



# Impact

THROUGH

# ACTION





## 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 2023. The report was approved by the ALS Board of Directors on 28 March 2023. 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 where ALS is the majority shareholder.

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

### Reporting Approach

The ALS Sustainability Report 2023 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 our materiality assessment process refer to page 22.

This report aligns with the Sustainability Accounting Standards Board (SASB) Professional Services Sustainability Accounting Standard (mapping outline to SASB on page 98) 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/en/investor-relations](https://alsglobal.com/en/investor-relations). Copies of our core company policies can be found at [alsglobal.com/en/corporate-governance](https://alsglobal.com/en/corporate-governance).

## Forward-looking Statements

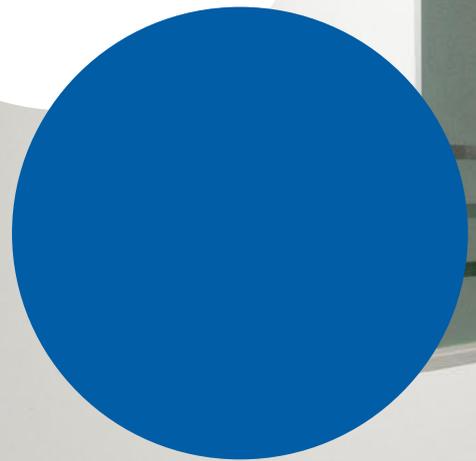
Where this report contains forward-looking statements, including statements of current intention, statements of opinion and predictions as to possible future events and future financial prospects, these statements are not statements of fact and there can be no certainty of outcome in relation to the 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

We welcome any feedback you may have. Please contact [sustainability@alsglobal.com](mailto:sustainability@alsglobal.com) if you require further information or have specific comments to make.



## Inside THIS REPORT



The **actions** we take every day contribute to a safer and healthier world.





Sustainability for us means **constantly improving** the ways we work, to have a positive impact on our people, our planet, and the communities we serve.

## A MESSAGE FROM **Malcolm Deane**

**When I was appointed CEO and Managing Director of ALS in May, I made the commitment to continue delivering against our strategic FY2027 vision; this means leading our strong growth agenda and delivering meaningful value for our clients. At the heart of the agenda is sustainability, so I embrace this opportunity to present our 2023 Sustainability Report.**

The theme of this year's report, 'Impact through Action', reflects the positive impact our actions have had over the last 12 months – and I am pleased to share that our ESG scores for FY2023 were either maintained or improved. The report also provides an overview of current and planned projects supporting the four pillars of our sustainability efforts: **people, planet, community, and business practices.**

In the wake of the COVID-19 pandemic, the world faces insecurities from rising inflation, unabated climate change, and conflicts like the devastating war in Ukraine. In light of such challenges, our five-year strategy announced in 2022 embraces the United Nations sustainable development goals (SDGs). Aligning our actions with these goals is built into our company's purpose: 'Through science, assurance, and sustainability, we help make the world a better place.'

Moreover, our five-year strategy consists of a series of bold strategic growth priorities that serve as the catalyst for meeting our sustainability goals. That is because our direct business activities – the services we offer clients and how we deliver them – are guided by our pursuit of a better world for all. These growth priorities include achieving revenue of \$3.3b (vs FY2022 \$2.2b revenue), \$0.6b of underlying EBIT (vs FY2022 \$400m underlying EBIT), a 5-year organic revenue CAGR of ~6%, and other key metrics. We will reach these targets through operational efficiency, innovation, strategic acquisitions, and strong capital management.

*“Our direct business activities – the services we offer clients and how we deliver them – are guided by our pursuit of a better world for all.”*

Our market position is further strengthened by current megatrends driving long-term growth for the Testing Inspection and Certification (TIC) Industry in which we operate. These megatrends include increased regulation and outsourcing, a transition to renewable energy, and the digitalisation of technology.

In FY2023, our accomplishments spanned the four sustainability pillars: for our **people**, we maintained an excellent health and safety record and established a DE&I framework for FY24 and beyond. For our **planet**, we achieved carbon neutrality for our scope 1 and 2 emissions. For our **communities**, we supported key charities, science education, and workplace giving programs. And in our **business practices**, we had no material Code of Conduct violations or material cyber security breaches.

I encourage you to explore the report to learn how our teams are enabling our sustainability goals by addressing global concern about microplastics; developing new capabilities to monitor PFAS chemicals; and supporting Water First Canada to help Indigenous and First Nations communities overcome local water challenges – to name just a few.

At ALS, our Mission remains using the power of testing to solve complex challenges. With a passion for science, we serve clients with data-driven insights for a safer and healthier world. By constantly improving the ways we work to have a positive impact on our people, our planet, and the communities we serve, we will continue to create long-term value and sustainable growth for our business. I look forward to leading ALS as we implement our five-year strategic plan and expand our sustainability efforts to become an industry leader and one of the world's most respected companies.





## PEOPLE



The health and safety of our team members, their families and our local communities remains our highest priority. We are focused on ensuring everyone goes home safely after every shift. During FY2023, our unwavering focus on safety resulted in our lowest ever total recordable injury frequency rate (TRIFR) of 1.00<sup>1</sup>, which was a 24% improvement from FY2022. Our lost time injury frequency rate also decreased from 0.42<sup>1</sup> to 0.31<sup>1</sup>, to position us in the top quartile of ASX 100 companies and maintain our industry-leading position across the TIC sector.

During FY2023, we appointed Mark Zorbas to the role of Chief Human Resources Officer, based in Houston, Texas. Mark will guide our human capital development programs with a focus on attracting and retaining talent and building a workforce fit for the future.

## PLANET



Climate change is one of the defining issues of our time. In FY2022, we confirmed our ambitious goal of achieving carbon neutrality for our Scope 1 and 2 emissions by the end of FY2023. I am pleased to announce we met this goal during the year through a focused program of upgrades to a more efficient plant, procurement of renewable energy, installation of solar PV systems, and carbon offsetting. However our ambition compels us to go further. During the year the Board has endorsed ALS's roadmap to achieve Net Zero by 2050. This plan is further laid out on page 54 and will ensure we play our part to combat climate change and protect our planet.

**Our unwavering focus on safety resulted in our lowest ever TRIFR of**

**1.00**

**24% improvement from FY2022**

## COMMUNITY



We strive to have a direct positive impact on the communities in which we live and work. A good<sup>1</sup> example which we are very proud of is our employees in ALS Thailand who have won the ALS Community Services Award this year. This award is given to the ALS business that has demonstrated the biggest impact on its local community through their volunteering efforts, fund raising, or work in promoting science education with local schools or universities. Employees from ALS Thailand provided financial support to several charities such as the Foundation of the Blind and supplied vital equipment to regional schools such as a dispenser for clean drinking water, and a solar powered freezer to keep food fresh for students. These stories are outlined on page 31.

## BUSINESS PRACTICES



During the year, we reinforced our commitment to operating ethically. In line with our core values, all employees were required to complete a refreshed Code of Conduct training course. The course emphasised our purpose, our values, and our unwavering commitment to delivering quality services in line with our stated business ethics.

We saw strong financial performance for FY2023 with underlying revenue of \$2.4b and NPAT of \$320.6m. This allowed us to increase our returns to shareholders through increased dividends of 39.7 cents per share. Underlying NPAT was up 23.4% and met our previously supplied market guidance. The Company demonstrated its resilience through the pandemic and has now made good progress towards the FY2027 financial objectives set within our newly established five-year strategy. We remain committed to meeting these objectives and continue to execute within the challenging economic conditions. Our balance sheet is well positioned to support our ambitious growth targets.

We are pleased our sustainability performance during the year was also recognised by ESG Rating Agencies. We either held or improved our ratings as scored by MSCI, FTSE For Good, ACSI, and Sustainalytics.

<sup>1</sup> Per million hours worked.

## The Year Ahead

Our focus remains on building on the strong momentum across our businesses to deliver long-term, sustainable and positive outcomes for all of our stakeholders. We recognise our success is intrinsically linked to meeting our strategic objectives. We also know we will only achieve this if we get the fundamentals right in all aspects of our operations. We are incredibly proud of the advances we have made this year in continuing to shape ALS as a responsible, sustainable, and community-minded organisation, and the commitments we have made to step up our aspirations in the face of new challenges.

