & pedestrian management | Staff and drivers must be aware of the need for the segregation of pedestrians from vehicle movement. |
| 7  | Working near water | When sampling or working near or on water, wear a flotation device where there is a danger of falling or entering the water |
| 8  | Working at heights | Protect yourself against a fall greater than 1.2 metres. |
| 9  | Energy isolation (Lock out Tag out) | Always isolate or lock out energised equipment before commencing work on it. |
| 10  | Machinery safety | Always ensure that safety protection devices provided with plant/equipment (safety valves, guards, interlocks or barricades) are operational prior to commencing. |
| 11  | Overhead lifting operations | Plan all lifts (e.g. cranes, hoists, etc.) before commencing and do not work under suspended loads. |
| 12  | Travel to high risk countries | Ensure a travel risk assessment has been completed before travelling to high risk regions. |
| 13  | Safe work permits & site rules | Always obey site rules and work with a valid work permit where required. |

Compliance Portal

A significant rework of the ALS Compliance Portal was undertaken throughout 2017. Structured around the ALS HSE Foundation Standards and the Life Saving Rules, the Compliance Portal is the central hub for all the company compliance and risk information. It contains document libraries, information lists and data analytics functions, including areas such as health surveillance, strategy plans, licences and certificates, maintenance and equipment registers, procedures and policies, incident database, training data repository, inspection and audit reports, meeting minutes, posters data analysis, and other document libraries. The Compliance Portal was updated to improve navigation of the system and incorporate new features.


The screenshot shows the ALS Compliance Portal interface. At the top, a blue banner reads "Communicate and Collaborate! Click here for SharePoint training videos!". Below this is a navigation bar with the ALS logo and the title "Compliance Portal". A search bar is located on the right. The main navigation menu includes links for Home, Minerals, Life Sciences, Energy, Industrial, Compliance, Finance, HR, and Marketing. A left-hand sidebar lists various categories such as Injury Management, Home, Blood Lead Control Centre, Compliance Admin Centre, ChemWatch, How We Do Things, Meet the Team, Statistical Reviews, Strategy Planning, Insurance, Injury Management, Working at Heights, B2B Projects, Legal & Standards, Policy, Global / Regional Documents, Emergency Preparedness, Risk Assessments, and Records, Audits &.

The main content area features a "General Communication #1" section with the heading "Compliance Portal Assistance". The text states: "If you are trying to find an element or page of the new Compliance Portal, try looking up the Compliance Portal Manual located on the top left navigation menu. If you are having difficulties using or request assistance for the Compliance Portal, please email Compliance.Portal@alsglobal.com and someone will answer your message shortly."

Below this is a "Frequently Used" section with eight blue buttons: "SEARCH Portal Guide", "Submit an Incident", "Search Incidents and Issues", "Records Libraries (Submit or Search)", "HSE Dashboard", "PPI Scorecard", "MCER Dashboard", and "Tenders Information". Each button has a corresponding description below it.

At the bottom of the screenshot is a "Key Topics" section.





A significant rework of the ALS Compliance Portal was undertaken throughout 2017. Structured around the ALS HSE Foundation Standards and the Life Saving Rules, the Compliance Portal is the central hub for all the company compliance and risk information.

