



Right Solutions • Right Partner
alsglobal.com

Sustainability

the Right Way



2021



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 ending 31 March 2021. The report was approved by the ALS Board of Directors on 25 May 2021. 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.

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

Reporting Approach

The ALS Sustainability Report 2021 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 14.

This report aligns with the Sustainability Accounting Standards Board (SASB) Professional Services Sustainability Accounting Standard (mapping outline to SASB on page 68), and where appropriate throughout the report, a United Nations' Sustainable Development Goal (SDG) icon, highlights where a material ALS activity aligns with a specific SDG.

Other Company Documents

In addition to this report, we provide details about different aspects of our sustainability program 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. Copies of our core company policies can be found at 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

ALS Sustainability at a glance

Key Sustainability Measures for FY2021



People

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

1.98¹

Total Recordable Injury Frequency Rate.
26% reduction compared to FY2018.

>5500

Hazard observations reported.
41% increase compared to FY2018.

59%

New female professional hires.



Environment

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

8%

Reduction in Energy Intensity since FY2018.

0

Breaches reported or penalties imposed for environmental regulations.

>40%

Reduction in chlorinated solvents use.²



Society

Make a positive contribution to our local communities.

AUD 1.77 Billion

Total economic contribution.

>700

New employees added to the ALS Group.

32%

Increase in employee contributions through workplace giving program.



Governance

Operate ethically and responsibly to deliver sustainable outcomes for our stakeholders.

16,129

Total ALS employees completed Code of Conduct Training.

100%

Completion of Internal Audit Plan.

>95%

Risk treatment action plans completed.

(1) per million hours worked

(2) Life Sciences Canada pilot program

(3) Net new employees joining the Group, after adjustment for COVID losses.

Contents

About this report	2
Scope	2
Reporting Approach	2
Other Company Documents	2
Forward-looking Statements	2
Report Feedback	2
ALS Sustainability at a glance	3
Key Sustainability Measures for FY2021	3
About ALS	5
Our global footprint	6
CEO's Report	8
Managing Director's Message	8
How we do things	10
The ALS Way	11
Quality Assurance	11
Innovation & Technology	12
Innovation to meet community needs	13
Materiality	14
Stakeholder Engagement	14
Materiality Matrix	16
ALS Group Scorecard	17

People	18
Health & Safety	19
Diversity & Equality	30
Training & Development	32
Human Rights	34

Environment	35
Climate Change	36
Energy Management	38
Operational Environmental Performance	42
Waste Reduction	42
Water Conservation	45

Society	46
Local Investment	47
Employment Creation	49
Economic Contributions	52

Governance	53
Honesty & Integrity	56
Anti-Bribery & Anti-Corruption	58
Enterprise Risk Management	60
Regulatory Compliance	60
Financial Performance	62

Statistics	63
Assurance statement	70

About ALS

ALS is a global leader in providing laboratory testing, inspection and verification solutions. We provide high-quality, professional services to help our clients make informed decisions. We supply state-of-the-art technical solutions tailored to the needs of our clients that ensure they run their businesses in the most efficient, socially responsible, market competitive way possible.

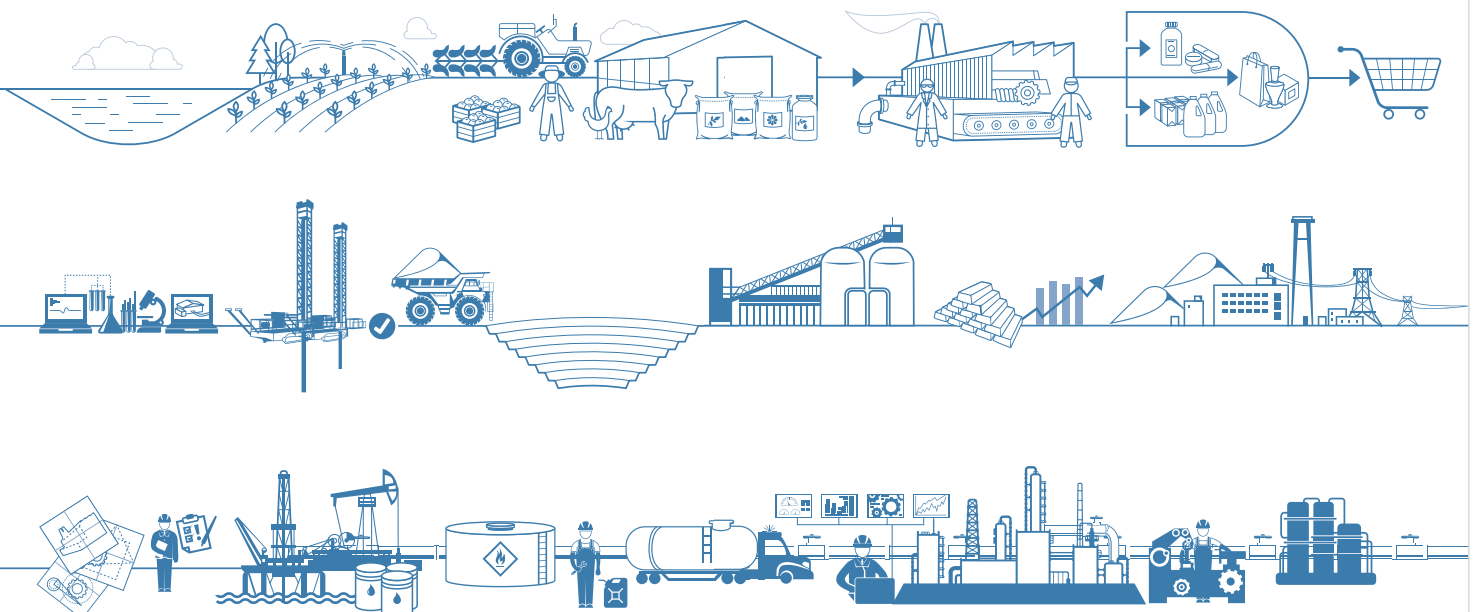
ALS has built its reputation around technical innovation, a deep client understanding, and by being a true technical services partner to many companies across a broad spectrum of end-markets covering most geographies.

We have structured our business streams to meet the needs of our clients, drive our focus on operational efficiencies, sustainability, and continually improve the customer experience. Our Corporate systems, programs and policies support our diverse operations to manage their risks and obligations.

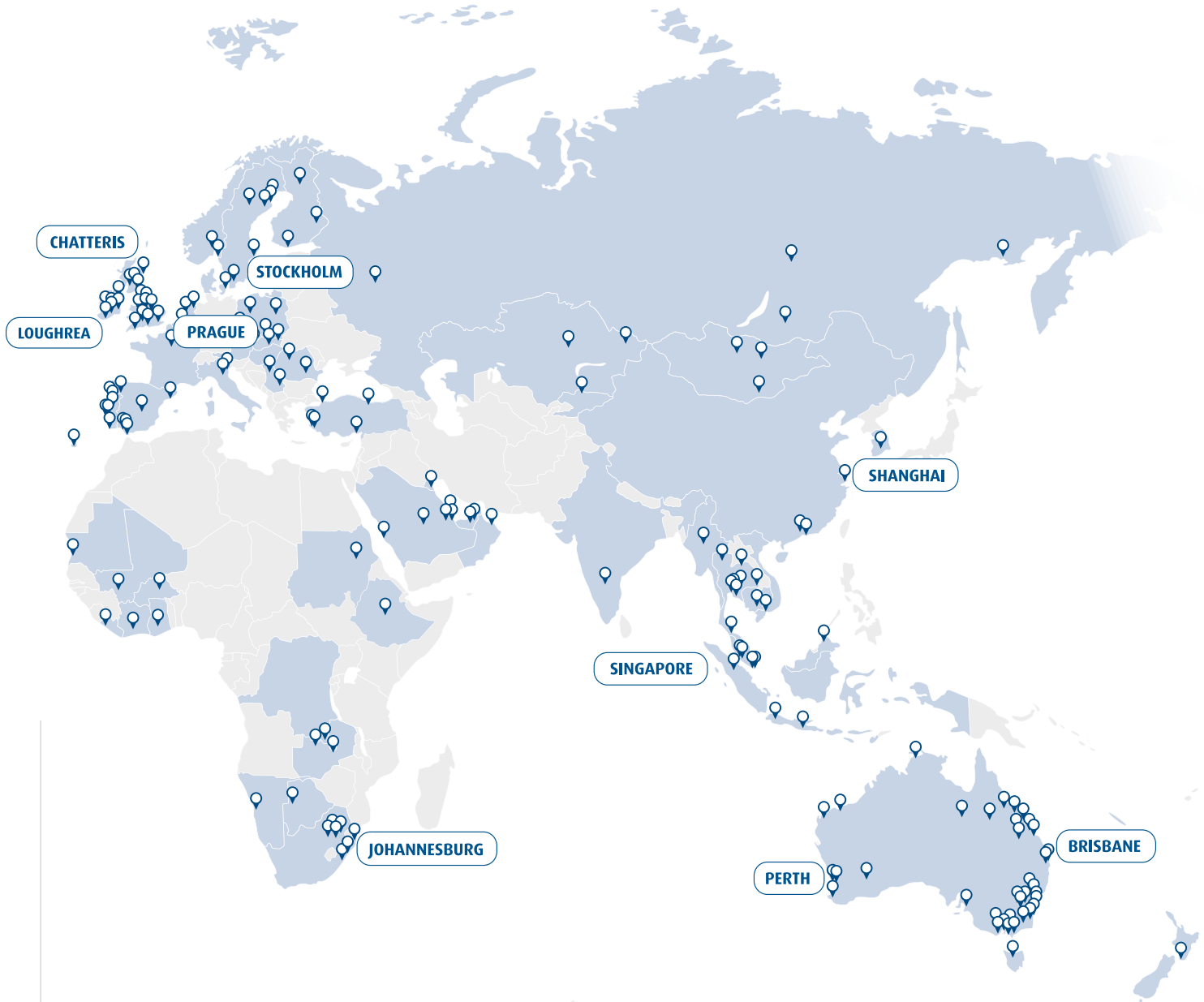


INDUSTRIES SERVED

SERVICES PROVIDED



Our global footprint



Right Solutions • Right Partner
the Right Way



Countries

65+

Locations

350+

Years of strong
business performance

40+

Staff worldwide

15,000+

Processed samples
per year

40+ million

Global revenue

\$1.8 billion



CEO's Report | Managing Director's Message



The theme for this year's report is "Right Solutions, Right Partner, the Right Way!" This summarises our approach to how we live our core values and what makes up the ALS culture. Keeping our people safe, making a positive contribution to our local community and data integrity are fundamental to who we are.

I am pleased to share with you ALS's Annual Sustainability Report for our financial year ending 31 March 2021. ALS is committed to being open and transparent in the environmental, social and governance (ESG) aspects of our business and provide disclosure on how we operate and manage our material business risks. This is more relevant than ever as the world around us transforms at an unprecedented pace. 2020 was an extraordinary year, one shaped by a global pandemic, social unrest, and economic uncertainty. During the year we worked with and supported our key stakeholders to deliver sustainable outcomes and focus on a brighter future.

Throughout the pandemic, we continued to operate as an essential industry with appropriate social distancing and hygiene measures in place to provide safe, reliable services to our clients. By following our established crisis management procedures (along with strong support from our Board) we maintained our focus on employee health, safety and wellbeing, delivered critical services to our clients, and adopted responsible financial management practices such as strengthening our debt facilities and implementing cash preservation measures. This resulted in a more sustainable, resilient business that has a strong balance sheet and strong liquidity. I am proud of the outstanding efforts from all our employees during this time.

Climate change presents significant risks to society, the environment, and our business, and requires urgent global and strategic action. In FY2018, ALS set a climate-related goal to reduce our energy intensity by 5% over a three-year period. I am proud to confirm that we have met this target with the full details of our achievements outlined in the Environment section of this report. We reached this three-year target by implementing proactive and innovative actions including LED lighting systems, behavioural programs such as "Shut the Sash" campaign,

power correction factor equipment, and the use of solar power installations. ALS has adopted a new target for carbon reduction that demonstrates our ongoing commitment to minimising the impact of climate change. Our new target is to achieve a 40% reduction in carbon intensity for our scope 1 and scope 2 emissions by 2030. By proactively taking responsibility for our environmental impact, ALS hopes to make a meaningful contribution to the global effort to reduce carbon emissions as the world transitions to a low-carbon economy. To achieve our 2030 target, ALS's approach will be to focus on projects that provide real emissions reduction and generate long-term financial and carbon reduction benefits to the company and environment. Projects such as renewable energy installations (Solar PV), adoption of ALS green building standards for new site developments and refurbishments, and replacement of old plant and equipment with more energy-efficient items that employ newer technologies.

Our safety performance results for the year were mixed. Throughout FY2021, significant actions were taken to achieve a high standard of COVID-safe controls across all our businesses to prevent the spread of the virus. We were successful in keeping our operations running as essential services while keeping our employees safe within our workplaces, even in regions with very high community transmission rates. This additional focus on COVID safety impacted our broader safety program with both our Total Recordable Injury Frequency Rate and Lost Time Injury Frequency Rate increasing to 1.98 and 1.01 respectively. However, the long-term indicators measuring our safety performance are still strong with an overall decrease of 26% in our TRIFR, compared to an FY2018 baseline. In the People section of this report you can read about our latest initiative called "Focus on Fundamentals". We are confident that with a renewed focus on these key areas we will reduce our injury frequency rates and return to historical record low injury levels.

During FY2021, we delivered on many of our commitments planned under our Sustainability Program to improve our governance and make a positive contribution to society:

- We invested in new technology and developed testing services for the detection of the COVID-19 virus in humans from our specialist pharmaceutical laboratory in Portugal. More broadly, across the ALS Life Sciences network in Europe, the Americas, and Asia-Pacific, our laboratories provided vital analysis for the detection of COVID-19 in wastewater samples, which is used as an early indicator for health and government authorities to track potential COVID-19 outbreaks in the local community.
- We continued to partner with our corporate sponsored charities, YoungCare and the Centre for Houston, both of whom work with supporting young people with high-care needs and their families.
- We provided an economic contribution of \$1.77 billion, including \$841 million in salaries and wages, \$747 million with local suppliers, and \$67 million in corporate income taxes spread across the countries and communities in which we operate.
- We revised our Code of Conduct and retrained all employees across the company to reinforce our commitment to conducting our business in line with our core values.
- We developed a new Modern Slavery Statement to assess and address modern slavery risks in our global operations and supply chains, and to prevent any Human Rights breaches in our business.

We are also proud of the recognition we receive for our efforts in ESG. In September 2020, the Australian Council of Superannuation Investors rated our ESG disclosures as 'Leading' for the second year in a row. Furthermore, we received an overall rating of "AA" from the MSCI rating agency.

I hope you enjoy reading this report and find benefit from the information contained within it. We welcome your feedback or questions, and invite you to contact sustainability@alsglobal.com if you need further information. We are excited and feel positive about the future of our company as we execute our strategies for sustainability. I look forward to reporting our progress.



Raj Naran
Managing Director & CEO

How we do things

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the Right Way

EVEREST



No harm to our people



Increased value to our stakeholders

PURPOSE



Science



Service



Assurance



HONESTY
& INTEGRITY



SAFETY IS
A PRIORITY



BELIEF IN
OUR ABILITY



HARD WORK
& CONTINUOUS
IMPROVEMENT



PEOPLE
DEVELOPMENT



EXCEEDING
CLIENT
EXPECTATIONS



DOING IT
BETTER



CELEBRATING
SUCCESS

VALUES

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



Code of Conduct
Quality Policy
Compliance Policy
Environmental Policy
Health and Safety Policy
Risk Management Policy
Human Rights Policy



Life Saving Rules
Compliance Portal
HSE Foundation Standard
Risk Management Framework
Compliance & Risk Strategic Plan
Climate Change Strategic Plan

POLICIES &
PROGRAMS

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

FOCUS



ALS Experience



OneALS



Technology & Innovation

The ALS Way

The ALS Way is the framework for the company's business model and sets out our core values and key focus areas which are directed at achieving the Group's overall strategic objectives.

ALS's purpose (what we do and why we come to work each day) is built around three levers – Science, Service and Assurance. We use science and technology to service our clients and to provide them assurance. Our clients trust

and act on our results. What we do, and more importantly, the way we do it, matters. ALS has forged a reputation as a great company and a great place to work built on the talent, commitment and integrity of its workforce. We aim to foster a culture across ALS that is progressive, safe and inclusive; one where we live our core values; where we have the confidence to do the right thing, and to put our clients' interests at the heart of everything we do.

Quality Assurance

ALS believes that one of the foremost requirements of our business is providing exceptional quality services to our clients. We achieve this through each business stream having their own purpose designed LIMS (Laboratory Information Management System) and a global quality management system that meets all requirements of relevant International Standards such as ISO/IEC 17025:2017 and ISO 9001:2015. All of our hub laboratories are accredited to ISO/IEC 17025:2017 for specific analytical procedures.

ALS is committed to impartiality. Identifying potential sources of bias and taking steps to mitigate any potential impact is an important factor in managing and organising laboratory activities. ALS has policies and procedures in place to assist management and staff to act impartially. These include:

- ALS Core Values – "Honesty and Integrity" being the first and foremost value.
- ALS Code of Conduct includes guidance on business integrity, personal integrity, interactions with third parties, and reporting violations.
- Anti-Bribery and Anti-Corruption policies
- Whistleblower Policy
- ALS Gift Register.

The ALS quality program includes quality control procedures, inter-laboratory test programs, and regular external and internal audits. It is an integral part of day-to-day activities, involves all levels of ALS staff, and is regularly monitored and reviewed by our executive management team.



Innovation & Technology



We are continuously improving our operations by developing innovative technologies for the benefit of employees, customers and shareholders.

We consider the way we approach innovation as being fundamentally important. We are creating an open learning and collaborative culture across all of our businesses where employees are encouraged to innovate and be critical, and to focus on optimising the benefits from lessons learnt. This approach also means that we have developed a structured approach to investing in research and development that will promote innovation and help improve the business.

Effective innovation programs require strong collaboration to create new ideas and fuel our next steps. Our innovation programs focus on:

- OneALS, building global networks, secondments across business streams, and coaching change.
- Sharing best practice across the group, especially when adopting new technologies.
- Examining what our clients' needs are to drive better services, processes, and support.
- All regions working together to build a common technical culture.

We embrace technology as part of normal business practice by:

- Adopting global standards for new instrumentation.
- Sharing global methods across fixed equipment platforms.
- Standardisation of processes and continuous improvement utilising:
 - One playbook (same technology, processes, QA/QC)
 - Global supplier equipment agreements
 - Customer centric communication e.g. EnviroMail
 - Technical manager innovation reports.

Our strategic innovation goal at ALS is to maintain a balance between the large disruptive developments and the smaller more frequent product innovations. Throughout FY2021, we improved our productivity and efficiency through various innovation programs including:

- 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.
- Improved analytics and data capture review.
- Increased client engagement platforms.
- Enterprise level software solutions and platforms.