I am proud of the local initiatives driven directly by our employees across so many of our site locations that have contributed to the health of our people and the environment, and given back to our local communities. ALS has taken meaningful action this year, making significant progress in achieving our stated sustainability targets. I'd like to thank our employees, clients, investors and all other stakeholders for their continued support and contribution to ALS's sustainable growth.

On behalf of the ALS team, we are pleased to share with you our 2023 Sustainability Report.

We welcome any feedback you may have. Please contact [sustainability@alsglobal.com](mailto:sustainability@alsglobal.com) if you require further information or have specific comments to make.

**Malcolm Deane**  
CEO and Managing Director



# Sustainability AT A GLANCE FY2023

## PEOPLE

**RECORD LOW** injury frequency rates

**17%** increase of **new hire females** in management roles

**53%** of all **professional employees** are female

**>90%** increase in vehicles with **IVMS**

## PLANET

**>90% RENEWABLE** electricity in FY2023

Roadmap to **Net Zero** developed

**OVER 90%** of **top 50** energy consuming site locations have adopted **LED lighting**

## COMMUNITY

Announced **support** of

**Water First Canada**

**New** sponsorship of

**Second Harvest**

ALS Thailand

**INAUGURAL WINNER** of ALS Community Services Award

## BUSINESS PRACTICES

**>97% EMPLOYEES** completed our Code of Conduct course

**Cyber Security** threat and vulnerability review completed

# OUR Achievements SINCE 2018



## PEOPLE

**62% improvement in**

total recordable injury frequency rates delivered

Injury frequency rates in

**top quartile of ASX 100**

(Citi Research - June 2021)

Corporate **Health and Safety Management** System certified to

**ISO 45001**

**R.I.S.E**

**Gender Equity Group**

established in APAC and EMEA



## PLANET

**36% reduction in**

electricity intensity ratio (MWh/MAUD Revenue)

**Strengthened** climate change reporting using

**TCFD framework**

**Green Building Standard**

adopted for all **new** builds and fit-outs

Corporate Environmental Management System

**certified to ISO14001**



## COMMUNITY

**Significant economic contribution**

each year including wages, taxes, **supplier payments, and dividends** (totalling AU\$2.4b for FY2023)

**98%** of our senior managers are **local to the region**

ALS

**Workplace Giving Program**

established

Support for

**4 key charities**

through corporate partnership and **workplace giving programs**



## BUSINESS PRACTICES

**Strengthened approach**

to modern slavery risk and supply chain management

Annual external reviews of **IT network to ensure**

**strong IT security**

**Balanced**

**Financial and Non-Financial**

**remuneration/performance incentives**

(ESG targets included in manager's STI plans)



# OUR Approach

## A global leader in testing.

For more than 40 years, ALS has provided testing and technical solutions to clients all over the world in a wide range of industries.

We have built our global reputation by embracing the latest technologies and innovative methodologies to deliver high quality testing services to clients.

ALS is able to leverage a multifaceted international team while remaining agile enough to provide local expertise and personalised solutions to our clients.

### OUR VALUES

By living out these values, we create a rich, diverse, and exceptional environment for our employees, and by extension for our clients and community at large.



we are SAFE



we are RESILIENT



we are CURIOUS



we are COMMITTED



we are CARING



we are HONEST

## OUR MISSION

At ALS, we are using the power of testing to solve complex challenges. With a passion for science, we serve clients with data-driven insights for a safer and healthier world.

## OUR CULTURE

We are committed to the values of integrity, reliability, and innovation which ensure we deliver the highest level of quality work and customer service. Our people are of the utmost value to us, which is why we ensure safety and diversity at our workplaces across the globe. Being a global leader requires the right talent, which is why we also value leadership, education, and professional development for the betterment of our employees and our company.

## OUR PURPOSE

We aim to relentlessly expand the way science is deployed across all areas of human endeavor, serving clients without exception as the most trusted partner. **Through science, assurance, and sustainability, our purpose is helping make the world a better place.**

### CORPORATE POLICIES

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

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



### CORPORATE PROGRAMS

- ➔ Life Saving Rules
- ➔ Compliance Portal
- ➔ HSE Foundation Standard
- ➔ Risk Management Framework
- ➔ Group Sustainability Plan
- ➔ Net Zero Plan

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



### LOCAL MANAGEMENT PROCEDURES AND PRACTICES

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

# OUR Business Model

## Our Operations

ALS is one of the world's largest analytical and testing services businesses, servicing multiple industries globally, with a workforce of more than 18,000 people operating from more than 430 sites in 70+ countries across Africa, Asia, Australia, Europe, the Middle East and the Americas. For more than 45 years, we have provided testing and technical solutions to clients in a wide range of industries all over the world, building our global reputation by embracing the latest technologies and innovative methodologies to deliver high-quality testing services to our clients.

With global operations headquartered in Houston, Texas and corporate headquarters in Brisbane, Australia we are listed on the Australian Securities Exchange (ASX Code: ALQ), being an ASX100 company with a multibillion-dollar market capitalisation. Our mission is to use the power of testing to solve complex challenges, and with our passion for science, to serve clients with data-driven insights for a safer and healthier world. We are committed to integrity, reliability, and innovation, which supports our delivery of the highest level of quality work and customer service.

**70+**  
COUNTRIES

**430+**  
LOCATIONS

**45+**  
YEARS

**18k+**  
STAFF  
WORLDWIDE

AUD  
**2.4b+**  
GLOBAL  
REVENUE



## Our Services

Our operations are organised into five Business Streams (Food & Pharmaceutical, Minerals, Environmental, Commodity Inspection, and Industrial) based on our General Executive management structure reporting to the Group's Managing Director and Chief Executive Officer. Through our Business Streams, our operations deliver analytical and testing and inspection services spanning Tribology, Environmental and Occupational Hygiene, Food and Beverage, Mining and Commodities, Personal Care and Over-The-Counter (OTC), and Pharmaceutical and Healthcare. Our website – [alsglobal.com](https://alsglobal.com), provides further information on the range of services provided by the Group, as well as the industries that we provide services to.



## The services we offer



Environmental  
& Occupational  
Hygiene



Food  
& Beverage



Pharmaceutical  
& Healthcare



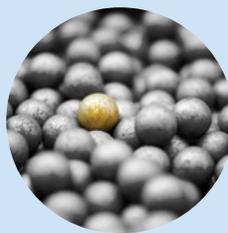
Personal Care  
& OTC



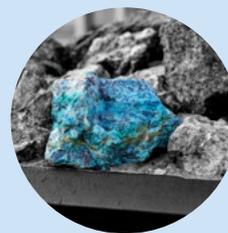
Geochemistry  
& Mine Site  
Operations



Trade  
& Inspections



Metallurgy &  
Mineral Processing



Coal Quality  
Testing Services



Tribology



## Our scientific analysis supports our clients to achieve improved sustainability outcomes

As part of our vision, we are committed to not just meeting our own sustainability obligations, but to assist our clients, through the delivery of our quality testing services, to achieve improved sustainability outcomes in pursuit of a better world for all.

 <p><b>COMMODITIES</b></p>	 <p><b>ENVIRONMENT</b></p>	 <p><b>FOOD &amp; PHARMACEUTICAL</b></p>
<p>In our Commodities Business Stream, our scientific analysis supports our mining clients to achieve more sustainable outcomes by:</p>	<p>In our Environment Business Stream, we help keep our communities clean and safe by:</p>	<p>In our Food and Pharmaceutical Business Stream, we help keep people safe and living healthier by:</p>
<ul style="list-style-type: none"> <li>→ Developing geochemical methods for various minerals supporting energy transition</li> <li>→ Being a key provider of testing for energy, battery and critical minerals analysis</li> <li>→ Identifying the most efficient way to extract mineral from ore through our Metallurgy Services.</li> </ul>	<ul style="list-style-type: none"> <li>→ Testing surface and ground waters</li> <li>→ Testing wastewater and trade effluents</li> <li>→ Ensuring regulations for release of regulated compounds are met</li> <li>→ Determining the risk contaminated material poses to the environment, and designing and implementing site remediation projects.</li> </ul>	<ul style="list-style-type: none"> <li>→ Determining key constituents of food and beverages, including nutrition facts, vitamins, minerals and additives</li> <li>→ Testing for contamination (industrial or environmental waste, pesticides or agrochemicals)</li> <li>→ Testing for allergens in food</li> <li>→ Supporting physical, chemical and analytical testing needs across entirety of pharmaceutical manufacturing operations</li> </ul>

As we strive to be the global leader in the discipline of scientific analysis, the key to assisting our clients on their sustainability journey will be in the application of innovative testing methods and technologies. The examples on the next page show how we address this challenge head on for our clients in the areas of public safety, human and animal health, product authenticity, trusted quality, and green energy transition.