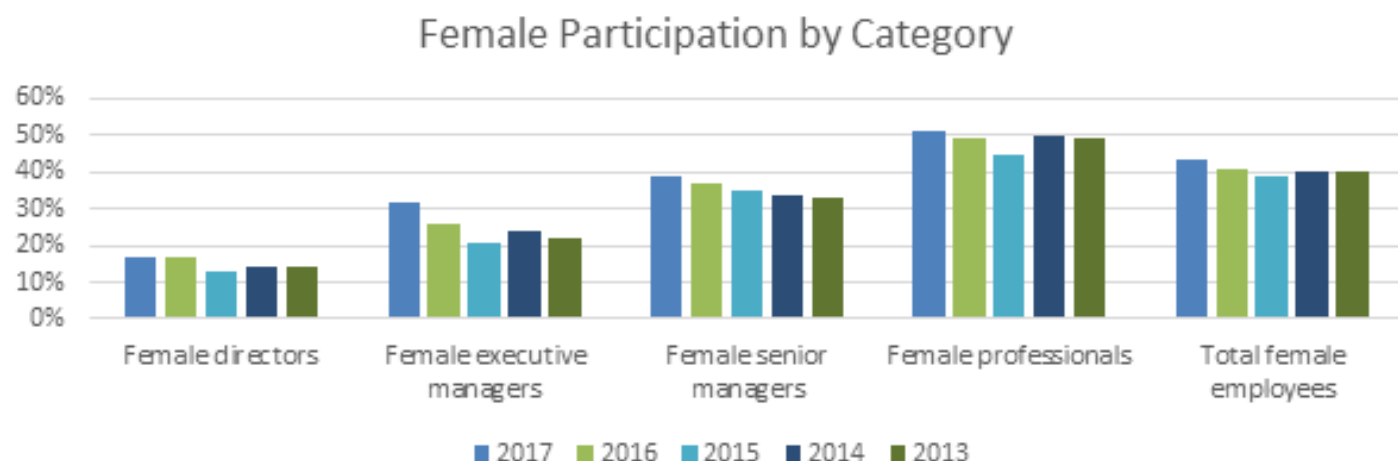
Diversity & equality

As quoted by the World Economic forum “There is a clear values-based case for gender equality: women are one-half of the world’s population and deserve equal access to health, education, economic participation and earning potential, and political decision-making power. Therefore, gender equality is thus fundamental to whether and how societies thrive”.

ALS is committed to delivering improved performance in diversity against measurable objectives for key diversity categories, including recruitment, leadership development and pay equity. The Company’s Diversity Policy, as published on the Group’s website, is based on the following key principles, reflective of the ASX guidelines on diversity:

1. Treat others with respect, value differences and maintain privacy;
2. Value diversity and it will bring opportunities to enhance our businesses;
3. Women and minority cultural groups will not be disadvantaged in gaining employment and accessing the benefits and privileges that other persons in the company enjoy in their employment with the Company;
4. Transparency will be exercised in all recruitment decisions from Board level to entry level;
5. Workforce composition statistics will be reviewed annually to determine if there are any areas that warrant an increased focus on diversity; and
6. Public reporting of progress against the Company’s diversity objectives.

Total number of female participation in the ALS workforce by category 2013 to 2017



Our workforce participation rates as at 1 March 2017, (professional recruitment data for the period 1 April 2016 to 29 February 2017 (11 months) is as follows:

- ▶ The ALS global workforce was made up of 13,485 employees, 44% of our company is female.
- ▶ Female participation has increased in all qualified and management role levels, including Executives, Managers and Professionals. This is a positive result, and reflects our established policy and continued focus on promoting from within.
- ▶ The rate of new hires of females into professional roles has increased this year. In 2017, 53% of professional hires were female, an increase from 44% in 2016.
- ▶ Globally, in ‘All Management’ roles (a combination of Executive and Manager categories), females represent 31% of the workforce, an increase from 26% in 2016.

Gender Balance Strategy

The Board reaffirms its strong support for gender equality initiatives. Our strategy is to:

- ▶ increase the recruitment of female graduate level new employees;
- ▶ provide support for their development and career progression;
- ▶ provide a supportive environment for women at ALS.

Ongoing programs of work in the diversity space that are included in this report are within recruitment, leadership development and remuneration equity areas, and each are underpinned by comprehensive company policies.

A large proportion of our current management and executive teams are the former male senior managers or owners of businesses we have acquired. Our policy of retaining talent obtained through acquisitions will continue, and together with low executive turnover, this has and will continue to constrain our ability to change the gender balance of our leaders in a short time frame.

In recognition of this, we give priority to the recruitment of female professionals and, support them with our comprehensive learning and development program. This along with executive level stewardship and a supportive environment, prepares our female employees for transitions to roles with higher responsibility. These practices have gained traction with an increase in talented female professionals moving into management as can be seen from the journey in Table 1.

Workforce Gender Statistics

ALS performance over the 2016-17FY is provided in the tables below.

| Female participation | 2017 | 2016 | 2015 | 2014 | 2013 |
|-------------------------------|------------|------------|------------|------------|------------|
| Female executive managers | 32% | 26% | 21% | 24% | 22% |
| Female senior managers | 39% | 37% | 35% | 34% | 33% |
| Female professionals | 51% | 49% | 45% | 50% | 49% |
| Total female employees | 44% | 41% | 39% | 40% | 40% |

> Table 1

Our recruitment goal is to reach a female participation rate of more than 50% overall in the appointment of females into professional roles. This year our target was achieved.

| New hires – professional category | 2017 | 2016 | 2015 | 2014 |
|-----------------------------------|------|------|------|------|
| Total Male % | 47% | 56% | 47% | 42% |
| Total Female % | 53% | 44% | 53% | 58% |

> Table 2

Pay Equality

Our goal is to continue annual factual verification of remuneration equity for male and female peers across all global jurisdictions. During the year a detailed review was undertaken of all the STI plan participants globally.



