



Right Solutions · Right Partner  
[alsglobal.com](http://alsglobal.com)



# Sustainability<sup>2020</sup>

Local actions · Global impact

# About this report

## Scope

This report is published for key stakeholders to understand ALS's sustainability approach, actions, performance and key material issues for the 12-month period ended 31 March 2020. The report was approved by the ALS Board of Directors on 26 May 2020.

ALS Limited (ABN 92 009 657 489) is the ultimate holding company of the ALS group of companies. In this report, unless otherwise stated, references to 'ALS', the 'Company', the 'Group', 'we', 'us' and 'our' refer to ALS Limited and its controlled entities. The information in this report covers all sites and facilities wholly owned and operated by ALS or operated by ALS in a joint venture.

During the reporting period, ALS acquired Laboratorios de Control ARJ S.A de C.V ('ARJ') in Mexico, and the Aquimisa Group in Europe. Only limited information for these entities has been included in year-end 2020 data in this report. Complete information for these entities will be included in future reports.

All dollar figures in this report are expressed in AUD currency unless otherwise stated.

## Reporting Approach

The ALS Sustainability Report 2020 references the Global Reporting Initiative (GRI). The GRI Guidelines provide a globally accepted framework of principles and indicators for reporting an organisation's economic, environmental and social position, practices and performance. This report includes indicators from the GRI Disclosures that are considered material to the business, i.e. issues that have the potential to impact our ability to achieve our business strategy or affect our reputation, or they are of material concern to our stakeholders. For additional information on the materiality assessment process refer to page 13.

This year, we have also aligned our reporting with the Sustainability Accounting Standards Board (SASB) Professional Services Sustainability Accounting Standard – see page 60, and correlated our material aspects of the report with the United Nations Sustainable Development Goals (SDGs). Where appropriate in this report, an SDG icon accompanies material aspects where ALS's activities align with the specific SDG.

## Other Company Documents

In addition to this report, we provide details about different aspects of sustainability in various publications, including the Annual Report and our Corporate Governance Statement, which outlines our approach to governance and risk management. Both of these documents are available at [alsglobal.com/myals/investors](https://alsglobal.com/myals/investors). Copies of our core company policies can be found at [alsglobal.com/myals/investors/corporate-governance](https://alsglobal.com/myals/investors/corporate-governance).

## Forward-looking Statements

Where this report contains forward-looking statements, including statements of current intention, statements of opinion and predictions as to possible future events and future financial prospects, these statements are not statements of fact and there can be no certainty of outcome in relation to the matters to which the statements relate. Forward looking statements involve known and unknown risks, uncertainties, assumptions and other important factors that could cause the actual outcomes to be materially different from the events or results expressed or implied by such statements, and the outcomes are not all within ALS's control. Readers are cautioned not to put undue reliance on forward looking statements. Statements about past performance are not necessarily indicative of future performance.

## Report Feedback

To help us improve our report, we welcome your feedback [alsglobal.com/myals/sustainability/feedback-form](https://alsglobal.com/myals/sustainability/feedback-form)

# ALS Sustainability at a glance | Key Achievements\* for FY2020

## OUR OBJECTIVES

### PEOPLE



**Deliver world class health and safety outcomes, and attract a diverse, capable and engaged workforce.**

11.4% improvement in total recordable injury frequency rate.

Increased focus on lead indicators with > 4,700 hazard observations reported and >1,750 safety leadership conversations.

53% new female professional hires.

Improved employee satisfaction survey results.

Motor vehicle tracking (IVMS) introduced across the fleet.

### ENVIRONMENT



**Minimise our environmental footprint and build our resilience to climate related impacts.**

5% reduction in scope 2 energy intensity since 2018.

Strengthened climate change reporting using TCFD framework.

Over 50 tonnes reduction in plastic usage from sample bottle miniaturisation program (since inception in 2010).

Continued implementation of LED lighting program.

### SOCIETY



**Make a positive contribution to our local communities.**

AUD 2.1 Billion economic contribution.

>1,000 employees added to the ALS Group.

ALS Workplace Giving Program established.

Support for 3 charities through corporate partnership and workplace giving programs.

Strengthened approach to modern slavery risk in our supply chain.

### GOVERNANCE



**Operate ethically and responsibly to deliver better outcomes for our stakeholders.**

New Whistleblower protection training rolled out.

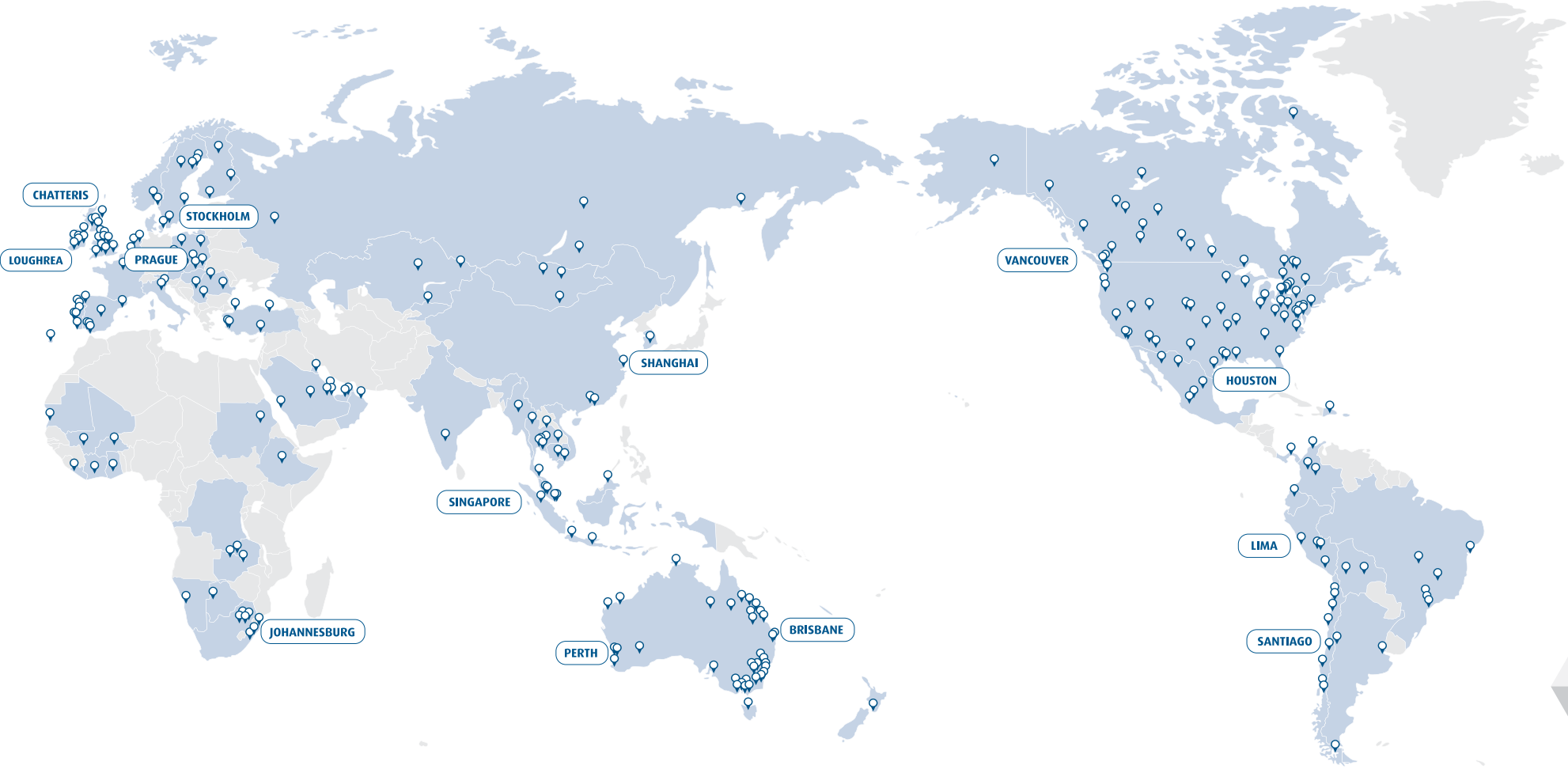
Commenced implementation of a new Global ERP.

Revised Crisis Management Procedures to build more resilient businesses.

Performed an external review of IT network to ensure strong IT security.

\* Refer to page 16 for the full ALS Group Sustainability Scorecard.

# Our global footprint



**65+**  
Countries

**350+**  
Locations

**40+**  
Years of strong  
business performance

**15,000+**  
Staff worldwide

**40+ million**  
Processed samples per year

**\$1.8+ billion**  
Global revenue

# Contents

<b>About this report</b> .....	2
Scope .....	2
Reporting Approach .....	2
Other Company Documents .....	2
Forward-looking Statements .....	2
Report Feedback .....	2
<b>ALS Sustainability at a glance</b> .....	3
Key Achievements for FY2020 .....	3
<b>Our global footprint</b> .....	4
<b>CEO's Report</b> .....	6
Managing Director's Message .....	6
COVID-19 Addendum .....	8
<b>ALS Strategic Roadmap</b> .....	9
Our Purpose .....	9
Our Everest .....	10
Key Focus Areas .....	10
<b>How we do things – the ALS way</b> .....	12
<b>Materiality</b> .....	13
Materiality Matrix .....	14
<b>ALS Group Scorecard</b> .....	16
<b>People</b> .....	17
Health and Safety .....	18
Diversity and Equality .....	24
Training and Development .....	27
Human Rights .....	28
<b>Environment</b> .....	29
Climate Change .....	30
Energy Management .....	34
Waste Reduction .....	37
Operational Environmental Performance .....	39
Biodiversity .....	39
Water Conservation .....	39
<b>Society</b> .....	40
Local Investment .....	41
Supporting Science .....	44
Employment Creation .....	45
Economic Contributions .....	46
<b>Governance</b> .....	47
Honesty and Integrity .....	50
Anti-Bribery and Anti-Corruption .....	51
Enterprise Risk Management .....	53
Regulatory Compliance .....	53
Financial Performance .....	54
<b>Statistics</b> .....	55



*"On behalf of ALS, thank you for taking the time to read our fourth Sustainability Report. We are committed to communicating openly and transparently with our key stakeholders through annual sustainability reporting."*

The COVID-19 pandemic currently sweeping the globe will challenge the resilience of all businesses, testing their preparedness, governance and commitment to their communities. We have set out in an addendum to this report the actions we have, and are, taking to address these challenges and will report more fully in our Sustainability Report next year.

In the meanwhile, I am pleased to report a solid performance across our sustainability metrics for FY2020. We remain committed to operating in a manner which acknowledges and proactively manages those risks and opportunities which are most material to the long-term sustainability of our business, the environment and the communities in which we operate.

Our team has continued to work hard and has made significant steps towards achieving, and in some cases exceeding, our 2020 Sustainability targets. Every business in every region has made a determined effort towards meeting our sustainability goals. These local actions combine to make a truly global impact and will ensure long-term sustainable growth for our company.

This report outlines our performance against these commitments across the four focus areas of our Sustainability Framework – our people, the environment, governance and society.

## PEOPLE

In FY2020, we continued improvement in our safety performance with another historical record low performance. This is the third year in a row that we recognised improvements in our key metrics. We saw an 11% improvement in our key metric of Total Recordable Injury Frequency Rate (TRIFR), which captures the number of injuries to employees per million hours worked, down from 1.78 in 2019 to 1.58 in 2020. While there are many positive factors to this statistic, any injury is unacceptable. Our goal must always be to strive to ensure that all our employees go home after each shift in the same condition in which they came to work.

Across the business, I have reinforced that safety is our core value and as such, the highest priority for everyone in our company. We will continue to invest in the capability of our people to build a stronger safety culture underpinned by our core value, 'Safety is a Priority'. Throughout the year we saw an increase in the number of safety conversations by our leaders with employees across the business, as recorded and tracked via our Safety Leadership App.

Our focus must remain on the areas that have the potential to create the most harm. Within ALS, one such area of potential harm is where we have employees drive motor vehicles for work purposes. We have over 1,500 company

owned or leased vehicles globally. During the year we released a new driver safety policy and invested in IVMS technology to coach our employees to adopt the right driver behaviours. This focus area will continue in FY2021. A pilot program in the USA found a 83% reduction in speeding alerts since installing IVMS across their fleet.

As always, our people drive our performance and ensure our success now and into the future. We prioritise talent retention as a key pillar of our People strategy and implement a range of initiatives to ensure our staff are motivated and rewarded. Pleasingly, in our employee engagement survey, GlobALSay, employees scored ALS positively with an average engagement score of 3.7 out of 5.

As a truly global company, we also know that an inclusive and diverse workforce is a great strength. We are making strong progress on our diversity and inclusion strategy. This is demonstrated by the Diversity ERG pilot program formed during the year which is planned to be rolled out across the company in FY2021. To meet our sustainability challenges and stay at the forefront of change, we recognise we must continue to invest in our 15,000 plus workforce to move us towards a more inclusive and diverse team.

## ENVIRONMENT

We recognise the need to maintain vigilance on protecting the environment and communities surrounding our operations. The environmental challenges we face today are complex and unprecedented. They demand concerted and collective action particularly in the areas of climate change. We acknowledge our responsibility to take action to reduce our greenhouse gas (GHG) emissions. We remain committed to our three-year target to reduce our energy intensity by 5% below FY2018 levels. The continued hard work and innovation of our people in identifying and implementing emissions and energy reduction projects this year was impressive. In FY2020, our energy intensity was 5 per cent below our baseline levels and on track to meet our three-year target.

We recognise that our stakeholders expect clearer corporate disclosure on climate change. In FY2021, our ongoing assessment and disclosure of climate risks and opportunities will progressively be aligned to the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

## GOVERNANCE

We remain focused on building a strong and resilient business through good governance. During the year we have continued to operate an ethical, responsible and transparent business. We revised our Code of Conduct and have prepared our first Supplier Code of Conduct, with the aim of ensuring our employees' actions and our engagement with suppliers reflect common values. We also enhanced our Whistleblower Policy and rolled out training to key management to ensure our employees can report misconduct without fear of retaliation.

As part of good governance, we conducted a formal review of our Cyber Resilience Programs. We engaged external experts to conduct attack and penetration testing of our IT network and conducted extensive testing of our disaster recovery plans for our critical IT systems.

We were disappointed during the year to uncover irregularities in the issuance of certificates in our Australian Coal Superintending business. We acted quickly and decisively to investigate the matter and have taken the necessary steps to prevent amendment of certificates without proper justification, as well as reinforcing appropriate ethical standards and core company values among the new management team. Several enhancements to further automate the certification and reporting process will also ensure that the issuance of certificates are more tightly controlled.

## SOCIETY

Across ALS, it is important that we create businesses that are not only strong commercially, but also play a positive role in the local communities where our people live and work.

During 2020, our employees have supported their communities through grassroots sponsorship and volunteering opportunities, while at a corporate level, we continued supporting local charities in line with our Donations Policy. We chose to continue our partnership with Youngcare and The Center for Pursuit, as well as further roll out of our workplace giving program, ALS Cares. Following extreme bushfires experienced across Australia, we also made additional funding available to the Foundation for Regional and Rural Renewal (FRRR) to support the long-term recovery and rebuilding of impacted communities.

This year we provided an economic contribution of AUD 2.1 billion to our broader stakeholder groups, including salaries paid to our employees, payments to local suppliers for goods and services, and taxes paid to local governments. We also partnered with local schools and universities to inspire new generations of people in the field of science.

In FY2021 our goal is to ensure our financial and organisational capabilities are more effectively leveraged to deliver a greater social impact. Moving forward we will monitor the activities of each of our major hub locations to measure our community engagement. This will be a specific KPI for our management teams.

## FUTURE FOCUS

Looking ahead to FY2021, we will continue to engage with our customers, employees, shareholders and the community to ensure that our sustainability approach reflects their needs. We will apply a continuous improvement and "back to basics" mindset to ensure complacency does not impact our future good performance.

We hope you enjoy reading this report and find benefit from the information contained within it. I welcome your feedback on our 2020 Sustainability Report and invite you to send any comments to [sustainability@alsglobal.com](mailto:sustainability@alsglobal.com).

Finally, we would like to take this opportunity to thank all our 15,000+ employees, business partners, clients, and shareholders for their support in FY2020 and for making our company more sustainable.



Raj Naran

# COVID-19 Addendum

*This addendum has been included in our 2020 Sustainability Report to provide an update to our key stakeholders on the impact and actions we have implemented in response to COVID-19, as at 1 June, 2020.*

## Supporting our clients and the community

ALS's purpose, 'Science, Service, and Assurance', becomes especially relevant in challenging circumstances such as the COVID-19 pandemic. We provide assurance through testing and inspection services across a broad range of different scientific fields. The majority of our businesses across the globe have been recognised as an 'essential service' and continue to operate during local workplace restrictions (with appropriate government approval), delivering assurance to our clients in food, water, pharmaceuticals, medical devices, energy, transport, health, and defence industries. ALS has also explored more direct opportunities to support clients and

the broader community to manage the COVID-19 pandemic. In early March 2020, ALS commenced testing services for the detection of the COVID-19 virus in humans and on surface samples. Human swab samples are collected by medical professionals using commercially available kits and forwarded to our laboratory for analysis. Surfaces swabs follow a similar process and are used to validate cleaning and hygiene procedures in place to control the spread of COVID-19 across client facilities. These services are currently being offered by our laboratory in Portugal and are being expanded across our Life Sciences global network.

## Safety is a Priority

With employees and stakeholders in many countries, we have been actively monitoring the developments concerning the COVID-19 pandemic across the globe. At all times we have been striving to respond safely by adhering to the expert advice from local and global health authorities, while continuing to provide services within this ever-changing environment. Our core value, "Safety is a Priority", means the health

and wellbeing of our employees is our number one consideration. As soon as the potential workplace health impact was identified, ALS implemented precautions for our employees. These included introducing social distancing and robust hygiene protocols, requiring any employee who is feeling ill to stay at home, and restricting all non-essential air travel for our workforce.



## Building Resilient Businesses

We continue to monitor the COVID-19 situation and modify our precautions to ensure our risk controls match the changing status and our exposure to COVID-19. ALS businesses are communicating regularly, coming together as One ALS to share best practices, implement policies, and continue to refine our emergency plans to maintain staffing, critical supplies, and other business and logistical challenges. ALS' flexible 'hub and spoke' model allows the Group to actively manage the cost base in

response to client demand. We have moved quickly to pre-emptively make significant cost reductions through implementing several group-wide initiatives such as a salary freeze for all staff, a focus on cash preservation, minimizing all non-essential capital expenditure, and eliminating all discretionary spending including non-essential travel. The company continues to maintain strong liquidity and a strong balance sheet.