# Our Sustainability Services

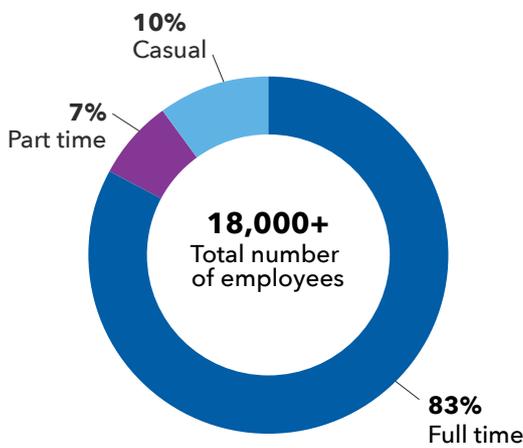
To be the global leader in the discipline of scientific analysis in pursuit of a better world for all.





## Our Workforce

Our highly-skilled and diverse team of over 18,000 people span the globe. As at 31 March 2023, approximately 15,000 of our employees were directly employed full-time, with approximately 1,200 employed on a part-time basis and 1,800 employed casually. The majority of our employees are based in Australia, Canada, the United Kingdom, Brazil and the United States. Our employees in these countries, together with those in Mexico, the Czech Republic, Peru, Russia, Thailand, Spain, Chile, Ireland and Sweden comprise approximately 80% of our workforce.



## Quality Assurance and Scientific Integrity

ALS is proud to offer scientific services that contribute to a safer and healthier world. As part of our commitment to service quality, our Board endorsed Quality Assurance Policy sets the minimum standard required for all ALS facilities worldwide and the essential components of their respective quality management systems.

Where required by regulation, best practices or business determination; our worldwide facilities seek certification to relevant quality standards based on the analytical services offered. In most circumstances our facilities are certified to ISO/IEC 17025 (General Requirements for the Competence of Testing and Calibration Laboratories) or ISO 9001 (Quality Management Systems). We recognise that some countries or regions may have jurisdictional equivalents of these standards or more prescriptive regulatory obligations that must be met.

As a global business, maintaining relevant oversight of our portfolio of services is critical to providing ongoing value to our clients, maintaining relevance in the market, mitigating service risk and deploying strategic initiatives to leverage emerging growth opportunities.

We hold ourselves to the highest standard of scientific integrity and use the learnings from our oversight programs to inform management decisions, identify service improvement opportunities and enhance our system of governance for quality assurance.



## Our ESG Ratings

We actively participate in a range of global ESG ratings, indices and frameworks to benchmark our approach against best practice. We are pleased to report that our sustainability actions continue to be acknowledged by the leading global ESG rating agencies. Our scores for FY2023 were either maintained or improved with MSCI, Sustainalytics, FTSE and ACSI.

Rating Agency	2021	2022	2023	
 FTSE4Good	3.2	2.7	3.7	Ahead of industrial industry average
 MSCI	AA	AA	AA	Achieved AA rating 4 years in a row
 ACSI	Leading	Leading	Comprehensive <sup>1</sup>	Comprehensive status rating for ESG reporting
 SUSTAINALYTICS <sup>3</sup>	22.6	23.6	20.1	Continued improvement on a number of measures

<sup>1</sup> In June 2022 ACSI changed the title of its highest rating from Leading to Comprehensive.



<sup>2</sup> The use by ALS Limited of any MSCI esg research llc or its affiliates ("MSCI") data, and the use of MSCI logos, trademarks, service marks or index names herein, do not constitute a sponsorship, endorsement, recommendation, or promotion of ALS Limited by MSCI. MSCI services and data are the property of MSCI or its information providers and are provided 'as-is' and without warranty. MSCI names and logos are trademarks or service marks of MSCI.

<sup>3</sup> In March 2023, ALS Limited received an ESG Risk Rating of 20.1 and was assessed by Morningstar Sustainalytics to be at medium risk of experiencing material financial impacts from ESG factors. In no event the assessment shall be construed as investment advice or expert opinion as defined by the applicable legislation.





# Measuring our Success

Targets have been set by the Board and agreed by the Executive Leadership team to measure the success of our Sustainability strategy. By FY2027, ALS will build a better world for all by achieving the following outcomes across the four pillars of its Sustainability Program:

 <b>PEOPLE</b>	 <b>PLANET</b>	 <b>COMMUNITY</b>	 <b>BUSINESS PRACTICES</b>
<ul style="list-style-type: none"> <li>→ Nil workplace fatalities</li> <li>→ Decrease in the 5-year rolling average for both LTIFR and TRIFR</li> <li>→ Be positioned in top quartile of our peers as measured by published injury frequency rates</li> <li>→ Achieve a score of 90 points or greater on Positive Performance Indicator (PPI) scorecard across all Business Streams.</li> </ul>	<ul style="list-style-type: none"> <li>→ 74% reduction in carbon emissions (compared to a 2020 baseline) (Scope 1 and 2)</li> <li>→ 20% reduction in hub laboratory water intensity (compared to a 2020 baseline)</li> <li>→ 30% reduction in plastic going to landfill (compared to a 2020 baseline).</li> </ul>	<ul style="list-style-type: none"> <li>→ ALS Workplace Giving Program operating in all ALS Business Streams and Regions</li> <li>→ ALS Science Education Support Program operating in all ALS Business Streams and regions.</li> </ul>	<ul style="list-style-type: none"> <li>→ No material breaches of Code of Conduct</li> <li>→ Annual Code of Conduct training being completed by &gt;95% of all employees.</li> </ul>

## Building a better world for all

OUR FOCUS	BY FY2027
<p>Focus on <b>OUR PEOPLE</b></p> <p>Maintain our Industry Leading Safety Performance</p>	<p>We will be in the <b>top quartile of our peers</b> as measured by our published injury frequency rates.</p>
<p>Focus on <b>OUR PLANET</b></p> <p>Maintain carbon neutrality for our Scope 1 and 2 emissions while making substantial progress against achieving our goal of Net Zero</p>	<p>We will have <b>reduced our carbon emissions by 74%</b> against our FY2020 baseline year. (Scope 1 and 2)</p>
<p>Focus on <b>OUR COMMUNITIES</b></p> <p>Continue our support for the local communities in which we live and work</p>	<p>We will have established ALS Cares (our Workplace Giving Program) and Science Ed (our schools and universities support program) in <b>all ALS Business Streams and regions.</b></p>
<p>Focus on <b>BUSINESS PRACTICES</b></p> <p>Ensure we operate in line with our core values and Code of Conduct to deliver ethical and sustainable returns for our stakeholders</p>	<p>We will have <b>greater than 95%</b> of all employees completing mandatory training in our Code of Conduct on an annual basis.</p>

# Sustainability Goals

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

The United Nations has outlined 17 Sustainable Development Goals (SDGs), that seek to resolve the most pressing issues facing society including extreme poverty, hunger, and climate change, with the goal to heal and secure our planet.

As a global company, many of these challenges are clearly evident to us around the world. We contribute towards the achievement of the SDGs through our direct business activities (the services we offer clients and how we deliver them), the use by host governments of the taxes we pay, the direct employment opportunities we create, and the voluntary social contributions we make. We believe that our Company and the broader scientific community have a role to play as part of this collective journey to build a better world for all.