Training & development

Developing our staff for a bright future

We employ wherever possible, entry level staff with excellent base qualifications and a great attitude and then develop them to grow with ALS. Coupled with a “promote from within” policy, this leads to significant career opportunities for new recruits within ALS and importantly it creates a stable workforce with a consistent, quality and customer-service orientated learning background. Access to learning materials starts upon commencement and courses are available to all our staff via the 170 plus ALS-specific courses hosted on our online learning platform “ALStar”. We also utilize courses from Lynda.com and hands on learning from in-house specialists on topics that include technical skills, soft skills, HSE and job-specific training. Staff who demonstrate leadership qualities are targeted for management positions and further leadership and management skills training.

Developed in-house, our iLEAD program is hosted virtually and online. iLEAD (Leadership Enablement and Development) is designed to provide our supervisors and business level managers with the skills to operate professionally and confidently in the ALS environment. This global program (available in 3 languages) is run locally by senior management sponsors who direct their iLEAD groups within the established program structure. The Corporate Learning and Development Advisor acts as a global resource assisting Sponsors and Local Coordinators to implement the program.

Participants receive local support and encouragement throughout the 24-month program as they participate in structured learning and development curriculum and activities. These activities assist to build core leadership behaviours and skills as they are linked to the ALS Leadership competencies.

Electronic courses are delivered via ALS’s training system ALStar and include:

- ▶ Inductions
- ▶ Compliance
- ▶ Health safety and environment
- ▶ Technical competence
- ▶ Work and personal effectiveness
- ▶ Human resources issues



Human rights

We subscribe to respecting human rights consistent with the Universal Declaration of Human Rights and work to ensure that we are not knowingly complicit in human rights abuses committed by others doing work for or on our behalf. We express this in our Corporate Social Responsibility Standard and promote the adoption and adherence to the Standard throughout our business. We seek to work with suppliers that provide a safe workplace, respect human rights, not employ child labour, pay a “living wage”, ensure slavery or human trafficking is not taking place within their organisation and who have a corporate social responsibility program which demonstrates sound ethical performance.

We have zero tolerance for any breaches of human rights taking place as a consequence of us doing business. We are committed to acting ethically and with integrity and transparency in all business dealings and to ensuring we have in place effective systems and controls to safeguard against human rights abuses.

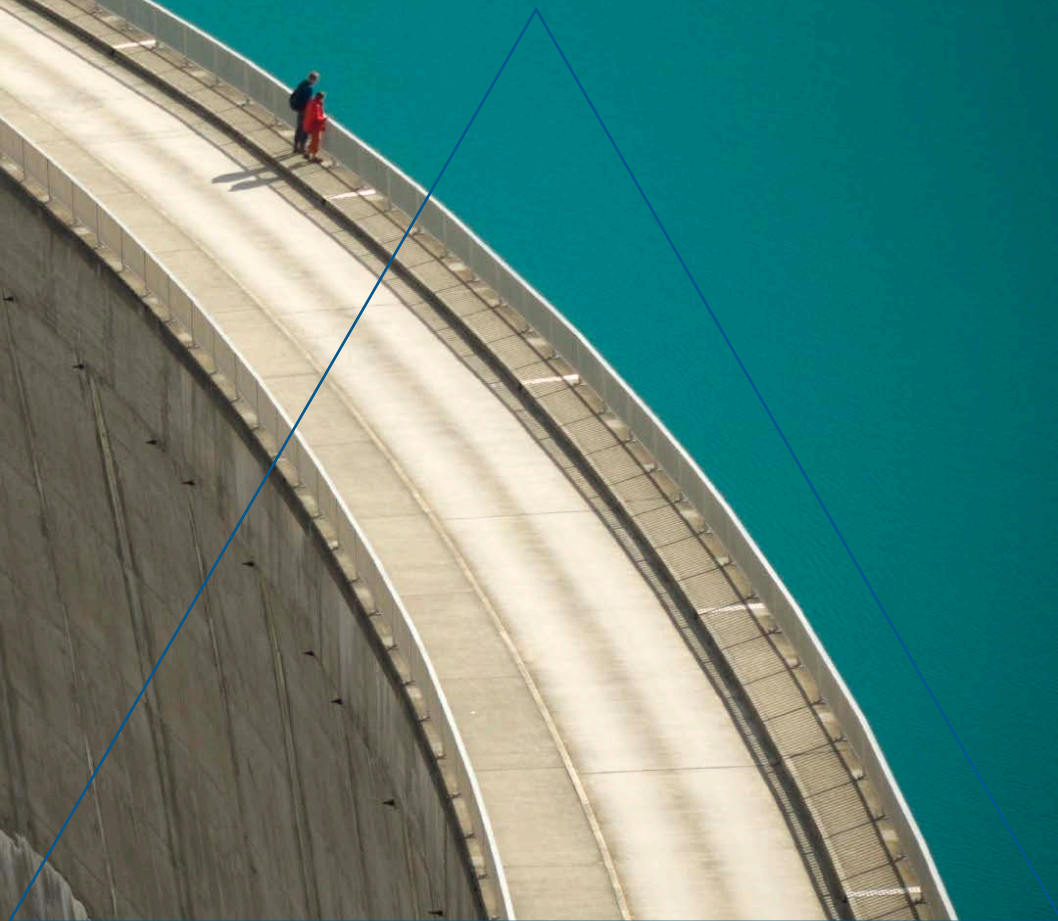
We foster a culture where our people are encouraged to raise concerns about poor or unacceptable practices or misconduct and can do so safely without fear of reprisal. We welcome people speaking up and we expect our people to report their concerns. We offer our full support to any person who raises a concern in good faith. Our ALS Integrity Hotline enables any individual to confidentially report a concern, and to report anonymously should they wish to do so.