## Our New Normal

In the remainder of FY2021 we will continue to adapt to enable our people to be safe, maintain our services to our clients, and look for new opportunities to support our communities. We will remain vigilant and view all the controls we have adopted as our "new normal":

- Conducting daily cleaning and disinfection of communal and common areas.
- Ensuring hand washing facilities or alcohol-based gels are available in common areas.
- Holding meetings via Zoom or Skype where possible.
- Permitting only essential visitors/contractors on site.
- Restricting international and domestic travel (client essential requirements only).
- Adopting temperature screening, employee attendance restrictions and

mandatory self-isolation where an employee is symptomatic or has been in contact with a confirmed COVID-19 case.

- Implementing physical distancing controls within each workspace such as limiting the number of chairs in common rooms, installation of barriers, staggering of shift times and lunch breaks to reduce congregation of employees, and minimising interaction between work teams.
- Ensuring good signage and floor markings are in place outlining correct social distances.
- Keeping detailed response and contingency plans up to date.
- Providing education to employees on good personal hygiene habits, how to manage stress, and stay healthy.



# ALS Strategic Roadmap

## Our Purpose

Our company's purpose is built around three levers - **Science, Service and Assurance.**

We are a global community of people engaged and motivated by using science and technology to create value for clients. We share, apply, and develop scientific knowledge and best practice within the ALS community. We are deeply passionate about serving our clients. The service we provide is assurance, and our clients trust and act on our results.

Through the assurance we provide to clients, we provide assurance to the community as a whole.



## Our Everest

In our current Group Strategic Plan (FY2018-22) the Everest includes:

- No harm to our people.
- Increased value to our stakeholders: staff, clients, and shareholders.

We are committed to uphold and continually evolve an industry-leading safety culture across our global operations. A 'Safety is a Priority' attitude is how we do things at ALS.

The outcomes and deliverables of the ALS safety culture are:

- Industry-leading safety statistics with a low number and severity of health and safety incidents.
- A work environment where we get the safety basics right 100% of the time.
- Supportive systems and programs that target the areas that have the potential to cause the most harm, with a focus on our Life Saving Rules.
- Strong safety leadership at all levels of the organisation.

Key stakeholder value is monitored across the following stakeholder groups:

**Staff:** We have an organisational culture that promotes diversity and inclusion. Staff are provided with an employment environment that supports their personal and professional development and

encourages positive contribution to the communities in which we operate and service.

**Clients:** Our clients recognise ALS as the right solution and right partner for their compliance, regulatory, analytical, and maintenance programs. We position our services as value-for-money for our clients, with value delivered through service, ease of use, quality, and technical leadership.

**Shareholders:** We are a well-recognised, Australian-listed stock that represents medium-to-long-wave fundamentals to perform ahead of the local index. The company's leadership provides regular and transparent updates to an increasingly diversified ownership (by quantum and geographically).

**Governments:** We have corporate compliance programs embedded across all businesses to ensure we meet local regulations and work with local governments in an open and transparent manner.

**Commercial Partners:** We work with local suppliers and business partners where ever possible to build long term relationships that benefit both parties.

## Key Focus Areas

### ALS Experience

The ALS Experience captures the following elements:

- Service excellence and responsiveness through market competitive turnaround time delivery.
- Ease to do business with (or ease of use) through good systems and dedicated customer support.

- Delivering reliable solutions and science with proactive technical solutions and strong industry expertise.
- Aligning with customer needs through relationships built on performance, trust & visitation.
- Delivering value through an engaged, well-trained and motivated workforce.

### OneALS

OneALS is the name for our focus in creating a culture of knowledge sharing, collaboration and meaningful connection with our company. It is built on the belief that by working as a team we will be able to accomplish much more than by working as siloed businesses.

OneALS has 3 core pillars:

1. Brand Recognition - Raising the profile of the ALS Brand internally and externally, to build a strong name across the industry sectors we operate in and the broader scientific business community.
2. Operational Excellence - OneALS and the ALS Experience are inextricably linked. It's about creating the ALS Experience through our people and our world class facilities and equipment. It is the aspiration that no

matter the customer we interact with they place great value in the quality and level of service they receive from the ALS brand and are open to use a wider range of services.

3. Teamwork/internal knowledge sharing - Functioning as one company brings commercial strength and economies of scale, resulting in a reduced cost of doing business. At a deeper level it is about working closing with all business streams to operate as one team, sharing successes and lessons learnt, and understanding how one's role contributes to the overall success of the Group. The implementation of OneALS requires all staff to embrace a collaborative and partnership mindset.



## Innovation and Technology

Innovation and technology are the heart and soul of a science-based business. This aligns with our culture of well-established core values such as hard work and continuous improvement and doing it better. In today's world, our key stakeholders including employees and customers alike, are seeking an advantage from putting the technologies offered by ALS to use. Advances and improvements in technology provide direct advantage to clients which in some cases may be significant to their competitive landscape. They also provide opportunities for unique experiences and professional growth for employees in our company.

To remain sustainably relevant in the TIC industry, it is very important for ALS

to increasingly foster a culture of idea generation and experimentation that will facilitate a progressive evolution of our business. Successful applications of new ideas will keep our company on the leading edge of service provision to clients, sharpen our competitive advantage in the marketplace, and provide a reason for clients and employees to stay connected and excited about what we have to offer.

Our strategic innovation goal at ALS is to maintain a balance between the large disruptive developments and the smaller more frequent product innovations. It is also to provide a framework of engagement throughout the organisation so that ideas can be sourced from as many areas as possible,

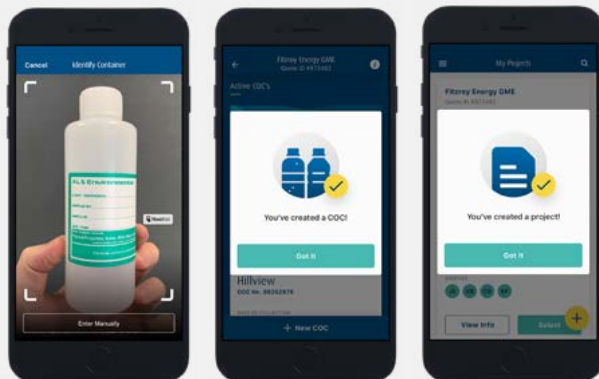
and then replicated in other areas that might see a benefit. ALS utilises a collaboration tool known as InnovaNet within which this sharing process can operate.

High level technology and innovation levers to improve productivity and efficiency include:

- Use of new instrument technologies.
- New instrument software solutions both vendor-supplied and third party sourced.
- Artificial intelligence solutions.
- Robotic solutions for laboratory operations.
- Increasing automated sample preparation solutions.

- IoT solutions for field-based activities.
- Early access to in-situ measurement devices that may displace laboratory activities.
- Improved analytics and data capture review.
- Increased client engagement platforms - net and app based.
- Enterprise level software solutions and platforms.
- Machine reading and hand-writing recognition software.
- Electronic data workflows.

The ALS technology and innovation commitment draws inputs from internal sources, vendors, academic institutions, and the broader business community.



A great example of an innovative solution is ALS Compass — a mobile application ALS has developed for its clients. The application makes the sampling process easier via fully integrated digital data management from planning of a sampling event through to its results.

Sampling is made simpler with ALS Compass in your smartphone or tablet:

- sampling planning at any time directly in the app;

- built-in checks and balances ensure all samples are taken;
- quotation directly from the app;
- sampling containers order include barcode identity;
- elimination of handwriting on sample bottles;
- automatically generated COC;
- remote sample submissions approval by managers before proceeding to ALS;
- location GPS meta data and photos attachment capability for more detailed sampling event description.

**ALS Compass — 2019 CARE Award Winner!**



The CARE Award recognises technologies and innovations in the area of contamination assessment and remediation of the environment and celebrates the achievements of the winner among the industry sector and peers. The award was presented to ALS representative Adam Grant, at the 'Cleanup 2019 Gala Dinner' in Adelaide.

ALS is committed to being an innovative leader in our industry and this award validates our strategy and focus around technology and innovation.

# How we do things – the ALS way

We are a global company, yet remain agile through the local application of expertise, procedures and practices. The consistent daily application of our Core Values guides the provision of efficient, competitive, and environmentally and socially sustainable services at each of our operations.

Our corporate systems, programs and policies support our diverse operations to manage our risks and obligations.



## ALS Core Values

The foundation of ALS's success – simple, essential and incorporated into our daily operations including 'Safety is a Priority'.

## Corporate Policies

- Code of Conduct
- Compliance Policy
- Environmental Policy
- Health & Safety Policy
- Risk Management Policy



These are our key Corporate policies to guide our decisions for a positive and safe working environment, and are a subset of our 50 Corporate policies that make up our governance program.

## Corporate Programs

- Life Saving Rules
- Compliance Portal
- HSE Foundation Standard
- Risk Management Framework
- Group HSE, Compliance and Risk Strategic Plan



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

## Local Management Procedures And Practices

Local actions • Global impact



HSE procedures and practices to embed corporate programs at a local level taking into account regional legislation requirements.

# Materiality

Each year we review our Material Sustainability issues. Our 2020 materiality review considered internal and external factors including the ALS Strategic Plan, the concerns expressed directly by stakeholders, obligations listed in international standards, and broader societal expectations.

To support our materiality review in 2020 we sought input from the following sources:

- ALS corporate strategy;
- our material business risk register;
- stakeholders (shareholders, employees, and clients);
- ALS Group Executive Management;
- ALS Board and Sustainability and Innovation Committee;
- GRI reporting framework;
- Global sustainability trends;
- UN Sustainable Development Goals;
- Government and regulatory authorities.

We consulted with our stakeholders to help us gain the insights we need to ensure we continue to meet our stakeholders' needs and requirements.


Our review for 2020 indicated that the priority issues considered critical to our stakeholders have not significantly changed since our previous report. This year we have added Enterprise Risk Management as a new material issue which incorporates Information Security and other programs that aim to build resilience in our businesses. These are outlined in the Governance section of this report.

## The major stakeholder groups with an explanation of the engagement mechanisms we employ for each of them.

Stakeholder Groups	Engagement Mechanisms	
<b>Customers</b>	Client surveys	
Clients in each business stream	Direct Customer engagement /visits Online client feedback channels	
<b>Shareholders</b>	Annual General Meeting (AGM)	
Institutional Investors	Investor presentations	
Analysts	Annual reports	
Retail shareholders	Sustainability Report Direct engagement	
<b>Employees</b>	GlobALSay employee survey	GlobALScene newsletter
Directors	Road-shows and townhall meetings	ALS Integrity hotline
Managers	Online platforms (Intranet, Yammer, LinkedIn, etc.)	Induction and ongoing training
Employees	Employee focus groups (JCC, Gender Equity ERG)	
<b>Government and Regulators</b>	Periodic meetings / Site reviews and Inspections	Industry forums
Government (Local and National)	Participation in consultation programs	
<b>Commercial Partners</b>	Company presentations	
Suppliers	Ongoing relationship meetings/briefings	
Banking/Funding Partners	Industry and supplier events	
Insurance Underwriters	Modern Slavery Assessments	
<b>Society and Community</b>	Direct engagement	ALS Website
Charities	ALS Cares Donation Program	LinkedIn
NGOs	Workplace Giving Program	
Local Interest groups	Sponsorships, work experience, and internships	
Schools and Universities	Public speaking engagements	
<b>Media</b>	Direct engagement and through media advisors.	
Local / National Media	ASX announcements and press releases	
Online / Social Media	ALS Website and LinkedIn	

# Materiality Matrix

This chart maps our material issues identified in our recent materiality assessment, arranged under our four key sustainability pillars of People, Environment, Society and Governance, along with the SDGs that are most relevant to our activities as an organisation.

		Refer to page:	1 NO POVERTY	3 GOOD HEALTH AND WELL-BEING	4 QUALITY EDUCATION	5 GENDER EQUALITY	6 CLEAN WATER AND SANITATION	7 AFFORDABLE AND CLEAN ENERGY	8 DECENT WORK AND ECONOMIC GROWTH	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	10 REDUCED INEQUALITIES	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	13 CLIMATE ACTION	14 LIFE BELOW WATER	15 LIFE ON LAND	16 PEACE, JUSTICE AND STRONG INSTITUTIONS
	<b>Health &amp; safety</b> Safety is a priority	18-23		✓					✓	✓						
	<b>Diversity &amp; equality</b> Respecting differences	24-26				✓					✓					
	<b>Training &amp; development</b> Investing in talent development	27			✓				✓							
	<b>Innovation &amp; Technology</b> Embracing Innovation and Technology	11								✓						
	<b>Human rights</b> Worker's rights upheld / Modern Slavery Assessments	28							✓		✓					✓
	<b>Operational Environmental Performance</b> Mitigation of environmental emissions	39					✓			✓					✓	
	<b>Energy management</b> The pursuit of energy efficiency	34-36						✓				✓				
	<b>Waste reduction</b> Reduce, reuse, recycle	37-38					✓					✓				
	<b>Water conservation</b> Managing a scarce resource	39					✓							✓	✓	
	<b>Climate Change</b> Managing and reducing our CO <sub>2</sub> emissions	30-33								✓		✓	✓		✓	
	<b>Economic Contributions</b> Supporting local stakeholders	46							✓							
	<b>Local investment</b> Investing in the local community / Community Sponsorships / ALS Workplace Giving	41	✓													
	<b>Employment creation</b> Creating jobs in the local community	45	✓		✓				✓							
	<b>Financial performance</b> Maximise return for shareholders	54							✓							
	<b>Anti-bribery &amp; corruption</b> Zero tolerance for bribery and corruption	51-52														✓
	<b>Honesty &amp; integrity</b> An ALS core value	50														✓
	<b>Regulatory compliance</b> Systems to maintain legal compliance	53														✓
	<b>Enterprise Risk Management</b> Building Resilience / Information security	53														✓



## UN Sustainable Development Goals (SDGs)

As part of our materiality assessment we considered our alignment to the United Nations Sustainable Development Goals (SDGs), assessing the most relevant SDGs and associated targets for each material topic. The results of our materiality assessment inform our sustainability approach, strategic priorities and reporting.

The United Nations has outlined 17 Sustainable Development Goals (SDGs), that seek to resolve the most pressing issues facing society including extreme poverty, hunger, and climate change, with the goal to heal and secure our planet. As a global company, many of these challenges are clearly evident to us around the world. We contribute towards the achievement of the SDGs through our direct business activities (the services we offer our clients and how we deliver them), the use by host governments of the taxes we pay, the direct employment opportunities we create, and the voluntary social investment we make. We believe that our Company and the broader scientific community has a role to play as part of this collective journey to transform the world by 2030.

## UN Global Compact

In setting our sustainability strategy, ALS abides by the United Nations Global Compact (UNGC). We embrace a set of values in the areas of human rights, labour standards, the environment and anti-corruption.



**United Nations**  
Global Compact

# ALS Group Scorecard

We are committed to leveraging outcome-based metrics to continually improve our sustainability performance. Regardless of how large our organisation has grown, we pride ourselves on maintaining a culture which thrives on open and transparent reporting and disclosure. Our 'real' metrics provide meaningful information that we then use to improve our systems and future performance. Following is our scorecard for 2020 along with the ambitious targets we have set ourselves for year-end 2021.

	2020 Target	Results	2021 Target
 <p><b>People</b></p>	<p>No fatalities</p> <p>LTIFR &lt; 0.69<sup>(1)</sup></p> <p>TRIFR &lt; 1.73<sup>(1)</sup></p> <p>PPI Scorecard of 90% or greater</p> <p>100% of compulsory training sessions completed</p> <ul style="list-style-type: none"> <li>• ≥ 50% total new female professional hires;</li> <li>• female participation of 50% in iLEAD Program &amp; 40% in 'Executive Development Program'.</li> </ul> <p>Human rights assessments on key suppliers completed in all regions</p>	<p>✓ 0 fatalities</p> <p>✗ LTIFR=0.72<sup>(1)</sup></p> <p>✓ TRIFR=1.58<sup>(1)</sup></p> <p>✓ 93.71%</p> <p>✓ 100% achieved</p> <p>✓ 53%</p> <p>✗ 45% iLEAD</p> <p>✗ 32% Executive Development Program</p> <p>✓ Completed</p>	<p>No fatalities</p> <p>LTIFR &lt; 0.68<sup>(1)</sup></p> <p>TRIFR &lt; 1.50<sup>(1)</sup></p> <p>PPI Scorecard of 90% or greater</p> <p>100% of compulsory training sessions completed</p> <p>≥ 50% total new female professional hires; female participation of 50% in iLead Program &amp; 40% in 'Executive Development Program'.</p> <p>Human rights assessments on key suppliers completed by hub purchasing departments</p>
	<p>No unresolved complaints of negative air, noise, or land impact from surrounding neighbours</p> <p>Nil environmental prosecutions</p> <p>No reportable spill or reportable uncontrolled releases</p> <p>Complete yearly business stream waste reduction initiatives</p> <p>All regions to populate global fleet register outlining consumption of fuel per country</p> <p>&gt;5% reduction on energy intensity over 3 years with base year FY2018</p> <ul style="list-style-type: none"> <li>• Commodities kW.h/hours worked or samples</li> <li>• Life Sciences kW.h/hours worked</li> <li>• Industrial kW.h/hours worked</li> </ul>	<p>✓ No unresolved complaints.</p> <p>✗ 1 fine<sup>(2)</sup></p> <p>✓ No reported spills or reportable uncontrolled releases</p> <p>✓ Completed. See associated stories on pages 37-38</p> <p>✓ Fuel consumption recorded.</p> <ul style="list-style-type: none"> <li>■ In process <ul style="list-style-type: none"> <li>▼ -3% Intensity Commodities</li> <li>▼ -7% Intensity Life Sciences</li> <li>▼ -2% Intensity Industrial</li> </ul> </li> </ul>	<p>No unresolved complaints of negative air, noise, or land impact from surrounding neighbours</p> <p>Nil environmental prosecutions</p> <p>No reportable spill or reportable uncontrolled releases</p> <p>Complete yearly business stream waste reduction initiatives</p> <p>All regions to populate global fleet register outlining consumption of fuel per country</p> <p>&gt;5% reduction on energy intensity over 3 years with base year FY2018</p> <ul style="list-style-type: none"> <li>• Commodities kW.h/hours worked or samples</li> <li>• Life Sciences kW.h/hours worked</li> <li>• Industrial kW.h/hours worked</li> </ul>
 <p><b>Society</b></p>	<p>Implementation of workplace giving component of 'ALS Cares' framework.</p> <p>Total economic contribution &gt; AUD 1.8b</p>	<p>✓ 'ALS Cares' piloted in Australia</p> <p>✓ AUD 2.1b</p>	<p>Implementation of Business Stream Community Engagement Program</p> <p>Total economic contribution &gt; AUD 1.8b</p>
	<p>Roll out of new Whistleblower training</p> <p>Embed the new 'Corporate Governance Principles and Recommendations'</p>	<p>✓ Completed 'ALS Whistleblower' training</p> <p>✓ Adopted programs to comply with new requirements (Diversity, Assurance, Climate Change)</p>	<p>Roll out Code of Conduct training</p> <p>Refresh the ALS Code of Conduct and re-release to employees.</p>
 <p><b>Governance</b></p>			

(1) Per million hours worked.