As part of the development of our strategic plans, we considered our alignment to the SDGs, assessing the relevant SDGs and associated targets for each material topic. The results of this assessment inform our sustainability approach, strategic priorities and reporting. Where SDGs are identified in public reporting, we endeavour to provide sufficient details to ensure it is clear on how we deliver on the particular SDG outcome. The following specific SDGs were identified as having strong alignment with one or more of our sustainability programs.

 <p><b>GOAL 3</b></p> <p><b>Ensure healthy lives and promote wellbeing for all at all ages.</b></p> <ul style="list-style-type: none"> <li>→ ALS Vehicle and driver safety standard and programs</li> <li>→ Provision of stack testing services</li> <li>→ Provision of pharmaceutical testing.</li> </ul>	 <p><b>GOAL 4</b></p> <p><b>Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.</b></p> <ul style="list-style-type: none"> <li>→ Local support of primary schools and children</li> <li>→ Local support of universities, field days, and career days.</li> </ul>	 <p><b>GOAL 5</b></p> <p><b>Achieve gender equity and empower all women and girls.</b></p> <ul style="list-style-type: none"> <li>→ Reach, Inspire, Share and Elevate (R.I.S.E) Gender Equity Employee Resource Groups</li> <li>→ Workplace flexibility programs</li> <li>→ EDP and iLead gender targets</li> <li>→ Gender equity reporting.</li> </ul>
 <p><b>GOAL 6</b></p> <p><b>Ensure availability and sustainable management of water and sanitation for all.</b></p> <ul style="list-style-type: none"> <li>→ Provision of ALS sampling and testing services</li> <li>→ Support of Water First Canada, a charitable organisation addressing water challenges in Indigenous communities through education, training and meaningful collaboration.</li> <li>→ Professional contributions to standards and industry bodies.</li> </ul>	 <p><b>GOAL 7</b></p> <p><b>Ensure access to affordable, reliable, sustainable and modern energy for all.</b></p> <ul style="list-style-type: none"> <li>→ Installation of solar electricity systems</li> <li>→ Procurement of renewable electricity</li> <li>→ Internal energy intensity targets and programs.</li> </ul>	 <p><b>GOAL 8</b></p> <p><b>Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.</b></p> <ul style="list-style-type: none"> <li>→ Innovation programs to increase value add services</li> <li>→ Modern slavery program.</li> </ul>
 <p><b>GOAL 9</b></p> <p><b>Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.</b></p> <ul style="list-style-type: none"> <li>→ Energy efficiency programs</li> <li>→ Innovation, ongoing method development, standards (research and development).</li> </ul>	 <p><b>GOAL 10</b></p> <p><b>Reduce inequality within and among countries.</b></p> <ul style="list-style-type: none"> <li>→ Anti-discrimination programs and training.</li> </ul>	 <p><b>GOAL 12</b></p> <p><b>Ensure sustainable consumption and production patterns.</b></p> <ul style="list-style-type: none"> <li>→ Recycling and waste reduction targets.</li> </ul>

# Materiality ASSESSMENT

**Each year we review the most material sustainability-related issues which affect our business and where we may impact others. We do this in order to focus our efforts and maximise our impact in the areas that matter most, and to continuously improve the information we report on to our stakeholders.**

Our approach includes the following steps:

- ➔ Reviewing global megatrends
- ➔ Reviewing our overall Corporate strategy
- ➔ Reviewing our Group sustainability strategy
- ➔ Analysing and prioritising our material business risks and opportunities across our value chain
- ➔ Reviewing the GRI Sustainability Reporting Standards
- ➔ Obtaining feedback from stakeholders such as, clients, employees, and community members
- ➔ Obtaining feedback from Group Executive management on the issues impacting specific Business Streams (including issues that impact the wider industry sector)
- ➔ Obtaining input from the ALS Sustainability and Innovation Committee and the Board.

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

By identifying and responding to material sustainability issues, we are able to successfully deliver on ALS's Strategic plan to maximise value for our shareholders.

We did not identify any significant changes to the most material issues or their relative importance through our stakeholder engagement processes this year, however we did identify a shift in the language used to group and describe our Sustainability Pillars. We have updated the names of our Sustainability Pillars to more contemporary terms that are more relatable to stakeholders and better reflect the categories within each pillar.

## OUR PILLARS



PEOPLE



PLANET



COMMUNITY



BUSINESS PRACTICES

## Stakeholder and Engagement Mechanisms



# Materiality Matrix

		Refer to page	3 GOOD HEALTH AND WELLBEING	4 QUALITY EDUCATION	5 GENDER EQUALITY	6 CLEAN WATER AND SANITATION	7 AFFORDABLE AND CLEAN ENERGY	8 DECENT WORK AND ECONOMIC GROWTH	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	10 REDUCED INEQUALITIES	12 RESPONSIBLE CONSUMPTION AND PRODUCTION
 <b>PEOPLE</b>	Health and Safety	32	☑								
	Diversity and Equity	44			☑					☑	
	Training and Development	51			☑						
 <b>PLANET</b>	Climate Change	53				☑		☑			
	Waste Reduction	63	☑								☑
	Operational Environmental Performance	67	☑								
 <b>COMMUNITY</b>	Economic Contributions	69									
	Local Contributions	70		☑		☑					
	Human Rights	76						☑			
 <b>BUSINESS PRACTICES</b>	Conduct and Culture	80									
	Regulatory Compliance	82									
	Enterprise Risk Management	85									
	Innovation and Technology	26						☑	☑		

# ALS Group Scorecard

		2023 TARGET	RESULTS	2024 TARGET
 <b>PEOPLE</b>	<b>Health and Safety</b>	No fatalities Maintain industry leading LTIFR <sup>1</sup> TRIFR <1.44 <sup>1</sup> PPI Scorecard of 90 points or greater	✓ 0 ✓ 0.31 <sup>1</sup> ✓ 1.00 <sup>1</sup> ✓ 138	→ No fatalities → Maintain industry leading LTIFR <sup>1</sup> → TRIFR <0.96 <sup>1</sup> → PPI Scorecard of 90 points or greater
	<b>Diversity and Equity</b>	→ 50% total new female professional hires → 50% female participation in iLEAD → 40% female participation in Executive Development program	✓ 51% ✗ 41% <sup>2</sup> ✗ 26% <sup>2</sup>	→ 50% total new female professional hires → 50% female participation in iLEAD → 40% female participation in Executive Development program
	<b>Training and Development</b>	100% of compulsory training sessions completed	✓ 100%	100% of compulsory training sessions completed
 <b>PLANET</b>	<b>Climate Change</b>	Corporate Target: Achieve carbon neutrality in FY2023 <sup>3</sup> Business Streams Target 6% reduction in Scope 1 and Scope 2 carbon intensity	✓ Achieved ✓ 16%	Corporate Target: Maintain carbon neutrality in FY2024 <sup>3</sup> while commencing implementation of Net Zero plan
	<b>Waste Reduction</b>	Complete yearly Business Stream waste initiatives	✓ Completed	Complete yearly Business Stream waste initiatives
	<b>Operational Environmental Performance</b>	No unresolved complaints of negative air, noise, or land impact from surrounding neighbours Nil environmental prosecutions No reported spill or reportable uncontrolled releases <sup>4</sup>	✓ No unresolved complaints ✓ No environmental prosecutions ✓ No reported spills or uncontrolled releases	No unresolved complaints of negative air, noise, or land impact from surrounding neighbours Nil environmental prosecutions No reported spill or reportable uncontrolled releases <sup>4</sup>
 <b>COMMUNITY</b>	<b>Economic Contributions</b>	Total economic contribution > AUD 2.08b	✓ AUD 2.4b	Total economic contribution > AUD 2.4b
	<b>Local Contributions</b>	Continue Business Stream community engagement program	✓ Engagement programs continued	Continue Business Stream community engagement and science education programs
	<b>Human Rights</b>	Human rights assessments on key suppliers completed by hub lab purchasing departments	✓ Completed	Human rights assessments on key suppliers completed by hub lab purchasing departments
 <b>BUSINESS PRACTICES</b>	<b>Regulatory Compliance</b>	No material Code of Conduct violation	✓ No material violation	No material Code of Conduct violation
	<b>Enterprise Risk Management</b>	No material cyber security breach of the ALS IT network that results in significant disruption to key laboratory information systems or finance systems	✓ No material breach	No material cyber security breach of the ALS IT network that results in significant disruption to key laboratory information systems or finance systems