We appreciate that modern slavery is not static and we continue to address the issue of modern slavery by taking steps in the year ahead to mitigate the possibility of its existence because of what we do. We will develop a formal Modern Slavery Statement that is endorsed by our Board and published on our website. The statement will confirm our priority actions such as ensuring our due diligence processes appropriately consider the risk of modern slavery in our business and supply chain.



Environment

- ▶ Zero uncontrolled releases/ environmental spills.
- ▶ 1,089,562L of motor vehicle fuel consumed.*
- ▶ 186,533,045 kWh of electricity consumed.
- ▶ Nil environmental related prosecutions across the group.



*Note: For Australian Motor Vehicle Fleet which makes up over 50% of the total global fleet numbers.

ALS is committed to sustainable activities and recognizes the need to plan, manage and review those aspects of the business that may have an impact on the environment. To support this goal all ALS businesses must:

- ▶ Comply fully with the Corporate HSE Foundations Standards;
- ▶ Ensure emissions to air, land and water are minimized and within legislative requirements;
- ▶ Regularly monitor and review procedures to minimize waste and recycle; and
- ▶ Conserve resources through the efficient use of electricity, gas and water.

Environmental management systems

ALS has established a group-wide HSE management system in alignment with ISO 14001 – Environmental Management Systems and ISO 18001 – Occupational Health and Safety Management Systems. The corporate framework allows business divisions to pursue third party accreditation where required by our clients. During 2017/18 the ALS HSE team will undertake to have the corporate HSE management system independently certified to both ISO 14001 and ISO 18001.

The Corporate HSE Foundation Standard (13 goals that each business must comply to) sets out a requirement for mandatory education and awareness programs for all staff joining the company. The effectiveness of these initiatives is closely reviewed in a comprehensive monitoring program.

Pollution control

ALS have installed purpose built engineering systems on its facilities that have been identified as generating low level emissions such as air emissions from fume cupboard extraction used in laboratory analysis, dust emissions from mineral sample preparation, or liquid trade waste discharged to local council sewage treatment plants. We have also developed a number of industry best practice strategies in pollution control such as specially designed and patented dust control capture devices.

Programs for maintenance and testing of the operational efficiency of pollution control equipment are in place to ensure atmospheric emissions are maintained as low as possible. In addition, to ensure there are no undetected uncontrolled releases, ALS has established external dust monitoring programs on all its sites where mineral sample preparation occurs (samples are taken and reviewed monthly for all 71 sites across the globe).

Reporting against environmental obligations

It is a corporate requirement that each ALS site establishes a process to identify and monitor relevant legislation that impacts its operations. All ALS facilities are expected to meet relevant laws, standards and industry guidelines on environmental protection as a minimum requirement. ALS managers are required to sign-off on their operation's compliance on a regular basis including monthly exception reporting for any environmental events and an annual sign-off by managers to ensure environmental risks are closely monitored. During the 2016/17 reporting period, there were no material incidents of environmental harm reported and no prosecutions of any ALS entity in relation to a breach of environmental regulation.