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



Innovation to meet community needs

ALS's purpose, 'Science, Service, and Assurance', becomes especially relevant in challenging circumstances such as the COVID-19 pandemic. The majority of our businesses across the globe have been recognised as an 'essential service' and continued 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 looked further to research new technologies 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 from our laboratory in Portugal, our centre of excellence in molecular biology. By July 31 2020 the ALS team launched a new laboratory in Tondela producing 8,000 'molecular biology kits' per day to carry out COVID testing. This laboratory was built in two months with support from the Portuguese government. Present at the inauguration, the Minister for Territorial Cohesion Ana Abrunhosa stressed the importance of the laboratory to give autonomy to the country and export to the world. "It will help the region, the country and the world, because we are talking about a cutting-edge investment, which uses knowledge and technology that few companies in the world use. An investment that allows the country to be self-sufficient and that allows the export of this technology and these COVID kits to all countries", she stated.

More broadly, across the ALS Life Sciences network in Europe, the Americas, and Asia Pacific, our laboratories provide vital analysis for the detection of COVID-19 in wastewater samples as an early indicator for health and government authorities to track potential outbreaks in their communities. Hong Kong is just one example where ALS is working with local governments in COVID-19 wastewater monitoring.



Hong Kong waste water

Hong Kong is one of the most crowded cities in the world where most of its citizens live in condominiums and apartments. In the past year, the city has been heavily affected by COVID-19. Having experienced four waves of COVID-19, the pandemic has drastically affected the city's economy and day-to-day life.

In response to reducing the rate of infection, the Hong Kong government has taken a proactive testing approach – by identifying infected individuals before they develop symptoms.

Sewage samples from residential buildings are collected and tested for the COVID-19 virus. Where the results from samples are deemed positive, the building's residents are required to quarantine for 12-48 hours and each individual is tested.

ALS Hong Kong is proud to be a part of this important program of testing sewage samples.

General Manager for Life Sciences Hong Kong, Mr Richard Fung states,

"We hope that our commitment and effort in providing a safe and healthy environment for our city will pave the way in hopes of returning back to a normal life."



Our testing services and assurance are essential to peoples' lives. Our work in COVID-19 testing for humans in Europe and our wastewater testing for COVID-19 globally are critical in today's environment, and are just two examples of our purpose in action – Science, Service and Assurance.

Materiality

Stakeholder Engagement

Each year we review our material sustainability issues and consult with our stakeholders to help us gain the insights we need to ensure we continue to meet their needs and requirements. We regularly listen to our stakeholders to understand their expectations and how these might change. ALS considers the interests of a wide cross-section of stakeholders using the following engagement mechanisms:

Clients

Our clients provide regular feedback to our client services teams in our businesses and contact us through emails, website drop box, telephone calls, and in person throughout the year.

Employees

As at 31 March 2021, we employed approximately 15,000 people. We use multiple channels to engage with our staff including ALSNet (our internal intranet) social networks such as Yammer and LinkedIn, GlobALSay (a group-wide employee survey tool), the ALS Integrity+Compliance Helpline (Whistleblower program), or via our website or group emails.

Shareholders

Each year we engage with our retail shareholders through regular shareholder communications, at our annual general meeting, and by responding to ad hoc correspondence. The ALS share register is managed by Boardroom Pty Limited. We liaise with our institutional investors at results announcements, strategy and operational briefings, post-result road shows and other ad hoc meetings. ALS routinely holds investor briefings each year relating to our half-year and full-year results. These are open to all shareholders to listen live or delayed via public webcasts. This year we saw an increased interest from our investors in wanting to understand our approach to sustainability, including climate change and broader corporate governance.

Government and Regulators

During FY2021, we liaised with National and Local Governments in relation to a range of issues that affect our businesses and the TIC Industry more broadly. Consultation through industry forums keeps us informed on key government focus areas and allows us to work with regulators to illustrate industry standard practices.

Suppliers

ALS recognise that by closely working with our suppliers we can contribute to innovation, efficiency and the long-term sustainability and competitiveness of all parties. Each Business Stream completes new supplier assessments to ensure any potential supplier is aligned with ALS's Code of Conduct and meets expected behaviours.

Industry organisations

We work with a range of industry associations appropriate for our operations, including the UK Environmental Industries Commission, Canadian Resource Industry Suppliers Association, American Council of Independent Laboratories, American Society for Testing and Materials, Australian Land and Groundwater Association, Singapore Institute of Food Science and Technology, and the Malaysia Institute of Chemistry.

Media

ALS engages with external media organisations directly and through our corporate media advisors. We work with international, national and local media organisations to ensure high standards of transparency, and communicate on issues relating to corporate governance, financial and operational performance. Our engagement with media organisations includes ASX and press releases to coincide with financial results announcements, and using online and social media channels such as LinkedIn and the ALS website for other major events as appropriate.



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

Stakeholder Groups	Engagement Mechanisms	
Customers	Client surveys	
Clients in each business stream	Direct customer engagement / visits	Online client feedback channels
Shareholders	Annual General Meeting (AGM)	
Institutional Investors	Investor presentations	
Analysts	Annual Report	
Retail shareholders	Sustainability Report	
	Direct engagement	
Employees	GlobALSay employee survey	GlobALScene newsletter
Directors	Roadshows 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)	
Government and Regulators	Periodic meetings / Site reviews and Inspections	Industry forums
Government (Local and National)	Participation in consultation programs	
Commercial Partners	Company presentations	
Suppliers	Ongoing relationship meetings/briefings	
Banking/Funding Partners	Industry and supplier events	
Insurance Underwriters	Modern Slavery Assessments	
Society and Community	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	
Media	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. 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.

	Refer to page:	3 GOOD HEALTH AND WELL-BEING	4 QUALITY EDUCATION	5 GENDER EQUALITY	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	16 PEACE, JUSTICE AND STRONG INSTITUTIONS
 People	Health & safety										
	Safety Culture / Life Saving Rules	19-23	✓			✓					
	Diversity & equality										
	Respecting differences / Supportive Work Environment	30-31		✓				✓			
 Environment	Training & development										
	Investing in talent development	32		✓							
	Human rights										
	Worker's rights / Modern Slavery Assessments	34				✓		✓			✓
	Climate Change										
	CO ₂ & Green House Gas emissions / Task Force Climate Related Financial Disclosures (TCFD) / Efficient buildings, plant & equipment	36-41			✓		✓		✓	✓	
	Waste reduction										
 Society	Resource conservation / Regulated Waste	42-45	✓						✓		
	Operational Environmental Performance										
	Management of adverse environmental emissions / Efficient operations	42	✓								
	Water conservation										
	Managing a scarce resource	45									
	Economic Contributions										
	Paying our fair share of tax / Donations	52				✓					
 Governance	Local investment										
	Community Sponsorships / ALS Cares / Science education support programs	47									
	Employment creation										
	Local employment	49				✓					
	Financial performance										
	Maximise return for shareholders	62				✓					
	Anti-bribery & Anti-corruption										
	Business Ethics & Conduct / Fair Competition	58									✓
	Honesty & integrity										
	Professional integrity / Data integrity & traceability	56									✓
	Regulatory compliance										
	Systems to maintain legal compliance	60									✓
	Enterprise Risk Management										
	Reputational Risk / Business Resilience / Information Security	60									
	Innovation & Technology										
	Strategy, Investment & Collaboration / Service lifecycle management	12					✓				

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 2021 along with the ambitious targets we have set ourselves for year-end 2022.

	2021 Target	Results	2022 Target
 People	No fatalities	✓ 0 fatalities	0 fatalities
	LTIFR < 0.68 ⁽¹⁾	✗ LTIFR=1.01 ⁽¹⁾	LTIFR < 0.90 ⁽¹⁾
	TRIFR < 1.50 ⁽¹⁾	✗ TRIFR=1.98 ⁽¹⁾	TRIFR < 1.88 ⁽¹⁾
	PPI Scorecard of 90% or greater	✓ 91%	PPI Scorecard of 90% or greater
	100% of compulsory training sessions completed	✓ 100% achieved	100% of compulsory training sessions completed
	<ul style="list-style-type: none"> ≥ 50% total new female professional hires female participation of 50% in iLEAD Program & 40% in 'Executive Development Program' 	<ul style="list-style-type: none"> ✓ 59% ✗ 29% iLEAD ✗ 33% Executive Development Program 	<ul style="list-style-type: none"> ≥ 50% total new female professional hires; female participation of 50% in iLEAD Program & 40% in 'Executive Development Program'
 Environment	Human rights assessments on key suppliers completed by hub purchasing departments	✓ Completed	Human rights assessments on key suppliers completed by hub purchasing departments
	No unresolved complaints of negative air, noise, or land impact from surrounding neighbours	✓ No unresolved complaints	No unresolved complaints of negative air, noise, or land impact from surrounding neighbours
	Nil environmental prosecutions	✓ No environmental prosecutions	Nil environmental prosecutions
	No reportable spill or reportable uncontrolled releases	✓ No reported spills or reportable uncontrolled releases	No reportable spill or reportable uncontrolled releases
	Complete yearly business stream waste reduction initiatives	✓ Completed	Complete yearly business stream waste reduction initiatives
	All regions to populate global fleet register outlining consumption of fuel per country	✓ Completed	Scope 1 emissions – collect and report on motor vehicle fuel and gas burnt on ALS facilities
 Society	> 5% reduction on energy intensity over 3 years with base year FY2018 <ul style="list-style-type: none"> Commodities kW.h/hours worked or samples Life Sciences kW.h/hours worked Industrial kW.h/hours worked 	✓ 8% reduction	>3% reduction in scope 1 and scope 2 carbon intensity
	Implementation of Business Stream Community Engagement Program	✓ Business Stream community engagement program commenced	Continue Business Stream community engagement program
	Total economic contribution > AUD 1.8b	✗ AUD 1.77b	Total economic contribution > AUD 1.8b
	Rollout Code of Conduct training	✓ Completed rollout of Code of Conduct Training	Undertake external assurance assessment on Sustainability Report
	Refresh the ALS Code of Conduct and re-release to employees.	✓ ALS Code of Conduct refreshed and rolled out to employees	Undertake external Cyber Security analysis
 Governance			

(1) Per million hours worked.

People

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



Health & Safety



ALS views its responsibility to provide a safe and healthy workplace for all employees, contractors and visitors as essential to its long-term success. At the heart of our services is testing, but our people do much more than that across our operations and support services. We strive for a continual reduction in health and safety risk to all employees in each of the many roles, operating environments and regions where they work.

The ALS Board is accountable for reviewing and approving our compliance and risk policies. Our Health and Safety Policy formally communicates our health and safety intentions and direction to our employees from the ALS Board. The ALS Code of Conduct supports the Health and Safety Policy by setting the standards of behaviour and actions expected of all employees. Our Human Rights Policy which outlines our commitment to providing a healthy, safe and secure workplace, also provides a clear message to our stakeholders from the ALS Board and Management team.

Our HSE Foundation Standard provides the platform for our ISO certified corporate health and safety system. The framework is firmly based on the standard principles that can be summed up by planning, operational controls, checking and corrective actions.

Planning is where we assess the aspects and impact of our HSE risks using various risk assessment methods. We also consider the legislation that applies to our business and then put in place the necessary controls to ensure our compliance. Once we have decided on the key HSE issues, we set out a plan to improve our performance. This starts with our Policy and leads to the action plans drawn up to help us achieve our health and safety objectives and targets.

Operational control is achieved by following the standard procedures, which are document controlled and regularly reviewed.

To make all this happen, we clearly define responsibilities and authorities and then plan and carry out suitable training to ensure that all concerned know what they must do. The key to any good management system is making sure everyone has a clear understanding of the system by effective document control supported by training and communication and to have a continuous focus to ensure we achieve this with management, employees, visitors, contractors, suppliers, customers and regulators.

Reviews are undertaken to ensure that "we say what we do and do what we say". This is achieved by internal audits, management reviews and monitoring our performance as set out in the relevant procedures. Suitable records are retained as evidence that this is done in accordance with the requirements of ISO 45001 and ISO 14001 standards.



The effective leadership and stewardship of our Health and Safety by leaders at all levels at ALS are essential to maintaining and improving our safety culture. Each of our businesses has a scorecard that includes Positive Performance Indicators (PPI), both leading and lagging, in the categories of:

Incident Reporting – tracking incident frequency rates including hazard observations.

COVID Compliance – tracking compliance against agreed COVID controls.

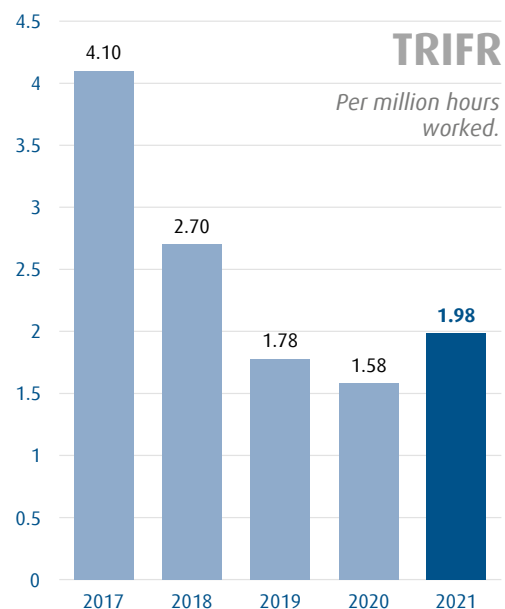
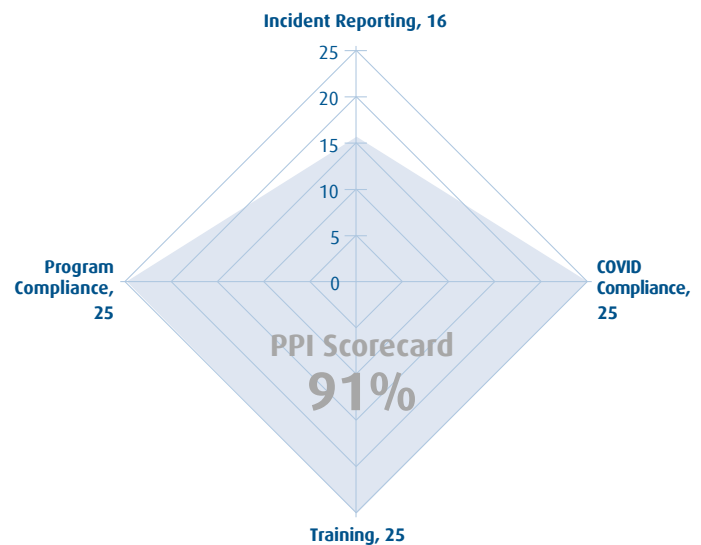
Training – tracking completion against mandatory HSE training courses.

Program Completion – tracking close-out of recommendations from incidents and audits.

This year we achieved a final PPI scorecard of 91%, meeting our annual target of 90% or greater.

ALS Group Safety Metrics 2021

as at 31 March



COVID-19 Response

In January 2020, we activated our Pandemic Response Plan to address COVID-19. This year much of our Management and HSE team's time has been spent managing the direct and indirect impacts of COVID-19 on our people and our business.

The Corporate team provided a centrally coordinated response, with regular communications that provided information on our universal COVID-19 controls, the importance of hygiene and social distancing inside and outside the workplace, mental health, and the explanation of quarantine requirements and impact of COVID-19 on ALS operations. The marketing team developed the template for our corporate messaging, with posters, signs, and images that provided clear and consistent messaging, which helped our employees quickly adapt to the changing circumstances.

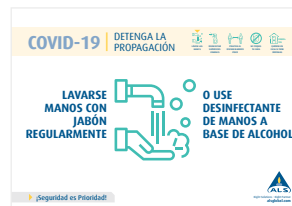
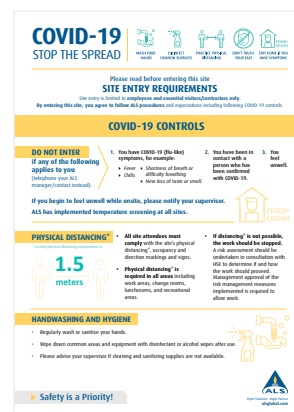
As the pandemic continued to spread, our local HSE teams supported their businesses by continually monitoring and explaining how the often-changing local health authority and government guidelines impacted our employees both inside and out of work.

As a provider of critical services supporting the everyday operations of the food, water, pharmaceutical, medical devices, energy, transport, health and defence industries, it was critical for us to implement and test the resilience of our pandemic plan to ensure continuity of supply to our direct clients.

Our employees and management teams worked together outside of their normal work patterns to find solutions to problems, including enabling employees to look after their children who could no longer attend school and allow different shifts and workgroups to have no physical interaction so that any infection was contained.

The Human Resources teams across ALS provided information on mental health and employee assistance programs, recognising the workplace impacts, including changes to normal working patterns, social isolation during work times and break times, and the broader social and economic stresses COVID-19 was placing on many people. The HSE and HR teams worked together to support the business and employees in understanding the need for self-isolation and quarantine, how this protected people when they were at work, and how it impacted those who either contracted COVID-19 or were close contacts of someone who had.

ALS committed to providing five reusable cloth face masks to every employee as well as plastic face shields to personnel. In total, we have purchased 130,000 face masks and 200,000 face shields to help our employees stay safe during the pandemic.



Disinfection at ALS Arabia



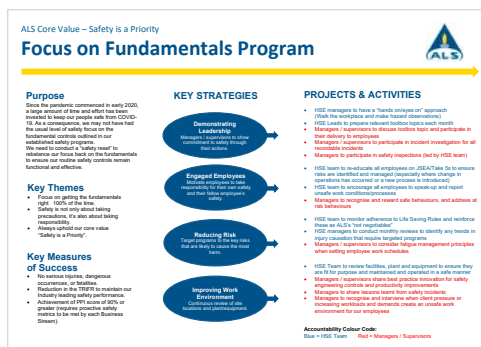
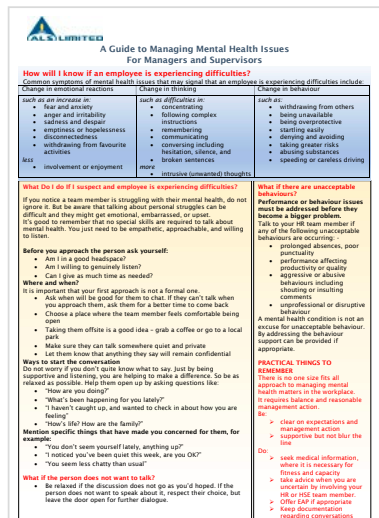
Use of screens in the laboratory

In FY2021 we saw a 25% increase in our TRIFR. Our analysis identified a spike in recordable incidents predominately due to slips and trips. During incident investigations, some employees indicated that they were distracted by the COVID-19 pandemic, contributing to reduced attention. The challenges to their personal circumstances, daily routine, and work practices that employees and their family and friends were experiencing had not previously been seen in the workplace in that scale or concentration.

Focus on Fundamentals

Managing Mental Health

On 10th October 2021 (World Mental Health Day) we rolled out guidance to all supervisors and managers on how to manage mental health issues to assist them in recognising some of the signs which may indicate an employee is experiencing difficulties. A training package was developed to provide managers and supervisors with suggestions for initial approaches and to help them in understanding their roles and responsibilities.



HSE, Compliance and Risk 3-Year Strategic Plan

FY2021 marks the second year of our three-year strategic plan for health and safety. This year our plan included the following strategic objectives and actions.