(2) ALS China was fined CNY 20,000 (approx. AUD 4,400) when the company failed to update its environmental licence to reflect a change in the legal entity operating in China. The operating company engaged an environmental consultant and reapplied for an environmental assessment under the correct legal entity name.





# People

We value the diversity of our people as they bring innovation and cultural connection within our facilities, and between our global operations. We are committed to maintaining strong and sustainable growth and recognise that our future success is dependent on our people's commitment to service, quality and innovation. Our employees are the core of our company and they have made ALS the great place it is today.

# Health and Safety



This year we reduced the workplace risk to our personnel by:

- Increasing the proportion of our vehicles fitted with in vehicle monitoring systems (IVMS).
- Implementing an independent HSE audit program across our global network.
- Continuing the manual handling risk reduction program in Geochemistry and Life Sciences.
- Implementing measures to reduce the risk of repetitive task injuries.
- Continuing our hazard observation program with over 4,700 hazards proactively reported.
- Refreshing our global safety induction.
- Increasing the number of Senior Manager site engagement walks by 60%.



Our 'Corporate Health, Safety and Environmental Management System' is certified to ISO14001 and ISO45001 by DNV Global. ALS's HSE Foundation Standard is the management system which supports this certification and provides the framework and minimum HSE standards which are required from each of our business streams. Although ALS operations are not legally required to have a safety management system, positive benefits to employee safety and health, and other business benefits are realised through the principles of standardisation and continuous

improvement that our HSE Foundation Standard brings.

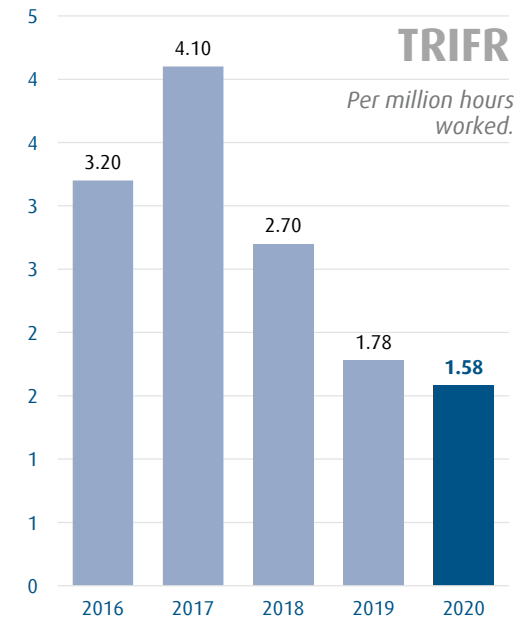
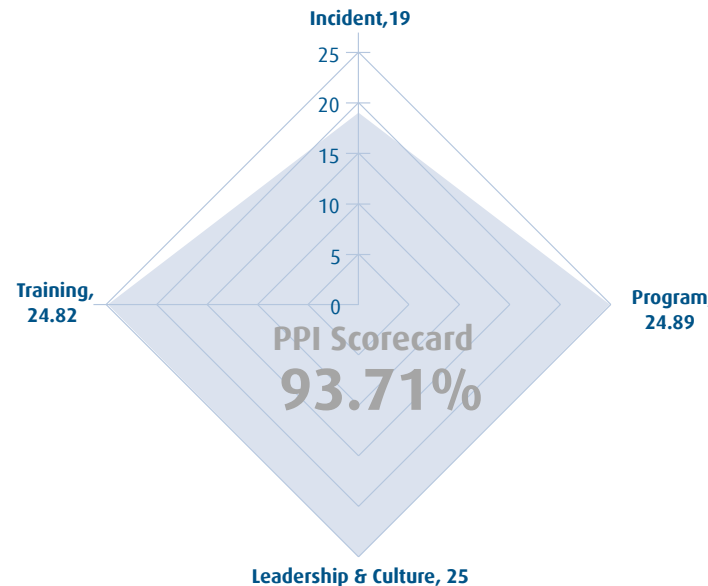
The identification of safety hazards and the management of HSE risk through risk assessments is integral to our safety management system. Our people carry out risk assessments and/or Job Safety Environmental Analysis (JSEA) on the hazards arising from the materials, activities and the workplace environments that they encounter while undertaking their work. We have developed mobile device applications including risk assessments, check-lists

and auditing tools to assist our people when in the field or at clients' sites.

We are pleased to report that Health and Safety, and Collaboration and Culture received the second and fourth highest positive rating of the fourteen topic areas outlined in our 2020 employee engagement survey. We believe this indicates a positive safety culture which is a significant contributor to the further reduction in number of ALS employees injured at work this year. The number of total recorded injuries reduced by a further 11% in 2020.

## ALS Group Safety Metrics 2020

as at 31 March

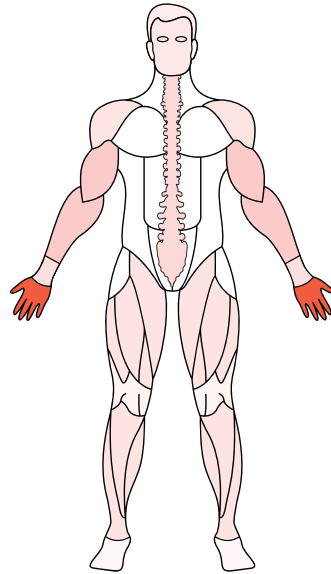




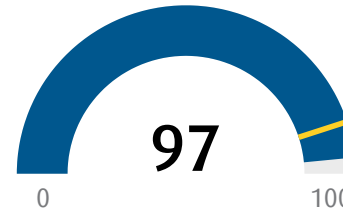
## ALS Group Hazard and Incident Reporting for FY2020

### INJURIES BY BODY LOCATION

Injury Location	% of Incidents
Hands/Fingers	41%
Arms	11%
Back	8%
Wrist	6%
Legs/Ankle	6%
Shoulders	5%
Eyes	5%
Face	5%
Head	4%
Knee	3%
Feet/Toes	2%
Internal Locations	1%
Neck	1%
Groin	1%
Hips	1%
Others	1%
<b>Total</b>	<b>100%</b>



### SAFETY INCIDENT FORMS CLOSED, %

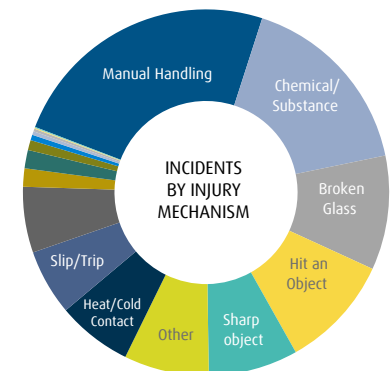
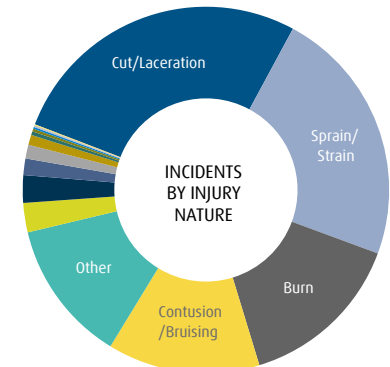
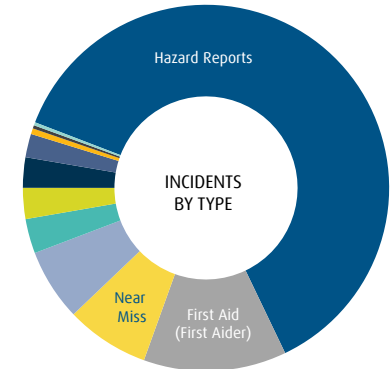


### NO. OF CLOSED INCIDENTS

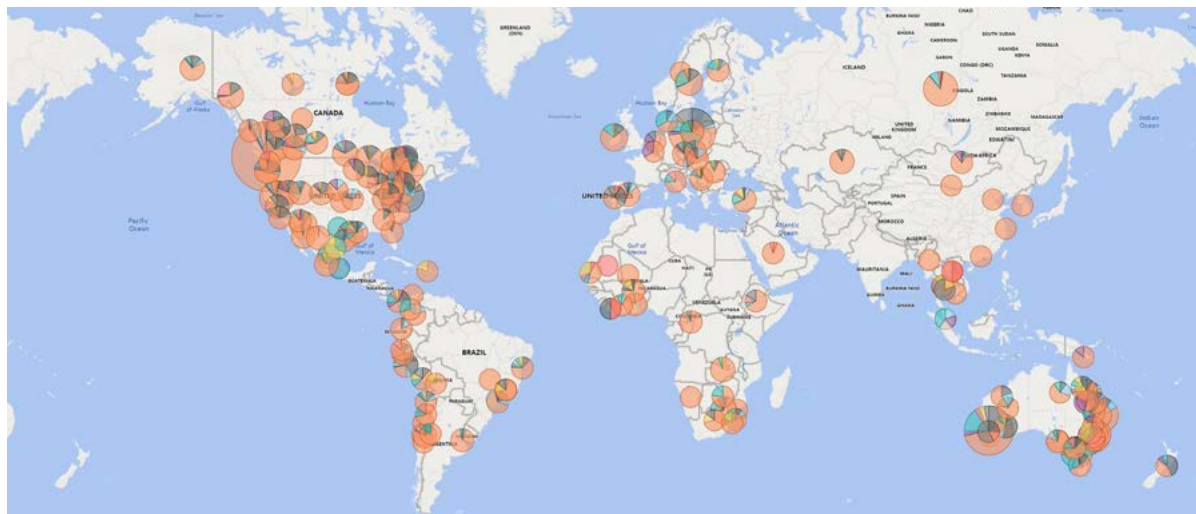
**7,458**

### TOTAL INCIDENTS COUNT

**7,663**



### NUMBERS OF INCIDENTS BY INJURY LOCATION



## Global Audit Program

In 2020 we added a Global HSE Audit program as an additional layer of validation and verification to our HSE Management System. Each year, key site locations in our business streams are audited by a HSE Manager independent from the business stream being audited. The audit targets ALS compliance requirements including the ALS HSE Foundation Standard. We developed a common audit tool which enables laboratories of different size, functionality and location to be ranked against each other. In addition to the extra layer of independent assurance, this program also enables shared continuous improvement and learning through the exposure of the independent HSE Managers to other operations.



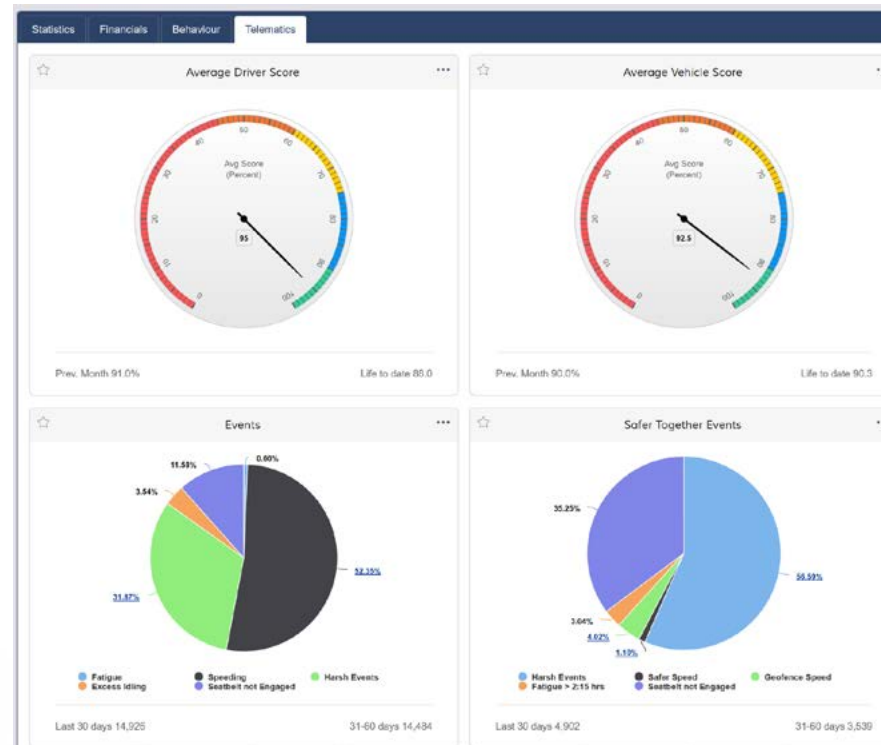
## Driver Safety

Our employees travel more than 35 million kilometres per year in motor vehicles while undertaking their work. We have ranked the potential for serious injury or fatality in a motor vehicle accident as one of the largest safety risks to our employees. We use a range of risk control measures to reduce the exposure our employees have to this risk including; route planning, vehicle specifications, vehicle condition monitoring and maintenance, driver

training, and fatigue management. The UN Sustainable Development Goal (4.6) calls for society to reduce the number of global deaths and injuries from traffic accidents by 50%.

Our HSE strategic plan is the framework for us to identify, scope, schedule and track our corporate safety improvement activities. One of our actions this year was to reduce the risk of motor vehicle accident in our fleet by improving driver

behaviours through In Vehicle Monitoring Systems (IVMS). In Vehicle Monitoring Systems enable monitoring of safe driving behaviours including vehicle speed, acceleration and deceleration. Prior to this year IVMS has been installed in higher risk areas and in line with client contract requirements. This year we commenced installing IVMS across all our fleets to further reduce the overall risk of motor vehicle accidents to our employees. The additional information that this has provided has allowed us to identify opportunities to reward safe driver behaviour and identify areas to improve. The monitoring systems provide the capability of text messages for high risk alerts as well as online reporting and monitoring capability for continuous improvement of driver safety. The first six months of the IVMS implementation in North America showed a strong improvement in driver safety, with improved speed compliance.



ALS Australian fleet - Online IVMS dashboard



## Geochemistry Services – Making values based decisions

In order to deliver the highest quality service, value, and reliability to our clients, thus support one of the Company's main strategic focus points, the 'ALS Experience', we need to support our employees as their knowledge and skills are the main drivers of this goal. This means creating a culture of engagement and recognition built on the foundation of ALS values that supports employee retention and cultural alignment. Learning how to remain true to ALS values was the focus of an intensive interactive program over a period of 4 months. All Geochemistry sites participated, and the material was presented globally to 545 individuals and was available in four languages.

The training material was targeted at supervisors as they have the most direct interaction with employees and therefore shape the culture at their sites. Staff observe, listen, and follow their supervisor's lead. Supervisors, therefore, can influence their staff as they uphold ALS values, make decisions and strive for continuity of approach. At the end of the program session, Managers and Supervisors were encouraged to talk about three key concepts that could potentially erode ALS culture: Normalisation of Deviance, Complacency, and Conformity. The goal was to identify

where these may be present and have an impact on the overall culture.

**Normalisation of Deviance** – when small changes become normal and we see drift from agreed design standards to the point that the drift seems normal. Deviations become incorporated into routine and a new baseline is created until the company shifts what is believed to be acceptable. Boundaries and comfort zones widen.

**Complacency** – the tendency to accept risk solely because of prior success. A false sense of security is created and is blinded by the assumption that, based on historical performance, the situation must be safe. There is a drift into a mindset where one can no longer see the risks and people forget to be afraid.

**Conformity** – human nature dictates that people want to fit in with their peers and will adapt their behaviours based on what they observe in order to go along with those around them. They may even align their attitudes, beliefs and behaviours to be perceived as "normal". This puts power in the hands of our supervisors to shape the culture at their sites by leading by example and making value-based decisions.

The goal was to educate our leaders in what deviance from our ALS values may look like in our workplace. Recognition

of this phenomenon prepares our supervisors to identify and course correct where needed to support a cultural evolution that ultimately enhances cultural alignment. There was positive feedback on the materials and these concepts are now becoming common during strategic discussions.

*"Usually we are very conscious inside our workplace; doing an evaluation of the risk, using our PPE (Personal Protective Equipment), and all the good practices of HSE before we start a job. But what happens when we are at home? We are in another environment without formality, without supervision. This is a place very known to us, but in some cases, with the same type of risks. For many years I have had a nice scar that now reminds me exactly of Normalisation of Deviance! This "accident at home" happened when I was fixing some things in my home, very confident in my abilities and without GLOVES. I am lucky that I only have a scar from that day, but in other circumstances it could be much worse. This story is a good example of Complacency and 'Normalization of Deviance'. No matter the place or time, we must maintain our values and do the right thing." – Arturo Ramirez S., Marketing Executive, Geochemistry, Peru*

## Focus on Safety Culture – Environmental Canada

In early 2017, ALS made a strategic decision to improve safety, efficiency, and environmental impact by changing to smaller sample bottles. ALS led the change in the market and many hundreds of tonnes of samples have been cut out of sampling, logistics, sample receipt and operations. In Canada, since 2017, the weight of samples transported and handled has been reduced by 17 tonnes in just one of our analyses – the small bottles used for metals.

The feedback from our clients on reduced bottle size was extremely positive. Unfortunately, many field staff also commented that the great thing about the new small bottles was that

you could fit twice as many in a large cooler. This presented a risk as many smaller bottles in a large cooler can result in individual coolers weighing 30, 40 or 50 kg! ALS used the hierarchy of safety control to address this risk.

### Reducing the size of sample transport coolers

This year, Environmental Canada progressed several projects to further reduce manual handling injuries related to sample size.

Aligning with our core value of Safety is a Priority, the Canada team progressed a second phase, supplying clients with smaller custom made ALS coolers. As well as reducing the weight

which can be packed into each cooler, the new coolers can also be carried in one hand reducing the potential for back strain from the weight and dimensions of the previous cooler.

### Handling samples in the Laboratory

The sample miniaturisation project has achieved significant benefits with reductions in manual handling risk, the weight of plastic utilised in sample bottles, and greenhouse gas emissions related to transport. Despite this we had not appeared to be materially reducing the wrist and hand injuries impacting our laboratory-based employees.

This year we reduced the tray sizes and maximum weights of trays

used within the laboratories for holding and transporting samples. We also implemented process flow improvements which reduced both the total mass moved and the number of sample bottle movements. We made it easier for our people and reduced the risk. Lighter = better!

The team also installed roller tables to remove the need to lift coolers across its 5 main sites in Canada.

Both our client-facing group and our lab staff owned this change and made it happen.