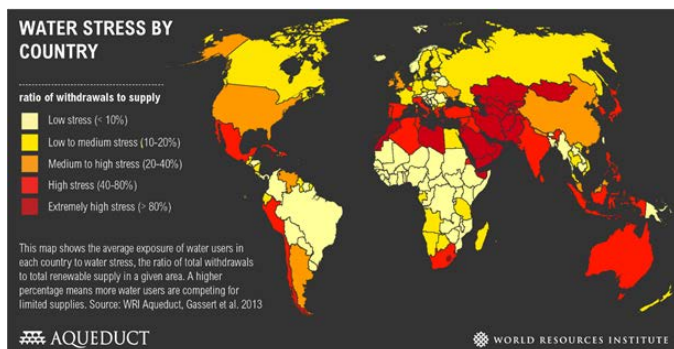


Water conservation Managing a scarce resource

ALS as a global business acknowledge water scarcity is a real issue in many countries and as such water should be treated as a valuable resource requiring an appropriate level of management attention. ALS has adopted a risk based approach to identify the scarcity of water by country. ALS have utilised the World Resources Institute "Water stress by country" map (see below) to assist in the assessment of ALS laboratory sites in countries where water scarcity is classified as "high stress" or "extremely high stress". During 2017/18, we will work with ALS facilities where water scarcity is a material issue, assess current water management practices and introduce water conservation plans where necessary.

The following countries have been identified as priority areas where water stress is considered "extremely high stress" and ALS have operational facilities:

Mexico, Singapore, Mongolia, Chile, South Africa, and Indonesia.



Waste reduction

Reduce, reuse, recycle

To further evaluate opportunities for waste reduction and recycling, ALS conducted waste audits of its laboratory operations. A typical large scale ALS operation will have a range of waste streams that are segregated and controlled through a formal waste management plan. Several waste

streams are recycled/reused, however it is recognised more can be done. In 2017/18 ALS has set itself a target of introducing at least 2 additional waste reduction or recycling initiatives per business stream.

Typical waste stream register

Waste Stream Colour Codes

| General Waste | Paper | Cardboard | Hazardous Materials | Biological | Metal |
|--|---|-------------------------------|---|---|---|
| Food waste (samples), kitchen / canteen food waste, client samples, non recyclable materials | Paper only | Cardboard, pizza boxes | Solvents, contaminated flammable waste | | Swarf, general metal |
| Disposal | Recycled | Recycled | Disposal | Disposal | Recycled |
| via approved / certified waste contractor | via approved waste contractor | via approved waste contractor | via approved / certified waste contractor | via approved / certified waste contractor | via approved waste contractor |
| Aluminium | Radioactive | Wood | Lead | Fluorescent Tubes | Dry Cell Batteries |
| Cans, foil trays | Client samples, old radiography sources | Wood only | Lead wastes, glass slag | F/Tubes only | All types |
| Recycled | Disposal | Recycled | Disposal | Disposal | Recycled |
| via approved waste contractor | via approved / certified waste contractor | via approved waste contractor | via approved / certified waste contractor | via approved / certified waste contractor | via approved waste contractor |
| Ink Cartridges | Clinical Waste | Oil | Electrical Waste (WEEE) | Acid | Aerosol Cans |
| Ink cartridges | WC hygiene products | Contaminated waste oils | Computers, monitors | Scrubber wastes, trade waste systems | Spent cans |
| Recycled | Incineration | Disposal | Disposal | Discharge | Recycled |
| Return to IT or Direct via postage | via approved / certified waste contractor | via approved waste contractor | via approved / certified waste contractor | after treatment and when solutions are at acceptable levels | via approved / certified waste contractor |

Energy management

The pursuit of energy efficiency

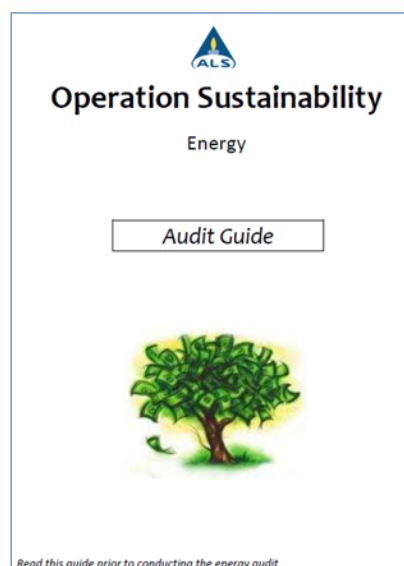
ALS sees energy efficiency as benefiting not only the environment, but also as having a direct benefit in cost savings and profitability to our businesses. Energy conservation and waste minimization therefore take on many forms throughout ALS. Laboratories employ energy saving strategies at various levels and report and share their successes with other businesses through our company newsletter, GlobalScene. During 2016/17 an extensive data collection exercise was undertaken to track electricity usage (in kW hours) for each ALS site location across the globe.