1. Conduct assessments and analyse our data to better measure our safety performance.

We developed a new PPI scorecard to be rolled out in FY2022, which includes contemporary, relevant metrics that assess each ALS business's safety performance.

The new metrics and scoring will improve our ability to differentiate business unit performance, enabling us to better recognise and reward high achievers.

2. Focus on the areas that have the potential to cause the most harm.

When we first implemented our Life Saving Rules, we reviewed the key risks identified by our peers and clients in the industries in which we operate, analysed our incident database with over 10 years of history and workshopped this with our employees. We identified 13 rules and added another in 2020. This year, to maintain their relevance and level of application across our businesses, we reviewed these rules, including their identification and use in incident reporting, risk assessments, and their visibility in the workplace. As a result of the review, we improved the visual cues related to Life Saving Rules on our risk assessment procedures and posters. We also developed a new series of stickers with guidelines on their targeted application to improve the recognition of the Life Saving Rules and the understanding of risks that they are applied to.

3. Embedding our core value of Safety is a Priority, and raising awareness of our HSE Standards.

We developed a HSE recognition program to identify and celebrate businesses and management teams that have excelled in their health, safety, or environmental performance. The program will recognise the performance of businesses or sites and individuals who have made significant contributions to safety activity or culture. The program is an important reinforcement that the effective management of safety is not measured purely by injury frequency rates.

Removing hazards from the workplace

ALS Newcastle has updated its air analysis preconcentrators to a new, cryogen-free model. Where typical preconcentrators rely on cryogenic cooling to achieve the desired detection limits, the new instrument uses a series of capillary columns at room temperature to trap and refocus the sample. The laboratory is no longer required to use hazardous substances and expensive cryogens such as liquid nitrogen and liquid carbon dioxide, which eliminates the associated risks of handling cryogens and the supply chain and product life-cycle impacts. The laboratory has eliminated the consumption of 13,000L/year of liquid nitrogen and 18,500kg/year liquid carbon dioxide.



Air analysis, Environmental Newcastle

First Aid Training

Our first aid trained employees are valued team members who regularly refresh their training to maintain their ability to provide a first-line response if needed. This year some regions have experienced difficulty in accessing practical courses due to COVID-19 restrictions. Where this was not possible online training has been undertaken. The ALS Arabia team were one of the businesses who managed to maintain the practical component of their first aid training in FY2021.



First Aid Training, Arabia



Driver Safety

ALS Life Sciences UK fleet team provide a sample pickup and delivery service to our clients that transports samples in a timely, traceable process with appropriate environmental controls to maintain sample integrity. The team's strong focus on driver safety is paramount given the 8 million kilometres a year our UK fleet drivers travel while at work.

In 2019 we consolidated all vehicles to the one tracking system, enabling more efficient monitoring of data with a greater ability to consistently and fairly benchmark driving scores. ID keys are issued to each driver to ensure accurate data is recorded by the system (specific to that driver, not the vehicle).

There has been a consistent focus month-on-month by the UK Logistics Manager Susan Pratt, and the Regional Transport Managers to review drivers' results. A combination of individual driver reports, tutoring and mentoring is carried out to improve scores.

The whole team's focus to drive smoothly at the appropriate legal speed also minimises fuel consumption and wear and tear on the vehicle. The associated reduction in greenhouse gas emissions and extended service life of the vehicles help reduce our impact on the environment.

The tracking system is a useful tool when investigating complaints from members of the public under our 'Report Unsafe Driving' program. Complaints are based on our drivers' speed, overtaking and roundabout lane discipline. The tracker provides the investigation with an unbiased view of speed and locations.

A portion of the fleet has had dash cameras fitted for a pilot study. We are now extending the installation of a front-facing camera into each new van that comes into the fleet to further improve our drivers' safety. The dash cams have a 'panic' button for the driver to press should they need to record if they feel that they are in danger.

The long-term trend has been an improvement in driver scores, and this metric is supported by a decrease in the number of accidents over the last three years. (2018 – 21 accidents, 2019 – 14 accidents, 2020 – 6 accidents) While 2020 was not a normal year on the UK roads, with less traffic movement due to a combination of lockdown and 'work from home' government orders, this accident reduction shows a promising trend. It is important to note that not all accidents are the fault of our drivers. At least a third to half are due to objects on the road (animals/debris) or other drivers.



Life Sciences employees in the UK are driving ALS vehicles fitted with IVMS.



Safety Culture in Life Sciences Latin America

The Alerta Program was first implemented in 2017 in selected sites in Life Sciences Latin America. This observation, intervention, reporting and correction program aims to improve safety culture in our laboratories. During the 2020 pandemic, Life Sciences Chile HSE Coordinator, Ángelo Muñoz, came up with the idea of offering the reporting form by scanning a QR code. Based on his idea, the Alerta Program was implemented using a new version of both Portuguese and Spanish. The new form included a link to their Life Saving Rules which allowed them to track and record any breaches of these critical safety controls. New training was done across the region, and new posters were distributed displaying specific QR codes and ALERT points. The 2020 version of the Alerta logo was updated to feature a mask to match COVID-19 protocols and was released in parallel with our mobile COVID-19 symptom screening App. Eighteen laboratories in Argentina, Brazil, Chile, Colombia, Dominican Republic and Peru have implemented the Alerta program, with the Mexico laboratories due to implement in FY2022.

The Life Sciences Latin America team also provided several programs for employees during FY2020 to provide support and counselling due to the significant impact of COVID-19 in the region. The team facilitated a varied array of webinars with external presenters featuring stories of resilience, innovation arising from crisis, and how to deal with uncertainty.



"In my opinion, the Alert system is an excellent tool since it identifies risks in the laboratory which are raised immediately and can be followed up until an effective corrective action is completed."

*Dafny Plaza Quinteros, Laboratory Coordinator,
ALS Life Sciences Chile.*

"The program is of fundamental importance in the unit's continuous improvement since it is a direct channel between all employees and the HSE team."

*Quality and SMS Analyst,
Environmental Brazil.*

"The Alerta Program is important for our employees to make a difference in terms of safety, especially in details that can escape the eyes of those who are not part of that routine. It is also a way for us to see corrective and preventive actions being taken to prioritise everyone's safety."

*Gabriela Kitazuka Yoshimoto, Laboratory Analyst,
Life Sciences Environmental Brazil.*



Life Sciences, Chile team



Life Sciences, Argentina team



*Engaging with our clients
to reduce risk.*

Manual Handling

Our Geochemistry Yellowknife Laboratory, in North-West Canada, began to receive samples which were flown into the local airport from a remote location. The local manager, Keith Watson, and the sample preparation supervisor, Ray Mewhort, were concerned that manual handling of the multiple large heavy bags was a safety risk, and were determined to find a way to make things better for the clients loading the samples, for the airport, and for ALS employees unloading the samples. Keith and Ray identified that supplying the client with ALS sample bins enabled the air crew at both ends to use a forklift to load the crates on to the aircraft and unload them directly onto the back of the ALS vehicle. On delivery back to the laboratory, the rotating tines on the forklift unload the samples onto sorting tables. Collaborating with the client and aircraft company significantly reduced the exposure to manual handling across the supply chain.



*Unloading
samples at
Yellowknife
Geochemistry*



Managing Risk in Life Sciences Thailand

ALS Life Sciences Thailand has been operating in the Testing, Inspection and Certification sector in Thailand for more than 27 years, with both laboratory and field-based personnel. The teams have a strong safety culture, demonstrated by their consistently high score on both the leading and lagging metrics of their PPI scorecard. The laboratory and field teams have analysed their processes and identified the three key risks in each of their areas and developed critical controls to manage these risks.

For the field team working at heights, controls were developed using local knowledge and legal requirements and ALS corporate HSE standards. Our air sampling technicians work across many locations with changing circumstances, and a comprehensive on-site risk assessment is one of their key risk controls. The air sampling team utilise the ALS' Take 5 mobile phone App to assist and record this process. (These technicians are the largest user group of the App within ALS.) The field team also undertake defensive driver training and regularly undertake pre-trip inspections to reduce the risk of traffic accidents.

Our laboratory worker controls are focused on implementing and maintaining appropriate engineering controls, employee training and the selection and use of PPE.

The team is proud of its 7S program (Sort, Set in Order, Shine, Standardise, Sustain, Safety and Saving) that they have been running successfully for more than five years, with a clean and neat working environment strongly contributing to their safety culture.



Field sampling working at heights safety checks



Driver safety training



Laboratory safety training



Submitted Take 5

Year	Filter by	Business Stream	Date	Inspected by	Country	City	Task Description	Risks
All		<input type="checkbox"/> Electronic <input checked="" type="checkbox"/> Environmental <input type="checkbox"/> Finance <input type="checkbox"/> Food & Pharm... <input type="checkbox"/> Industrial	11/06/2020	Sinchai Kiangkerd	Thailand	Bangkok	Stack Sampling	
			23/06/2020	Sinchai Kiangkerd	Thailand	Bangkok	Stack Sampling	
			18/05/2020	Sinchai Kiangkerd	Thailand	Bangkok	Stack Sampling	
			17/05/2020	Sinchai Kiangkerd	Thailand	Bangkok	Stack Sampling	
			02/04/2020	Sinchai Kiangkerd	Thailand	Bangkok	Stack Sampling	
			04/03/2020	Sinchai Kiangkerd	Thailand	Bangkok	Stack Sampling	
			02/03/2020	Sinchai Kiangkerd	Thailand	Bangkok	Stack Sampling	
			19/02/2020	Sinchai Kiangkerd	Thailand	Bangkok	Stack Sampling	
			24/01/2020	Sinchai Kiangkerd	Thailand	Bangkok	Stack Sampling	
			21/01/2020	Sinchai Kiangkerd	Thailand	Bangkok	Stack Sampling	
			10/01/2020	Sinchai Kiangkerd	Thailand	Bangkok	Stack Sampling	
			07/01/2020	Sinchai Kiangkerd	Thailand	Bangkok	Stack Sampling	
			06/01/2020	Sinchai Kiangkerd	Thailand	Bangkok	Stack Sampling	
			10/10/2019	Sathaporn Thakaw	Thailand	Rayong	พลาสมาฉีดวัคซีนโควิด-19	2
			12/09/2019	Sinchai Kiangkerd	Thailand	Bangkok	Stack Sampling	
			12/09/2019	Sugachai Wongsurichai	Thailand	Rayong	1. ตรวจสารเคมีใน Workplace 2. ตรวจสารเคมีใน 3 hrs 3. ตรวจสารเคมีใน 24 hrs	

Click on a specific Take 5 to view responses for the selected Take 5.



Submitted Take 5 responses:

Response: ● Additional controls required ● No additional controls required



[Click here to review required risk controls](#)

Geochemistry APAC – Safety and Innovation

Reducing the risk of dropped objects.

Our geochemistry sample preparation technicians process samples using machines designed to reduce the particle size and homogenise samples, ready for the next analytical process stage. One of the most common machines incorporates a large puck-shaped metal disc which is removed from the sample bowl after each sample to be cleaned. The disc weighs approximately 20kg and is lifted by an automated winch to reduce employee's potential exposure to manual handling injuries. The machine and winch's basic design principle is standard within the industry and has not changed for a long time.

Our APAC Geochemistry team identified that several employees across the region had been injured when the large puck had dislodged from the lifting hook. Looking closely at the cause of the incident, the pucks had been inadvertently lifted using the hook's end rather than the loop. The team brainstormed the problem and developed a concept where the loop is curled, or as it is now affectionately known as a 'piggy tail' hook. They worked with a local engineering firm to develop the hook, which is now implemented globally across ALS Geochemistry. A great example of substitution and engineering in the hierarchy of controls applied to reduce injury risk.



*Piggy tail
hook in
operation*

Reducing the risk of occupational overuse.

Kieran Schneider commenced work with ALS in January 1980 at its only site in Woolloongabba, Brisbane, and is now the Assistant Laboratory Manager for the Brisbane Laboratory, having also worked in the Orange and Townsville laboratories. Consistent with his evident commitment to quality and safety, Kieran has introduced and been intimately involved with many innovative improvements to our laboratory operations since he commenced his career with ALS.



*Kieran Schneider,
Assistant Manager
Geochemistry Staff.*

Our laboratories feature specialised and automated testing equipment to provide our clients accurate and efficient services, however there are some processes which do not yet have effective automated options and rely on manual processes.

Kieran's most recent process enhancement was the development of a dilution system which reduces the risk of occupational exposure to our people from this routine task.

Kieran was concerned for his

fellow employee's health and safety and spent many hours, including personal time developing and trialling prototypes, displaying our values of 'Safety is a Priority' and 'Doing it better'. This persistence paid off and early this year, after risk assessment and task analysis, the final prototype completed long-term testing for safety, quality and reliability at the Brisbane Laboratory. Following the success of this trial, 25 systems have been implemented across 12 countries.



*Engaging with our clients
to reduce risk.*

Pilot Plant Design and Operation

ALS Metallurgy is the market leader in bankable metallurgical testing services for mineral process flowsheet development and optimisation. Our facilities are equipped with state-of-the-art equipment to handle and prepare many sample types, including hazardous and radioactive materials. ALS Metallurgy offers both bench-scale and large-scale pilot plant facilities and expert metallurgists to provide mineral processing, hydrometallurgical, and mineralogical testing services. Our comprehensive array of pilot plant equipment can be assembled to suit most mineral processing and extractive metallurgical unit operations.

The flexibility to assemble these processes to specifically match client requirements for each pilot plant project can introduce new risks. Comprehensive risk assessment is undertaken to understand the risk of the unique chemical and mechanical processes and pilot plant operation, which can change from project to project. In one of our common risk assessment methods, we seek to minimise the effect of an atypical situation in the operation by ensuring that control systems and other safety systems, including emergency safe shutdown, are in place and work with a high level of reliability to achieve a safe outcome from a situation that could have resulted in a significant accident. The assessment is used to identify potential hazards and operational problems in terms of plant design and human error.

To create the greatest opportunity to identify and understand the risks, we bring together a team of experienced people, including our clients, ALS personnel (metallurgists, tradespeople, operators and HSE personnel), and external experts. The process enables our clients to provide their firsthand knowledge of the hazards related to the chemistry and process as well as input and understanding of how we assess and manage the risk to our people while undertaking the test work for the client.

The overall result reduces both hazards and potential operational problems and provides the client with the test work results in the shortest possible timeframe.



"One of the features of pilot and demonstration plants is a lack of full automation due to the relatively short time frames involved (several weeks at most, but usually only several days duration). This lack of full automation places a high degree of reliance on pilot plant operators to monitor the various pertinent variables with regards to the various stages involved, such as plant set up, commissioning, operation under various process schemes, completion and decommissioning. A full risk assessment to identify operational and HSE issues is a critical component of any pilot plant campaign to ensure the correct and safe operation is carried out. This risk assessment and control implementation provides a high degree of assurance to our staff and clients towards a safe and successful campaign."

Hamid Sherriff – General Manager Metallurgy

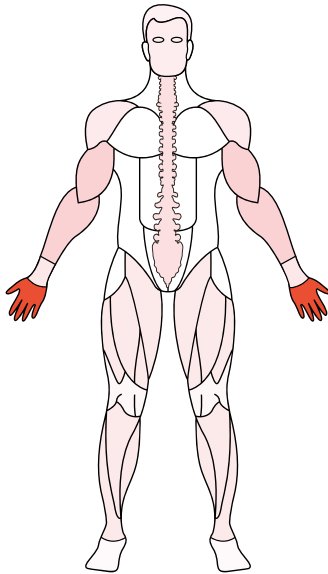
Balcatta, Metallurgy Pilot plant equipment.



ALS Group Hazard and Incident Reporting for FY2021

INJURIES BY BODY LOCATION

Injury Location	% of Incidents
Hands/Fingers	37%
Back	9%
Arms	9%
Wrist	8%
Eyes	6%
Legs/Ankle	5%
Shoulders	5%
Face	4%
Knee	4%
Head	3%
Feet/Toes	2%
Neck	2%
Trunk	2%
Internal Locations	1%
Groin	1%
Hips	1%
Ear	1%
Total	100%



SAFETY INCIDENT FORMS CLOSED, %

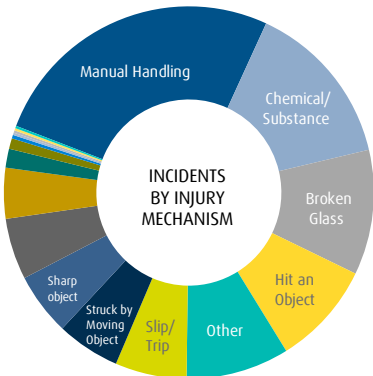
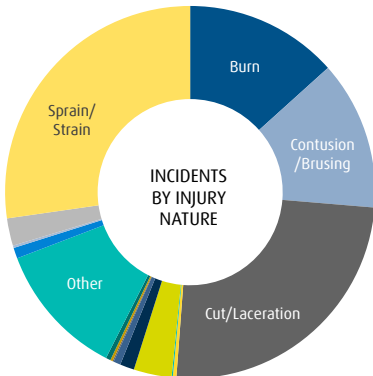
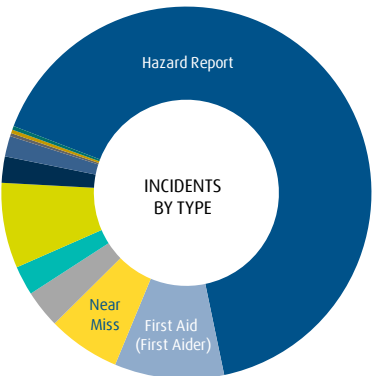


NO. OF CLOSED INCIDENTS

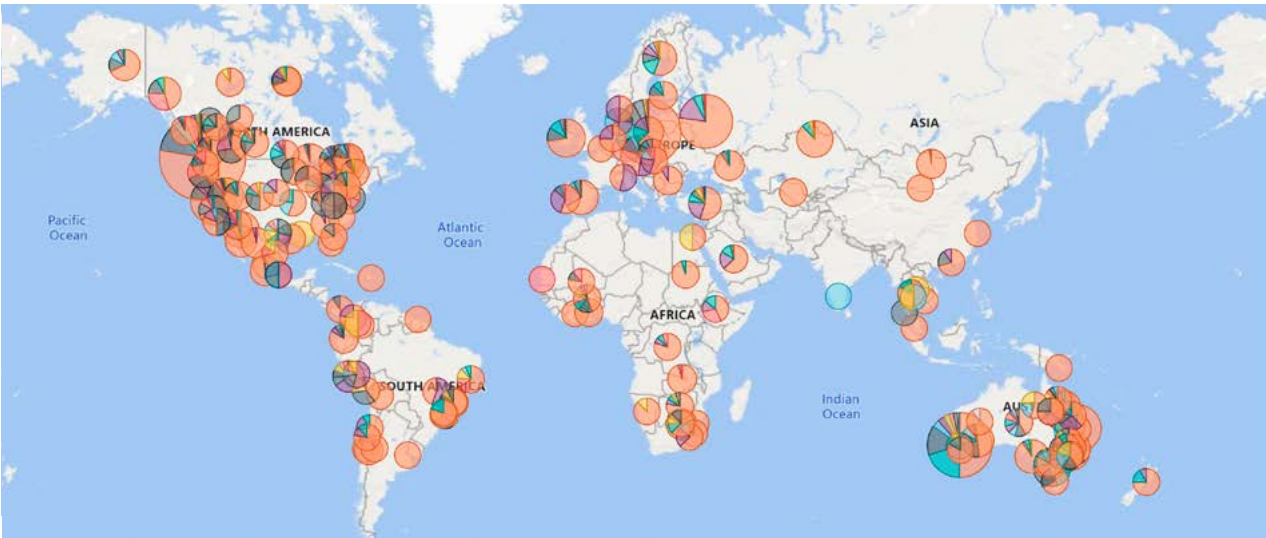
8,148

TOTAL INCIDENTS COUNT

8,362



NUMBERS OF INCIDENTS BY INJURY LOCATION



Diversity & Equality



Diversity is an integral part of the ALS culture and the way we do business. Maintaining an inclusive workplace gives us the strength, skills and ability to support our current success and ensure our sustainability into the future. We subscribe to equal employment opportunity principles, and seek to establish, maintain and celebrate a workplace that is safe and free from discrimination or harassment based on gender, gender identity, physical appearance, health status, age, race, colour, ethnicity, national or social origin, religious or political conviction, sexual preference, marital status, disability or other status protected by applicable law. This commitment is referenced in our Code of Conduct and remains foundational to the ALS core values.