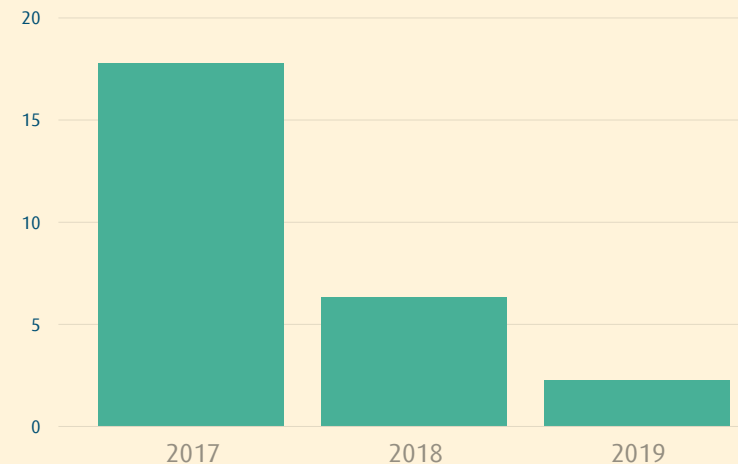
Safety is a Priority at Environmental Canada.



Sample bins in use at Life Sciences Canada

### Environmental Canada Claim Costs (Hand and wrist)

CAN\$, Thousands





## Focus on Safety Culture – Life Sciences South America

This year, the South American Life Sciences team implemented two new programs to improve the delivery of safety messages to field analysts. The key focus was on employees working in remote locations or in higher risk conditions including mine sites at high altitudes or in the middle of the jungle.

To improve our frontline supervisors' ability to effectively communicate key messages to employees with integrity and demonstrate ALS safety culture in their words and actions, a forum to enable learning and sharing was created. Team members included remote

location field supervisors, regional and operations managers, HSE personnel, and an intranet team site was created to help facilitate sharing. The team participated in weekly virtual meetings to discuss safety videos and recent incidents or near-misses, raise concerns, and discuss client policies. The strategy was to empower the field supervisors as ALS Safety Culture Communicators and to provide them adequate training to undertake this task effectively.

The field supervisors recorded their daily safety moments and shared them across the group to learn from each other.

This also helped to ensure that safety messages were delivered to all field work teams and that the contents were consistently aligned with ALS safety culture. The intranet site also enables the sharing of videos and photographs of hazards experienced by field personnel such as landslides or flooding.

A second program was developed to improve the ability of supervisors to understand and assist their people's identification of risk and risk perception. We had identified instances of unnecessary exposure of our field personnel to hazards that may have

been related to a distorted perception of risk within the work group. The operations team partnered with the local ALS learning & development group to develop and hold quarterly 'Psychology of Risk' workshops for field analysts.

*"The safety videos shared during the meetings were useful since it made us all reflect that behind any incident or near-miss there was a case of excessive confidence or lack of compliance to any safety rule. The cost is very high if you do not have a prevention culture"* – Miguel Mamani, Project Coordinator, Life Sciences, Arequipa.



Typical HSE hazard a Chilean river in flood.



Field analysts from Life Sciences South America participating in Hazards LD workshop.

# Diversity and Equality



We are proud of the diverse culture that has been fostered within ALS. Diversity is an integral part of our culture, our values and the way we do business. This allows us to view the world from different perspectives, to better understand the regions we operate in, and truly understand the significant contribution that each employee brings to our company. Maintaining an inclusive workplace supports ALS's current success and our sustainability into the future.

At ALS we actively apply the principles of fairness, merit and respect for individual differences in our workplace. This means that decisions relating to our employees, the roles performed, access to training, career advancement, equipment and support, and treatment they receive whilst at work are based on the principles in our Diversity & Inclusion Policy.

This year, in support of our commitment to providing equal employment opportunities and career enhancements globally for all our talented staff regardless of their background, we updated our Diversity & Inclusion Policy, to reinforce our commitments:

- Our succession planning processes actively require that women and minorities are included so that planning for higher roles may be undertaken;
- Steps are taken to ensure extended parental leave does not lead to career dislocation;

- Recognising that carer responsibilities may provide an impediment to opportunity and career growth, our leaders will work to ensure balance can be created for carers, where possible, and that systemic biases may be obliterated.

Our remuneration review process requires managers to analyse gender pay data, identify any discrepancies and address any inequalities within three years. This year, at a corporate level, we also reviewed gender participation rates in our short-term and long-term incentives schemes and our talent

retention plan. We identified that whilst the participation in incentive programs seems to be sitting more favourably for the male leadership program, we are moving in the right direction. We have added an additional target in the gender pay equity reviews to continue to close this gap.

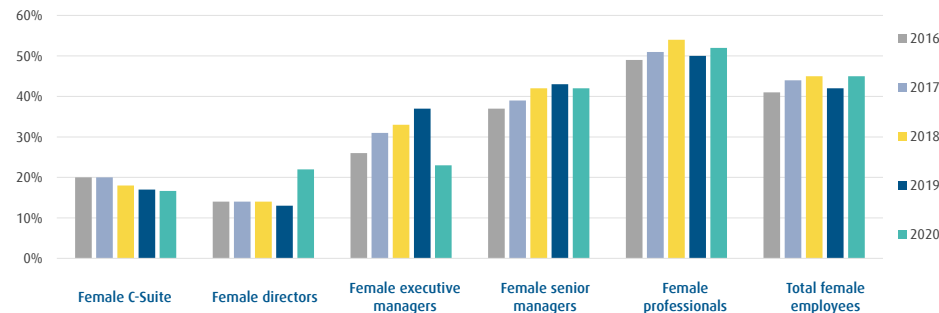
We are seeing ongoing improvement in the number of women in leadership roles and progress against our targets for the previous financial year 2018-19 was pleasing, but we are looking for continuous improvement in accordance with our Core Values.

## Workforce Gender Statistics

### ALS performance over the 2019-2020FY

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.

Female participation by category



New hires – professional category	2016	2017	2018	2019	2020
Total Male %	56%	47%	40%	45%	47%
Total Female %	44%	53%	60%	55%	53%





## Gender Equity

This year we introduced a Gender Equity Employee Resource Group (ERG). The pilot program in Australasia established a Gender Equity Steering Committee made up of employees passionate about gender equity to plan and run the program. All employees across the region were invited to participate in the network.

The purpose of the Committee is to support the achievement of the strategic initiatives of the Board approved Group-wide Diversity and Inclusion Plan, as these initiatives relate to increasing the engagement and participation of women in their careers at ALS.

The Committee's roles and responsibilities include:

- (a) Agree upon, drive, and facilitate the implementation of actions that:
  - i. identify the barriers and enablers that affect participation, retention and success of women in their careers across the region.
  - ii. create opportunities and coordinate activities for women to be brought together into learning groups with the aim of encouraging participants to learn from each another and to build a community of support.
- (b) Provide a forum to facilitate the flow of information and discussion on gender equity to inform the Chief Human Resources Officer as to actions and resources considered necessary to advance the Company's existing Diversity and Inclusion Plan as it relates to supporting and encouraging women to aspire to and develop their careers at ALS.

## Gender Pay Equity

We are committed to ensuring that women and men receive equal pay for equal work. Annually as part of the remuneration review processes, all general managers conduct a pay equity review for their businesses. To support this process, a guide was developed in 2019 'Completing a Gender Pay Equity Review'. Commencing in 2018, the regional general managers are also asked annually to sign a 'Gender Pay Equity Pledge' confirming that they had reviewed the analysis and have implemented an action plan to address any inequities. This year a global audit was also completed for the Short Term Incentive Program to ensure that all relevant female leaders, in the same employee classification to their male peers, are included in this program.



## GlobALSay

We completed our third global employee survey in February 2020 with the focus continuing on attraction, retention and engagement of the workforce. Whilst the overall global result was similar to last year, we saw improvements in the scores of countries where a particular focus was required.

Importantly we saw a direct improvement in our global voluntary turnover rates which reduced by 2% for all voluntary turnover and by 2.5% for permanent staff turnover from the previous year. These results emanate from the more than 900 cultural

improvement projects instigated around the world. Our social media rating on Glassdoor also improved from 2.6 to 3.1 during the year.

Key global projects that were completed included:

- a significantly upgraded employee onboarding program;
- ensuring employee engagement and diversity content features in each of our three leadership development programs;
- the roll out of 328 translations of current English language courses;

- increased numbers of staff in leadership development programs to improve employee experience through better leadership behaviours, as well as to enhance our managers own career development.

A number of projects in the Diversity and Inclusion category were also well received. Notably, the implementation of a women's employee resource group and country-specific improvement investigation projects were completed in the UK and Australia.



Employees scored ALS positively with an average engagement score of 3.7 out of 5.

## Completed Projects for Environmental Canada

### Recognition

- Create more fun team building events.
- Recognise high performing teams through LEAP and ALSHINE programs.
- Monitor casual staff for consistent hours for conversion to full time.

### Career & Opportunities

- Relaunch of the 'My Career' portal to highlight career paths and individual development plans.
- Publish staff promotions to generate awareness of careers in action.
- Senior leaders to explain selection criteria, interviews and promotions process to all staff.

### Training & Development

- Improved cross-training programs to upgrade workers' skills and generate work variety and teamwork.
- Increase numbers of supervisors and managers attending leadership development programs.

### Strategy and Team Communication

- Run national sessions with management team to coach and share experience on key strategic plan topics.
- General Manager provided update to share strategic plan progress with staff twice per year including a Balanced Scorecard to share progress metrics.

# GlobALSay

## 2020



# Training and Development



A fundamental principle and goal for ALS is that we develop and grow our staff so that they are ready to take up higher positions within the Company. Our achievements in pursuit of this goal benefits ALS with a rich talent pool, and provides our people with valued skills and experience. Our succession planning process enables a consistent global process to equitably identify and provide opportunities for our future leaders.

Our staff possess unparalleled experience and, through industry-recognised and constantly evolving training programs, they are always at the forefront of service delivery. ALS offers both internal and external core skills training opportunities. The Company has a dedicated training team

that offers face-to-face training, online courses and sponsored external study opportunities.

The various business streams run a range of technical courses in-house and through external providers. Our online courses are delivered through ALStar, our Learning Management System. Courses include:

- Induction Programs
- Health, Safety and Environment Programs
- Technical Training
- Communication Skills
- Leadership Skills
- Customer Service Skills.

In addition, ALS sponsors study programs ranging from traineeships to MBA senior executive level programs. Our leader training and development programs include:



**iLEAD** (Leadership Enablement and Development) is designed to develop

the management skills of our Frontline leaders throughout ALS. These first-time supervisors, team leaders, section heads, and coordinators are taken through a 12-month program from identifying their leadership style and inspiring leadership to building a company project that will impact engagement and productivity.



**MEP** (Managing Effectively Program) is for our mid-level managers, MEP

takes them through self-reflection courses that build from their iLEAD learnings and engage them in cross business stream relationship building. Designed to complete 4 courses over 1 year, participants will increase their knowledge and skills in communication, strategy, innovation, and ALS culture.



**EDP** (Executive Development Program) allows eligible senior managers build strategic leadership

competencies as potential executive top talent. This focus will drive commercial and technical excellence while inspiring leaders to achieve the unified ALS vision.



## People Development in Action

The BioScreen Testing Services acquisition in February 2019 not only diversified the company's set of services and capabilities in the pharmaceutical and personal care products testing field, but also brought a talented workforce to The Life Sciences North America business stream.

As part of the integration plan, many of the employees were nominated to participate in the People Development programs offered through ALS's Global Learning and Development Department. This included:

- two senior managers enrolled in the Executive Development Program;
- a manager enrolled in the Managing Effectively Program; and

- four employees participating in the iLEAD program.

*"The opportunities to take part in the robust leadership training and career development programs, to improve and advance leadership and workplace skills, offered at ALS, are greatly appreciated by the company's new employees."*

- Donna Watson, Human Resources Manager, Pharmaceutical, USA

# Human Rights



ALS subscribes to respecting human rights consistent with the Universal Declaration of Human Rights and the principles as set out in the UN Global Compact.

We are committed to providing a safe workplace for all our people. The risk management, and communication and consultation goals of our HSE Foundation Standard support this commitment by requiring our business to provide training to employees to identify and manage risks, monitor the effective control of risks, and implement a mechanism to consult and engage with personnel in the development, implementation and review of HSE requirements. In addition to promoting human rights these

processes support the building of ALS's safety culture. Our Integrity+ Compliance help line provides our employees the mechanism to confidentially raise any concerns including human rights concerns.

Our employee onboarding process includes training that states ALS's zero-tolerance for any behaviour or actions that do not respect human rights, including actions in relation to child labour, forced labour or the inhuman treatment of an individual. The training also informs employees of their shared responsibility to ensure that the Group is not knowingly complicit in human rights abuses, including those committed by others doing work for us. Each year our

managers confirm their sites' compliance to regulatory requirements including safe working conditions, employment conditions, equal opportunity and freedom of association by completing a sign off declaration.

ALS also seeks to work with business partners that respect human rights, and our business partner review process includes the assessment of their processes and record in human rights including their provision of a safe workplace, not employing child labour, paying a "living wage", ensuring slavery or human trafficking is not taking place within their organisation, and demonstrating sound ethical performance.

This year we completed human rights reviews of our top fifty suppliers and did not identify any with a high risk of modern slavery practices.

## Modern Slavery Statement

In March 2019 our Modern Slavery Statement, in line with the United Kingdom Modern Slavery Act, was approved. A Modern Slavery Statement, as required, by the Australian Modern Slavery Act 2018 will be published by 31 December 2020.

## Sustainable and Ethical Procurement

This year our Stafford-based procurement team completed training towards a certificate in Ethical Procurement and Sustainability, through the Chartered Institute of Procurement and Supply (CIPS). This training provided the team with insights on unacceptable practices in the supply chain including human rights violations, use of child labour and modern slavery, and mitigating risks in an ethical supply chain.



*Mano Athulathmudali,  
Procurement Manager, APAC region*





# Environment

We are committed to operating our businesses with environmentally sustainable outcomes. We recognise that the complexity and interconnectedness of the world environment requires us to continue to review our operations and seek opportunities to reduce our impact through conserving resources, reducing waste and minimising our impact on our local environment.

# Climate Change



Climate change has widespread economic and social consequences. As a global company, we are concerned with both the potential impact on the communities we operate in, as well as the impact on our operations and the effect on our clients' businesses. We accept the Intergovernmental Panel on Climate Change's Assessment Of Climate Change Science and have identified climate change as a material issue relevant to our businesses (see materiality assessment, page 14).

## Governance

### The Board's Role

Our Board has ultimate responsibility for the Company's consideration of climate related risk. It is guided by the Board Sustainability and Innovation Committee and our Audit and Risk Committee as part of our broader corporate strategy and planning.

The Sustainability and Innovation Committee monitors management's approach to climate change, reviews the company's performance against its sustainability scorecard including specific energy targets, and monitors the progress against the Group HSE Strategic Plan. The Committee meets six-monthly and is comprised of 3

We have reviewed the recommendations of the G20 Financial Stability Board's industry-led task force: the Task Force on Climate-related Financial Disclosures (TCFD) which assesses climate-related risks and opportunities. The TCFD has developed a set of voluntary recommendations for companies to disclose information on how they oversee and manage climate-related risks and opportunities. We support these recommendations and are committed to providing stakeholders with information in relation to how we are managing climate change risks. We recognise we are on a journey to enhance our management

non-executive directors including an independent chairman, to assist the Board to effectively manage people, environment, governance and society performance risks. The Audit and Risk Committee provides oversight over ALS's risk profile, policies and management, including the key strategic and financial risks identified during the annual material business risk review process. Climate change is treated as a material business risk and its related risks and opportunities are incorporated into ALS's broader corporate strategy, planning and risk management. Refer to the Governance section of this report for further information on the Board and its sub-committees.

and disclosure against the TCFD recommendations and will work to improve our disclosure each year until we align with the recommendations. Outlined below is our current disclosure against each of the TCFD requirements. Looking ahead, we will continue to target improving our energy efficiency by reviewing and optimising our key energy-consuming items of plant, switching to renewable energy sources where available, deploying lower-emission fleet cars, and implementing a new building standard – the 'ALS Green Building Fit-Out' guidelines – for use with all new facilities and existing facilities undergoing refurbishment.

### Management's Role

ALS's CEO and Executive Leadership Team are accountable for ALS's actions and commitments to embed climate change into risk management and business strategy. New and emerging risks, including those relating to climate change are monitored periodically by an Executive Risk Management Committee, with changes to the material business risk register reported to the Board as required. Executive General Managers of each Business Stream are responsible for identifying, managing and reporting upon climate risks within their business area and implementing appropriate risk treatments where risks exceed a

defined risk appetite. Our operations management team is responsible for energy efficiency and greenhouse gas emissions at each of our site locations, targeting innovation opportunities to reduce our carbon emissions. A dedicated Group Sustainability Manager oversees the sustainability actions conducted in each business, and through regular monthly meetings with a network of HSE Lead Managers, ensures effective communication and collaboration of best practice initiatives across the Group.



## Strategy

Our strategy is to strengthen our resilience to climate-related impacts by further reducing our operational emissions intensity, creating innovative solutions that support a lower carbon future, and mitigating our climate-related risks. In FY2018, ALS set a climate-related goal to reduce our energy intensity by 5% over a 3-year period. Our performance against this target, broken down by division, is outlined on page 16. This year we achieved a 5% reduction in energy intensity, one year ahead of schedule. We achieved this by implementing innovative actions such as an LED lighting program, 'Shut the Sash' campaign, power correction factor equipment, and the use of solar power installations. We are confident we will continue to reduce our energy intensity going forward and will maintain levels to meet our 3-year target.

Our 2019–22 Group HSE Strategic Plan identifies Climate Change and Business Resilience as strategic priorities for ALS. During FY2021, we plan to model the impacts of acute physical risk (natural disasters such as flood and wind storms)

for all key site locations across the globe. We will also revise our property valuations to better understand our exposure to these events and ensure we have appropriate insurance cover in place.

Outlined in the table on page 32 are ALS's key climate-related risks and opportunities. These risks and opportunities are not listed in order of significance and are not intended to be exhaustive. They represent the most significant risks and opportunities identified during FY20 stemming from a review of Group strategic plans and risk registers, and discussions with senior management. This process confirmed that at present, there are no material short-term climate-related risks for the Group. The majority of ALS's climate-related risks have been deemed to potentially impact the business in the medium to longer term. Opportunities identified relate primarily to leveraging ALS's existing capabilities as a service provider to service new and adjacent markets that will continue to emerge as a result of the transition to a low carbon economy.

## Risk Management

Climate change will bring both risks and opportunities to our business. Non-specific risks may include:

- More frequent extreme weather events that impact our business and/or supply chain (potential infrastructure damage or impact to sample flows).
- Adverse impact on workforce well-being during heat and weather events.
- Poor management of energy consumption and greenhouse gas emissions could lead to increased costs and regulatory fines.
- Testing markets for thermal coal are unlikely to see growth in the mid-to longer term.