A pilot energy audit program was developed and will be rolled out across selected ALS hub laboratories over the next two years. The energy audit was specifically designed for ALS facilities and covers seven key areas. These are:

- ▶ Information questionnaire
- ▶ Lighting
- ▶ Computer Equipment (PCs and terminals)
- ▶ Server Equipment
- ▶ Lunchroom
- ▶ External Equipment
- ▶ Laboratory Equipment

For some ALS business streams, such as Asset Care where the majority of work is conducted at client premises in Australia, it is more appropriate to focus on the impact from our motor vehicle fleet travelling to and from client premises, rather than focusing on electricity consumption.

During the 2016/17 period, there was a 6% reduction in motor vehicle fuel consumed through good fleet management and vehicle selection.* A further 5% reduction has been targeted for 2017/18.



Fuel consumed for ALS motor vehicle fleet

| Year | Number of fleet vehicles | Litres fuel purchased | Km's travelled | L/100km |
|------|--------------------------|-----------------------|----------------|---------|
| 2013 | 392 | 935,164 | Not available | - |
| 2014 | 534 | 1,170,885 | Not available | - |
| 2015 | 446 | 1,032,182 | Not available | - |
| 2016 | 534 | 1,131,127 | 12,505,903 | 9.04 |
| 2017 | 508 | 1,089,562 | 12,891,747 | 8.45 |

*Note: For Australian Motor Vehicle Fleet which makes up over 50% of the total global fleet numbers.



ALS has established a group-wide HSE management system in alignment with ISO 14001 – Environmental Management Systems and ISO 18001 – Occupational Health and Safety Management Systems. The corporate framework allows business divisions to pursue third party accreditation where required by our clients.

Society

- ▶ 1,200 new employees joined the company.
- ▶ \$41m taxes paid.
- ▶ \$125,668 provided to charity and community organisations.
- ▶ \$650m spent with local suppliers.



Our business activities make a significant contribution to the local economies in which we operate. The most significant contributions are from employment, procurement and payment of local taxes.



Local investment

We use local suppliers whenever we can to reduce our costs and to support our host communities where we operate our facilities. During 2016/17, over \$650m was spent with local suppliers.

Tax

We pay all relevant taxes in amounts determined by the legislation of the relevant national, regional and local governments. During the 2016/17 reporting period, ALS paid \$41m in corporate income taxes. In line with our commitment to enhancing disclosure and transparency around our taxation payments, throughout 2018 we will review where we make our highest taxation payments to governments and develop our first separate “Taxes Paid Report”. This report will detail these material payments made in the financial year, along with a statement on our approach to tax strategy and governance.

Tax risk management is part of good corporate governance. During 2018 we intend to undertake a self-assessment using the ATO Tax Risk Management and Governance Review Guide to:

- ▶ Further develop our tax governance and internal control framework.
- ▶ Test the robustness of the design of our framework.
- ▶ Document the operational effectiveness of our key internal controls.

Employment creation

A key contribution to socio-economic development is employment, both direct and indirect via contractors. We invest significantly in the development of a local workforce, with local residents being the beneficiary through the job opportunities we provide. Coupled with a “promote from within” policy, this leads to strong career prospects for new recruits within ALS and creates a stable workforce with a consistent, quality and customer-service orientated learning background. During the 2016/17 reporting period, ALS paid over \$600m in salaries and wages. As at 31 March 2017 ALS employed over 13,000 direct employees, with 1200 new employees joining the group during the year.

Donations

ALS believes strongly in being a positive influence in the community and encourages all its employees across the globe to contribute to their local communities. During the year, a number of our businesses were involved in volunteer and charity work. Our response to community needs is continually demonstrated by fund raising and volunteering for a wide spectrum of charities and causes, including appeals for natural disasters, neighbourhood clean-up campaigns, children’s charities, community health services, cancer research and others.

Governance

- ▶ New Sustainability Board Sub-Committee Formed
- ▶ Cyber Security Assessment Completed
- ▶ 1338 Compliance Training Sessions Delivered

ALS Limited's corporate governance framework plays a key role in supporting our business operations and provides clear guidance on how authority is exercised within the company. Good corporate governance is a fundamental part of our culture and our business practices.