ALS enjoys a strong culture of camaraderie, mutual respect and support. We celebrate and rely upon each other across our global operations, and benefit from the collective efforts, innovation, and creativity the ALS team contributes every day. We recognise that equality, inclusion, diversity, and a safe work environment makes good business sense, and success in these areas strengthens our brand, helps with retention and recruitment, promotes teamwork, and is simply the right thing to do.

Gender Diversity

Our statistics for FY2021 illustrate that we have strong representation of women across our business, both in support services and operational roles. A total of 44% of our workforce identifies as female and more than half of our staff who work in professional roles are women. But we can do better, particularly in the areas of female representation at the executive management level. During the year we introduced a Women in Leadership mentoring program to increase the engagement between female leaders and senior executives at ALS. The program objectives are to:

- Mentor and ultimately endorse future ALS leaders, and establish a pool for consideration of future assignments and succession opportunities.
- Increase cross-divisional (OneALS) knowledge and provide opportunity for exposure to ALS corporate strategies.
- Enable the sharing of perspectives among mentees and mentors through discussion of equity issues to foster an environment of inclusion and career progression.

We are committed to addressing the common challenges faced by our female workforce, including the need to work flexibly, issues surrounding pay parity and systemic or unconscious bias.

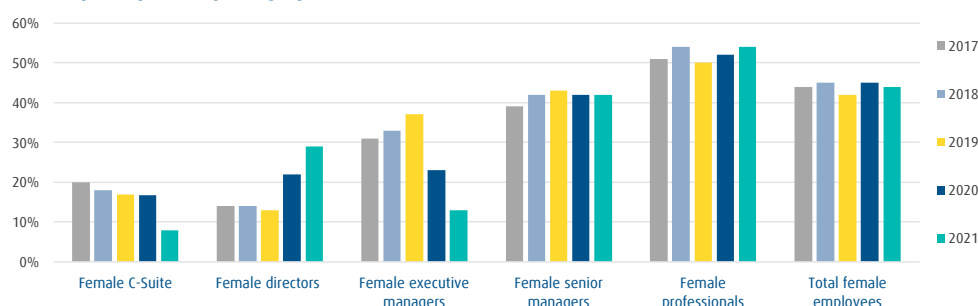
Pay Equity

We strive to ensure 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. Since 2018, general managers are asked to sign a 'Gender Pay Equity Pledge' at each pay review cycle, confirming that they have reviewed the analysis and have implemented an action plan to address any inequities.

Workforce Gender Statistics

Our recruitment goal for FY2021 was to reach a female participation rate of 50% or more in the category of "females in professional roles". We are pleased to confirm, as outlined in the graph and table below, that this target was achieved.

Female participation by category



New hires – Professional category	2017	2018	2019	2020	2021
Total Male %	47%	43%	45%	47%	41%
Total Female %	53%	57%	55%	53%	59%

Equality and Inclusion Targets for FY2022

We continue to set ourselves goals and programs to improve our diversity statistics. For FY2022 these will include:

1. Female professional recruitment

- Employ at least 50% of new professionals as female.

2. Elevate females to higher roles

- Ensure at least one female candidate is included in the interview process for any senior management promotion opportunities. If no women are available, the one-up manager is to be approached with an explanation.

3. Supportive environment for women, carers and minorities

- Improvement in GlobALSay results 'Benefits' category resulting from rollout of a clearer, more consistent flexible working practices guide.
- Expand the number of R.I.S.E. employee resource groups in ALS, to include one (1) in each of the four (4) main geographical regions. Establish a peer-to-peer R.I.S.E. steering committee overseeing regional organisations. Senior management to directly participate in at least two R.I.S.E. events in the year.

4. Management development

- iLEAD program – 55% female participation during FY2022.
- Managing Effectively Program (MEP) – 50% female participation during FY2022.
- Executive Development Program (EDP) – 40% female participation during FY2022.

5. Gender pay equity

- Review membership of the global STI and LTI plans to increase the percentage of women in eligible roles utilising the Global Generic Positions List (ultimate objective of equal participation by FY2025 or earlier).

6. Identify and mentor high potential female leaders

- Identify and mentor 28-30 mentees across the globe.



R.I.S.E is a Gender Equity Network that has been formed to create opportunities for employees from across the business to share experiences and learn from each other.

International Women's Day

On the 8th of March ALS employees across the globe participated in “Choose to Challenge” which was the theme for International Women’s Day 2021.



Training & Development



We recognise that the testing industry has a higher than average employee turnover. Our employee development programs strive to enable employees career options that are mutually beneficial.

At ALS, we strive to ensure that our teams and regions learn and grow in their respective fields. We design programs and learning paths that are customised to the employee's needs and the business's needs. Leadership development, mentoring, and a gender equity network promote success and unity within the ALS culture.

Leadership Development

We've designed a leadership development framework that builds on skills from frontline leaders (iLEAD)



to middle managers (MEP – Managing Effectively Program) to senior management with executive potential (EDP – Executive Development Program). These programs were created to saturate our future leaders of ALS in our values and vision.

In FY2021, we held a virtual graduation for 59 iLEAD participants in our Australia region as a celebration of their success. These participants completed 12 months of rigorous learning, collaborating, and presenting as they developed their leadership skills for today and tomorrow.



Also, in FY2021, we graduated 76 EDP participants through their two-year progress. Because of the current global pandemic, this year's graduation was also delivered virtually with guest speakers and a call to action from our CEO and Managing Director, Raj Naran.

Career Development

Individual Development Plans (IDP) are made available to our employees to give them the tools they need to drive their career progression. As part of this process, a Global Mentoring Program was developed and implemented into our ALS business. This program is designed to connect our emerging and high potential talent with senior leaders within the organisation and drive their career progression.

People Development

Developing talent at ALS is aimed at growing employee skills and competencies. It has to do with providing learning opportunities and tools for them to advance their overall careers. People development aims to create a place where people are engaged, have a high work performance, and are constantly learning and growing.

While partnering with our North America Life Sciences Business Development, we have designed a three-phase learning path to enhance their sales and customer interaction skill set. Their learnings are set to connect with a small network within their region to discuss topics, skills and competencies. Below are snapshots from our Video Presence course that developed a stronger connection between Business Development and clients via our new way of communicating – web calls.



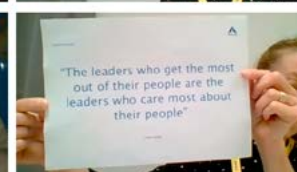
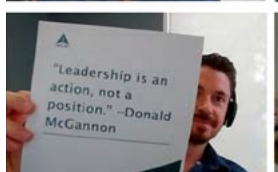
Opening address from Raj Naran, CEO and Managing Director



Graduate and Executive Speakers



Welcome from Susan Schmieder, Global Director - Learning & Development



Each graduate shared a leadership quote when their name was called.

ALS Coal Graduate Program

The ALS Coal Graduate Program puts university graduates through a range of structured, on-the-job training and project activities over a two-year time period. The program is based on real job requirements as well as the individual development needs of the participants.

Previous participants of the project have gone on to fill senior roles within the ALS Coal business. For example, James Bottle is now the Manager of the Coal Technology business, and Andrew White is the Operations Manager of the large Brisbane bore-core laboratory. Other graduates have followed career paths with major resource companies outside ALS.

Three participants from our most recent intake in 2018 have completed or are completing their program and are transitioning to key positions within the business.

- **Elliot Bowker** initially worked with the Gas and Geological Services team at various drill sites in central Queensland. He also worked with Brisbane bore-core business and with the support services team. Since completing the Graduate Program, he has been promoted to Quality, Safety & Training Officer based at our Richlands site.
- **Jarryd Campbell** originally commenced work as a laboratory technician at our Newcastle laboratory. After completing a Bachelor of Applied Science, he joined the Graduate Program. Within this program, Jarryd demonstrated sound sampling, analysis and people management skills. He was subsequently promoted to supervise the on-site laboratory at Wambo mine.
- **Thorn Fergusson** initially worked at the Mackay superintending laboratory. Besides obtaining a broad overview of the facility's processes, he also undertook plant audits and developed quality control and training systems that have benefited the whole business. Thorn will complete the graduate program in June 2021 and will be promoted to Data Analyst.



ALS Canada Celebrates the 2020 Career Achievement Awards

At the beginning of each year, ALS Canada celebrates employees who have reached career milestones during the prior year. Partnering with OC Tanner, each award recipient receives an online yearbook that includes a selection of commemorative gifts for the employee to select. In prior years, each site would hold a celebration for its award recipients. However, as a result of COVID-19, ALS had to get a little creative in finding ways to recognise employee service in a way that made them feel valued and appreciated.



Career Achievement Awards at Vancouver Geochemistry

More than 150 employees in Canada reached career milestones, and we are proud to say that many of our locations went above and beyond to find a way to celebrate their contribution. These included from ordering in boxed lunches for a socially distanced get together to providing a gift card for the employee and a loved one to enjoy a celebratory meal on behalf of ALS. Two of our larger locations went even further to provide a special recognition experience. Burnaby Environmental created a Wall of Fame and had a balloon "photo op" to recognise award recipients. North Vancouver Geochemistry also had a Wall of Fame and held a socially distanced red-carpet event complete with goody bags and a professional photographer to capture the moment. Every employee is a part of the fabric that makes ALS.



Human Rights



Our commitment

We are committed to respecting and upholding the human rights of all individuals throughout our operations and in our supply chain. We seek to foster an organisational culture which demonstrates respecting human rights guided by the international human rights principles encompassed in the International Bill of Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the United Nations Global Compact. We encourage our employees and those working in our supply chain to raise concerns about poor or unacceptable human rights practices and provide an independent confidential external reporting hotline to ensure concerns can be reported on a confidential and anonymous basis.

Our Code of Conduct, Human Rights Policy and Supplier Code of Conduct set out the standards of behaviour we expect of our employees, suppliers, contractors and other business partners in respecting and upholding human rights. As part of our employee onboarding process, our employees receive training as to their shared responsibility to ensure that we are not knowingly complicit in human rights abuses, including those committed by others doing work for us. Our site managers confirm their site's compliance to regulatory requirements including safe working conditions, employment conditions, equal opportunity and freedom of association by completing an annual sign-off declaration. In engaging suppliers, contractors and other business partners, we seek to only engage those that share our commitment to respecting human rights and treating everyone with dignity and respect.

Our approach

Our approach to respecting and upholding human rights includes:

- opposing any form of modern slavery, forced or compulsory labour, human trafficking and child labour, and our commitment to taking action to reduce the risk of this occurring in our operations and supply chain.
- a commitment to looking after the health, safety and security of our employees and being intolerant of discrimination or harassment occurring in our workplaces.
- subscribing to labour standards, including hours, conditions, wages, and overtime pay practices that are in compliance with the law.
- promoting freedom of association and the right to collective bargaining.

Our progress in protecting human rights

During the year we enhanced our framework to protect human rights by:

- continuing to further assess the effectiveness of our governance framework and processes in identifying and addressing human rights abuses;
- launching our refreshed Code of Conduct and associated all-employee mandatory online training to include a focus on respecting and upholding human rights;
- maturing our supplier risk assessment and due diligence processes and continuing assessments of our suppliers based on the greatest potential for human rights risks;
- rolling out our Supplier Code of Conduct; and
- reviewing our standard terms and conditions for our suppliers to ensure these adequately reflected the responsibility of our suppliers to respect human rights.

Our continued human rights assessments of our suppliers during the year did not identify any incidents of human rights abuses.

Reporting on modern slavery

In response to the United Kingdom's Modern Slavery Act 2015 we published our fifth Modern Slavery Statement during FY2021, which for the first time, also addressed the requirements of the *Australian Modern Slavery Act 2018 (Cth)*.

Further details as to our actions to address modern slavery in our operations and supply chain can be found in our FY2021 Modern Slavery Statement published on our website.

Our focus for FY2022

Our focus for FY2022 will be on undertaking a training needs analysis for those of our employees interacting with our suppliers, contractors and other business partners. We will develop practical guidance documentation and training that increases their understanding of human rights, identifying risks, and escalation of concerns.



Environment

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





The loud global call for a 'green recovery', from the grassroots to government, was reflected in the increased interest from stakeholders in our sustainability program this year. As a leader in the TIC industry it is important we act to minimise the direct and indirect impacts that the supply of our services has on the environment.

Our ALS HSE Foundation Standard is the principal document which sets the minimum health, safety and environmental expectations for all our businesses. To provide independent validation of our systems and processes, we maintain ISO 45001 and ISO 14001 certification for our corporate health, safety and environmental management system.

Most of our facilities are in industrial precincts of cities and towns, with utilities provided by external municipal and commercial providers. We require our operations to comply with local laws and ALS minimum standards to minimise our impacts on the infrastructure of the communities that we are located within. We report on the aspects of our inputs and outputs, including electricity, fuel, and waste which through our materiality assessment we have considered as material either to our stakeholders, or as a business risk to us.



**TOWARDS
CLIMATE NEUTRAL
OPERATIONS**

Climate Change

Climate change is a material business risk for ALS that requires global and strategic action. ALS emits greenhouse gases both directly and indirectly. Since 2018, we have gathered a range of scope 1, 2 and 3 emission data from all our businesses. Based on the information collated to date, the main sources of ALS's scope 1 and 2 emissions are:

- electricity consumption (61%),
- direct burning of gas for heating, ovens and furnaces (25%),
- direct transport fuels for company operated motor vehicles (14%).

In FY2021, ALS have emitted an estimated 88,000 tCO₂e as a result of our total scope 1 and 2 emissions.

The Intergovernmental Panel on Climate Change has conveyed a clear message to governments and business leaders that climate change is already impacting communities and urgent action is needed. The current international scientific and political consensus (outlined in the Paris Agreement) is that we need to maintain global warming to well under 2°C by 2050. To maintain global warming under 2°C, both governments and business communities must work together to minimise the impact of climate change.



Our New Climate Change Target

ALS has adopted a target for carbon reduction that will demonstrate a commitment to minimising the impact of climate change. The new target is to achieve a 40% reduction in carbon intensity by 2030. We believe this to be a credible target – 40% by 2030 aligns with the emissions reduction chosen by many governments and/or companies around the world to support the Paris Agreement and to limit the impact of global warming to 1.5 degrees by 2050.

We have developed a Strategic Plan that illustrates this target is achievable based on the following assumptions/conditions:

- Baseline year for calculation will be FY2020.
- The target is for scope 1 and 2 emissions only, calculated as CO₂ equivalents.
- Carbon intensity will be measured using total scope 1 and 2 emissions per total revenue derived.
- Acquisitions that occur after FY2020 will be excluded from the baseline calculations. Targets for these businesses will still be set in line with the ALS Group target using the equation set out in the science-based target tool.
- This is an interim target that sets us on a trajectory towards carbon neutrality in line with the Paris Agreement. The Strategic Plan will be reviewed annually, and further targets are expected to be set for ALS's scope 1, 2, and 3 emissions (including a longer-term target to 2050), once further understanding has been obtained on ALS's emission profile.



How the Target will be Achieved

ALS's approach to achieving 40% reduction by 2030 will be (in order of importance) as follows:

1. Target projects that provide real emissions reduction and generate long-term financial and carbon reduction benefits to the company.
2. Increase the use of renewable energy sources that are carbon neutral where appropriate.
3. Purchase carbon credits or offsets where mitigation measures are not available or not practical.

Our Strategic Plan outlines a Carbon Reduction Program including expected costs required to achieve the 40% reduction by 2030. The Plan also provides detailed analysis of the capital expenditure requirements for the first two financial years of the plan. Most of these initiatives are projects that have been implemented in other parts of the ALS Group as pilot programs. There is a high degree of certainty with the costs and emission reductions from these initiatives. The priority areas are:

- FY2022 – 14 solar energy installations across Australia and Asia, and one upgrade of a large air-conditioning plant.
- FY2023 – Installation of 120 fume cupboard sensors across nine sites, LED lighting upgrades on 17 sites, and targeted energy efficient equipment upgrades across key hub laboratories.

Our Climate Change Strategic Plan will be reviewed by management and the Board Sustainability and Innovation Committee annually.

Executive Management's performance will be linked to the short-term incentive remuneration program which will include a metric related to carbon emissions for the sites they are responsible for within their business stream.

Further details on our approach to climate change, including our disclosures against the Task Force on Climate-related Financial Disclosures (TCFD), can be found in our 2021 Annual Report.



Energy Management



Scope 1 emissions

Scope 1 emissions, direct emissions from ALS activities or under our control, are generated in the heating of our buildings, the operation of gas-fired ovens and furnaces, and the operation of our vehicle fleet.

We strive for the safe, reliable and efficient operation of our motor vehicle fleet through driver selection and training, regular pre-operational checks, scheduled servicing, and regular vehicle changeover. We continue to increase the proportion of vehicles fitted with in-vehicle monitoring systems (IVMS). This provides information that assists in improving driver behaviour, which is related to

safer vehicle operation, and lower fuel consumption and emissions.

LPG and Natural Gas

We continue to develop systems to collect the quantity of LPG and natural gas consumed in our buildings and laboratories. This will enable us to define and measure our group emission reduction targets and performance. In FY2021, the Canada Life Sciences business successfully developed and progressed strategies to reduce gas-related emission intensity.

Vehicle Fleet ⁽¹⁾ Tracked	Number of vehicles	Distance travelled (kms)	Fuel consumed (l)	tCO ₂ e ⁽⁴⁾
Australia (all business streams)	501	15,692,197	1,429,027	3,827
Life Sciences UK	172	11,563,204	980,141	2,644
Life Sciences Thailand	76	2,941,126	280,153	754
Life Sciences Europe ⁽²⁾	269	14,926,710	956,312	2,580
Americas (all business streams) ⁽³⁾				
Geochemistry ⁽³⁾	254	8,757,538	986,768	2,405
Commodity Inspection ⁽³⁾				
Untracked				
Americas (all business streams) ⁽⁵⁾	52	Not available	Not available	491
Life Sciences Europe ⁽⁵⁾	39	Not available	Not available	370
Total	1,363	53,880,775	4,632,401	13,072

NOTES:

- (1) The data represents >95% of our fleet.
- (2) Litres of fuel consumed is calculated using actual distance travelled and published fuel consumption figures where fuel purchase history is not readily available.
- (3) Litres of fuel purchased calculated using actual distance travelled and published fuel consumption figures.
- (4) Vehicle CO₂ emissions are calculated using Australian National Greenhouse Accounts 2020. (Fuel combustion emission factors – fuels used for transport energy purposes).
- (5) Distance and fuel consumption data is not available. CO₂ emission is estimated from average emissions of vehicles from the same vehicle pool.