Some of these risks will be offset by future opportunities that will benefit ALS's operations as a result of climate change. These include the demand for our services potentially increasing in:

- testing water contamination after a flood;
- measuring air quality after fires;
- geochemical testing of new resources such as lithium for use in battery technology.

## Risks and opportunities based on the TCFD classification

- Transition risks** relate to a wide set of changes in policy, law, markets, technology, and prices that are necessary to achieve the transition to a low-carbon economy.
- Physical risks** stem from the direct impact of climate change on our physical environment through, for example, resource availability, supply chain disruptions, or damage to assets from severe weather. These risks can be chronic or acute.
- Climate-related opportunities** include our efforts to mitigate and adapt to climate change also producing benefits, such as resource efficiency and cost savings, development of new products and services, accessing new markets, and building resilience along our supply chain.

Risk	Description	Risk type	Potential Impact	Management Response/Mitigation
Impacts of increasing energy, fuel and carbon costs.	Increased operation costs due to increase in electricity, gaseous and liquid fuel prices.	Transition: Market, Policy	<ul style="list-style-type: none"> <li>Decreased profitability from contracts in energy intensive service lines. Time horizon: Medium to long-term.</li> </ul>	<ul style="list-style-type: none"> <li>Implementation of policies and programs to reduce energy usage and carbon emissions, encourage renewable energies, and change employee behaviours.</li> </ul>
Exposure to extreme weather events.	Severe weather events impacting our site locations, supplier's locations, or the delivery of contractual obligations. For example, significant disruption to site operations, or health and safety impact to staff.	Physical: Acute and chronic, Legal.	<ul style="list-style-type: none"> <li>Inability to achieve contractual schedules due to adverse and severe weather events. Field staff health and safety impacted.</li> <li>Increased insurance premiums.</li> <li>Time horizon: Medium to long-term.</li> </ul>	<ul style="list-style-type: none"> <li>Continue to assess contractual arrangements with respect to acute and chronic weather events to ensure appropriate mitigation measures are in place.</li> <li>Conduct Nat/Cat modelling and asset valuations for key ALS site locations.</li> <li>Revise business resilience and HSE plans.</li> </ul>
Exposure to fossil fuel and thermal coal markets.	Transition to a low carbon economy leads to reduced demand for Oil and Gas, and thermal coal testing services.	Transition: Policy, Market, Reputation.	<ul style="list-style-type: none"> <li>Reputational risks arise from ALS's continual exposure to the Coal and Oil and Gas sectors. Time horizon: Medium-term</li> </ul>	<ul style="list-style-type: none"> <li>Continue to monitor demand forecasts for thermal coal.</li> <li>Diversify portfolio of testing services.</li> <li>Use the scenario analysis as signposts for change.</li> </ul>
Opportunity	Description	TCFD Opportunity type	Potential growth	Management response
Extreme weather events	Increasing demand for our services in Life Sciences. Added pressure on the environment will mean stricter enforcement of government regulation.	Regulation	<ul style="list-style-type: none"> <li>Testing water contamination after a flood, and measuring air quality after fires.</li> <li>Increase in demand for general environmental testing services for industry.</li> </ul>	<ul style="list-style-type: none"> <li>Strengthen existing and establish new relationships with key customers.</li> <li>Leverage our capability and broaden our service offerings.</li> </ul>
Demand for alternate energy sources.	Transition to a low carbon economy is driving demand for base metals (copper) and precious metals (e.g. lithium, zinc) critical for battery and other new technologies.	Products/ Markets	<ul style="list-style-type: none"> <li>Testing of new resources such as lithium, plus opportunity to leverage existing service capabilities.</li> </ul>	<ul style="list-style-type: none"> <li>Strengthen existing and establish new relationships with key customers</li> <li>Leverage our capability and broaden our service offerings.</li> </ul>





## TCFD Scenario Analysis

According to TCFD, global warming scenarios analysis helps organisations to better understand how the physical and transition risks and opportunities of climate change might impact the business over time. The International Energy Agency (IEA) and United Nations Intergovernmental Panel on Climate Change's (IPCC) meta-scenarios provide an overall context to assist in the development of company specific scenarios. Scenarios are hypotheses that can be used to apply a targeted set of circumstances to assess the impact of an extreme weather event on a given location. Scenarios include various assumptions about future economic, social, technological, and environmental conditions.

In FY2021 ALS will undertake a more detailed qualitative assessment of our climate-related risks and opportunities. The findings of the assessment will form the basis for ALS's climate scenario analysis to be conducted in FY2022. We plan to complete a full scenario analysis to get a better understanding of the potential physical and transition risks and opportunities facing our operations.

## GHG

We emit greenhouse gases both directly and indirectly, and we gather a range of scope 1, 2 and 3 CO<sub>2</sub> emission data from all our businesses. We continue to extend the scope of our emissions data capture and improve our data collection process. Based on the data so far, the main sources of our emissions are electricity (86% of total emissions), direct transport fuels (12% of total emissions), and indirect transport fuels (2% of total emissions). This year we have emitted over 78,000 t CO<sub>2</sub>e as a result of our total scope 1,2 and 3 emissions. All of our available CO<sub>2</sub> data has been reported on pages 34-35. Over the next 2 years we will collect further data to improve the quality of data reported for our GHG emissions.

### Targets:

Targeting energy consumption is one of the best ways we can contribute to tackling climate change. As a preliminary step, we have committed to reducing our energy intensity ratio to 5% below 2018 levels by 2021. We are far down this path, with a 5% reduction since 2018 reported this year. We are investing in a range of initiatives that are optimising our energy use across our businesses.

These initiatives are well developed with many already yielding significant benefits as outlined on page 36, such as LED lights, solar panels, and improved

heating and cooling systems for our buildings. We also continue to refresh our employee awareness programs to reduce the discretionary use of energy. ALS assesses the projected physical and transition climate change impacts risks in accordance with our risk management framework. The impacts we consider

include the potential physical impacts of climate change as well as the indirect impacts including energy costs, and demand for our services. ALS's Board Sustainability and Innovation Committee has oversight of the ALS's sustainability risks, responsibilities and commitments including climate change risks.



*Life Sciences, Quito. New laboratory featuring LED lighting throughout, 60% natural light, and efficient fume hoods and HVAC systems.*

# Energy Management



The International Energy Agency estimates that buildings account for approximately 30% of final energy use and more than 55% of global electricity consumption. Energy use in the buildings sector has increased steadily since 2000 at an annual average growth rate of around 1.1%. This is driven principally by increasing floor area, which has grown by around 65% since 2000, and rapidly growing demand for energy-consuming equipment and services in buildings in emerging economies.

Laboratory buildings are estimated to consume three to seven times the energy of a normal office building, largely due to the energy required for effective heating, venting, and air conditioning (HVAC). Maintaining a consistent temperature is crucial to meeting laboratory quality requirements. Safe laboratory operations often require a large turnover of air. The energy that is consumed to achieve both of these parameters is a large component of our total laboratory energy consumption. We maintain a strong focus on optimising

the temperature and timing settings of air control systems and on the optimal use of laboratory extraction systems to maximise our efficient use of energy.

This year we commissioned an external auditor to complete energy audits of three Life Sciences UK laboratories. The final report included opportunities to reduce electricity consumption by up to 3% by improving fine controls on air conditioning and lighting and retrofitting some electric motors with variable speed drives. The outcomes of the

audits are consistent with our internal electricity reviews which indicate that we do not have significant deficiencies in our laboratory operations, and that our future energy efficiency improvements are likely to come through incremental optimisation of current processes, turnover of aged equipment, and innovative step changes in our process technologies.

We have achieved good progress in pursuit of our three year energy intensity reduction goal.

## Scope 1 Emissions

Our emissions sources from operations under our direct control are emitted from our motor vehicles, building boilers and heaters, or from gas fired ovens and furnaces. This year we enhanced our processes to capture the data related to these emissions. We ensure our vehicles

are serviced to schedule to ensure the safety of our drivers and the public, and to maintain their fuel efficiency and emissions performance. Our driver inspection check-lists and mobile apps record additional checks to assist in the safe and efficient use of vehicles.

### Motor Vehicles

Our vehicle fleet utilises a range of vehicle types to safely, effectively, and efficiently meet our customer needs. Our vehicles include small city cars, large refrigerated vans, four-wheel drives operating in off road conditions and trucks. Where possible we standardise vehicles specification to ensure they are best matched to our requirements including safety and fuel consumption. We are committed to minimise our use of fossil fuels through vehicle selection, efficient vehicle operations and regular vehicle maintenance.

Greater than 85% of our global fleet is 5 years old or less. Maintaining a current fleet supports our drive to continuously

improve safety and environmental outcomes through the utilisation of vehicles with current safety and fuel technology.

### LPG and Natural Gas

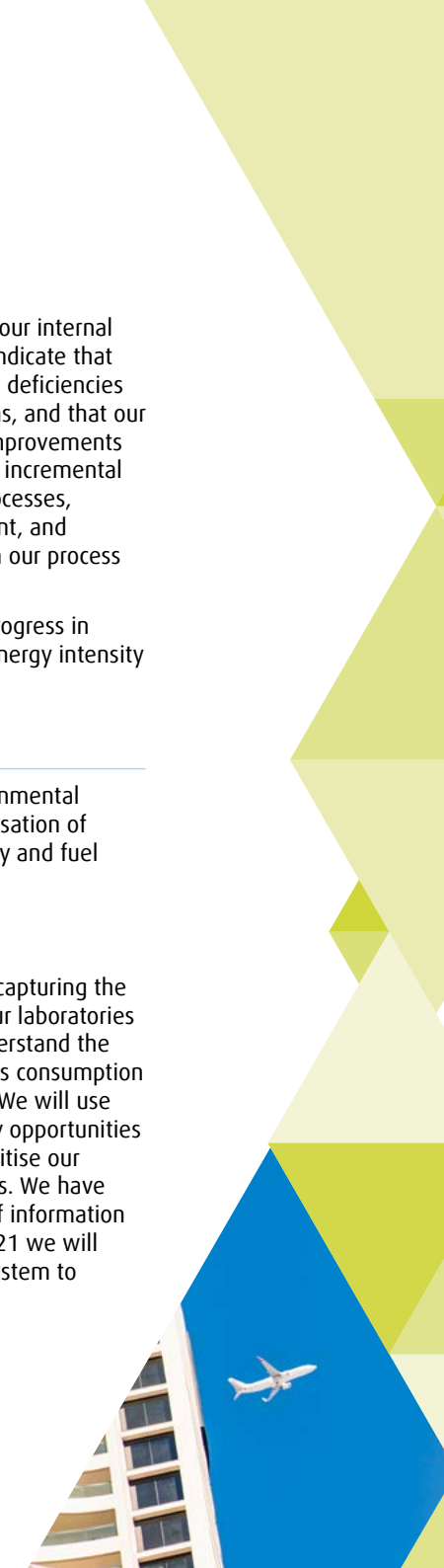
This year we commenced capturing the gas consumption across our laboratories to enable us to better understand the relative proportion that this consumption is of our total energy use. We will use this information to identify opportunities for improvement and prioritise our energy reduction initiatives. We have commenced the capture of information from 50 of our sites. In 2021 we will continue to develop our system to capture gas consumption.

Vehicle Fleet <sup>(1)</sup>	Number of Vehicles	Litres of fuel purchased	Kilometres travelled	Average l/100km
Australia (all business streams)	525	1,548,622	16,332,206	9.5
Life Sciences Europe and UK	241	1,039,809	13,850,599	7.5
Life Sciences Thailand	58	236,347	2,582,320	9.2
Americas (all business streams)	318	884,083 <sup>(2)</sup>	8,101,878	10.9

#### NOTES:

(1) The data represent >95% of our total fleet.

(2) Litres of fuel purchased for Americas calculated using actual distance traveled and published fuel consumption figures.





## Scope 2 emissions

Scope 2 emissions are the emissions released to the atmosphere from the indirect consumption of an energy commodity. For ALS, indirect emissions come from the use of electricity produced from our energy retailers.

The table below outlines the electricity consumed by each ALS Business Stream (measured in kW.h) along with CO<sub>2</sub> equivalents, calculated using the location-based method.

Business Stream	2019/20 (tCO <sub>2</sub> -e)	2019/20(kw.h)
Asset Care	1,271	1,731,815
Coal	5,581	6,479,200
Commodity Inspection	3,660	5,594,929
Geochemistry	16,641	32,072,940
Lifesciences Americas	12,868	30,749,560
Lifesciences APAC	11,570	15,049,521
Lifesciences EMEA	11,819	22,786,712
Metallurgy	3,236	4,303,686
Tribology	1,331	2,295,919
<b>Total</b>	<b>67,977</b>	<b>121,064,282</b>

*NOTE: Electricity data is not included for ALS operations on client sites, or entities where ALS is not the majority shareholder.*

## Scope 3 emissions

As part of our ongoing improvements to our GHG data tracking and reporting, during 2020 we commenced tracking additional categories defined as scope three emissions under the GHG Protocol. These included business travel and waste generated from operations. Data on these categories will be further collected throughout FY2021 and reported in next year's Sustainability Report.

### International Air Travel

This year we implemented a new process to capture information on the emissions attributed to employee air travel undertaken in our businesses. Data is now collected for international travel by all employees, all domestic travel for employees based in Australia and a portion of the domestic travel undertaken by employees based outside Australia. We estimate that we are now capturing greater than 70% of

air travel. Although this figure is not precise it does inform us of the relative proportion that air travel contributes to our CO<sub>2</sub> emissions. We will use this data in our next materiality assessment and in our communications with employees on opportunities for us to reduce our impact.

Air travel	tCO <sub>2</sub> -e
Domestic – Outside Australia	277
International Travel – Other than Australian-based	394
Domestic – Australian	570
International Travel – Australian-based	61
<b>TOTAL</b>	<b>1,302</b>

*NOTE: CO<sub>2</sub> emissions calculated from kilometres travelled using ICAO Carbon Emissions Calculator.*

**Life Sciences, Brisbane (Australia)** has now been producing electricity from their 99 kW solar electricity power system for more than one full year. The system has generated 110% of our forecast electricity since installation. Recognising the success of this project, this year we expanded this system to a total 220 kW system, and are evaluating opportunities at other sites to reduce our emissions through further installations of solar electricity systems.



*Environmental, Brisbane, solar panels*

**Life Sciences, Thailand** held “Energy Day” to create an understanding of the impacts of climate change through fun activities and to reinforce the importance of reducing energy use. A key message was that big things start from small things and that our goal of saving energy is in the hand of every employee in the ALS Thailand family.



*Life Sciences, Bangkok, celebrating Energy day*

**Led lighting program** building on the strong progress from previous years, we continued to progress retrofitting of LED lights across our sites this year. The two largest projects were Metallurgy, Perth (Australia) and Life Sciences, Thailand with an estimated combined saving of greater than 120,000 kW.h per annum.



*Life Sciences, Perth. LED lighting*

Outlined below for **Life Sciences, UK** are the calculated from energy saving measures resulting from new initiatives implemented in FY2020.

Site	Initiative
Hawarden	Fume Cupboard Optimisation 6-12% energy saving (6% claimed)
Coventry	Switch-over pump
Coventry	Incubator consolidation
Coventry	Building management system
Ely	Voltage optimisation
Group	Replaced microscope lights from mercury to LED
<b>Total est. reduction</b>	<b>276,000 kW.h</b>

**Geochemistry, Brisbane (Australia)** utilises thermogravimetric analysis (TGA), and X-ray fluorescence analysis to analyse geological samples for their clients. This year our Stafford laboratory reduced their electricity consumption by an estimated 55,000 kW.h per year with the installation of more energy efficient equipment for these methods. In both cases the new equipment has incorporated automation, electrical efficiency and thermal insulation to increase electrical efficiency. The equipment has reduced the risk of exposure of our people to burns and generates significantly lower radiant heat, reducing the load on air-conditioning systems.



*Geochemistry, Brisbane. Automated fusion furnaces*





## Waste Reduction



ALS is committed to minimising our environmental footprint. To support this goal, wastes are recycled or disposed of in an environmentally responsible manner in adherence to relevant legislation. Where possible, we reuse containers and packaging or alternatively, segregate waste into appropriate waste streams to maximise recycling of materials.

## Plastics

With a relatively small plastic waste stream at each site, our ability to direct waste to a dedicated processor is largely dependent on local or regional programs and infrastructure. We continue to seek out opportunities at a corporate and local level to reduce our plastic waste by reducing plastic used in

sample containers and other laboratory consumables.

Outlined on pages 37-38 are some good news stories where local laboratories have successfully implemented plastic reduction or recycling programs.



**Perth, Tribology Lab** has initiated two new custom automation systems for diluting samples for analysis through the facility. Each sample tested through the new system saves 1-2 plastic pipette tips. The new automation has been in production since November 2019 and has saved approximately 40,000 tips a month, resulting in the removal of approximately 450 kilograms of plastic per year. The project has also had ergonomic improvements to our staff as the automation has eliminated 60,000 aliquots monthly, significantly lowering risk of RSI related injuries.



*Tribology, Perth. Automated titration system*

Over the last year many local ALS personnel have risen to the challenge and implemented improvements to their resource use. Examples include:

- **Burnie, Australia** now send their used poly weave bags to a local waste reprocessor.
- **Springvale, Australia** sourced a supplier to take their soft plastics (pallet wrapping, plastic bags and bubble wrap).
- **Stafford, Australia** identified that plastic caps supplied with tubes were not being used and being discarded to waste. They negotiated with the supplier to remove the lids from the supply chain.



Rodrigo Garcia, Environmental, Stafford, Australia.



Environmental, Coventry. Plastic segregated for recycling

**Coventry, UK, Environmental laboratory** improved the segregation of their plastic streams diverting 14 tonnes (approximately 30%) of plastic from a commingled waste stream to dedicated streams by plastic type. Two employees, Leah Collett and Malgorzata Gozdur, initiated a plastics recycling campaign. Introducing two new plastic waste streams, one for clear plastic consumables (e.g. petri dishes and test tubes) and another for opaque plastic consumables (e.g. pipette tips, pots and containers). In June, a newly purchased bailer became operational which facilitated greater recycling capacity. Additionally, the site now recycles the lids from some bottles which were not previously recycled due to the presence of a rubber seal. Simple yet ingenious ideas, like removing the rubber seal (of course making sure our sample bottles are still secure and fit for purpose) means that we are now able to recycle even more of our plastic waste. Every ALS employee is aware of their part to play in reducing the amount of waste we generate and send to landfill or incineration.

**Lima, Peru, Environmental** has implemented several projects to reduce waste, improve safety and improve operational efficiency. One of these, the sample miniaturisation project, involved purchase of new equipment, validation of new methods and the subsequent wait on local accreditation bodies to approve methods.