The ALS Board of Directors are responsible for overseeing ALS's strategy, its risk management activities, and its commitment to a world class governance system. To assist the Board with these duties, ALS have three Board Sub-Committees, the Audit and Risk Committee, the Sustainability Committee, and the People Committee.

Under the guidance of the Audit and Risk Committee, a comprehensive risk control program has been developed to ensure its strategic goals and corporate governance responsibilities are met. Risk management is integral to good management practice and effective corporate governance and is necessary to ensure decisions are made with sufficient information about our risks and opportunities.

The Sustainability Committee assists the Board in managing all Health Safety and Environment matters, compliance with applicable legal and regulatory requirements, and the overall sustainability performance of the company.

The People Committee assists the Board with the oversight and development of the company's people management strategy, including determining appropriate remuneration strategies, talent development, and succession practices to ensure ongoing business sustainability.



Regulatory compliance

Systems to maintain legal compliance

ALS believes meeting compliance obligations is essential to its long-term success. It is committed to fulfilling its corporate and legal responsibilities by implementing and maintaining appropriate policies, procedures and practices.

Our Corporate Compliance program requires each business stream to adopt programs covering the following key subject areas:

- ▶ Occupational Health and Safety;
- ▶ Workers Compensation;
- ▶ Environmental Protection;
- ▶ Competition and Consumer Law;
- ▶ Industrial and Employee Relations;
- ▶ Finance and Taxation;
- ▶ IT and Data Security;
- ▶ Privacy;
- ▶ Intellectual Property;
- ▶ Corporations Law; and
- ▶ ASX listing rules.

Rather than just taking a minimum compliance approach to laws and regulations, we seek to maintain a culture of compliance and ethical behaviour across all our businesses. To support this, we have developed a compliance portal (Group Intranet), implemented training programs on specific areas of legal compliance, encourage employees to report illegal or unethical behaviour via a dedicated whistle-blower hotline, and require relevant managers to confirm their awareness and understanding of our compliance requirements in writing every year.

In accordance with our Group Code of Conduct, anybody working for ALS who breaches the law, the Code of Conduct, or other company policies, may face disciplinary action including termination of employment.



Financial performance

Maximise return for shareholders

As a responsible corporate citizen, ALS is committed to delivering value to its shareholders through execution of its strategic plan and responsible financial management, while meeting its corporate social responsibilities. During the year ALS has performed in line with forecast financial guidance. The revenue for 2016/17 was \$1.27 billion and our underlying net profit after tax was \$112m. Our underlying earnings per share was 22.4 cents and the dividend paid per share was 13.5 cents. A full copy of our audited financial statements can be found on our company website www.alsglobal.com.

ALS will continue to grow organically and remain acquisitive in our core business streams to support the strategy of growing our market share as a leading global TIC company.

Honesty & integrity

An ALS core value

ALS has a set of core values on which we build the company. These values define our daily behaviour and are at the heart of every decision we make. Our core values are:

- ▶ Safety as a priority
- ▶ Honesty and integrity
- ▶ Exceeding client expectations
- ▶ Belief in our ability
- ▶ Hard work and continuous improvement
- ▶ Doing it better
- ▶ Celebrating success

As a global company operating in the Testing, Inspection and Certification (TIC) market, integrity and accountability are central to the way we work and central to our reputation. We are committed to ethical business practices and the highest standards of governance. At ALS, honesty and integrity means being true to our word and doing what we say we are going to do. Integrity is what sets us apart and is what the ALS brand stands for.

In addition to the core values, the Group Code of Conduct provides clear direction on the standards of conduct expected from all employees. The Code is based on seven key principles:

1. Act with honesty and integrity,
2. Act in ALS Limited's best interests,
3. Do not make or receive improper payments, benefits or gains,
4. Comply with ALS Limited's policies and local laws as a minimum,
5. Protect our people, our property, and the environment,
6. Treat others with respect, value differences and maintain privacy, and
7. Report fraud, misconduct, and any breaches of the Code.

During the 2016/17 year, our "Introduction to the ALS Code of Conduct" training session was completed by over 1200 new employees who joined the company.