1 Per million hours worked.

2 See page 41 for more information.

3 Scope 1 and Scope 2 emissions.

4 Spill or uncontrolled release that causes material environmental harm.

# Sustainability STRATEGY

**Our Sustainability strategy aims to have a positive impact on our people, the planet, and the community, and ensure our business practices are ethical through strong leadership and governance.**

Our revised Vision, Mission, Purpose and Values supports this approach. In particular our Vision, "In Pursuit of a Better World for All", lays the foundation for our approach to sustainability. **A better world for our People** means demonstrating our care, creating a great place for our teams to work and paving their way to a brighter future. It means letting people be their best self regardless of their gender, ethnicity, or sexual orientation. **A better world for our Planet** means protecting the world we live in for future generations. **A better world for our Communities** means building partnerships with local suppliers and community groups. The way we operate, our systems, policies and procedures and our integrity and ethics are all essential to our sustainability actions. A key theme of our Strategic Plan is "The ALS Way". The ALS Way is defined as "Work as a team to create a diverse, collaborative, and inclusive environment that is a compelling place to work. Through our teamwork and living our core values, we make an enduring impact on our communities and the environment."

## Innovation and Technology

Our strategic plan identifies innovation and technology as a vital pillar to enable the company to meet its future strategic ambitions. The plan has identified two industry megatrends that require a dedicated focus – Technology Development, and Digitalisation. During the year we appointed Rickard Olofsson to the position of Chief Technology and Innovation Officer. This critical role will focus ensuring key actions are taken to address and capitalise on the drivers for each megatrend.

During FY2023, the Chief Technology and Innovation Officer delivered on the following strategic actions:

- ➔ Redefined the Global Development and Technology Organisation to ensure closer engagement with operations
- ➔ Reviewed the implementation of our innovation and technology framework across all Business Streams
- ➔ Reviewed our digital applications roadmap and internal/external digitalisation processes.

MEGATREND	DRIVERS	KEY ACTIONS
 <p><b>Technology Development</b></p>	<ul style="list-style-type: none"> <li>➔ Predictive analytics</li> <li>➔ Artificial intelligence</li> <li>➔ Machine learning</li> <li>➔ Robotics</li> </ul>	<ul style="list-style-type: none"> <li>➔ Integration of machine learning with process automation</li> <li>➔ Early engagement with instrument suppliers for design and prototype testing</li> </ul>
 <p><b>Digital Transformation</b></p>	<ul style="list-style-type: none"> <li>➔ New technologies</li> <li>➔ Increasing size and complexity of data</li> <li>➔ Security</li> </ul>	<ul style="list-style-type: none"> <li>➔ Global adoption of data workflows</li> <li>➔ Capital investment in digitisation, automation, and robotics</li> <li>➔ Active and forward-looking R&amp;D activities</li> <li>➔ Pre-analytical tools</li> </ul>

Our **Sustainability strategy** aims to have **a positive impact.**

## Our Sustainability Programs

ALS has well established programs across the four pillars of sustainability. Caring for our people has always been our strongest focus area with well established programs in place across ALS for many years. These include our HSE Foundation Standards (17 Goals), Life Saving Rules, Risk Management Standards, Leadership Apps, PPI Scorecard and the Compliance Portal. A strong governance program is in place to fully embed our core value of “Safe” into our businesses.

To assist with the communication of our core programs across all four pillars of sustainability, guiding principles have been developed. These are outlined below and will help guide our journey towards a safer and healthier world for all.

OUR SUSTAINABILITY PILLARS	 <b>PEOPLE</b>	 <b>PLANET</b>	 <b>COMMUNITY</b>	 <b>BUSINESS PRACTICES</b>
Our Guiding Principles will navigate our journey towards a safer and healthier world for all:	We care for the health, safety and wellbeing of our people and strive to unlock their potential.	We have a positive impact on the planet.	We make a positive contribution to our local communities.	We operate ethically and responsibly to deliver sustainable outcomes for our stakeholders.
Our established corporate programs underpin our Sustainability Strategic Plan FY2027. They will also create long term value for our shareholders:	<b>Health &amp; Safety</b> → HSE Foundation Standard → Life Saving Rules → Mental Health  <b>Diversity &amp; Equity</b> → R.I.S.E Gender Equity Network  <b>Training &amp; Development</b> → EDP → iLead	<b>Climate Change</b> → Climate Neutral Strategic Plan → Task Force on Climate-related Financial Disclosures (TCFD)  → Efficient Buildings Program → Roadmap to Net Zero  <b>Waste Management</b> → Water Conservation → Plastic Reduction  <b>Operational Environmental Performance</b> → Management of adverse environmental emissions → Efficient operations	<b>Local Contributions</b> → ALS Cares Workplace Giving → Ed Support Science Education Program  <b>Human Rights</b> → Human Rights Policy → Modern Slavery Assessments	<b>Conduct and Culture</b> → Data Integrity & Quality → Code of Conduct → Internal Audit Plan  <b>Regulatory Compliance</b> → Anti-bribery & Anti-corruption  <b>Enterprise Risk Management</b> → Material Business Risks and Opportunities  <b>Innovation &amp; Technology</b> → Group strategy and framework for Innovation & Technology



## Our Sustainability Business Plans

Thirty-eight specific projects have been identified to be completed over the next 5 years to support our Sustainability strategy. Our flagship projects include:



### Embrace SDGs

Our programs align with and support 9 of the UN Sustainable Development Goals.



### Green Buildings

All new buildings and refurbishments meet ALS's Sustainability Guideline.



### Climate Strategy

Maintain Carbon Neutrality (Scope 1 & 2) while working to achieve Net Zero Targets.



### Learning & Development

Training and awareness programs on ESG.



### Health and Wellbeing

Focus on Life Saving Rules and mental health programs.



### Equity

Programs to address under representation and providing a respectful work environment.



### Water

Reduce hub laboratory water intensity to 20% below 2020 baseline.



### Waste Management

Targeted programs on single-use plastics, solvents, reducing sample packaging, reducing freight.



### Education Support

Partner with local schools and universities to promote science education.



### Code of Conduct

Commitment to ongoing training in Code of Conduct for all employees annually.



### ALS Cares

Promote ALS Cares Workplace Giving program with nominated charities.



### Procurement

Ethical procurement and modern slavery assessments.



### Finance

Funding for sustainability commitments through green bonds and sustainability linked loans.



### Embrace Technology

Upgrade Compliance Tools – more Apps, better dashboards, ESG data capture and workflows.



### Energy

Source >95% electricity from renewable sources.



### ALS World Celebration Days

Group-wide celebration calendar (International Women's Day, World Environment Day, World Day for Safety and Health at Work).

## Our Sustainability Awards

### At ALS, we pride ourselves on being an industry leader in sustainability performance.

This year marks the second year of our ALS Achievement Awards. These awards identify and celebrate those businesses who show exceptional commitment to living our core value of 'We are Safe' and recognise the efforts of individuals or small teams for sustainability-related activities, initiatives or projects completed during the year.

### Safety Performance Award



The first category is for the best safety performance at a Regional Business Stream level, awarded on the highest PPI scorecard achieved at year end.

Congratulations go to ALS Tribology as the winner for FY2023. ALS Tribology, led by General Manager Jim Klippel, with support from HSE Lead Andreza Doran, achieved the maximum available score of 150 points for the Group level Tribology PPI scorecard. Remarkably, 14 out of 18 Tribology site locations also achieved the maximum 150 point scorecard.

The Tribology team demonstrated an exceptional commitment across all five PPI categories of risk management, training, program compliance, incident frequency rates, and leadership and culture, and are deserving winners of the award for FY2023.