Due to the significant growth in sample numbers achieved over this period the average weight of full bottles was assessed as the fairest comparison to estimate the improvement. Pleasingly, the sample weight of the average bottle reduced from 348 g to 247 g – a reduction of 29% in sample weights. This equates to a reduction of 60,000 to 90,000 kg of sample annually that ALS Peru samplers no longer carry, ship, and handle.

Additional benefits include a significant reduction in glass and plastic use estimated to be similar at around 29%.



Environment, Lima sample bottles before miniaturisation



Environment, Lima sample bottles after miniaturisation

**Stockholm, Sweden, Environmental** developed a method, for identification of the number of particles of microplastics in a water sample.

Microplastics are small pieces of plastic, between 1 µm and 5 mm (0.2 inch), which occur in the environment as a consequence of plastic pollution. Microplastics originate from a variety of products, from cosmetics to synthetic clothing to plastic bags and bottles. Microlitter such as fibres and particles of rubber and plastic has been found in marine samples from all over the world. Microplastic pollution is a global problem and considered a threat to marine ecosystems and human health. Plastic particles can contain organic additives such as phthalates and chloroparaffines but they also have the potential to uptake and release of persistent organic pollutants (POPs).

The scientific community, as well as authorities, is also interested in identification of polymer types, not only in water but also in solid samples, biota and food. To meet these demands, the laboratory introduced an additional method which includes internationally renowned separation techniques for sludge, sediment and soil; as well as methods for biota, fish and mussels and food and beverages.



## Operational Environmental Performance



We locate, design, construct and fit out our facilities in compliance with recognised laboratory and building standards to minimise the risk of impact of our operations on our neighbours and the local environment. Our management systems require that

our operations comply with relevant legislation, that environmental risks are closely monitored, and that effective controls are in place and operational so as to minimise any emissions and waste streams. This is confirmed by our managers utilising ALS's routine

compliance sign-off process. In FY2020 there were no prosecutions of any ALS entity in relation to a breach of environmental regulations, or any reported significant spills or incidents of environmental harm.

## Biodiversity

This year we completed a risk assessment of sites in high-risk biodiversity locations. We found no significant direct or indirect impacts on areas of high biodiversity value. According to IUCN, direct impacts on key biodiversity area are minimal on modified habitats and higher in protected areas. All assessed ALS sites are located in an industrial area or

business district such that ALS does not exert direct impacts on the surrounding biodiversity that could cause direct loss of species population or their habitat. In particular, there is no direct impact on biodiversity exerted by ALS in relation to construction, pollution, introduction of invasive species, reduction of species, habitat conversion or changes in ecological processes.

## Water Conservation



We recognise that water scarcity is impacting many of the regions that we operate in. Our HSE Foundation Standard requires our sites to monitor and control their impacts. We strive to minimise the use of natural resources across our operations, including water.



Sao Paulo in Brazil is listed as having high overall water risk in the World Resources Institute water risk atlas. **Life Sciences Sao Paulo** use purified water in their processes, with ecotoxicology and washing consuming the largest proportion. In FY2020, they installed a new water purification system which reduced the proportion of waste water generated in the process by 40%.



*Life Sciences, Sao Paulo. Water purification system*



# Society

We recognise that our long-term sustainable growth will be supported by creating shared value with partners within the communities in which we operate. We are proud of the positive contribution that ALS's testing and inspection services provide to society.

Beyond the benefit created by our services, we contribute economically to local communities through the creation of employment opportunity, and use of local contractors and suppliers. We also create shared value through the payment of taxes across countries in which we operate.







# Local Investment



## Charitable Donations

We recognise that we have a responsibility to make a positive contribution to improve the quality of life for people in the communities in which we conduct our business and around the world.

Our Donations and Sponsorships Policy defines the causes we look to support and the approval process for the donations and sponsorships we provide.

We focus our donations and sponsorships on a selected number of causes where our contributions can have a measurable impact and

make a difference. We only donate to or support reputable charitable organisations whose values align with ours and where the programmes of the organisation have a direct impact on its beneficiaries. Our donations are aimed at organisations that:

- support disadvantaged children;
- provide a community service that supports health and wellbeing;
- support individuals with a disability;
- focus on breaking the cycle of poverty;

- deliver emergency aid such as food, antibiotics or vaccines;
- focus on longer-term rebuilding efforts where local resources have been overwhelmed by natural disasters, such as earthquakes or other unforeseen incidents; or
- conserve and sustain natural environments.

Our sponsorships are directed towards initiatives that support science education and initiatives to create interest and awareness in and inspire individuals to the opportunities that

exist within science. Sponsorships may relate to education programmes or projects, or the provision of scholarships or awards.

This year we made corporate donations to support:

- 'The Center for Pursuit' (Houston);
- YoungCare (Australia); and
- Foundation for Rural and Regional Renewal (Australia).

## ALS Cares

One way that we fulfil our responsibility to make a positive contribution to improve the quality of life for people in the communities in which we operate is by forming meaningful long-term relationships with charitable organisations who share our values and who further the causes we believe in through our ALS Cares Workplace Giving Program. Under this program, we form relationships with charitable organisations who receive no (or

limited) government funding and whose efforts have a profound, direct and measurable impact on the lives of others. We seek to foster a culture of giving and want our employees to be able to share in these partnerships with us. Our ALS Cares Workplace Giving Program is the way we encourage and facilitate this. The program provides our employees with the opportunity to support the charities we have partnered with through payroll deductions, with

the company matching employee donations dollar-for-dollar. Our ALS Cares Workplace Giving Program makes it possible for employees to support causes they have an affinity with to receive increased donations, and for us to work together with our employees to make a difference.

This year we implemented the ALS Cares Workplace Giving Program in Australia by partnering with YoungCare, a not-for-profit organisation that aims

to make a positive change to the lives of those with high care needs. Next year we are looking forward to forming additional partnerships with charities in other regions and expanding the reach of our ALS Cares Workplace Giving Program.



## Local Charity Programs

In addition to the partnerships we form through the ALS Cares Workplace Giving Program, our businesses and many of our employees contribute their time to other local charitable organisations that are important to them.



*Pedro Goicoechea, Life Sciences Operational Manager, Food & Agro Brazil*

**ALS Brazil** has supported NGO food bank for many years through the non-analysed food donation program. Beyond the distribution of donated foods to over 40 institutions, supporting 20,000 people at social risk, NGO total food use program is targeted to improve nutritional quality through education and preventive actions in partnership with the institutions that cook and distribute food directly to the community.

This year ALS developed a program with the NGO food nutritionist that supports the NGO internship program for undergraduate university students studying nutrition. The internship includes field work where the students provide support to the institutions who cook and distribute the food. ALS assists in training students by sharing

more deep and practical knowledge in the food safety area through our food microbiology sector including theoretical and practical microbiology in our laboratory. An ALS representative also confirms the efficacy of the training by visiting the institution with the NGO nutritionist.

*"In addition to the monthly donation of food by ALS, we want to actively participate in the training carried out in the institutions served by bringing the knowledge of our team of professionals in the area of food safety and contributing concretely to the improvement of the health of the people served." – Pedro Goicoechea.*



*ALS Arabia, Signing collaboration agreement*

**ALS Arabia** has signed a collaboration agreement to support Eta'am which offers free-of-charge analyses for the meals delivered by Eta'am (Saudi Food Bank). Through this collaboration, ALS Arabia highlights the importance of food safety in the Kingdom.



*Life Sciences, Zoppola. Sorting Christmas donations.*

**Life Sciences, Zoppola** supported a charitable association called Solidarity Emporium. Employees donated part of their home shopping for the families in need and delivered over 16 packages to the solidarity store in time for distribution before Christmas.

## Cancer charities support across multiple locations and business streams

**Asset Care, Australia**, supported Breast Cancer Awareness month across a number of sites.

**Life Sciences, Chatteris** held a 'Wear It Pink' charity day for breast cancer awareness. They raised money through the sale and raffling of donated baked goods and people paying to 'Wear It Pink'.

**Life Sciences Ely, Mirfield, and Rotherham** all supported MacMillan Worlds Biggest Coffee Morning.

**Life Sciences, Scoresby** supported Australia's Biggest Morning Tea for Cancer Council.

**Life Science, Singapore** supported 'Pink Ribbon Walk', Breast Cancer Foundation (BCF)'s flagship annual community event. Breast cancer is the No. 1 cancer for women in Singapore and accounts for almost 1 in 3 cancers diagnosed. ALS sponsored 52 team members for the 5 km run, who ran and walked together in solidarity.



*Pink Ribbon Walk, Singapore*

## Australian Bushfires January 2020

**Asset Care, Cameron Park**, Saeed Ali put his holidays on hold to assist with the inspection of a communications tower near Batemans Bay, which had been affected by bushfires in the area. There were concerns that the base of the tower had been damaged.

The tower is essential for communication services for a telecommunications company, a national media broadcasting organisation, and various emergency services in the area, which were still under the threat of bushfire. The inspection required substantial planning and support from the Rural Fire Service and State Emergency Services to clear a path to the tower and ensure the safety of all involved. Fortunately, the tower was found to be structurally sound. It was great to see ALS supporting the bushfire crisis by ensuring that critical infrastructure can remain in operation.

**Life Sciences, Scoresby**, Andrew Lamb is a volunteer firefighter and was deployed for five days with a team to Gippsland during severe bushfires. Their task was to protect assets including homes and vital communication towers. During that time, they were working with little-to-no sleep and working for up to 18 hours a day doing their best to save homes and farm land. No matter how devastating the situation was, the

local people tried to stay positive and were very thankful to the firefighters. Andrew said: *"This is an experience that I'll never forget and couldn't ask for a better crew. We always had each other's back no matter the danger or situation we put ourselves in. Even though I'm just a volunteer, there is nothing more rewarding than helping and protecting those who need it most in a time of disaster."*

**Life Sciences, Springvale** donated out-of-date first aid supplies to local wildlife carers and shelters assisting our native animals after the bushfires. While these supplies are no longer suitable for human use, they are very useful for the native animals.



*Batemans Bay communications tower*



*Fire impacted land in Gippsland, Australia*



# Supporting Science



We employ people who are passionate about science and the benefits that the application of technology provides society. This year our people continued to encourage students in scientific careers by giving up their time inside and outside of work hours, to discuss careers

and demonstrate to students how we apply science and technology in our laboratories.

We actively seek and participate in partnerships with educational institutions, industry associations and other organisations across the regions in which we operate, in order to advance the application of technology in society.

This year we continued our long tradition of supporting and partnering with

schools to provide work experience to students as they contemplate a career in science, and to partner with universities to provide their students opportunities for experience in the practical application of their studies. Examples of this support include:

- 47 Co-Op students in Canada;
- 30 students and 4 internships in South Africa; and

- Continuing our commitment to University of Queensland student awards:

- ALS Limited Prize (UQ Business School);
- ALS Prize for Geochemistry (School of Earth and Environmental Sciences);
- ALS Prize for Chemistry (School of Chemistry and Molecular Biosciences).

**Life Sciences, Hawarden** hosted an Environmental Protection UK (EPUK) seminar which included speakers and delegates from industry and local authorities. EPUK is a national charity that provides expert policy analysis and information on air quality, land quality and noise and their effects on people and communities in terms of a wide range of issues including public health, planning, transport, energy and climate.



*Life Sciences, Hawarden. EPUK seminar.*

**Life Sciences, Thailand** specialists gave a lecture on how to establish an ISO/IEC 17025: 2017 system, at the Department of Industrial Works, as a recognised leader in quality testing. Also, in collaboration with Tree Chemical Company and Patar Lab, the Thailand laboratory donated pure water production systems to the Faculty of Pharmaceutical Sciences of the Hua Chiew Chalermprakiet University to assist in research.



*Life Sciences, Thailand. ISO/IEC 17025 lecture.*

**Asset Care, Australia** supports the development of engineers working in the field of asset management through training in the asset integrity disciplines that form our core expertise.

Education in the basics of materials engineering, non-destructive testing and

condition monitoring, are provided hand in hand with major industries. Through these connections, we embed practical knowledge into engineers to help them safely and effectively manage the many major production facilities they work in and oversee.



*Asset Care, Riverview. Technology day presentation.*





## Employment Creation



We support economic growth across the regions in which we operate through the direct employment of over 15,000 people. This year we have employed more than 1,000 additional employees. In FY2020 we have paid \$909 m in wages to our employees, contributing to local economies.

As we have grown organically and through acquisitions and greenfield laboratory start-ups, we have maintained a policy of promoting from within. Our priority is also to employ people including managers, from the area local to which we operate. We are proud of our history of creating opportunities for people to learn and advance their careers.

**Life Sciences, Vancouver, Canada** provided an in-depth laboratory tour and overview of analysis to students of the Environmental Monitoring Centre for Northern Innovation in Mining from Yukon College. This educational program collaborates with industry and the community to build local capacity and to help graduates obtain skills and employment in this northern, remote area of Canada. ALS is proud to partner and support them in their learning and experience.



*Life Sciences, Vancouver. Student tour.*

**Geochemistry, Peru** continued to support local science education this year. The Lima laboratory has been visited by a group of final year Geology students. During a laboratory tour, staff answered students' questions and have shown them potential career opportunities. As none of the students had visited a geochemistry laboratory before, this was a valuable learning experience to support their academic knowledge. The Cajamarca laboratory also received students from their local University, provided a laboratory tour, and facilitated a discussion on the laboratory work opportunities related to the students' career.



*Geochemistry, Lima. Student tour.*

**Life Science, Everett, Canada** have been supporting a local high school group for the past three years. The laboratory has provided analytical laboratory support to the students who are working to enhance salmon habitat in local creeks, streams and marshes. ALS involvement includes city financed laboratory services for a variety of organic and inorganic tests in water and sediment samples. The students and their club advisor visit ALS for an annual laboratory tour. The students collect field parameter data and together with



*Life Sciences, Everett, Student tour.*

the laboratory data they present reports to the city to help drive local policy and operations decisions regarding the environment.

According to their club advisor: *"ALS has been a great partner to work with over the years. With their support, students have developed an understanding of analytical techniques for detecting pollutants in streams and wetlands. With this and their participation in field work and data analysis, students will be better prepared for future careers in science and understanding our environment."*



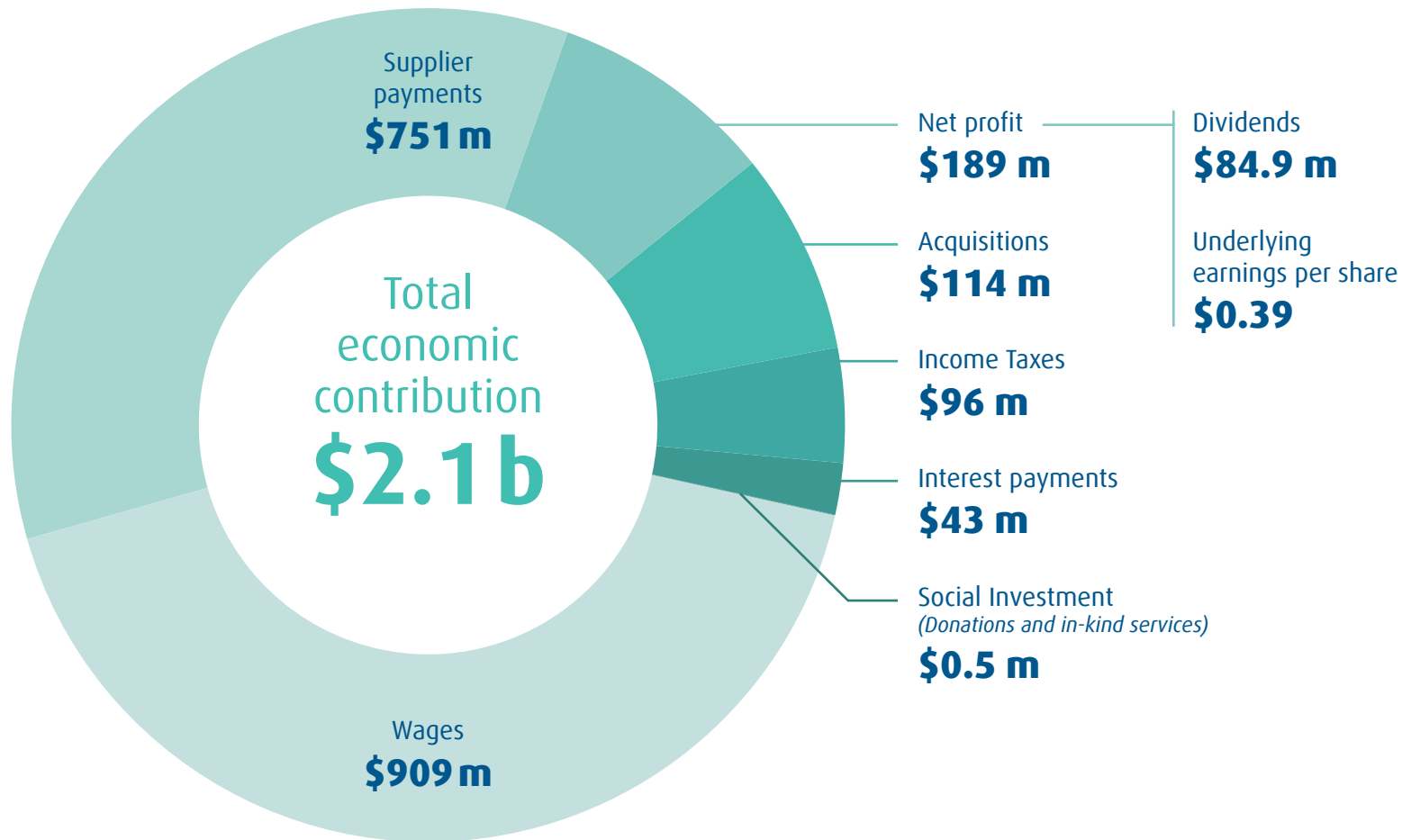
# Economic Contributions



We are proud of our contribution to communities across all the 65+ countries we operate. We create shared value through the payment of employee wages,

purchase of materials and services from suppliers, and payment of taxes to government. We pay taxes due pursuant to the applicable jurisdictions in which

we operate. The largest component of the \$2.1 b economic contribution in FY2020 was through the \$909 m we paid in wages and \$751 m made in supplier payments.





# Governance

We are committed to achieving a high standard of corporate governance, transparency and accountability, and see this as fundamental to our growth and long-term sustainability. Our governance framework guides and supports our business operations and activities and provides clear guidance as to responsibility and accountability for maintaining and improving our sustainability across the company.

Our governance framework is regularly evaluated and updated to reflect existing and emerging corporate governance practices, and market and regulatory expectations. Policies fundamental to our framework are reviewed at least bi-annually by our Board, with the majority of these policies reviewed annually. The policies and practices that have been developed and implemented meet or exceed the principles and recommendations set out in the 3rd Edition of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations.