Anti-bribery & corruption

Zero tolerance

We are committed to operating a strict zero tolerance policy towards bribery and corruption in all forms, whether directly or through third parties. ALS has implemented an Anti-Bribery and Corruption Policy and maintains an Anti-Bribery and Corruption Manual in order to provide specific guidance on the implementation and enforcement of the Policy. Different sections of the Manual have been tailored to each ALS Division separately due to the different risk profiles that exist within each ALS Division. For example, the Manual sets out a requirement within the ALS Oil and Gas Division, that a due diligence checklist is completed before entering into any business partnerships, and a certificate of anti-bribery and corruption is completed by all agents engaged by ALS management; and within the ALS Consumer Testing and Inspection Division, an Integrity Declaration must be completed by the client before inspection work is conducted at a client's factory by an ALS Inspector.

As a minimum requirement, all ALS employees are trained in the Anti-Bribery and Corruption Policy when they undergo the Code of Conduct training, while all ALS managers and supervisors must complete an online anti-bribery and corruption training course.



ALS Integrity Hotline

In line with ALS core values
> Honesty and integrity > Safety as a priority > Doing it better

At ALS, we want to make sure you are working in a safe, fair and honest workplace. If you see behaviour that is fraudulent, corrupt, unethical or illegal, we want you to report it. The new ALS Integrity Hotline is an independent service run by Deloitte, which gives employees the opportunity to anonymously report on misconduct via the website, a hotline number (in multiple recorded languages) or email. The easiest reporting method is via the website where you can complete an online report in your preferred language, whereby you are given the opportunity to provide your details or remain anonymous.

Report misconduct via

www.alsintegrityhotline.deloitte.com.au
website login – username ALS password ALS

Phone +61 3 9667 3788

Email alsintegrityhotline@deloitte.com

5 year statistics

| Financial Year | 2012/2013 | 2013/2014 | 2014/2015 | 2015/2016 | 2016/2017 |
|--|------------|------------|------------|------------|----------------|
| People | | | | | |
| No. of Staff Employed | 12,605 | 12,206 | 11,722 | 11,568 | 13,485 |
| No. of training sessions completed | - | 55,289 | 35,988 | 28,839 | 28,513 |
| % of compulsory compliance training sessions completed | - | 99% | 100% | 100% | 100% |
| Gender diversity (total female professional roles) | 49% | 50% | 45% | 49% | 51% |
| Safety | | | | | |
| PPI Scorecard | - | 99.35% | 86.08 | 93.41% | 90.00% |
| Fatalities | 0 | 0 | 0 | 0 | 0 |
| LTIFR | 2.59 | 1.79 | 2.14 | 1.23 | 1.07 |
| TRIFR | 6.72 | 5.00 | 5.15 | 3.16 | 4.08 |
| Hours worked | 22,354,486 | 22,934,082 | 22,921,906 | 21,908,179 | 22,534,875 |
| Environment | | | | | |
| No. of government fines or penalties imposed for environmental related incidents | 0 | 1 | 1 | 2 | 1 |
| No. of uncontrolled releases | 0 | 0 | 0 | 0 | 0 |
| Kilowatts hours consumed | - | - | - | - | 186,533,045kWh |
| Society | | | | | |
| Charitable donations | \$200 000 | \$172 200 | \$159 444 | \$133 620 | \$125 668 |
| Governance | | | | | |
| Taxes paid | \$100.5m | \$85.7m | \$56.3m | \$39m | \$41m |

Glossary

| | |
|----------|---|
| ALS | ALS Limited and its group entities |
| ASX | Australian Securities Exchange |
| JSEA | Job Safety and Environment Analysis |
| PPI | Positive Performance Indicators Scorecard for HSE |
| \$ | Australian Dollars |
| CO2 | Carbon dioxide |
| CO2e | Carbon dioxide greenhouse gas equivalent |
| CMP | Crisis Management Plan |
| EAP | Employee Assistance Program |
| EBITDA | Earnings before interest, tax, depreciation, amortisation |
| EPA | Environmental Protection Authority |
| ERP | Emergency Response Plans |
| FY | Financial year |
| GHG | Greenhouse gas |
| GRI | Global Reporting Initiative |
| HR | Human Resources |
| HSE | Health, Safety and Environment |
| HSEMS | Health, Safety and Environment Management System |
| km | Kilometre |
| kWh | Kilowatt hours |
| L | Litres |
| LTI | Lost Time Injury |
| LTIFR | Lost Time Injury Frequency Rate |
| MTI | Medical Treatment Injury |
| NATA | National Association of Testing Authorities |
| STI plan | Short term incentive remuneration plan for ALS management |
| TRCFR | Total Recordable Case Frequency Rate |
| TRIFR | Total Recordable Injury Frequency Rate |
| TIC | Testing Inspection and Certification |



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