### Safety Leadership Award

This award is granted for the best individual safety initiative and is judged on the implementation of an innovative idea, use of best practice technology, or a program that has contributed to an excellent culture of safety. The recipient of the individual category this year goes to Manfred Peschke from ALS Metallurgy for implementing an engineering solution for a common manual handling task. Manfred created a new swing arm lid for the rod mills that allows an operator to unlock and swing the lid away without needing to lift and replace it. The removal of the lids and locking mechanism (that weigh over 5kg) is a repetitive task that operators must do multiple times over a shift. Manfred has built a reputation for implementing innovative safety solutions across the Metallurgy business by completing several other projects that have contributed to better safety management.



Manfred Peschke from ALS Metallurgy is the recipient of the Safety Leadership Award for FY2023



ALS Thailand are the winners of the FY2023 Community Service Award.



## Climate Change Award

This award is granted to a site, department or Business Stream for the best initiative or project to achieve an absolute reduction in CO<sub>2</sub> emissions. We are pleased to recognise ALS Environmental Canada as the recipients of our Climate Change Award for FY2023. In 2021, ALS Environmental Canada developed a new plan for their journey to reduce greenhouse gas emissions (GHGs) as part of ALS global sustainability efforts.

The project was named "Project Milne", with reference to the collapse of the former Ellesmere Ice Shelf, located in Nunavut Canada. Environmental Canada have continued to implement Project Milne Ice Shelf over the past 3 years, investing in electricity, gas and business optimisation projects. Projects included LED lighting, building insulation and variable speed extraction systems. Since the launch of Project Milne, the Environmental Canada business has reduced its total carbon intensity (for Scope 1 and 2 emissions) by over 30% against a FY2020 baseline.



## Community Service Award

This award is granted to a site, department, or local region for demonstrating a positive contribution to a community through volunteerism, fund raising, or educational support. ALS Thailand is the winner of this year's award. The Environmental testing laboratory in Thailand has many passionate employees who formed a community services group called the ALS Care Club. **The ALS Thailand Care Club live out the ALS core value of "We Care" in a demonstrable and practical way.** The Care Club has provided much needed support to numerous local community groups including:

- Volunteering and support for the Foundation for the Blind
- Provision of rebuilt computers and installation of LED streetlights to a local primary school
- Donating a solar powered fridge/freezer to a remote school to ensure students have healthy and nutritious lunches
- Providing drinking water dispensers to a local school where no potable water was previously available.



**CALL FOR NOMINATIONS**  
By 28 February 2023

**2023 SUSTAINABILITY AWARDS**

**Nominate now, and lets celebrate ALS businesses and individuals who show exceptional commitment to creating a positive impact on our people, the planet and our community.**

<b>Safety Performance AWARD</b> Awarded for best PPI Scorecard performance for the year.	<b>Safety Leadership AWARD</b> Awarded to an individual for going "above and beyond" to improve and promote safety.
<b>Climate Change AWARD</b> Awarded for the best initiative or project to achieve an absolute reduction in CO <sub>2</sub> emissions.	<b>Community Service AWARD</b> Awarded for demonstrating a positive contribution to a community through volunteerism, fund raising, educational support, etc.

Award winners announced **31 March 2023**.  
For a nomination form or further information speak with your local Business Stream HSE Lead.

“Our awards celebrate ALS businesses and individuals who show exceptional commitment to creating a positive impact on our people, the planet and our community.”



Our values **build** an exceptional environment for our employees, our clients, and the community.



## OUR ACTIONS: **People**

**With over 18,000 employees around the globe, we collaborate with a shared passion for science, innovation and sustainability to deliver insights that make our communities and the world, safer, smarter and healthier. We are a diverse community of dedicated professionals who share a common goal of making a substantial impact on the world through the provisions of our services. We care for the health, safety and wellbeing of our people and strive to support them in realising their potential.**

### Health and Safety

Our primary focus has, and will always be, on the safety and health of our employees and the communities in which we operate. ALS has operations in many geographic locations across the world. Whilst each state/country where we operate may have specific legislative requirements in relation to HSE, ALS requires each site to identify and mitigate health and safety risks and implement programs and processes to prevent injuries and occupational diseases. We seek to foster a culture of shared and open concern for, commitment to, and accountability for, safety and wellbeing.

Effective leadership is a critical success factor in achieving these requirements. Our commitment to our people starts at the highest level and cascades through the organisation. ALS's Board Charter defines Board responsibilities including demonstrating leadership, and in conjunction with the CEO, establishing the key elements of the ALS strategy. Please see page 88 for further details of the Board and Sustainability and Innovation committee's role with respect to safety.

The Company's Chief Sustainability Officer oversees and manages the design and implementation of the sustainability program, monitors performance and develops appropriate programs to raise awareness and compliance to our sustainability standards, including those related to Safety.

At the core of our business, our values help us build an exceptional environment for our employees, clients, and the community at large.



Our Board-approved Health and Safety Policy outlines our commitment to the continual improvement of our health and safety management systems and performance with the goal of identifying, controlling and eliminating workplace hazards, injury, illness and psychosocial risks. To support this commitment, we have implemented systems and practices throughout our businesses to manage our risks, including personal safety. ALS's Corporate HSE management system is certified to ISO 45001 Occupational Health and Safety Management Systems and ISO14001 Environmental Management Systems.



Our HSE Foundation Standard sets the platform for continual improvement through the application of 17 consistent goals, focusing on:

- Health – promoting and improving the physical and psychosocial health of ALS's workforce
- Safety – ensuring our core value, "Safe", is not compromised
- Environment – promoting the efficient use of resources, reducing wastage, preventing pollution, reducing our greenhouse gas emissions, and minimising our impact on the environment
- Asset Protection – protection of physical assets at our site locations through fire and emergency loss controls.



**“More than a policy, risk management is in our DNA. Embedded in our operational model, it's a priority. It's simply the way we do business.”**

**Michael Burcham**  
Chief Sustainability Officer



## Our Safety Program

We have identified five components which we see as critical to meeting our safety objectives; Leadership, Risk Management Processes, Training, Program Compliance, and Metrics.



Individual sites conduct their own health, safety and environment inspections and audits at frequencies appropriate to their level of health and safety risks, with quarterly inspections occurring across all ALS locations as a minimum.

We gain independent oversight of how effectively sites have implemented safe work systems through site audits conducted by independent HSE team members.

The audit targets compliance requirements including the ALS HSE Foundation Standard, utilising a common audit tool which enables laboratories of different size, functionality and location to be ranked against each other. In addition to the extra layer of independent assurance, this program also enables shared continuous improvement and learning through the exposure of the independent HSE Managers to other operations. Each year, key site locations in our Business Streams are audited by a HSE Manager independent from the Business Stream being audited.

During FY2021 and FY2022 our ability to conduct on-site audits was restricted by local and international COVID-19 restrictions and ALS's risk and business continuity control measures. Most audits completed over this period were conducted remotely, supported by video conferencing, file sharing, and mobile cameras. We intend to continue virtual audits in our future schedules as they have advantages, such as reduced travelling time and reduced travel related carbon emissions.

This year, with the relaxation of COVID-19 restrictions, a larger proportion of audits were site-based enabling greater input from visual inspections, a deeper dive into audit questions, and an enhanced ability to build relationships which are more conducive to shared learnings.



## Leadership

Leaders are ultimately responsible for the safety and lives of their employees. Managing hazards in the workplace, safety systems, reporting, and risk management procedures are all critical elements of managing safety but leaders are the link that tie this all together.

Our global leadership model is reinforced through our tiered learning programs which apply to all Business Streams, support functions and regions. Our people development programs aim to develop our leaders with a deep and strong understanding of core safety concepts, who regularly and proactively interact with employees regarding safety. This constant message promotes one language and a common understanding that a healthy safety culture is an integral part of ALS.

## Risk Management Processes

The identification of safety hazards and the management of HSE risk through risk assessments is integral to our safety management system. Where possible we use common tools, however risk assessments can, and do, differ due to regulatory expectations and requirements.

Our people carry out risk assessments and/or Job Safety Environmental Analysis (JSEA) on the hazards arising from the materials, activities and the workplace environments that they encounter while undertaking their work. To assist our people when in the field or at clients' sites, we provide them with various platforms to undertake assessments, including mobile device applications, checklists and auditing tools. Other tools we use to manage workplace risk include; inspections/audits, analysis of incident data, employee contributions and suggestions, incident/observation reports, safety meetings, Take 5's, Management Safety Observations, and the Management of Change process.