Scope 2 emissions

Our 2018 Sustainability Report introduced a three-year reduction target of 5% in energy intensity (kW.h/hr worked). Our businesses have implemented behavioural-based energy awareness campaigns as well as introduced heating ventilation and air-conditioning improvements and building fabric changes. They have also purchased more efficient equipment, and challenged how we traditionally operate our businesses in their ongoing efforts to achieve this target and reduce our operations' impact on the environment. We have exceeded our 5% target with a result of an 7.3% improvement in energy efficiency.

This year many of our facilities operated for longer hours to enable separation of shifts and greater physical distancing between individuals to reduce the risk of transmission of COVID-19. While it is difficult to estimate the actual impact of this on our energy efficiency, the workplace changes due to COVID-19 have most likely increased our total electricity consumption.

Recognising that behaviour-based energy management requires continued reinforcement to remain effective, the top 50 electricity consuming sites across ALS conducted an audit of their building temperature set points and timers. Most of the temperatures were within the recommended ranges; however, several exceptions were identified both regionally and in specific room types. The audit findings resulted in updates to local procedures and

physical controls to reduce the discretionary adjustment of heating, ventilation and air-conditioning settings. The audit facilitated renewed discussion and engagement with employees on ALS sustainability initiatives.

Business stream	Electricity consumed (kWh)	tCO ₂ e
Asset Care	1,395,285	1,081
Coal	6,309,462	5,128
Commodity Inspection	5,816,575	2,922
Geochemistry	39,062,381	16,343
Life Sciences – Americas	27,884,825	9,021
Life Sciences – APAC	14,081,651	10,473
Life Sciences – EMEA	16,993,514	5,133
Metallurgy	4,543,850	2,519
Oil & Gas	75,411	17
Tribology	2,269,834	1,068
TOTAL	118,432,789	53,705

NOTE: Greater than 78% of the total electricity consumed is measured with the remaining 22% estimated based on similar ALS operations. The information in this table covers all sites and operations that have greater than 6 employees, and that are wholly owned or joint ventures with greater than 50% shareholding.

Scope 3 emissions

Our scope 3 emissions are an important aspect of our Climate Change Strategic Plan. We are continuing to develop our processes to identify, record and capture scope 3 emission data.

International Air Travel

Business air travel undertaken by ALS employees significantly reduced in FY2021. Scope 3 emissions attributable to ALS air travel reduced, firstly due to our ban on nonessential travel and subsequently as international travel became increasingly more difficult due to national bans. Although our scope 3 emissions from air travel will likely increase post pandemic, ALS will promote the less carbon-intensive business practices that we have implemented during the pandemic.

We estimate that we are now capturing and recording 70% of the total air travel conducted across the ALS Group. Although this figure is not precise it does inform us of the relative proportion that air travel contributes to our CO₂ emissions.

Air travel	tCO ₂ e
Domestic – Outside Australia	40
International Travel – Other than Australian-based	14
Domestic – Australian	121
International Travel – Australian-based	5
Total	180

NOTE: CO₂ emissions calculated from kilometres travelled using ICAO Carbon Emissions Calculator

Updated Building Standard

This year we updated our Building Standard, which provides our businesses with a central reference to assist them to make informed decisions on integrating environmentally sustainable development into building maintenance, management and refurbishment plans.

Laboratories have a direct and indirect impact on the environment. During their construction, occupancy, renovation, repurposing, and demolition, buildings use energy, water, raw materials, generate waste, and emit potentially harmful emissions. Globally, there is a range of green building standards, certifications, and rating systems to mitigate the impact of buildings on the natural environment through sustainable design. There are now more efficient technologies to provide heating and cooling, lighting, and other services, enabling us to use much less energy than in the past. The updated building guide assists our global team to integrate good laboratory design, local statutory requirements, and local considerations including climate, energy carbon intensity and cost, and water availability into their final design.

Whilst this guide helps facilities save operational energy and reduce their carbon footprint, it also reduces the embodied emissions from the remainder of the building's life cycle. The ALS Building Standard is an important enabler of our new emissions reduction target.

ALS Northern Europe invests in electric vehicles

Domestic flights have historically been used by the Swedish ALS Life Science business to transfer client samples to the laboratory within six hours, from sample drop-off, so analysis can be performed overnight and reported by 07:00.

Since the start of the pandemic, domestic flights within Sweden were significantly reduced; we could no longer offer clients this express capability. By implementing a network of cars, the overnight service was quickly restored. However, the already high greenhouse gas emissions generated from the flight solution now increased further as the cars were internal combustion engines. As the sub-region of Northern Europe have set a strategic goal to be emission neutral by 2035 alternative solutions to petroleum driven cars were investigated.

The challenge was to find an electric vehicle (EV) that could safely transport the volumes of samples, with a range of 700 km and a total charging time of 30-60 minutes, preferably during winter conditions (-5 °C). As the specifications of EVs didn't include these conditions, actual test runs were performed on three different models. Two alternative models were fitted with a 64-kWh battery and both cars consumed approximately 20 kW/100 km, at 110 km/h and +5 °C. So, the range of a fully charged car was approximately 300 km. To cover the range of 700 km we had to stop three times and charge for 70-90 minutes. That was simply not good enough.

The team then tested a third alternative with a battery capacity of 77 kWh and similar consumption. Other than the 20% increased battery capacity, the major upside with this car was the charging speed. This car had a maximum charging capacity of 125 kWh. The vehicle could now meet our criteria. The driver could drive for two hours, take a 10-15 minute (charging) break, then go for another two hours, take a 30-minute lunch/charging break, go for another two hours and then have a last 10-15 minute (charging) break before driving the last two hours back.

ALS Northern Europe have ordered six electric cars. These cars are expected to run a total of 625,000 km annually. Compared to petroleum-driven cars, the emissions reduction is expected to be in the range of 825 tonnes CO₂ per year.



Canada GHGE plan – 'Project Milne Ice Shelf'

This year, ALS Environmental Canada developed a new plan for their journey to reduce Green House Gas Emissions (GHGEs) as part of ALS global sustainability efforts.

The project was named project 'Milne Ice Shelf', with reference to the collapse of the former Ellesmere Ice Shelf, located in Nunavut Canada. It had been the last fully intact ice shelf in the Canadian Arctic until July 2020, when more than 40% of the sheet collapsed within two days due to global warming. We chose this symbol for our team as it hits close to home for Canadians and shows the direct effects of climate change.

Initially, the team was small and focused, including Natalija Mocevic (Canada HSE Manager), Farhad Khalili (Operations Manager), Alvaro Martins (Facilities Manager) and Geoff Anderson (General Manager Canada) and later expanded to include others from key locations in Canada. The ALS Canada team set an ambitious target of a 40% reduction in GHGEs (normalised to sample) flow by 2027 through strategic planning and targeted actions.

We introduced the entire Canada Environmental team to sustainability objectives and targets via virtual town hall meetings, infographics and team meetings. The staff was surveyed in late November 2020 to gauge their support for sustainability targets on GHGE reductions, their support for change in practices to reduce waste, and their suggestions on how to cut gas and electricity usage. The overall support was very high at an average of 8.54/10. The staff also provided ideas to reduce emissions, and their direct efforts have already made a significant difference. The sustainability plan captures major GHG emissions plus internal projects to track and reduce DCM usage (a chemical that has the potential to be classified as a GHG in future). Plastic and glass bottle miniaturisation and projects to reduce general consumable usage and waste are also included.

The initial step was to accurately verify the carbon footprint from scope 1 and 2 emissions, including electricity and natural gas. These vary by region primarily due to the relative carbon footprint of electricity generation, e.g. carbon-heavy in Alberta but not in British Columbia. As the highest emissions come from natural gas usage, particularly due to heating in winter, the initial projects focus on lowering natural gas usage.

Many laboratories have added more and more fume hoods, never being aware of the cost of operation – not just electricity but heating or cooling air in winter. The 'Shut The Sash' campaign is aimed at cutting airflow and reducing heating costs, thus reducing GHGEs. A key aspect of the campaign involved staff communication about climate change impacts from open fume hoods and how they can make a difference. Regular in-person meetings and visual aids were also crucial.

Natalija Milosevic, HSE Manager Canada Life Sciences showing Shut the Sash stickers



*PlanetScope image of the Milne Ice Shelf in Arctic Canada.
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Life Sciences Northern Europe Climate Neutrality Vision

Life Sciences Northern Europe has developed a challenging climate neutrality vision.

The local management team are committed to embedding long-term strategies to achieve climate neutrality with the goal of being the market leaders in climate-neutral testing.

In December 2019, the European Commission introduced an ambitious proposal to make the bloc climate-neutral by 2050. ALS Northern Europe has gone beyond that with a target of climate-neutral operations by 2035. The northern Europe electricity grid has been substantially decarbonised. ALS Northern Europe scope 2 (electricity) carbon emissions intensity is the lowest in the ALS group and is approximately one-third of the group's average. Consequently, their climate neutrality plan has a strong immediate focus on scope 1 and scope 3 emissions.

The ALS hub and spoke model, with specialist laboratories, services a large network and involves significant logistical operations contributing to our scope 1 (operation of our own fleet) and scope 3 (emissions from our suppliers of road, rail and air transport). The selection criteria for our transport providers include their carbon emission intensity. The logistic supply chain process from sample pick-up to delivery to the laboratory where testing is conducted has been mapped, and a suite of actions have been developed to meet the team's target of reducing emissions from transport by 50% by the end of FY2023, with further actions targeting a reduction by 85% by end FY2025.

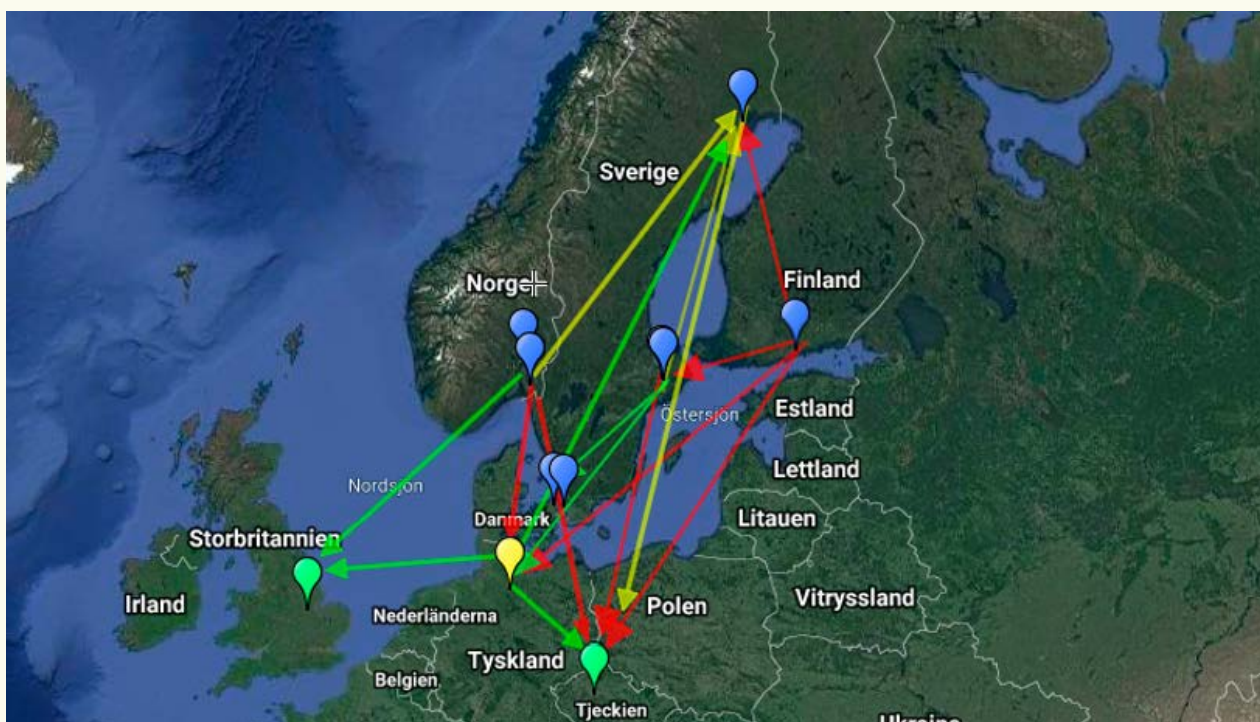
In FY2021, to reduce emissions from transport of samples ALS Northern Europe invested in 600 tonnes of Certified Emission Reduction units (CERs). By doing so, we are

contributing to achieving a climate-neutral society and to bring sustainable development to developing countries. This investment exceeds the Nordic region's calculated yearly emissions from transport of samples, both from clients and between our laboratories.

By offsetting emissions with Certified Emission Reduction units (CERs), ALS takes climate action through projects overseen by the United Nations. The purchased CERs are issued by climate-friendly projects called Clean Development Mechanism (CDM) projects.

The project we have invested in is the first renewable energy project to utilise rice husk as biomass fuel for electricity generation in Cambodia, involving the operation of a 2 MW new rice husk power generation plant in the Kandal province.

The project provides the electricity generated from the biomass power plant to a rice mill that would otherwise use diesel oil to generate electricity. The project also supplies surplus electricity to neighbouring factories and communities through the power utility, reducing the reliance on diesel oil or batteries for power. GHG reduction is also achieved using rice husk, which was previously left to decay in the open space, resulting in methane emissions. The project has contributed to the improvement of the community's economic, social, and environmental wellbeing by providing reliable electricity access to the rice mill and the neighbouring business and community.



Operational Environmental performance



It is a corporate requirement that each ALS site establishes a process to identify and monitor relevant legislation that impacts its operations. All ALS facilities are expected to meet relevant laws, standards and industry guidelines on environmental protection as a minimum requirement.

ALS has installed purpose-built engineering systems on its facilities that have been identified as generating low-level emissions such as air emissions from fume cupboards, dust emissions from mineral sample preparation, and liquid trade waste discharged to local council sewage treatment plants. We have also developed several industry best practice strategies in pollution control, such as specially designed and patented dust control capture devices. Programs for maintenance and testing of the operational efficiency of pollution control equipment are in place to ensure atmospheric emissions are maintained as low as possible.

ALS managers are required to sign-off on their operation's compliance regularly, including monthly exception reporting for any environmental events and an annual sign-off by managers to ensure environmental risks are closely monitored. During the FY2021 reporting period, there were no material incidents of environmental harm reported and no ALS entity prosecutions concerning a breach of environmental regulation.

ALS Environmental Canada – Employee engagement

Over the winter season, many of our Canadian Environmental laboratories experience lower workloads and reduced laboratory equipment use. The Canada Environment laboratories climate change team developed an innovative competition to create awareness on energy use and reduce consumption. From December 2020 to March 2021, we invited laboratories to identify excessive fume hood(s) at their locations and hibernate them for at least one month. During this time, the fume hood(s) were fully closed, displaying a hibernation poster. Records of hibernated fume hood(s) were collected by the site HSE represented and submitted to the organisers every month. The Vancouver laboratory maintained the longest fume hood hibernation period and won gift vouchers for site employees.



Waste Reduction



The pursuit of continuously reducing our net resource consumption faced extra challenges this year due to the pandemic. One of the key infection controls implemented across our sites was restricting on-site visitors to only those essential to a facility's ongoing operation. Our employees continued to challenge and improve how we use, recycle and dispose of consumables despite the difficulty in collaborating remotely with vendors on improvement opportunities which typically would be progressed with a hands-on approach. A selection of ALS waste initiatives is provided below.

Czech Republic

Na Harfě, Prague, launched a project to purchase regenerated mercury to reduce this metal's net use, which is required by their analytical procedures. The waste mercury is sent to an external provider who processes the waste and then supplies the mercury back to ALS at the required quality specification. Approximately 100 kg of mercury is now very efficiently regenerated and reused in our laboratory.



Waste recycling at Prague Life Sciences

Česká Lípa laboratory have implemented measures to reduce the overall impact of the use of solvent in their analytical processes. While there is minimal opportunity to reuse or recycle within the laboratory due to the requirement for ultra-pure quality reagents, the team continue to look for improvement opportunities. They have redirected a greater proportion of their solvent waste from a high temperature disposal specialist waste provider to a new provider that regenerates waste solvents (and this enables the reuse of solvents). Approximately 7 tonnes per year of petroleum hydrocarbons will now not be burned as waste but regenerated and on sold as commercial grade product by the reprocessor. The team are assessing the feasibility of extending this waste process to the Kolbenova and Poděbradská laboratories.

Pardubice laboratory is running a pilot project to clean laboratory dishes without the use of organic solvents.

Sweden

Danderyd laboratory reduced their acid consumption by recycling it in the acid leaching of clean sample tubes and using it as a wash solution for rinsing instruments. While not applicable in all circumstances, this was an efficient acid-reducing action in the laboratory. The laboratory also critically reviewed their procedures and reduced the use of PAH and PCB internal standards by 50% in one method and 75% in another. For both examples the reduction means a positive impact on the environment due to reduced need of resources, generation of waste and risk of handling hazardous chemicals by the staff. Verifications were completed to ensure that there was no negative impact on the quality of the analyses.

United Kingdom

Rochester introduced a recycling program to reduce waste generated. Going hand in hand with this was making a switch from primarily using paper towels to cloths for cleaning countertops and coolers.

Coventry have repurposed the spill mats received as part of our chemical deliveries, instead of disposing of them when unpacking. Santokh Jhooti pointed out that these are the exact same mats used in the laboratory spill kits, so now they save them.

Coventry also invested in new technology with increased sensitivity enabling them to reduce their solvent usage by 23% for three of the tests they perform.

Recycling to help the community.

This year our Geochemistry laboratories in **Lima** participated in a local campaign related to E-waste Disposal, promoted by MINAM (the Environmental Minister of Peru) and ANIQUEM, an NGO which brings support to children affected by skin burns. For this campaign, the site collected E-waste from our operations and from our workers' donations. In total, nearly 0.5 tons were given.

Argentina donated 695kg of paper in FY2021, participating in the Recycling and Environment Program of the Garrahan Foundation which contributes to the Garrahan Hospital, free paediatrics reference centre in the Argentina public health system.

Santiago laboratory recycled 300 kg of paper during January to November 2020. The used paper donations were delivered to Fundación de Niños San José, a Foundation that supports pregnant women children in hardship. The foundation estimates that the donation enables them to supply 200 diapers or 100 baby bottles to their clients.

Colombia collects plastic lids and other types of plastic, paper and cardboard and donates them to the Sanar Foundation that supports the social, psychological and economic needs of children undergoing oncology treatments.