During the year, we matured our governance framework through:

- » Further developing our 'Mergers & Acquisitions' (M&A) program with the formal establishment of an M&A Committee; the development of a dedicated M&A Portal; and the continued evaluation of our existing M&A processes to enhance our pre- and post-acquisition processes.
- » Undertaking a formal self-assurance process to assess the implementation of mandatory controls relating to accounts payable and banking processes for all active entities in the ALS Group.
- » The creation of an Information Technology Governance Portal and formalisation of guidelines for deploying, managing and safeguarding our information technology systems.
- » Reviewing and updating the Board Charter Summary to preparation for meeting the updated Fourth Edition of the ASX Corporate Governance Council's Corporate Governance. Updates included enhancements to the purpose and role of the Board in such matters as:
  - demonstrating leadership;
  - approving the purpose of ALS;
  - approving the code of conduct and values to underpin the desired culture within ALS;
  - overseeing the integrity of the ALS accounting and corporate reporting systems including the external audit;

- satisfying itself that ALS has in place an appropriate risk management framework (for both financial and non-financial risks) and setting the risk appetite which the Board expects management to operate in preparation for meeting the updated 4th Edition of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations.

For more information about our governance, please refer to 2020 Corporate Governance Statement (<https://www.alsglobal.com/en/myals/investors/corporate-governance>).

## Our Board

Our skilled, experienced and diverse Board of eight directors provides strong leadership. With the exception of the Managing Director, our Board is independent of management influence. The Board operates under a formal charter and annually reviews its performance. Further information as to

the Board's purpose and role, powers, specific responsibilities and operation can be found in its Board Charter Summary.

The Board is assisted in the discharge of its responsibilities through four standing sub-committees.

Following on from the appointment of Dr. Siddhartha Kadia to the Board in January 2019, the diversity, depth and breath of our Board was further strengthened by the appointment of Leslie Desjardins as an independent Non-Executive Director in November 2019. Ms Desjardins' extensive financial expertise and

international experience in Chief Finance Officer and Non-Executive Director roles with large multinational businesses were acknowledged as complementary to the Board. Ms Desjardins also serves as a member of the Audit and Risk Committee.

### Directors of ALS Limited

**Bruce Phillips**  
- BSc (Hons) (Geology), Chairman and Independent Non-Executive Director, Member of the People Committee.

**Raj Naran**  
- BSc (Chemistry), BA (Mathematics), Managing Director and Chief Executive Officer.

**Mel Bridges**  
- BAppSci, PhD, FAICD, Independent Non-Executive Director, Member of the Audit and Risk and Sustainability and Innovation Committees. (Retired July 2019)

**Charlie Sartain**  
- BEng (Hons) (Mining), FAusIMM, FTSE, Independent Non-Executive Director Chairman of the Sustainability and Innovation Committee, Member of the Audit and Risk Committee.

**Grant Murdoch**  
- MCom (Hons), Independent Non-Executive Director, Chairman of the Audit and Risk Committee.

**John Mulcahy**  
- PhD, BE (Civil Eng.) (Hons), FIE AUST, Independent Non-Executive Director, Member of the People Committee.

**Tonianne Dwyer**  
- B Juris (Hons), LLB (Hons), GAICD, Independent Non-Executive Director, Chair of the People Committee and Member of Sustainability and Innovation Committee.

**Siddhartha Kadia** - PhD, MS (Biomed. Eng.) BE (El.&Telecom), Independent Non-Executive Director, Member of Sustainability and Innovation Committee.

**Leslie Desjardins**  
- B. Ind. Adm (Fin), MS Mgnt (MIT), Independent Non-Executive Director, Member of the Audit and Risk Committee.



## Governance Framework

Board Committees					
Sustainability & Innovation Committee		Audit & Risk Committee		People Committee	Nominations Committee
Chair: Charlie Sartain		Chair: Grant Murdoch		Chair: Tonia Dwyer	Chair: Bruce Phillips
Assists the Board in the effective discharge of the Board's oversight of strategies, standards, processes and practices intended to effectively manage health, safety, environmental, innovation and technology, community, governance and social performance risks.  Provides advice to assist Management in achieving sustainability targets and performance improvements.		Assists the Board as to the ALS Group discharging its responsibilities to exercise due care, diligence and skill in relation to: <ul style="list-style-type: none"> <li>- the reporting of financial information;</li> <li>- application of accounting policies;</li> <li>- financial management;</li> <li>- internal control systems;</li> <li>- risk management systems;</li> <li>- business policies and practices;</li> <li>- protection of assets;</li> <li>- compliance with relevant laws, regulations, standards and best practice guidelines.</li> </ul>		Assists the Board with the oversight and development of the people management strategy, including: <ul style="list-style-type: none"> <li>- remuneration strategies;</li> <li>- talent attraction, development and retention practices;</li> <li>- succession practices;</li> <li>- fostering a high-performance culture and ethical corporate culture.</li> </ul>	Identifies individuals qualified to become Board members.  Recommends individuals to the Board for nomination as members of the Board and its committees.  Ensures: <ul style="list-style-type: none"> <li>- performance of Board members is reviewed;</li> <li>- appropriate Board and Committee structure.</li> </ul>
<b>Policies &amp; Standards</b>		<ul style="list-style-type: none"> <li>• Audit &amp; Risk Committee Charter</li> <li>• Board Charter Summary</li> <li>• Code of Conduct</li> <li>• Continuous Disclosure Policy</li> <li>• Diversity &amp; Inclusion Policy</li> </ul>	<ul style="list-style-type: none"> <li>• People Committee Charter</li> <li>• Risk Management Policy</li> <li>• Securities Trading Policy</li> <li>• Sustainability and Innovation Committee Charter</li> </ul>	<ul style="list-style-type: none"> <li>• Health &amp; Safety Policy</li> <li>• Environmental Policy</li> <li>• Donations &amp; Sponsorships Policy</li> <li>• Cash Management Policy</li> <li>• Tax Risk Management Policy</li> </ul>	<ul style="list-style-type: none"> <li>• Human Rights Policy</li> <li>• Financial Risk Management Policy</li> <li>• Risk Appetite &amp; Tolerance Policy</li> <li>• Anti-Bribery &amp; Anti-Corruption Policy</li> <li>• Privacy Policy</li> </ul>
<b>Performance Standards</b>		<b>HSE Foundation Standard</b>		<b>Risk Management Framework</b>	
<b>Process Standards</b>		<b>Local management procedures and practices</b>			
Management team					
<b>Raj Naran</b> CEO & MD	<b>David Handal</b> Chief Information Officer	<b>Tim Kilmister</b> General Manager, Life Sciences, APAC	<b>Jim Klippel</b> General Manager, Life Sciences, USA	<b>Bruce McDonald</b> Executive Vice President, Geochemistry	<b>Hamid Sheriff</b> General Manager, Metallurgy
<b>Luis Damaceno</b> Chief Financial Officer	<b>Michael Burcham</b> Chief Risk Officer	<b>Andreas Jonsson</b> General Manager, Life Sciences, EMEA	<b>Geoff Anderson</b> General Manager, Life Sciences, Canada	<b>Kristen Walsh</b> Group General Manager, Industrial	<b>Chris Walker</b> General Manager, Inspection
<b>Susan Putters</b> Chief Human Resources Officer	<b>Michael Pearson</b> Company Secretary & Group General Counsel	<b>Paul Loewy</b> General Manager, Life Sciences, North America	<b>Malcolm Deane</b> General Manager, Life Sciences, Latin America	<b>Adrian Reifenstein</b> General Manager, Coal	

# Honesty and Integrity



## Code of Conduct

'Honesty and Integrity' is one of our core values because the way we conduct our business is important to us. Promoting the seamless integration of our core value of 'Honesty and Integrity' into every decision we make and everything we do assists in safeguarding our reputation as a successful global company and to us being the 'Right Solutions • Right Partner'. Providing our employees with the tools necessary to enable them to know, live and uphold our core value of 'Honesty and Integrity' is something that we are committed to.

Fundamental to enabling our employees to uphold our core value of 'Honesty and Integrity' is our Code of Conduct. Our Code clearly demonstrates our commitment to conducting our business ethically, honestly and fairly, and assists our employees in understanding what they should expect from each other and of themselves. Our Code provides guidance on a broad range of topics to enable our employees to apply sound judgement and make the right decision in any situation. We require every employee to share our commitment to

ethical business conduct, and for our managers and supervisors to embed our core values and actively reinforce expected standards of behaviour each and every day.

Our online 'ALS Global Induction' and 'Code of Conduct' training courses supplement our Code and strengthen our desired culture. These courses are incorporated into our Employee Onboarding Program to ensure every employee understands the values that drive our organisation and the standards of behaviour expected of them from

the outset. Given the diversity of our workforce, our Code of Conduct course is offered in 15 languages – Chinese, Czech, Danish, English, French, Indonesian, Italian, Malay, Polish, Portuguese, Russian, Spanish, Swedish, Thai and Turkish. Employees are required to undertake these courses as part of the Employee Onboarding Program within 7 days of first joining us.

During the year we reviewed and updated our Code of Conduct, 'ALS Global Induction' and 'Code of Conduct' training courses.

ALS Code of Conduct includes guidance on:

-  Bribery and corruption.
-  Bidding and contract negotiations.
-  Fair marketing.
-  Conflicts of interest and related parties.
-  Health and safety, and protection of the environment.
-  Human rights.
-  Company information and confidentiality.
-  Data protection and privacy.
-  Interactions with government officials, suppliers and business partners.

# Anti-Bribery and Anti-Corruption



## Anti-Bribery and Anti-Corruption Program

Our Anti-Bribery and Anti-Corruption Program educates our employees as to the significant risk that bribery and corruption presents to our sustainability. Our program ensures our employees are equipped with the knowledge they need to be diligent in their efforts to address bribery and corruption risks so as to maintain our core value of 'Honesty and Integrity'.

Our Anti-Bribery and Anti-Corruption Policy, Guidelines for the Prevention of Bribery and Corruption, and our online Bribery and Corruption Awareness

training course (targeted at managers and supervisors), provide our employees with guidance on preventing, detecting and managing bribery and corruption risks. Guidance as to gifts and entertainment, facilitation payments, political contributions, donations and sponsorships; engaging third parties; maintaining proper books and records; communication and training; and reporting instances of bribery and corruption are provided to facilitate ethical and responsible decision-making. Our Business Partner Due Diligence Process seeks to ensure that we only

form business relationships with third parties who share our commitment to conducting business honestly, with integrity, and in compliance with the law. Our strict zero tolerance approach to bribery and corruption in all forms, and our prohibition on making facilitation payments, permeates throughout every component of our Anti-Bribery and Anti-Corruption Program.

During the year, the completion of forensic data analytics performed on selected ALS entities continued to form a part of our Anti-Bribery and Anti-Corruption Program.\*

Successful online training completions during the year

**4,350**

Code of Conduct

**4,365**

ALS Global Induction

**793**

Bribery & Corruption Awareness

**319**

Whistleblower policy

## Business Resilience Workshops

Our Business Resilience Workshops, designed to facilitate discussion amongst employees around recognising and resolving situations that may challenge adhering to our core values, reinforce our commitment to fostering a culture of honesty and integrity. The workshops provide a forum to emphasise our culture of speaking up and seeking guidance and support, if required. We began rolling out these workshops in FY19 and will continue the rollout of

these workshops during FY21. Workshop scenarios discuss bribery, facilitation payments, gifts and entertainment, company information and confidentiality, working with business partners, third party due diligence, maintaining proper books and records, related parties and reporting suspected illegal or unethical conduct or practices.

\* An itemised listing of corruption incidents (breaches of Code of Conduct) can be found in the Governance Section of the Statistics table on page 56.

## Whistleblower Program

We encourage our employees to report suspected illegal or unethical conduct or practices. We recognise however that it is not always easy for our employees to speak up where our core values are not being upheld, or expected standards of behaviour are not being adhered to. Part of fostering an open and honest culture where integrity is upheld, is providing our employees with the channels to report suspected illegal or unethical conduct or practices safely and without fear of any form of retaliation.

Our 'ALS Integrity + Compliance Helpline', a reporting helpline provided by an independent external third party where reports can be made in confidence and anonymously, is one such channel. Our 'ALS Integrity + Compliance Helpline' poster provides our employees with the details of the various ways in which they can contact the helpline. We require every one of our sites globally to display our 'ALS Integrity +

Compliance Helpline' poster on the site's employee noticeboard. Our 'ALS Integrity + Compliance Helpline' also provides a channel for employees to seek guidance on company policy or expected standards of behaviour.

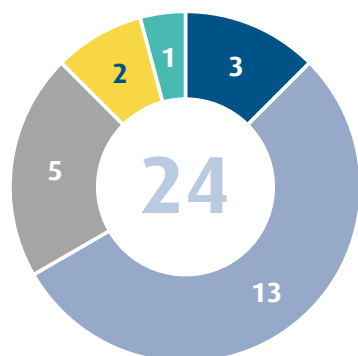
Our Whistleblower Policy provides additional information on reporting channels and reinforces our commitment to encourage, support and protect those who report. During the year, our Whistleblower Policy was reviewed and updated given new requirements for whistleblower policies for Australian public companies. Additionally, during the year we developed an online Whistleblower Policy training course delivered through our ALStar training platform for site managers and senior supervisors to ensure those who report under our Whistleblower Program are appropriately supported and protected, with their identity protected. All reports made under our Whistleblower Program

are reviewed and assessed by our Chief Risk Officer for investigation as appropriate. Where allegations were substantiated, appropriate action to remedy the situation and prevent a reoccurrence are taken. During the year, disciplinary action, including termination of employment, was justified in some instances and took place.

Annually, the Board Audit and Risk Committee receives a report on a 'no names' and de-identified basis summarising reports received under our Whistleblower Program. During the year, 24 submissions were made to the 'ALS Integrity + Compliance Helpline', with one submission being a request for advice on company's policy. An impartial investigation was undertaken in relation to 20 of the submissions made. On occasion, a submission to the helpline can cover more than one matter, with the concerns being reported varying in terms of type and seriousness. In some

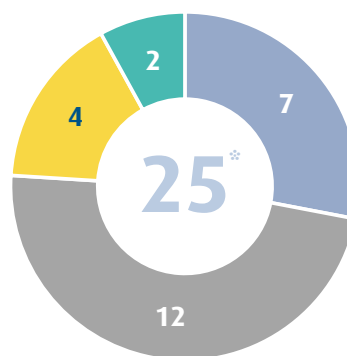


instances, an investigation was unable to be undertaken due to insufficient information being provided to support a course of action. At the end of the year, 24 submissions in relation to suspected illegal or unethical conduct or practices had been closed as unsubstantiated.



Submissions by region

- Australia, Pacific and Asia
- Europe, Middle East and Africa
- Latin America
- North America
- Unable to be determined



Submissions by category

- Accounting, auditing and financial reporting
- Business integrity
- Human Resources, diversity and workplace respect
- Environment, health and safety
- Misuse, misappropriation of corporate assets

\* one submission might cover multiple matters and the types of issues being reported vary in terms of the seriousness of the allegation.

## Enterprise Risk Management



Risks are inherent in any business and can present as both threats and opportunities to the sustainability of an organisation. The identification and effective management of financial and non-financial risks is a continual focus for us. By focusing on the identification of these risks, we are able to develop and implement strategies to minimise the adverse impacts, or maximise the possible benefits, that these risks have on our strategic priorities and objectives.

Our risk management framework aligns with ISO 31000:2018 - Risk Management Guidelines.

Our framework enhances our sustainability by providing guidance as to a consistent and comprehensive approach to identifying and managing risks. Our Audit and Risk Committee assists the Board with discharging the ALS Group responsibility to exercise due care, diligence and skill in relation to risk management and internal control systems. Our Compliance and Risk function is responsible for the design of our risk management framework and for supporting the implementation of the framework across the organisation.

### Our Material Business Risks

Each year we conduct an assessment to validate previously identified enterprise-wide business risks and to confirm emerging risks which may have a potential material impact. We categorise each risk as either external, strategic, financial or operational. The strategies that we have developed and implemented throughout the year to manage a number of our material business risks – climate change (p. 30), talent development and retention (p. 27), innovation (p. 11), health and safety (p. 18), environmental impact (p. 29), and regulatory compliance (p. 53) – are

captured throughout this report. Our assessment conducted during the year confirmed our enterprise-wide business risks remain generally consistent with that identified in the previous year.

In addition, during the year we increased our efforts to detect, protect and respond to the ever-increasing number and changing nature of cybersecurity threats. These included attack and penetration testing of IT network, revision of crisis management procedures and disaster response plans, as well as continued delivery of mandatory cybersecurity awareness training.

## Regulatory Compliance



Ensuring regulatory compliance was also a priority during the year. To further assure this, we:

- established a global Privacy Working Group to consider matters relating to the protection and security of the personal information that we collect and process and our compliance with regulatory privacy and data protection obligations.
- raised awareness as to privacy compliance through the delivery of targeted training to those across the organisation who handle personal information.
- continued the requirement for all relevant managers to provide a sign-off

declaration to confirm their awareness and understanding of the compliance obligations that we are subject to, including those relating to health and safety, environmental protection, bribery and corruption, anti-competitive behaviour, trade and economic sanctions, human rights, industrial and employee relations, corporate and financial management (including taxation), privacy and data security, intellectual property, and compliance with the ASX listing rules.

- continued the delivery of targeted online training through our ALStar training platform to raise awareness and understanding of compliance obligations.

### Enhancing Internal Controls with Oracle

#### One ALS: Oracle Implementation.

The implementation of Oracle aligns with our strategic goals and the corner stones of our vision, OneALS and the ALS Experience.

This global transformation project involves the implementation of Oracle Cloud modules for Enterprise Resource Planning (ERP), Enterprise Performance Management (EPM) and Human Capital Management (HCM). Through cutting-edge software and best practice processes, this project will allow ALS to achieve operational excellence, improve productivity and exceed the expectations of our customers.

This means the consolidation of multiple HR & Finance systems into a single, global system. The implementation of Oracle covers the following:

- Financials: Revenue & cost management, reporting, accounts receivable, payables, cash management, fixed assets, consolidations, planning and budgeting.
- Purchasing.
- Inventory.
- Projects: Customer related and internal.
- HR: Recruiting, onboarding, off-boarding, learning, compensation, goals & performance.

*“The implementation of Oracle marks a significant milestone in our journey towards our Everest. It will enable us to improve and streamline our financial, HR, and supply chain management processes, thus enhancing the ALS Experience for our dedicated employees and clients.”* – David Handal, Chief Information Officer.

# Financial Performance



We are committed to creating sustained economic performance for our partners and shareholders through the execution of our strategic plan and effective fiscal management while meeting our corporate social responsibilities.