Our HSE risk management is designed to follow the continuous improvement cycle summarised in the figure below.

## HSE RISK MANAGEMENT CYCLE





## Training

We value clear, consistent and timely communications with our employees beginning at the recruitment phase and continuing throughout their career. We recognise that there is a higher potential for injury in the first six months of employment and have programs to reduce this.

Laboratory operations can involve a variety of hazards that are unfamiliar to most people without laboratory experience, including chemical hazards, exposure to heat and cold, and machinery hazards. If employees do not understand the hazards and the controls that ALS has implemented to manage the risk of those hazards, there is increased potential for a negative impact on those employees or those around them. From their first day, our employees have a structured induction and training program that provides them with the skills to undertake their roles safely and competently.

## Program Compliance and Governance

Our Safety Management System includes governance processes to hold everyone, from ground level employees to senior managers, accountable for planning and undertaking work in a safe manner. The governance processes also help to create a learning culture which supports continuous improvement in our safe systems of work. We are committed to providing our leaders with the tools, knowledge and structures to maximise our safety performance beyond mere compliance with relevant safety legislation.

We provide assurance through annual environmental, health and safety audits which monitor, review, assess and update:

- ➔ Health, safety and environment strategy
- ➔ Health, safety and environment plans
- ➔ Health, safety and environment objectives and targets
- ➔ Incident and injury trends.

HSE performance is reported up the organisation chain to the ALS Board through a group wide documented reporting process which includes:

- ➔ Health, safety and environment objectives and targets
- ➔ Incident and injury statistics and reports
- ➔ Serious incident investigations
- ➔ Trend and root cause analysis of systemic or recurring issues.



## Life Saving Rules

ALS's Life Saving Rules were created to ensure lives in all ALS businesses are protected. The Life Saving Rules were developed following a review of serious injuries and high potential incidents across ALS businesses. In addition to looking within ALS, further investigation was undertaken on risks unique to the industries ALS works in to arrive at the final set of Rules which identified the key risks that could put lives at risk. The Rules underline our commitment to the ALS core value: "We are Safe".

Our businesses identify the risk relevant to the activities undertaken by their employees and implement either all, or the applicable sub-set of Life Saving Rules to their businesses. These Rules set out a minimum standard of safety designed to address identified life-threatening risks. The controls detailed in the Life Saving Rules may be exceeded but must be observed as the minimum standard for compliance. The Rules do not replace our Safety Management System, training systems, or procedures but act as a final layer of control that is easy to understand and apply to the activities that are most likely to result in a significant injury or fatality.

We believe that although our Life Saving Rules have been designed as simple final layers of protection, we need to go beyond employee training and continued reinforcement of compliance. We build discussions on hazard perception and risk control into daily conversations, with open and honest discussions on effective and less effective application of the Rules. These discussions are tracked and recorded as safety leadership conversations and are included in our Manager's performance scorecards.



right solutions.  
right partner.

# LIFE SAVING RULES

<ul style="list-style-type: none"> <li> <b>STOP UNSAFE WORK</b> Stop and always intervene to correct an unsafe act or condition.</li> <li> <b>SAFE DRIVING</b> Drive safe, roadworthy vehicles, according to the conditions, observe speed limit and wear seat belts.</li> <li> <b>FITNESS FOR WORK</b> Always attend work fit and free from the effects of fatigue, drugs and alcohol.</li> <li> <b>MACHINERY SAFETY</b> Always ensure that safety protection devices provided with plant / equipment (safety valves, guards, interlocks or barricades) are operational prior to commencing work.</li> <li> <b>CONFINED SPACE ENTRY</b> Always obtain authorisation prior to entering a confined space.</li> <li> <b>WORKING NEAR WATER</b> When sampling or working near or on water, wear a flotation device where there is a danger of falling or entering the water.</li> <li> <b>TRAFFIC &amp; PEDESTRIAN MANAGEMENT</b> Staff and drivers must be aware of the need for the segregation of pedestrians from vehicle movement.</li> <li> <b>WORKING AT HEIGHTS</b> Protect yourself against a fall greater than 1.2 metres.</li> </ul>	<ul style="list-style-type: none"> <li> <b>REMOTE WORK</b> Always notify someone of remote trips &amp; plan, use GPS locators, first aid training complete, follow call in processes, be aware of local wildlife &amp; weather conditions, be aware of emergency services response times.</li> <li> <b>ENERGY ISOLATION (LOCK OUT TAG OUT)</b> Only qualified persons are to work on electrical equipment or installations. Always isolate or lock out energised equipment before commencing work on it.</li> <li> <b>LETHAL CHEMICALS/ SUBSTANCES</b> All staff need to be aware of chemicals / substances that can kill and strictly adhere to all applicable control measures, including safe handling, storage and wearing appropriate PPE.</li> <li> <b>SAFE WORK PERMITS &amp; SITE RULES</b> Always obey site rules and work with a valid work permit where required.</li> <li> <b>OVERHEAD LIFTING OPERATIONS</b> Plan all lifts (e.g. cranes, hoists, etc.) before commencing, and do not work under suspended loads.</li> <li> <b>TRAVEL TO HIGH RISK COUNTRIES</b> Ensure a travel risk assessment has been completed before travelling to high risk regions.</li> </ul>
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we are **SAFE**



ALS's Life Saving Rules were created to **protect lives.**

## CASE STUDY

# RSI Mitigation

**Impact**  
THROUGH  
ACTION



Last year, as part of our long-term strategic initiative to reduce or eliminate repetitive strain injuries (RSI), the ALS Canada Environmental business introduced changes to two of our methods.

The Saturated Paste soil extraction method is used to measure soluble ion concentrations in soils (e.g. sodium, calcium, magnesium), for environmental evaluations of soil salinity and sodium adsorption ratio (SAR). SAR is used as an indicator for saline soils because high levels of soluble cations (particularly sodium) can negatively impact plant growth and soil permeability. The traditional method is highly labour-intensive, especially for soils with high clay content, which make up approximately 10% of the soils we test. To make a saturated paste, water is added to dried soil with intensive mixing until a paste-like consistency is achieved. For clay soils, manual pasting can require up to 10 minutes of strenuous hand-stirring with a mixing spatula. In recent years this test caused repetitive strain injuries among several of our staff – we had to find a better way.

Throughout last year we worked diligently to re-invent the method to mitigate RSI risk. Ultimately, we developed a new technique where saturated pastes are created by agitating the samples in a mechanical shaker with customised mixing containers, with final adjustments done manually after the hard work has been done by machine. The new method has been very well received by staff; in addition to greatly reducing RSI risks, it allows us to process more samples in less time – two great outcomes!

The second method which we implemented improvements to this year was hexavalent chromium in soil which involved the manual filtration of every sample extract. This was a time consuming and laborious process and one which included using hand pressure on filters with an inherent risk of hand strains.

In 2021, it was first suggested that there may be a possible way to reduce the laborious filtration and improve data quality. Work started with the removal of a coarse filtration step. After initial trials, it was found through the adoption of procedures found in international standards, and co-ordination with our Prague laboratory, that some process steps could be consolidated.

In 2023, if the current digestion/extraction method was left unchanged, 1,500 kg of plastic consumables were set to be used for hexavalent chromium in soil testing in Waterloo alone. What started as a quality and efficiency project to reduce filtering time has now resulted in the elimination of manual filtration, the reduction of at least 750 kg of plastic in 2023 at the Waterloo lab, plus delivered a significant efficiency improvement. As a secondary benefit, along with the safety benefits, there will be 200 less boxes shipped annually to Waterloo, further reducing Waterloo's carbon footprint. Testing is also faster and data quality has improved. These improvements have been shared across the ALS Group.

CASE STUDY

# Sam's story



Three months after Samuel Weston joined the team at Rotherham he gave a short insight into what is it like to join ALS.