John Quick, Principal Scientist, Coventry Life Sciences



E-waste recycling at Lima Geochemistry



Paper recycling at Santiago Life Sciences



Canada Life Sciences – Reducing resource consumption

DCM or dichloromethane is a chlorinated solvent widely used by laboratories to extract semi-volatile organics – referencing the globally adopted USEPA 8270 methodology. Unfortunately, DCM is a chlorinated solvent and also potentially a greenhouse gas. The reduction in DCM use is good for the environment, good for our staff and reduces solvent costs plus expensive disposal. ALS Canada has steadily targeted the reduction in DCM usage through a variety of projects in recent years:

- Combining methods (one extraction for two tests)
- Miniaturising tests (e.g. adding LVI and using 10% of the sample and 10% of the solvent)
- Moving tests to new technologies (LC/MS/MS).

In FY2021 there has been a 41% reduction in usage of DCM when factoring in sample flow growth. While this is a good start, the Canada team has several more key projects that will likely achieve a 50% reduction by FY2022. The highly regulated Burlington laboratory (performing many analyses for the US) has cut usage by 9% in 2020 and has additional projects targeting further reductions.

This project sits in the Canada sustainability plan and will continue to be a focus for the leadership and technical teams.



United States & Canada

Cincinnati, Ohio, has continued its focus on sample miniaturisation. Although completing most of the miniaturisation on the analytical side a while ago, the site has still been receiving samples from clients in containers sized for the original prep volumes. The site has moved to downsize bottle orders to minimise the amount of sample received. This has led to waste reduction, usually between half ($\frac{1}{2}$) to one-fifth ($\frac{1}{5}$). The client services team also refreshed their efforts to encourage clients who do not do bottle orders directly through the site to downsize the amount of sample they send.



Michigan

Holland, Michigan, has expanded its recycling collection from the laboratory to include the breakroom and administration areas, with an education campaign and installation of additional receptacles in those areas. Though the laboratory production areas produce most of the recyclable waste on-site, this expansion allows for even more items that are recyclable to be collected from the facility.

Salt Lake City has taken the step to reduce paper waste by not printing project information which was previously included with each job file. While this is a small change, it also reduces the volume of paper which is required to be stored from between five to seven years.



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.

Zillmere, AU, Geochemistry sample preparation

The Zillmere Sample Preparation site operates large sample sieves as a service to clients. With all sieves in operation, it requires a water flow rate of 118,000 to 162,000 litres per shift over two shifts. However, the recognised procedure did not consider recycled water. The team worked with our client and developed a process to filter and recycle the water, meaning it now only requires a top-up of approximately 2000 litres per shift, saving up to 233,000 litres a day. This is greater than a 99% reduction in water use. The improved process has also reduced the energy consumed by our waste providers with a more energy-efficient process to dispose of the captured solid waste and 99% less wastewater.



Water recycling at Zillmere Geochemistry

Richlands, AU, Coal quality

During 2017, the Richlands team decided to transition away from lead solder in its operations. The Gieseler test work traditionally uses lead solder. The transition required the team to validate the quality of results from the process change and engage with the relevant clients before implementation. The change from lead has resulted in some increased operating costs and additional equipment wear. However, they continue to work with suppliers and industry experts to reduce these costs through ceramics and other alternatives.



Richlands Coal quality testing with new lead free process

Australia Life Sciences

Over the past 12 months the Australian Life Science business unit has been investigating bottle compaction units to manage sample container waste streams from their laboratories. The current practice is for staff to manually remove the sample bottle cap and pour the liquid into a trade waste neutralisation system. In 2019 a pilot process was installed at Stafford which has enabled us to directly place some of our waste plastic directly with a recycled plastic manufacturer. The pilot project has also provided valuable learnings into the second phase of the project which will see the concept extended to other sites.

The intended benefits of the project included;

- Generation of a recycled plastic resource from our sample container waste stream.
- Reduce safety and specifically repetitive strain injury risks for staff disposing of sample containers.
- Mitigate worker exposure to the sample bottle contents during disposal operations.
- Save through reduction in labour costs contributed by current sample disposal requirements.

The project included a review of both bespoke and off-the-shelf options. The Australian Life Science business has installed a bespoke bottle compaction unit comprising a plastic compactor unit and integrated solid waste conveyor. Next year they plan to purchase another four of the units to install across Australia.



Bottle crusher at Stafford Life Sciences





Society

Make a positive contribution
to our local communities.

Our sustainability pillar of Society incorporates the ways we can positively impact the local communities where we operate, which is of material interest to our stakeholders.

We have a broad stakeholder group that trust us to provide our services, employ people, and operate in a lawful, ethical and responsible manner. However, beyond this, we can contribute back to society to support the current and future needs of the community.

We contribute by engaging with business partners, service providers, and suppliers aligned with the standards of behaviour and actions outlined in our Code of Conduct. The testing and assurance services that we provide are essential to many aspects of people's lives. Although not always visible to our stakeholders, this year, our supply of COVID-19 testing for humans in Europe and wastewater testing for COVID-19 globally is representative of our wider contribution. The way we operate our business and how we engage with the community matters.

Local Investment

Charitable Donations

ALS contributes financially to support causes and community initiatives that align with our corporate values and represent our recognition of, and support, the communities in which we operate. Our Donations Policy specifically excludes donations when the request is for an individual and when the donation or sponsorship submission is for a religious, political or government organisation or supports such organisations' activity.

We focus our donations and sponsorships on a selected number of causes where our contributions can have a measurable impact and make a difference. Our donations are to be directed to reputable organisations whose values align with ours and whose programs have a direct impact in the communities in which ALS operates including:

- supporting disadvantaged children
- providing a community service that supports health and wellbeing
- supporting individuals with a disability
- focusing on breaking the cycle of poverty
- delivering emergency aid
- focusing on longer term rebuilding efforts where local resources have been overwhelmed by natural disasters
- conserving and sustaining natural environments.

Our sponsorships are directed towards initiatives that partner with local institutions or organisations to support science education and initiatives. We aim to create interest and awareness about science and inspire individuals to the opportunities available in this field.

This year we have made corporate donations to:

- The Center for Pursuit (Houston)
- YoungCare (Australia)
- myAFK (UK)
- Conin Foundation (LATAM).

ALS Cares

ALS introduced our workplace giving framework, 'ALS Cares', as a platform to provide employees with an opportunity to regularly donate to a charitable organisation that shares our values, who contribute to causes that are aligned with our donation policy, and with whom we have formed a long-term relationship.

This year we continued our workplace giving, supporting YoungCare in Australia and The Center in Houston.



Supporting Science Education



We have the opportunity to give back to society in a material manner through our support of science education. We partner with universities and schools to provide access to our experienced personnel and world-class facilities, enabling students to experience working in science, complete their university research and thesis, and share our employee's knowledge and experience. This year the restrictions that health authorities, schools, and ALS implemented to reduce the spread of COVID-19 significantly reduced our ability to provide these opportunities; however, the selection of stories below demonstrate the high level of importance that ALS and our employees place on supporting science education.

Life Sciences, Monterrey laboratory participated jointly with the Autonomous University of Nuevo León (UANL) in a program that supports students in the last semesters of careers related to Chemistry. Our laboratory allows students to carry out professional practices. In this way, they obtain first-hand exposure to the professional work environment they will face when they graduate.

Tribology, Belo Horizonte supports science engineering education initiatives by sponsoring the research projects conducted by CEFET – Federal Center for Technological Education of Minas Gerais. The University program, Formula CEFAST, was founded by female mechanical engineering students. ALS is responsible for analysing a vehicle prototype engine oil that ensures detailed information for predictive and corrective maintenance to assist the project team in making the best decisions to ensure good operation and efficiency of their car.



CEFAST racing, supported by Tribology Belo Horizonte

The **Geochemistry, Kamloops** Manager has been involved in the Kamloops Exploration Group (KEG) for many years. Some highlights of her involvement this year include a virtual lecture series, planning for short courses offered in 2021, providing free online technical talks from the 2020 KEG Conference to the public, and providing virtual classroom visits to children.

ALS Limited **Brisbane, Australia** sponsors two annual philanthropic gifts: "The ALS Prize for Geochemistry" (est. in 2014) presented by Associate Dean (Academic), Faculty of Science to a student of University of Queensland with the highest grade in either EARTH3205 or EARTH4222; and "The ALS Limited Prize" (est. in 1984 as recognition of the distinguished service of Sir Lionel McCray as CEO and Chairman over 48 years) presented to a student of UQ Business school with highest GPA for "Master of Business Administration" or "Master of Commerce" courses.

The **Life Sciences, Quito** team united to help children in impoverished and vulnerable conditions in Chimborazo through the donation of tablets to support virtual education in the pandemic scenario.



Omaira Torres, HR Coordinator Quito Life Sciences, presenting tablets



Because of COVID-19, the number of co-operative students supported by **ALS Canada** dramatically decreased as the co-op term it supports commenced in May. However, it was still able to host 10 Co-ops in 2020 who worked in the laboratory, finance and human resource areas.

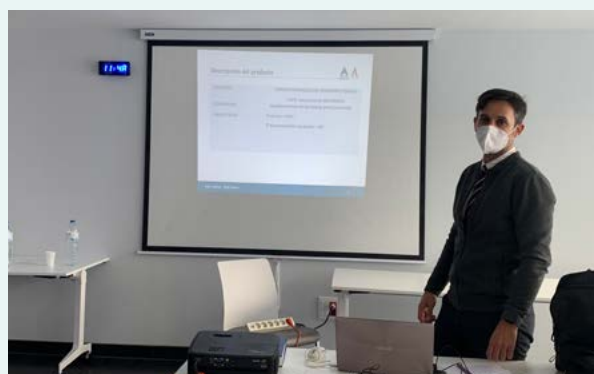
Industrial, Australia is an employer sponsor for HunterNet Co-operative, providing training and employment opportunities for the community in collaboration with TAFE NSW. In the past 18 months, ALS Industrial NSW has recruited 13 NDT trainees through HunterNet. The training provides Level 2 qualifications in industry recognised inspection methodologies such as magnetic particle testing, dye penetrant testing and ultrasonic thickness testing, together with soft skills courses including safe and sustainable work practices. One of these trainees, Katherine Jones, conducted her traineeship with ALS Industrial Cameron Park and graduated with a Certificate III in Engineering. She won the Trainee of the Year at HunterNet Group Training in 2019 and the 2020 HRATA Major Category Winner for Women in Non-Traditional Trades. She is now a full-time employee with ALS Industrial.



Katherine Jones, Trainee NDT Technician, Cameron Park Asset Care



In a complicated year in which the most relevant word has been COVID-19, **ALS Spain** wanted to provide practical support to the community. They identified an opportunity to provide 'virtual' training to the kitchen teams of Zamora's hospital facilities near ALS Salamanca. The training focused on managing hospital kitchens and the necessary changes due to COVID-19 within the facilities to support the provision of the highest quality and safety to patients during their stay. "It is important for ALS to be able to actively help in the training and knowledge of professional teams in such important facilities during the pandemic as Hospitals," said Nicanor Martín, Director de Consultoría, Food and Pharmaceutical España.



Nicanor Martín, Consulting Department Manager, Spain Life Sciences, delivering online training.

The ALS **Project Centre in Prague** continued to support university thesis students. Continuous development, solutions of current topics and innovation of analytical methods are at the forefront of its laboratories. This year, despite the difficult conditions and forced Coronavirus holiday, ALS supported a thesis in the field of Clinical and Toxicological Analysis, which was prepared, processed, and submitted promptly, receiving an 'excellent' rating.



Employment Creation

We support economic growth across the regions in which we operate through the direct employment of more than 15,000 people. This year we have employed more than 700 additional employees.

In FY2021 we have paid \$841 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.



Local Charity Programs

Supporting community is important to many people across ALS who devote their own time and draw on their network of ALS colleagues to provide benefit to others in society.

Although the pandemic has caused increased hardship throughout many of the areas in which we operate, the necessary public health controls to reduce transmission has constrained or suspended many of the traditional charitable activities we have hosted or supported. Despite these challenges, our employees, with the same persistence and innovation as they display in the workplace, found approaches that allowed them to continue to contribute to society.

United Way

ALS North Vancouver has supported the Lower Mainland United Way since 2012 raising almost \$150,000 CAD through its annual workplace campaign. However, the campaign this year broke all prior records. Despite the uncertainty and challenges caused by the COVID-19 pandemic, ALS employees and the United Way committee stepped up to the plate to support their local communities by raising a remarkable amount of \$20,059 CAD. The Lower Mainland United Way serves 40 communities in South Western British Columbia and focuses on the most vulnerable in society – children, seniors and youth at risk. Its mandate is to fund programs that feed children, bring community to isolated seniors and reach out to youth at risk while also conducting research and lobbying for increased government support in these areas. Its work helps thousands across the lower mainland and its impact on the community is beyond measure.



ALS Vancouver preparing breakfast for United Way support

Due to COVID-19, the workplace campaign looked a little different this year with events following all ALS health & safety protocols and public health guidance. But the committee rose to the challenge by thinking up new and creative ways to make the campaign an engaging experience for all who pledged. The popular pancake breakfast kick-off was replaced by a continental breakfast pre-packed and delivered to each department. Other food events, such as the calzone lunch and “thank-you” cookies, were also pre-packaged and delivered to participants.

None of this would have been possible without the support of local management who made employees available to sit on the United Way Planning Committee; and approved the purchase of food for the events and prizes for the games.

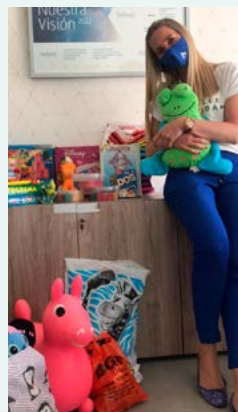


United Way fundraiser breakfast

Supporting children in need

Since the laboratory opened, ALS Waterloo Environmental has participated in an annual Holiday Toy Drive organised by Waterloo Knights of Columbus charity that runs the largest Toy Drive in the region.

ALS Environmental Buenos Aires staff ran a successful campaign to donate toys for children in the Pedro Fiorito hospital, in the neighbourhood where the laboratory is located. The team is currently adding a new campaign which includes adding diapers and food to their community support.



Latin America Life Sciences toy donations

The impact of COVID-19 had an effect on the Sudbury laboratory's regular contributions to the community. However, they were still able to support local projects and groups including the Canadian Police Association, the Local Food drive, the Chamber of Commerce, and also showed their support to the Royal Canadian Legion.

The Australian Asset Care teams give to a number of community events and charities that support children. These include sponsoring special needs children to attend World Festival of Magic 2020, a human performance circus in Newcastle 2020 for the Immune Deficiencies Foundation Australia, and supporting the Smith Family Toy and Book Appeal 2020.

Cancer Support

Inspection UK held an ALS fun day where employees and their families attended a function in memory of one of its young laboratory technicians who sadly passed away from a cardiac abnormality on December 31, 2017. His parents also attended, and £912 was raised for the charity of their choice - 'C.R.Y' that researches young sudden cardiac deaths in the UK. The Inspection UK Team also held two consecutive coffee mornings where homemade cakes were brought in and sold to raise money for Macmillan, a cancer support charity. The last one raised £436 in just one morning of selling cakes.



Food Drives

On 23rd December 2020, the Brazil Tribology team had the pleasure of delivering almost three tonnes of grocery items to Sementes do Amanhã day care with more than 150 children under the poverty line. Every year since the business was established in 2009, the team donates the food to the centre along with toys for the children. This year, in response to the difficulties of the pandemic, the local ALS management challenged the team to keep the tradition alive by offering to double the amount of food raised.

Every year ALS Winnipeg Environmental participates in 'Christmas Cheer Board Feed A Family' program by preparing two hampers for local families. Each season thousands of hampers are prepared by the local community for families in need. ALS Winnipeg is proud to be a regular participant over the years and staff have been very generous.

This year ALS Vancouver Environmental, ran a Pass the Pasta Greater Vancouver Food Bank Campaign. They collected hundreds of packages of pasta and noodles in support of food security which will be distributed to those in need in the Vancouver community.

ALS Sudbury lends a helping hand to the local food drive by collecting non-perishable food items for the less fortunate in our community. A box for donations is available on-site, and employees are happy to support this initiative.

ALS employees from five Life Sciences Brazil sites across Sao Paulo, Sao Roque and Campinas committed to make meaningful contributions to the Food Bank, an NPO that was born through a civil initiative in 1999.

ALS coordinated donations and transported them to the Food Bank. Unfortunately, due to the local health authority's COVID-19 protocols, it was not possible this year to personally deliver the donations, which were completed in August and December 2020. An ALS employee in the Environmental unit in Sao Paulo wished to help more people during the Christmas period and, with 13 fellow workers, she chose an institution that supported orphans in Sao Paulo city, Lar da Mary. Each employee bought clothes, shoes and a hygiene kit for one child and ALS Life Sciences Brazil bought a toy to support the initiative and complement the donation.

The hard lockdown as a result of the pandemic in South Africa had a devastating effect on the less fortunate. It resulted in many of the already struggling communities in the country finding it more difficult to feed their families due to reduced economic activity and resultant income. As a result, many of the initiatives from NGOs, religious communities, individuals, and organisations from all walks of life spontaneously started various charity initiatives and feeding schemes to supplement government initiatives. ALS Geochemistry South Africa Operations Manager Martin Stone and his wife (Angela) contacted charity initiatives and used own friends, family, and colleagues to identify families in desperate need and provide them with food parcels on a monthly basis.

Every month donations were gathered and compiled into food parcels consisting of vegetables and dried foods. The aim was to feed a hungry family of five from between five to seven days with each food parcel. Since the inception of this initiative, up to 55 families have been fed.