In FY2020, ALS's objectives were to continue to grow organically and remain acquisitive in our core business segments to support our strategy of growing our market share as a leading global testing company.

We performed in line with forecast financial guidance. Our operations generated revenue of \$1.8b and our underlying net profit after tax (NPAT) was \$188.8m. Our underlying earnings per share was 39.1 cents and the dividend paid per share was 17.6 cents. A full copy of our audited financial statement can be found on our website [alsglobal.com](http://alsglobal.com).

The Managing Director and the Chief Financial Officer state in writing to the Board each reporting period that the Company's financial reports present a true and fair view of the Company's financial condition and operational results, and are in accordance with relevant accounting standards. These statements are based on a formal sign-off framework established throughout the Company and reviewed by the Audit and Risk Committee as part of the six-monthly financial reporting process.

We aim to keep shareholders informed of the Company's performance and all major developments in an ongoing manner. Information is communicated to shareholders through the Company's annual report; full year and half-year investor presentations; and other correspondence regarding matters impacting on shareholders as required. All material documents that are released publicly are made available on our website [alsglobal.com](http://alsglobal.com).



# Statistics

## People

	GRI disclosure	2019/20	2018/19	2017/18	2016/17
No. of staff employed	102-07	15,638	15,511	14,078	13,942
Total no of employees (f)	102-08	7,037	6,515	6,307	6,151
Total no of employees (m)	102-08	8,601	8,996	7,771	7,934
Employee turnover - voluntary	401-01	12.1%	13.8%	11.3%	N/C
Employee turnover - involuntary	401-01	24.3%	26.6%	29.8%	N/C
TRIFR*	403-02	1.58	1.78	2.7	4.08
LTIFR*	403-02	0.72	0.73	1	1.07
Work-related fatalities	403-02	0	0	0	0
Average hours of compliance training per employee	404-01	2.9	2.05	N/C	N/C

## Environment

	GRI disclosure	2019/20	2018/19
Energy intensity ratio for the organisation (kW.h/hours worked) / Geochemistry (kW.h/samples received)	302-03	3.12	3.25
Energy Indirect (Scope 2) t CO <sub>2</sub> e	305-02	67,977	67,626
Total number and total volume of recorded significant spills	306-03	0	0

## Society

	GRI disclosure	2019/20	2018/19
% of senior management at significant locations hired from the local community	202-02	90%	88%
a. Total number of incidents of discrimination during the reporting period.	406-01	4	3
b. Status of the incidents and actions taken with reference to:		0	
i. Incident reviewed by the organisation;		3	2
ii. Remediation plans being implemented;		0	1
iii. Remediation plans that have been implemented, with results reviewed through routine internal management review processes.		0	1
Number of suppliers assessed for human rights violations.	414-02	50	50

N/C – data not collected

\* – Per million hours worked.

## Governance

	GRI disclosure	2019/20	2018/19	2017/18	2016/17
No of operations	102-07	460	451	447	494
Net sales(\$m)	102-07	1,831	1,664	1,446	1,272
Percentage of operations assessed for risks related to corruption.	205-01	100	100	100	100
Total number and percentage of governance body members to whom the organisation's anti-corruption policies and procedures have been communicated.	205-02	9 / 100%	8 / 100%	7 / 100%	8 / 100%
Total number and nature of confirmed incidents of corruption.	205-03	1 <sup>(1)</sup>	1 <sup>(4)</sup>	N/C	N/C
Total number of confirmed incidents in which employees were dismissed or disciplined for corruption.	205-03	1 <sup>(1)</sup>	1 <sup>(4)</sup>	N/C	N/C
Total number of confirmed incidents when contracts with business partners were terminated or not renewed due to violations related to corruption.	205-03	0	0	N/C	N/C
Public legal cases regarding corruption brought against the organisation or its employees during the reporting period and the outcomes of such cases	205-03	0	0	N/C	N/C
Number of legal actions pending or completed during the reporting period regarding anti-competitive behaviour and violations of anti-trust and monopoly legislation in which the organisation has been identified as a participant.	206-01	1 <sup>(2)</sup>	0	N/C	N/C
Significant fines and non-monetary sanctions for non-compliance with environmental laws and/or regulations in terms of: total monetary value of significant fines; total number of non-monetary sanctions; cases brought through dispute resolution mechanisms.	307-01	1 <sup>(3)</sup>	1 <sup>(5)</sup>	0	1 <sup>(6)</sup>

N/C – data not collected

(1) Certificates of Analysis issued from 4 ALS laboratories within the Coal Superintending Unit in Australia were manually amended without justification. An external independent investigation found no evidence of bribery or third party payments involving ALS staff, however the practice was a breach of the Company's Code of Conduct and the company's ethical standards.

(2) ALS Life Sciences Europe reached an out of court settlement with a third party (on a no admissions basis) in relation to alleged anti-competitive behavior.

(3) ALS China was fined CNY 20,000 (approx. AUD 4,400) when the company failed to update its environmental licence to reflect a change in the legal entity operating in China. The operating company engaged an environmental consultant and reapplied for an environmental assessment under the correct legal entity name.

(4) Managers in Chile were disciplined for failure to report related party transaction with a key supplier of consumable equipment to the lab.

(5) ALS Malaysia was fined AUD 1,800 for failure to have an external consultant test a fume capture hood that was situated inside the laboratory.

(6) A minor penalty of USD 25,000 was issued to ALS Life Sciences Fort Collins, Colorado for incorrect waste classification and storage under the Colorado Hazardous Waste Regulation.



## 5 Year Statistics

Financial Year	2019/20	2018/19	2017/18	2016/17 <sup>1</sup>	2015/16
<b>People</b>					
Staff employed	15,638	15,511	14,078	13,942	11,568
Training sessions completed	36,215	48,060	44,034	34,721	28,839
Compulsory compliance training sessions completed (%)	100	100	100	100	100
Gender diversity (total female professional roles) (%)	52	55	54	51	49
Instances of non-compliance with discrimination policy	0	2	0	N/C	N/C
<b>Safety</b>					
PPI Scorecard (%)	93.71	99.26	99.25	90	93.41
Fatalities	0	0	0	0	0
LTIFR <sup>(2)</sup>	0.72	0.73	1	1.07	1.23
TRIFR <sup>(2)</sup>	1.58	1.78	2.7	4.08	3.06
Hours worked	27,921,499	27,543,107	25,150,122	20,904,846	21,908,179
<b>Environment</b>					
Government fines or penalties imposed for environmental related incidents	1 <sup>(3)</sup>	1 <sup>(4)</sup>	0	1	4
Uncontrolled releases	0	0	0	0	0

(1) Restated for discontinued Oil & Gas operations.

(2) Per million hours worked.

(3) ALS China was fined CNY 20,000 (approx. AUD 4,400) when the company failed to update its environmental licence to reflect a change in the legal entity operating in China. The operating company engaged an environmental consultant and reapplied for an environmental assessment under the correct legal entity name.

(4) ALS Malaysia was fined AUD 1,800 for failure to have an external consultant test a fume capture hood that was situated inside the laboratory.

Financial Year	2019/20	2018/19	2017/18	2016/17 <sup>1</sup>	2015/16
Energy consumed (kW.h)	121,064,282	122,866,862	127,474,066	120,622,925	N/C
<b>Society</b>					
Spend with local suppliers (\$m)	751	763	680	609	615
Dividend return to shareholders paid (\$m)	84.9	109.3	84.4	68	60.8
<b>Governance</b>					
Taxes paid (\$m)	96	50	47	41	39
Wages (\$m)	909	792	712	667	678
Revenue(\$m)	1,831.9	1,664.8	1,446.9	1,272.3	1,239.0
Underlying EBITDA <sup>(5)</sup> (\$m)	378.8	352.9	289.3	257.6	258
Underlying EBIT <sup>(5)</sup> (\$m)	297.9	281.1	221.3	192.4	188.9
Underlying NPAT <sup>(6)</sup> (\$m)	188.8	181.0	142.2	112.7	108.4
Underlying earnings per share (cents)	39.1	37.1	28.4	23.3	23.7
Statutory NPAT (\$m)	127.8	152.6	51.8	81.6	-240.7
Statutory earnings per share (attributable to members)(cents)	26.5	31.3	10.3	16.2	-52.5
Dividends per share (cents)	17.6	22.5	17.0	13.5	13.5
Gearing ratio (net debt/ (net debt + total equity) (%)	41.9	36.7	31.1	29.0	27.0

(5) 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.

(6) 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.

N/C – data not collected

## GRI Reporting Table

Disclosure Number	Disclosure Title	Report	Section	Disclosure Number	Disclosure Title	Report	Section
102-01	Name of the organisation	Annual Report	General Information	102-24	Nominating and selecting the highest governance body	Sustainability Report, Corporate Governance Statement	Governance, Principle 2
102-02	Activities, brands, products, and services	Sustainability Report	How we do things	102-25	Conflicts of interest	Sustainability Report, Corporate Governance Statement	Governance, Principle 2,
102-03	Location of headquarters	Annual Report	General Information	102-26	Role of highest governance body in setting purpose, values, and strategy	Sustainability Report, Corporate Governance Statement	Governance, Principle 1
102-04	Location of operations	Sustainability Report	How we do things	102-28	Evaluating the highest governance body's performance	Sustainability Report, Corporate Governance Statement	Governance, Principle 1,
102-05	Ownership and legal form	Annual Report	Notes to the Financial statements	102-29	Identifying and managing economic, environmental, and social impacts	Sustainability Report, Corporate Governance Statement	Governance, Principle 7
102-06	Markets served	Sustainability Report	How we do things	102-30	Effectiveness of risk management processes	Sustainability Report, Corporate Governance Statement	Governance, Principle 7
102-07	Scale of the organisation	Sustainability Report	How we do things, Statistics	102-31	Review of economic, environmental, and social topics	Sustainability Report	Material Topics, Governance
102-08	Information on employees and other workers	Sustainability Report	How we do things, People, Statistics	102-32	Highest governance body's role in sustainability reporting	Corporate Governance Statement, Sustainability Committee Charter	Principles 6 and 7-8.1
102-10	Significant changes to the organisation and its supply chain	Sustainability Report Annual report	About this report, Review of results and operations	102-33	Communicating critical concerns	Sustainability Report	Governance
102-13	Membership of associations	Sustainability Report	Governance	102-35	Remuneration policies	Annual Report	Remuneration Report
102-14	Statement from senior decision-maker	Sustainability Report	CEO Report	102-36	Process for determining remuneration	Annual Report	Remuneration Report
102-15	Key impacts, risks, and opportunities	Sustainability Report	Focus Areas, Governance	102-37	Stakeholders' involvement in remuneration	Annual Report	Remuneration Report
102-16	Values, principles, standards, and norms of behaviour	Sustainability Report	How we do things, Governance	102-40	List of stakeholder groups	Sustainability Report	Focus Areas
102-17	Mechanisms for advice and concerns about ethics	Sustainability Report	Governance	102-42	Identifying and selecting stakeholders	Sustainability Report	Focus Areas
102-18	Governance structure	Sustainability Report	Governance	102-43	Approach to stakeholder engagement	Sustainability Report	Focus Areas
102-19	Delegating authority	Corporate Governance Statement	Principle 1	102-43, 102-44	Approach to stakeholder engagement, Key topics and concerns raised	Sustainability Report	Focus Areas
102-20	Executive-level responsibility for economic, environmental, and social topics	Sustainability Report	How we Do things, Governance,	102-44	Key topics and concerns raised	Sustainability Report	Focus Areas
102-21	Consulting stakeholders on economic, environmental, and social topics	Sustainability Report	How we Do things, Governance				
102-22	Composition of the highest governance body and its committees	Annual Report	Remuneration Report				
102-23	Chair of the highest governance body	ALS Annual Report	Directors Report				

Disclosure Number	Disclosure Title	Report	Section
102-45	Entities included in the consolidated financial statements	Annual Report	Notes to the Financial statements
102-46	Defining report content and topic Boundaries	Sustainability Report	Focus Areas
102-47	List of material topics	Sustainability Report	Focus Areas
102-48	Restatements of information	Sustainability Report	Focus Areas, About this Report
102-49	Changes in reporting	Sustainability Report	About this report
102-50	Reporting period	Sustainability Report	About this Report
102-51	Date of most recent report	Sustainability Report	About this Report
102-52	Reporting cycle	Sustainability Report	About this Report
102-53	Contact point for questions regarding the report	Sustainability Report	Communication
102-55	GRI content index	Sustainability Report	GRI Reporting table
103-01	Explanation of the material topic and its Boundary	Sustainability Report	People, Environment, Society, Governance
103-02	The management approach and its components	Sustainability Report	People, Environment, Society, Governance
103-03	Evaluation of the management approach	Sustainability Report	People, Environment, Society, Governance
201-01	Direct economic value generated and distributed	Sustainability Report	Our Scorecard, Statistics
202-02	Proportion of senior management hired from the local community	Sustainability Report	Statistics
203-02	Significant indirect economic impacts	Sustainability Report	Society
204-01	Proportion of spending on local suppliers	Sustainability Report	Society, Change from last year
205-01	Operations assessed for risks related to corruption	Sustainability Report	Governance
205-02	Communication and training about anti-corruption policies and procedures	Sustainability Report	Governance

Disclosure Number	Disclosure Title	Report	Section
205-03	Confirmed incidents of corruption and actions taken	Sustainability Report	Statistics
206-01	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	Sustainability Report	Statistics
302-01	Energy consumption within the organisation	Sustainability Report	Environment
302-04	Reduction of energy consumption	Sustainability Report	Environment
304-01	Operational sites owned, leased, managed, in or adjacent to, protected areas and areas of high biodiversity outside of protected areas	Sustainability Report	Environment
305-01	Direct (Scope 1) GHG emissions	Sustainability Report	Environment
305-02	Energy indirect (Scope 2) GHG emissions	Sustainability Report	Environment
305-03	Other indirect (Scope 3) GHG emissions	Sustainability Report	Environment
305-04	GHG emissions intensity	Sustainability Report	Environment, Statistics
306-03	Significant spills	Sustainability Report	Environment
307-01	Non-compliance with environmental laws and regulations	Sustainability Report	Statistics
403-02	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	Sustainability Report	Statistics
404-01	Average hours of training per year per employee	Sustainability Report	Statistics
405-01	Diversity of governance bodies and employees	Sustainability Report	Annual Report, Statistics, People
406-01	Incidents of discrimination and corrective actions taken	Sustainability Report	Statistics
413-01	Operations with local community engagement, impact assessments, and development programs	Sustainability Report	Society
415-01	Political contributions	Sustainability Report	Code of Conduct

## SASB Disclosure Topics

	Accounting Metric	Category	Units	Code	Section
Data Security	Description of approach to identifying and addressing data security risks.	Discussion and Analysis	n/a	SV-PS-230a.1	Managing Risk
	Description of policies and practices relating to collection, usage, and retention of customer information.	Discussion and Analysis	n/a	SV-PS-230a.2	ALS Privacy Statement Corporate Governance Statement Code of Conduct
Workforce Diversity & Engagement	(1) Number of data breaches, (2) percentage involving customers' confidential business information (CBI) or personally identifiable information (PII), (3) number of customers affected.	Quantitative	Number, Percentage (%)	SV-PS-230a.3	(1) 1 <sup>(1)</sup> (2) 0% (3) 0
	Percentage of gender and racial/ethnic group representation for (1) executive management and (2) all other employees.	Quantitative	Percentage (%)	SV-PS-330a.1	Diversity and Equality
	(1) Voluntary and (2) involuntary turnover rate for employees.	Quantitative	Rate	SV-PS-330a.2	Statistics <sup>(2)</sup>
	Employee engagement as a percentage.	Quantitative	Percentage (%)	SV-PS-330a.3	People
Professional Integrity	Description of approach to ensuring professional integrity.	Discussion and Analysis	n/a	SV-PS-510a.1	Code of Conduct
	Total amount of monetary losses as a result of legal proceedings associated with professional integrity.	Quantitative	Reporting currency	SV-PS-510a.2	Not Applicable (Nil)

(1) In May 2019, three IT user accounts in the USA and one user account in the UK, became compromised following the receipt of phishing emails. The matter was investigated and reported to the UK Information Commissioner's Office in June 2019. Passwords for the relevant email accounts were reset, and improved IT security controls have been implemented across the ALS Group.

(2) Permanent employee turnover

## Industry & Professional Associations

We keep abreast of emerging issues and trends, best practices and the development of policy through memberships of industry and other professional associations. The table below provides an example of the organisations of which we are a member.

Association	Region
Environmental Industries Commission	United Kingdom
Standing Committee of Analysis Water Analysis Organics Group	United Kingdom
Confederación Nacional Empresarios de la Minería y Metalúrgica	Spain
Resource Industry Suppliers Association	Canada
American Council of Independent Laboratories	USA
Codex Australia	Australia
Australian Land and Groundwater Association	Australia
Singapore Institute of Food Science and Technology	Singapore
American Society for Testing and Materials (ASTM)	North America
Malaysia Institute of Chemistry	Malaysia

## Communication

If you have any questions on this report, please email us at [sustainability@alsglobal.com](mailto:sustainability@alsglobal.com). We also welcome feedback on this report which can be given through an online survey which is available on our website.

## Glossary

\$	- Australian dollars
ALS	- Australian Laboratory Services
ASX	- Australian Stock Exchange
CMP	- Crisis Management Plan
CO <sub>2</sub>	- Carbon dioxide
CO <sub>2</sub> e	- Carbon dioxide greenhouse gas equivalent
EAP	- Employee Assistance Program
EBITDA	- Earnings Before Interest, Tax, Depreciation, Amortisation
EDP	- Executive development program
EPA	- Environmental Protection Authority
ERP	- Emergency Response Plans
FY	- Financial Year
GHG	- Greenhouse Gas
GRI	- Global Reporting Initiative
h	- hour
HR	- Human Resources
HSE	- Health, Safety and Environment
HSEMS	- Health, Safety and Environment Management System
HVAC	- Heating, Ventilation, and Cooling
JCC	- Joint consultative committee
JSEA	- Job Safety and Environment Analysis
km	- kilometres
kW.h	- kilowatt hour
l	- litres
LED	- Light emitting diode
LTI	- Lost Time Injury
LTIFR	- Lost Time Injury Frequency Rate (per million hours worked)
m	- million
M&A	- Mergers and acquisitions
MTI	- Medical Treatment Injury
NPAT	- Net Profit After Tax
PPI	- Positive Performance Scorecard for HSE
SASB	- Sustainability Accounting Standards Board
STI plan	- Short Term Incentive remuneration plan for ALS management
t	- tonnes
TIC	- Testing Inspection and Certification
TRIFR	- Total Recordable Injury Frequency Rate (per million hours worked)



Right Solutions · Right Partner  
[alsglobal.com](http://alsglobal.com)