Geochemistry Johannesburg, food donations



Sao Paulo Life Sciences with a donation for the food bank



Patricia Damasceno, HR Consultant, Tribology Brazil delivering food and toys

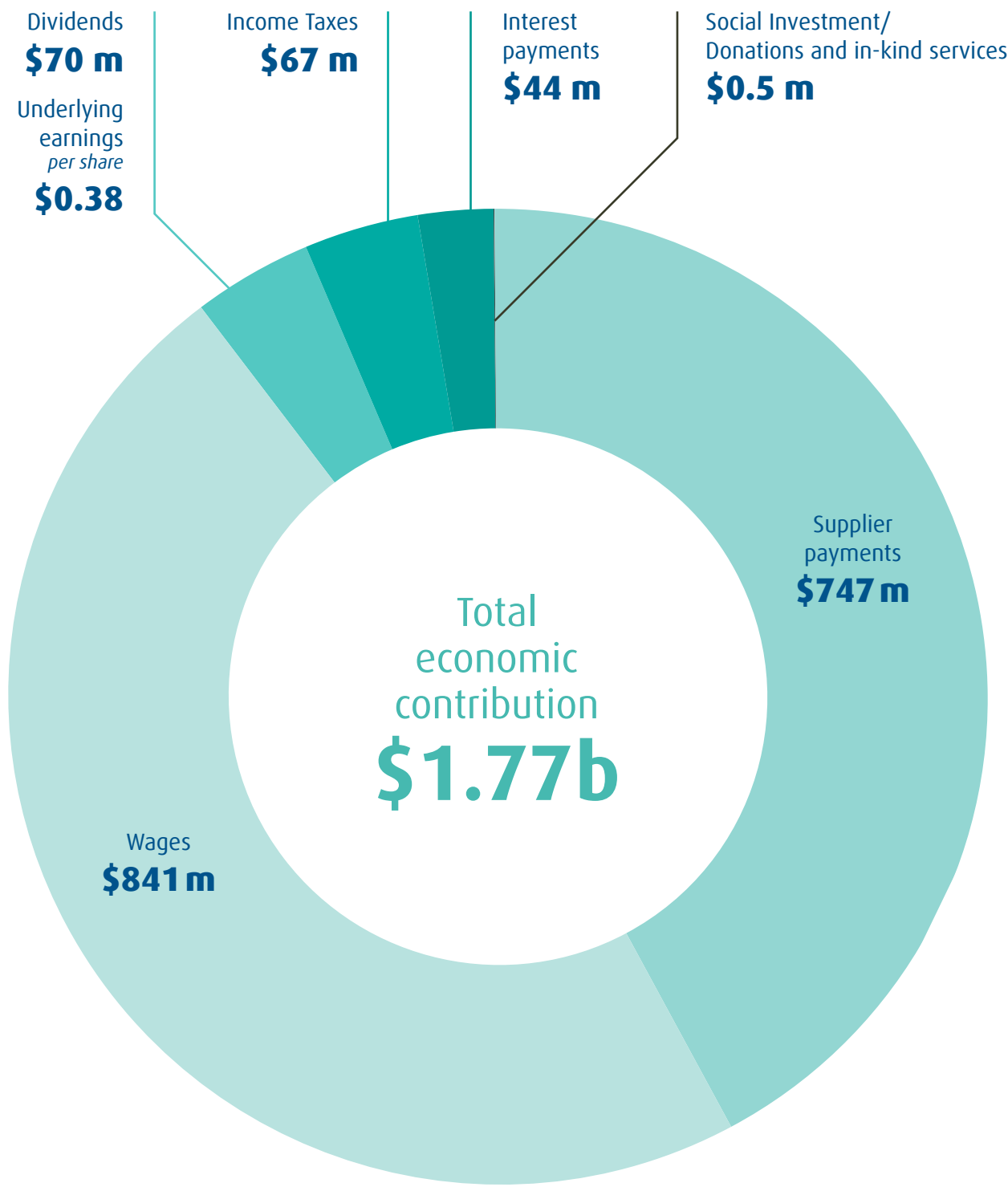


Economic Contributions



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 \$1.77b economic contribution in FY2021 was through the \$841m we paid in wages and \$747m made in supplier payments.





Governance

Operate ethically and responsibly to deliver sustainable outcomes for our stakeholders.

Governance

Maintaining robust and sound governance practices is fundamental to the delivery of our strategy and long-term sustainability, and to protect and enhance the interests of our shareholders and other stakeholders.

We comply with the 4th Edition of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations and are committed to regularly evaluating and updating our governance framework to reflect existing and emerging corporate governance practices, and market and regulatory expectations.

Our governance framework reinforces our commitment to lawful, ethical and responsible business conduct, supports transparency and provides a clear framework for decision making and accountability in relation to all aspects of our business.

Central to our governance framework is our Code of Conduct, which is supported by policies, training programs, and operational procedures and processes to ensure a consistent approach globally to ethical and sound decision making. Our PPI (Positive Performance Indicators) scorecard reinforces responsibility and accountability for our sustainability, in linking certain sustainability metrics with remuneration.

In line with our commitment to continually improve our governance framework, during the year we strengthened our governance framework by:

- refreshing our Code of Conduct to reinforce our commitment to continuously instilling a culture of acting lawfully, ethically and responsibly.
- reviewing our Delegations of Authority framework to ensure the alignment of existing responsibilities and accountabilities remained appropriate.
- developing a new PPI scorecard (for rollout in FY2022) to include contemporary, relevant metrics to assess safety performance and more readily identify high-performing businesses.
- the continued evaluation of our existing M&A (Mergers & Acquisition) processes to enhance our pre and post-acquisition processes.
- strengthening and streamlining our systems and monthly financial reporting processes to safeguard the integrity of our corporate reporting, and implementing new treasury technologies related to optimising foreign exchange dealings and risk management.
- introducing systems that verify our Information Technology Controls Framework to provide assurance that the technology tools and solutions deployed are operating as intended, data is reliable, and applicable laws and regulations are being complied with.
- reviewing our remuneration incentives to include a focus on our Code of Conduct and transparency to ensure an open culture for reporting and resolving irregularities.

Our Board

Our skilled, experienced and diverse Board of seven directors provides strong leadership and are committed to ensuring that we conduct our business ethically and to the highest standards of corporate governance.

Prior to appointment, each director is subject to background and probity checks to verify their educational and employment history to determine if they possess skills and experience that is complementary to the efficient operation and functioning of the Board. Directors are not appointed for specific terms and are subject to rotational requirements for re-election. Criterion for continued office is effective contribution, which is regularly reviewed in the evaluation of the Board's performance. Board performance reviews take the form of either a self-assessment or are carried out by an external consultant. During FY2021, the Board performed a self-assessment review. Actions arising from these reviews are prioritised and considered at each Board meeting.

The Board provides an appropriate induction program for new directors, which includes on-site visits for operations. Directors have the opportunity for professional development through programs operated by the Australian Institute of Company Directors.

All current directors, excepting the Managing Director, are considered independent of management influence. The Board distinguishes between the concept of independence, and the issues of conflict of interest or material personal interests which may arise from time to time. The Board's policies and procedures ensure full disclosure, recording and appropriate management of conflict of interest situations. No material professional, business or substantial shareholder relationship by any director with the Company existed during the year.

Four standing sub-committees assist the Board in the effective discharge of their responsibilities. The Sustainability and Innovation Committee, the Audit and Risk Committee, and the People Committee comprise three independent non-executive directors with an independent chair who is not also the Chairman of the Board. The full Board is the Nominations Committee.

The Board and its sub-committees operate under formal charters. Detailed information on the role, purpose, specific responsibilities and operation of the Board and each sub-committee can be found in their charters at www.alsglobal.com

Directors of ALS Limited

Bruce Phillips

BSc (Hons) (Geology)

Chairman and Independent Non-Executive Director, Member of the People Committee. Member of the Nomination Committee.

Tonianne Dwyer

B Juris (Hons), LLB (Hons), GAICD

Independent Non-Executive Director, Chair of the People Committee, Member of Sustainability and Innovation Committee. Member of the Nomination Committee.

Raj Naran

BSc (Chemistry), BA (Mathematics)

Managing Director and Chief Executive Officer.

Siddhartha Kadia

PhD, MS (Biomed. Eng.) BE (Electronics)

Independent Non-Executive Director, Member of Sustainability and Innovation Committee, and Member of the People Committee. Member of the Nomination Committee.

John Mulcahy

PhD, BE (Civil Eng.) (Hons), FIE AUST

Independent Non-Executive Director, Member of the People Committee, and Member of the Audit and Risk Committee. Member of the Nomination Committee.

Leslie Desjardins

B.Ind. Adm (Finance), MS Mgmt

Independent Non-Executive Director, and Chair of the Audit and Risk Committee. Member of the Nomination Committee.

Charlie Sartain

BEng (Hons) (Mining), FAUSIMM, FTSE

Independent Non-Executive Director, Chair of the Sustainability and Innovation Committee, and Member of the Audit and Risk Committee. Member of the Nomination Committee.

Governance Framework

Board Committees

Sustainability & Innovation Committee	Audit & Risk Committee	People Committee	Nominations Committee
Chair: Charlie Sartain	Chair: Leslie Desjardins	Chair: Tonianne Dwyer	Chair: Bruce Phillips
<p>Purpose of the Committee is to provide:</p> <ul style="list-style-type: none"> oversight, on behalf of the Board, of the strategies, standards, processes and practices intended to effectively manage health, safety, environmental, community, governance and social performance risks advice to assist management in achieving sustainability targets and performance improvements <p>The Committee liaises with the Audit and Risk Committee, and People Committee, to assist the Board in fulfilling its responsibilities for ensuring ALS has adopted and maintains appropriate corporate governance standards.</p>	<p>Purpose of the Committee is to assist the Board as to the ALS Group discharging its responsibilities to exercise due care, diligence and skill in relation to the:</p> <ul style="list-style-type: none"> reporting of financial information application of accounting policies financial management internal control systems risk-management systems business policies and practices protection of assets compliance with relevant laws, regulations, standards and best practice guidelines 	<p>Objectives of the Committee pertain to the development of the Company's people management strategy, including:</p> <ul style="list-style-type: none"> the remuneration of executive managers determining appropriate, fair and equitable remuneration strategies and instruments ensuring the link between performance and reward is maintained and aligned with shareholders' interests talent development and succession practices to ensure ongoing business sustainability fostering a high-performance and ethical corporate culture cultivating inclusive practices that attract, develop and retain quality human resources HR risk management 	<p>The full Board is the Nominations Committee and regularly reviews Board membership. This includes an assessment of the necessary and desirable competencies of Board members, Board succession plans, evaluation of the Board's performance and consideration of appointments and removals.</p>

Policies & Standards	<ul style="list-style-type: none"> Audit & Risk Committee Charter Board Charter Summary Code of Conduct Continuous Disclosure Policy Diversity & Inclusion Policy People Committee Charter Risk Management Policy Securities Trading Policy 	<ul style="list-style-type: none"> Sustainability & Innovation Committee Charter Health & Safety Policy Environmental Policy Donations & Sponsorships Policy Cash Management Policy Tax Risk Management Policy Human Rights Policy 	<ul style="list-style-type: none"> Financial Risk Management Policy Risk Appetite & Tolerance Policy Anti-Bribery & Anti-Corruption Policy Privacy Policy Whistleblower Policy Delegation of Authority Policy
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Performance Standards	HSE Foundation Standard	Risk Management Framework
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Process Standards	Local management procedures and practices
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Management team

Raj Naran

CEO & MD

Luis Damaceno

Chief Financial Officer

Mark Landry

Chief Human Resources Officer

David Handal

Chief Information Officer

Michael Burcham

Chief Risk Officer

Michael Pearson

Company Secretary & Group General Counsel

Tim Kilmister

General Manager, Life Sciences, APAC

Andreas Jonsson

General Manager, Life Sciences, EMEA

Paul Loewy

General Manager, Life Sciences, North America

Jim Klippel

General Manager, Life Sciences, USA

Geoff Anderson

General Manager, Life Sciences, Canada

Malcolm Deane

General Manager, Life Sciences, Latin America

Bruce McDonald

Executive Vice President, Geochemistry

Kristen Walsh

Group General Manager, Industrial

Adrian Reifenstein

General Manager, Coal

Hamid Sherif

General Manager, Metallurgy

Chris Walker

General Manager, Inspection

For further information about our governance, refer to our 2021 Corporate Governance Statement at www.alsglobal.com

Honesty & Integrity



An ALS Core Value

'Honesty and Integrity' is one of our core values because conducting our business in a fair and ethical manner is important to us. Promoting behaviours and actions aligned with our core value of 'Honesty and Integrity' assists in safeguarding our reputation as a successful global company and moves us beyond being the **'Right Solutions. Right Partner.'** to us being the **'Right Solutions. Right Partner. The Right Way.'**

We require our employees to share our commitment to fair and ethical business conduct, and for our core value of 'Honesty and Integrity' to be reinforced by our managers and supervisors throughout our business on a consistent and regular basis through practical and demonstrated leadership.

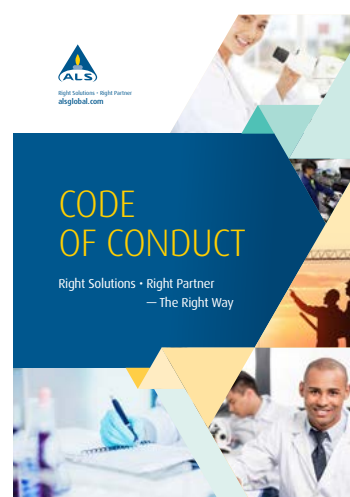
Our Code of Conduct

Our Code of Conduct defines how we conduct our business and informs the behaviours we need to deliver our strategy and meet the expectations of our customers and other stakeholders. Our Code assists our employees in understanding what they should expect from each other and of themselves on a daily basis. It provides our employees with guidance on who to talk to and where to find additional resources when faced with complex, difficult or sensitive situations. It enables them to be fully informed and equipped to make sound decisions aligned with our core values.

During the year we refreshed our Code to reinforce our commitment to conducting our business in line with our core values. Our Code was refreshed to have a modern look and feel to enhance employee engagement with it. We aim for our Code to be a resource that employees will revisit whenever they have a question or concern. It provides clear guidance on a range of topics and gives practical examples of the application of the principles and standards of behaviour expected of our employees, our business partners and other third parties, to ensure our business is conducted with integrity. Given the diversity of our workforce, our Code is available to our employees in 18 languages – Chinese, Czech, Danish, English, French, Indonesian, Italian, Lao, Malay, Mongolian, Polish, Portuguese, Russian, Spanish, Swedish, Thai, Turkish and Vietnamese.

Our online Code of Conduct training course supplements our Code and strengthens our desired culture. This course is regularly reviewed as part of our normal business practice. Coinciding with the launch of our refreshed Code, this course was revised and assigned to all employees for completion. The revised course requires our employees to confirm that they acknowledge and understand our Code and will act in accordance with it. The requirement to undertake this course is incorporated into our Employee Onboarding Program so that our employees understand the values that drive our organisation and the standards of behaviour expected of them from the outset. Employees are required to undertake this course within seven days of joining the Company, and every two years thereafter.

For FY2022 our priority and focus will be to continue to enhance employee engagement with our Code through the development of an interactive online portal. This will enable quick and easy navigation of our Code, and provide access to a broad range of answers on commonly asked questions on each of the topics covered by our Code.



Successful Code of Conduct online training completions during the year.

16,129

as at 31 March 2021

Our Code of Conduct includes guidance on —



Right Solutions • Right Partner
the Right Way

Anti-Bribery & Anti-Corruption Program

Our commitment to anti-corruption compliance is embodied in our Code of Conduct. Our Anti-Corruption Program establishes the requirements and controls that support our prohibition of bribery and corruption in all forms in the conduct of our business. It aims to ensure that our employees have the knowledge they need to be diligent in their efforts to prevent, detect and respond to bribery and corruption risks.

We take a risk-based approach to training our employees on bribery and corruption exposure. Our all-employee online Code of Conduct training educates employees as to our stance on bribery and corruption, provides an overview of the pertinent aspects of bribery and corruption, and highlights the significant risk that bribery and corruption presents to our reputation and continued operation. Our Code of Conduct training is supplemented by our in-depth online Bribery and Corruption Awareness training for those employees in positions where an increased understanding, awareness and diligence of bribery and corruption risks is required.

Detailed practical guidance as to preventing, detecting and responding to bribery and corruption risks is made available to our employees through our Code of Conduct, our Anti-Bribery and Anti-Corruption Policy, and our Guidelines for the Prevention of Bribery and Corruption. When engaging with third parties, 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 Supplier Code of Conduct also sets out anti-bribery and anti-corruption compliance requirements for our suppliers. Our Anti-Corruption Program, reinforced by our Whistleblower Program, firmly encourages, supports and protects the reporting of suspected bribery and corruption. All suspected incidents of bribery and corruption are reviewed and assessed by the Chief Risk Officer for investigation. Any material incident of bribery and corruption is reported to the Audit and Risk Committee and Board.

Forensic data analytics and the analysis of activities associated with bribery and corruption risks continued to form part of Anti-Corruption Program during the year.



Gifts & entertainment

Facilitation payments

Political contributions

Donations & sponsorships

Maintaining proper books and records

Speaking up & reporting suspected violations

Interactions with government officials, suppliers & business partners

Our Anti-Corruption Program includes practice guidance on —

Business Resilience Workshops

Our Business Resilience Workshops are face-to-face workshops designed to promote an organisational culture that encourages ethical conduct. They do this through facilitated discussion on scenarios that may challenge adherence to the expected standards of behaviour expressed in our Code of Conduct. These workshops aim to build awareness in recognising compliance risks by discussing scenarios that cover bribery, facilitation payments, gifts and entertainment, company information and confidentiality, working with business partners, third party due diligence, proper books and records, related parties and reporting behaviour or actions not aligned with our Code.

The workshops encourage candid dialogue and provide a forum to reinforce to participants our culture of being open and transparent, and to seek guidance and support when faced with a situation that has the potential to compromise conducting our business ethically and with integrity.

COVID-19 presented challenges to the continued rollout of these workshops during the year. This, however, provided the opportunity to consider alternative ways that these workshop would be delivered in FY2021 and beyond, to extend the reach of participants and to educate additional facilitators.

Whistleblower Program

Our Whistleblower Program seeks to foster an open and transparent culture where our Code of Conduct is upheld. We encourage our employees to speak up and to feel that they can freely report suspected or actual conduct that does not support our business being conducted ethically and with integrity.

We are committed to ensuring the confidentiality of those who report and to create an environment where our employees feel safe to do so, without fear of retaliation or detrimental conduct. Our Whistleblower Policy, and Whistleblower Policy training course delivered through our internal online training platform, confirms and reinforces this commitment and includes information on how we support and protect those who do report.

We recognise however that it is not always easy for people to speak up and to make a report directly to someone within the Company. Our confidential helpline – the ‘ALS Integrity + Compliance Helpline’ – seeks to address this and supports reporting where there may be a feeling of uneasiness to do so. The helpline is provided by an independent third party and is an integral part of our Whistleblower Program. It enables reports to be made 24 hours a day, seven days a week, 365 days a year irrespective of where the person making the report is located. Our helpline features an anonymous reporting mechanism to alleviate the fear of retaliation commonly associated with making a report or seeking guidance regarding potential or actual wrongdoing.

Our Code of Conduct, our Whistleblower Policy and our ‘ALS Integrity + Compliance Helpline’ poster – which is required to be displayed on the employee noticeboard at each of our sites globally – all provide information as to the various ways in which the helpline can be contacted. More information and practical guidance as to the ‘who-what-when-where-why-how’ of speaking up and reporting violations of our Code was made available during the year to our employees through our refreshed Code of Conduct.



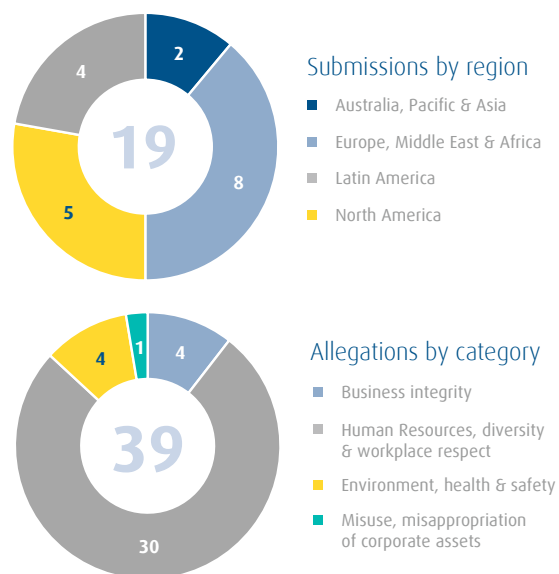
Annually, we evaluate the effectiveness of our Whistleblower Program. This is part of the evaluation of the effectiveness of our Compliance Program. Information received from our Whistleblower Program provides insights into potential deficiencies in our control environment and assists with our decision making in allocating resources to treatment plans to mitigate compliance risks.

Reports made under our Whistleblower Program are reviewed and assessed by the Company’s Chief Risk

Officer. All reports are investigated where there is enough information to enable this. The Audit and Risk Committee of the Board oversees our Whistleblower Program. Annually, the Committee receives a report on a ‘no names’ and de-identified basis summarising each report received, how each report was managed and the outcome of the investigation of the allegations raised in each report. Where allegations are substantiated, appropriate action to remedy the situation and prevent a reoccurrence is undertaken.

During FY2021, 18 reports were received under our Whistleblower Program. These reports contained 37 allegations as to suspected misconduct, which was a 48% increase in allegations made compared to FY2020. All 38 allegations were, or are, the subject of an investigation. The investigation into 27 of allegations has concluded, with 10 of these allegations being substantiated. 12 of allegations remain under investigation. During the year, disciplinary action, including termination of employment, was justified in some instances and took place.

Reports received during the year were as follows:



For FY2022, our priority and focus for our Whistleblower Program is to enhance and promote our confidential reporting helpline, including reinforcing and communicating how those who report are supported and protected.

**One report might cover multiple allegations and the types of issues being reported vary in terms of the seriousness of the allegation.*

ALS Integrity + Compliance Helpline an integral part of the ALS Whistleblower Program

Managed by third-party provider	Dual use – report or seek guidance	Support & protections	Anonymous reporting mechanism	Multiple language options
No retaliation or detrimental conduct	Inform employees & publicise	Confidential	Record & analyse data benchmark	Evaluate, test & audit
		Available 24x7x365		

Enterprise Risk Management

Financial & Non-Financial risks

The effective management of financial and non-financial risks is fundamental to informing our strategic direction, protecting our reputation and ensuring our sustainability. Continual focus on the identification of both financial and non-financial risks enables us to monitor and assess the impacts they present to our continued operation. It assists us in prioritising our efforts in developing and implementing strategies to minimise adverse impacts or maximise possible benefits.

Risk Governance

Our Board Audit and Risk Committee assists the Board in discharging its responsibilities 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. Accountability for the identification of risks and ensuring appropriate and effective risk-management controls are in place to adequately manage local business and operational risks, rests with site managers and supervisors. Business Stream Managers have responsibility for ensuring that each site manager or supervisor understands this accountability within their areas of responsibility and for ensuring that there are appropriate and effective risk-management controls in place.

Risk-Management Framework

Our risk-management framework is aligned to the guidelines ISO 31000:2018 - Risk Management - Guidelines and facilitates a consistent and comprehensive approach to our identification, assessment, response and communication of risks. Risks are identified across the organisation in a multitude of ways, including through strategic workshops, operational activities, assessments against Standards, and incident and event logging.

Our Compliance Portal supports our risk-management framework by facilitating our monthly compliance exception reporting process. This process requires monthly reporting by the senior manager or supervisor for each site to the Company's Chief Risk Officer on specific compliance risk-related matters; and more generally on any situation that has arisen, or is emerging, that presents a significant risk to the Company's reputation, loss or damage of assets or business, or risk or injury to a person or the environment.

Regulatory Compliance



Our compliance program aims to ensure we identify, understand and meet our regulatory obligations, and regularly assess our performance in doing so. An established compliance and risk portal located on our Group intranet supports us in our commitment to meet our regulatory obligations.

The portal provides access to specific policies and programs that assist in addressing our compliance with regulatory obligations 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. Each of our business streams are required to adopt these specific policies and programs.

Targeted online and in-person training to reinforce regulatory compliance, and to raise awareness and understanding of regulatory obligations, is an integral element of our compliance program. Where new or revised regulatory obligations arise, our approach is to develop and deliver targeted training to ensure our employees are aware of these obligations and their responsibility to ensure compliance with them.

Each year we require relevant managers to confirm their awareness and understanding of our compliance obligations by completion of a sign-off declaration. External regulatory-compliance metrics, such as the number of fines or prosecutions levied, reinforce a culture of compliance and are incorporated into PPI (Positive Performance Indicators) scorecards.

Our Material Business Risks

At least once a year we conduct a materiality assessment to validate previously identified external, strategic, financial or operational enterprise-wide business risks and to identify emerging risks which may have a potential material impact. Existing risk management strategies in place are reviewed to determine if they are effective and sufficient, with these strategies being revised as required to combat changes in our external or internal operating environment. All enterprise-wide material business risks are reported to the Audit and Risk Committee and the Board each March, with deep dives being undertaken on selected material business risks.

During the year our continued focus on our assessment and response to our material business risks concentrated on:

- business continuity and treasury management
- the health and safety of our employees and others
- climate change
- management and employee conduct
- data quality and integrity
- cybersecurity
- regulatory compliance.

Related activities undertaken during the year included:

- Reviewing and updating our business continuity plans to reflect and manage the COVID-19 pandemic with a focus on cost reduction, strengthening liquidity, cash generation, growth opportunities, and redundancy plans for critical suppliers.
- Adapting work practices and new protocols to ensure the health and safety of our employees and others associated with the conduct of our business.
- Planning and scheduling ongoing assessments and disclosures of climate risks and opportunities to align with the recommendations of the Task Force on Climate-related Financial Disclosure.
- Assessing the susceptibility and impact of our site locations to natural disasters through natural catastrophe modelling given the increasing frequency

of weather events that have the potential to impact our business and our supply chain.

- Launching a refreshed Code of Conduct and associated mandatory training to reduce the risk of inappropriate, unethical or unlawful behaviour by management or our employees.
- Reviewing the robustness of the quality programs implemented in each of our Business Streams to ensure data integrity.
- The development of additional threat-specific online programs to supplement our mandatory cybersecurity awareness training course. This aims to strengthen our response to fostering a strong cybersecurity aware culture to counteract the ever-increasing number and changing nature of cybersecurity threats.
- Enhancing our governance framework and processes to identify and address human rights issues to reduce the risk of being complicit in human rights violations.

More information on the specific risk-management strategies to address a number of our enterprise-wide material business risks – climate change (pg. 36), talent development and retention (pg. 32), innovation (pg. 12), health and safety (pg. 19), environmental impact (pg. 36), and regulatory compliance (pg. 60) - are detailed throughout this report.

More information about our risk-management framework can be found in our 2021 Annual Report and 2021 Corporate Governance Statement located on www.alsglobal.com



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 FY2021, our objectives were to successfully manage the direct impacts of the COVID-19 pandemic on our operations, and to adapt and innovate to continue to grow organically whilst remaining focused on seeking out value accretive acquisitions. During this period ALS has proven the resilience of its business model and demonstrated the benefits of its market and geographical diversification, to continue to achieve strong shareholder returns and deliver on its strategy of growing its market share as a leading global testing company.

In FY2021, our operations generated total revenues of 1.8b and the Groups underlying net profit after tax (NPAT) was 172m. Our underlying earnings per share was 38.5 cents and the dividend paid per share was 23.1 cents. A full copy of our audited financial statement can be found on our website 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 shareholders as released publicly are made available on www.alsglobal.com



Statistics

People

	GRI disclosure	2020/21	2019/20	2018/19	2017/18
No. of staff employed	102-07	16,272	15,638	15,511	14,078
Total no. of employees (f)	102-08	7,160	7,037	6,515	6,307
Total no. of employees (m)	102-08	9,112	8,601	8,996	7,771
Employee turnover - voluntary	401-01	11.3	12.1%	13.8%	11.3%
Employee turnover - involuntary	401-01	25.1	24.3%	26.6%	29.8%
TRIFR*	403-02	1.98	1.58	1.78	2.7
LTIFR*	403-02	1.01	0.72	0.73	1
Work-related fatalities	403-02	0	0	0	0
Average hours of compliance training per employee.	404-01	2.2	2.9	2.05	N/C

Environment

	GRI disclosure	2020/21	2019/20
Energy intensity ratio for the organisation (kW.h/hours worked)	302-03	5.15	5.06
Energy Indirect (Scope 2) tCO ₂ e	305-02	53,705	55,915
Total number and total volume of recorded significant spills.	306-03	0	0

Society

	GRI disclosure	2020/21	2019/20
% of senior management at significant locations hired from the local community.	202-02	98%	98%
a. Total number of incidents of discrimination during the reporting period.	406-01	4	4
b. Status of the incidents and actions taken with reference to:			
i. Incident reviewed by the organisation;		4	3
ii. Remediation plans being implemented;		0	0
iii. Remediation plans that have been implemented, with results reviewed through routine internal management review processes;		2	0
iv. Incident no longer subject to action.		2	0
Number of suppliers assessed for human rights violations.	414-02	50	50

N/C — data not collected

* — Per million hours worked.

Governance

	GRI disclosure	2020/21	2019/20	2018/19	2017/18
No. of operations	102-07	443	460	451	447
Net sales (\$m)	102-07	1,761	1,831	1,664	1,446
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	7 / 100%	9 / 100%	8 / 100%	7 / 100%
Total number and nature of confirmed incidents of corruption.	205-03	0	1 ⁽¹⁾	1 ⁽⁴⁾	N/C
Total number of confirmed incidents in which employees were dismissed or disciplined for corruption.	205-03	0	1 ⁽¹⁾	1 ⁽⁴⁾	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	0	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	0	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	0	1 ⁽²⁾	0	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	0	1 ⁽³⁾	1 ⁽⁵⁾	0

N/C — data not collected

- (1) Certificates of Analysis issued from four (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 behaviour.
- (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.

5-Year Statistics

Financial Year	2020/21	2019/20	2018/19	2017/18	2016/17 ¹
People					
Staff employed	16,272	15,638	15,511	14,078	13,942
Training sessions completed	44,276	36,215	48,060	44,034	34,721
Compulsory compliance training sessions completed (%)	100	100	100	100	100
Gender diversity (total female professional roles) (%)	54	52	55	54	51
Instances of non-compliance with discrimination policy	0	0	2	0	N/C
Safety					
PPI Scorecard (%)	91	93.71	99.26	99.25	90
Fatalities	0	0	0	0	0
LTIFR ⁽¹⁾	1.01	0.72	0.73	1	1.07
TRIFR ⁽¹⁾	1.98	1.58	1.78	2.7	4.08
Hours worked	26,800,226	27,921,499	27,543,107	25,150,122	20,904,846
Environment					
Government fines or penalties imposed for environmental-related incidents	0	1 ⁽²⁾	1 ⁽³⁾	0	1
Uncontrolled releases	0	0	0	0	0
Energy consumed (kW.h)	118,432,789	118,095,496	117,003,310	120,166,829	110,755,038
Society					
Spend with local suppliers (\$m)	747	752	763	680	609
Dividend return to shareholders paid (\$m)	70.3	111	109.3	84.4	68
Governance					
Taxes paid (\$m)	67.9	96	50	47	41
Wages (\$m)	841	909	792	712	667
Revenue(\$m)	1,761.4	1,853.9	1,664.8	1,446.9	1,272.3
Underlying EBITDA ⁽⁴⁾ (\$m)	425.1	431.5	352.9	289.3	257.6
Underlying EBIT ⁽⁴⁾ (\$m)	301.4	305.8	281.1	221.3	192.4
Underlying NPAT ⁽⁵⁾ (\$m)	185.9	188.8	181.0	142.2	112.7
Underlying earnings per share (cents)	38.5	39.1	37.1	28.4	23.3
Statutory NPAT (\$m)	172.6	127.8	152.6	51.8	81.6
Statutory earnings per share (attributable to members) (cents)	35.8	26.5	31.3	10.3	16.2
Dividends per share (cents)	23.1	17.6	22.5	17.0	13.5
Gearing ratio (net debt/(net debt + total equity)) (%)	36.2	41.9	36.7	31.1	29.0

(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.
- (3) 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.

(4) 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.

(5) 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
102-01	Name of the organisation	Annual Report	General Information
102-02	Activities, brands, products, and services	Sustainability Report	How we do things
102-03	Location of headquarters	Annual Report	General Information
102-04	Location of operations	Sustainability Report	How we do things
102-05	Ownership and legal form	Annual Report	Notes to the Financial statements
102-06	Markets served	Sustainability Report	How we do things
102-07	Scale of the organisation	Sustainability Report	How we do things, Statistics
102-08	Information on employees and other workers	Sustainability Report	How we do things, People, Statistics
102-10	Significant changes to the organisation and its supply chain	Sustainability Report, Annual report	About this report, Review of results and operations
102-13	Membership of associations	Sustainability Report	Governance
102-14	Statement from senior decision-maker	Sustainability Report	CEO Report
102-15	Key impacts, risks, and opportunities	Sustainability Report	Focus Areas, Governance
102-16	Values, principles, standards, and norms of behaviour	Sustainability Report	How we do things, Governance
102-17	Mechanisms for advice and concerns about ethics	Sustainability Report	Governance
102-18	Governance structure	Sustainability Report	Governance
102-19	Delegating authority	Corporate Governance Statement	Principle 1
102-20	Executive-level responsibility for economic, environmental, and social topics	Sustainability Report	How we Do things, Governance,
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
102-24	Nominating and selecting the highest governance body	Sustainability Report, Corporate Governance Statement	Governance, Principle 2
102-25	Conflicts of interest	Sustainability Report, Corporate Governance Statement	Governance, Principle 2,
102-26	Role of highest governance body in setting purpose, values, and strategy	Sustainability Report, Corporate Governance Statement	Governance, Principle 1
102-28	Evaluating the highest governance body's performance	Sustainability Report, Corporate Governance Statement	Governance, Principle 1,
102-29	Identifying and managing economic, environmental, and social impacts	Sustainability Report, Corporate Governance Statement	Governance, Principle 7
102-30	Effectiveness of risk-management processes	Sustainability Report, Corporate Governance Statement	Governance, Principle 7
102-31	Review of economic, environmental, and social topics	Sustainability Report	Material Topics, Governance
102-32	Highest governance body's role in sustainability reporting	Corporate Governance Statement, Sustainability Committee Charter	Principles 6 and 7-8.1
102-33	Communicating critical concerns	Sustainability Report	Governance
102-35	Remuneration policies	Annual Report	Remuneration Report
102-36	Process for determining remuneration	Annual Report	Remuneration Report
102-37	Stakeholders' involvement in remuneration	Annual Report	Remuneration Report
102-40	List of stakeholder groups	Sustainability Report	Focus Areas
102-42	Identifying and selecting stakeholders	Sustainability Report	Focus Areas
102-43	Approach to stakeholder engagement	Sustainability Report	Focus Areas
102-43, 102-44	Approach to stakeholder engagement, key topics and concerns raised	Sustainability Report	Focus Areas

Disclosure Number	Disclosure Title	Report	Section
102-44	Key topics and concerns raised	Sustainability Report	Focus Areas
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
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, 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) 0 (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 ⁽¹⁾
	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) 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. We also welcome feedback on this report which can be given through an online survey available on our website.

Glossary

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

Our Conclusion

Ernst & Young ('EY', 'we') was engaged by ALS Limited ('ALS') to undertake 'limited assurance' as defined by Australian Auditing Standards, hereafter referred to as a 'review', over selected non-financial disclosures prepared by ALS in its '2021 Sustainability Report' ('the Report') for the ended 31 March 2021. Based on our review, nothing came to our attention that caused us to believe that the selected non-financial disclosures have not been prepared and presented fairly, in all material respects, in accordance with the criteria defined below.

What our review covered

We have carried out a limited assurance engagement over selected non-financial disclosures prepared by ALS in its 2021 Sustainability Report for the year ended 31 March 2021.

Subject Matter

The Subject Matter for our limited assurance engagement included selected non-financial disclosures reported in the 2021 Sustainability Report, for the year ended 31 March 2021, limited to those listed in Table 1 below.

Table 1: Selected Non-financial Disclosure

Safety

1. Total Recordable Injury Frequency Rate (TRIFR), being 1.98
2. Lost Time Injury Frequency Rate (LTIFR), being 1.01

Environment

3. Scope 1 Greenhouse Gas (GHG) emissions for ALS motor vehicles, being:
 - Fuel consumed 4,632,401 litres
 - Distance travelled 53,880,775 kilometres
 - Greenhouse gas emissions 13,072 tonnes of carbon dioxide equivalent (t CO₂-e)
4. Scope 2 GHG emissions (electricity consumed), being 53,705 t CO₂-e.

Training

5. Completion of Code of Conduct training for managers and employees, being 16,129 employees.

The Subject Matter did not include:

Data sets, statements, information, systems or approaches other than the selected non-financial performance data specified in Table 1; and neither Management's forward-looking statements nor any comparisons made against historical data.

Criteria applied by ALS

In preparing the selected non-financial disclosures, Management determined the reporting criteria as set out in:

- ▶ GRI Sustainability Reporting Standards
- ▶ ALS' publicly disclosed criteria as established and set out in its internal policies and procedures, and as detailed in footnotes in the Report.

Key responsibilities

EY's responsibility and independence

Our responsibility is to express a conclusion on the selected non-financial disclosures, based on our review. We are also responsible for maintaining our independence and confirm that we have met the requirements of the *APES 110 Code of Ethics for Professional Accountants*, and that we have the required competencies and experience to conduct this assurance engagement.

ALS' responsibility

ALS' Management is responsible for selecting the Criteria, and for preparing and fairly presenting the Subject Matter in accordance with that Criteria. This responsibility includes establishing and maintaining internal controls, adequate records and making estimates that are reasonable in the circumstances.

Our approach to conducting the review

We conducted this review in accordance with the Australian Auditing and Assurance Standards Board's *Australian Standard on Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* ('ASAE 3000'), and *Assurance Engagements on Greenhouse Gas Statements* ('ASAE 3410'), as well as the terms of reference for this engagement as agreed with ALS.

Summary of review procedures performed

A review consists of making enquiries, primarily of persons responsible for preparing the selected non-financial disclosures and related information and applying analytical and other review procedures.

Our procedures included:

- ▶ Conducting interviews with key personnel to understand the process for collecting, collating and reporting the selected non-financial disclosures during the reporting period
- ▶ Gaining an understanding of the basis for calculating and reporting GHG emissions
- ▶ Checking that the calculation criteria had been applied in accordance with the methodologies outlined in ALS' criteria

- ▶ Undertaking analytical review procedures to support the reasonableness of the data
- ▶ Identifying and testing assumptions that supported calculations
- ▶ Checking emissions factors and considered their consistency with the reporting criteria
- ▶ Testing, on a sample basis, to underlying source information to check the accuracy of the data
- ▶ Reviewing the presentation of the information in ALS' 2021 Sustainability Report.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusions.

Limited Assurance

Procedures performed in a limited assurance engagement vary in nature and timing, and are less in extent, than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

While we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Further, our procedures did not include testing controls or performing procedures relating to checking the aggregation or calculation of data within IT systems.

Use of our Assurance Statement

We disclaim any assumption of responsibility for any reliance on this assurance report, or on the Subject Matter to which it relates, to any persons other than Management and the Directors of ALS, or for any purpose other than that for which it was prepared.

Our review included web-based information that was available via web links as of the date of this statement. We provide no assurance over changes to the content of this web-based information after the date of this assurance statement.



Elizabeth Rose
Partner
Brisbane, Australia
22 June 2021



Ernst & Young



Right Solutions · Right Partner
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