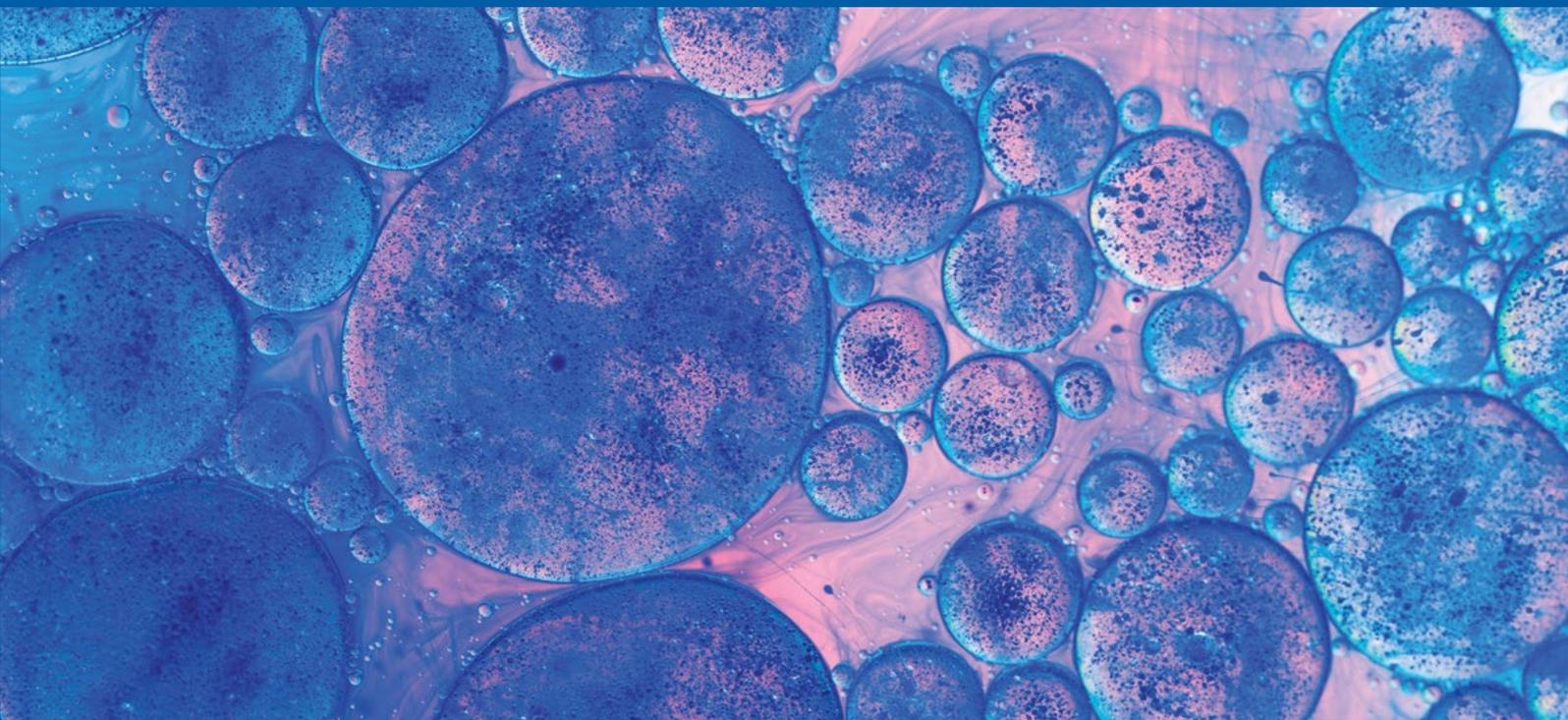
Sam attended The University of Sheffield and studied for a BSc in Bio Sciences. After graduating, he worked in a general office but remained passionate about science until an opportunity came up to join ALS.

"I wanted to use my degree and find a career doing what I enjoy. When I first joined ALS there was a good induction process including health and safety training and everyone was very welcoming," Sam said.

"I spent around 6 weeks undertaking a variety of practical hands-on training throughout the department that allowed me to understand what I was doing. Someone was always there for me to ask questions and support me during this time. This gave me the knowledge and confidence to work independently and I found it exciting trying new tasks in a working laboratory."

Here at ALS we pride ourselves on a thorough induction process that supports all new employees with everything they need to be happy, healthy and engaged at work. We have a number of initiatives to support mental health, gender equity, diversity, CPD and career progression.

"I feel like I have found a place that I can enjoy my career and progress, and I have had informal chats with my team leader about my options and future progression. I am enjoying where I am for now experiencing the different roles within the main laboratory, but in the future opportunities within the pathogens laboratory look really interesting"





## Reducing Injuries

Most of the activities that our employees undertake are carried out indoors and can be characterised as routine, with well-established and actively monitored risk controls in place. We strive to maintain a culture of vigilance in order to prevent complacency which could lead to lowering the effectiveness of these risk controls, resulting in increased risk of injury to our employees. One way in which we do this is by encouraging employees to actively look for, and report on, opportunities to reduce risk. The increase in hazard reporting frequency rate shown demonstrates our success in cultivating a strong culture of reporting hazards, near misses and any injuries regardless of severity. Our injury statistics include any injuries to contractors working under our operational control.

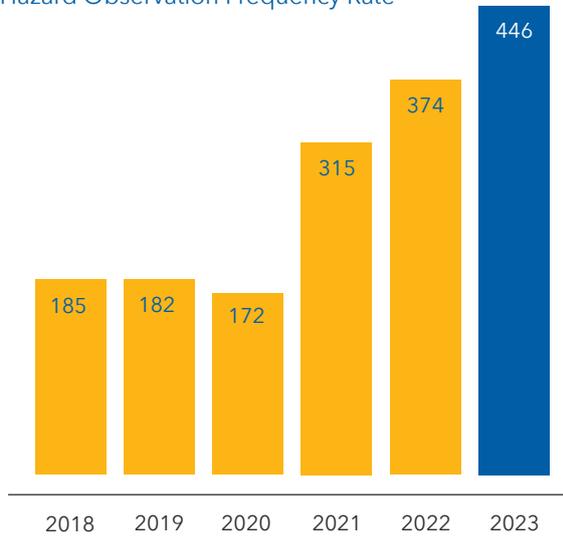
Since 2018 we have also reduced the frequency rate of near misses and First Aid injuries. Injuries that fall under the First Aid category do not include those that required medical treatment or where the employee required time off work. Although First Aid injuries are less severe, they are still instances of injuries in the workplace and we are committed to the ongoing reduction of the frequency and severity of these events. We also record and track severe injuries, classified as Lost Time Injuries which result in more than seven days off, as another indicator of our system health.

Each year, over half of the injuries in the First Aid category were cuts and abrasions. At the midpoint of this year our ongoing monitoring identified that we had a statistical increase in number of cuts to our employees. Factors contributing to the injuries included using the incorrect tool for the task, using the tool incorrectly, and failure to wear appropriate personal protective equipment. Across the group the HSE team worked with the business to reverse this trend by reinforcing established procedures, improving the availability and specificity of protective equipment, and engaging with employees on taking the time to assess each task, before commencing work.

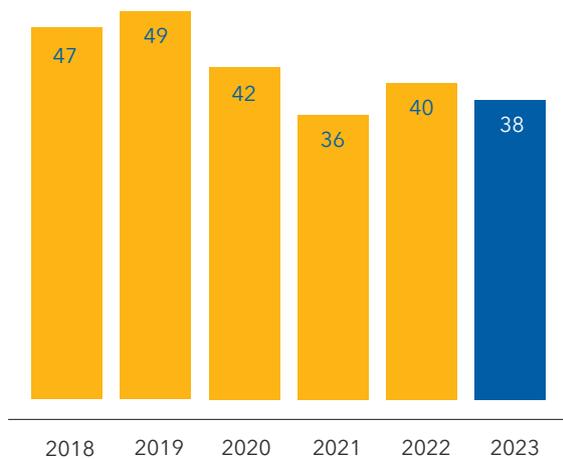
Our on-going commitment to identifying hazards and acting to remove them both systemically and on a task-by-task basis has resulted in improved safety performance.

## GROUP SAFETY METRICS

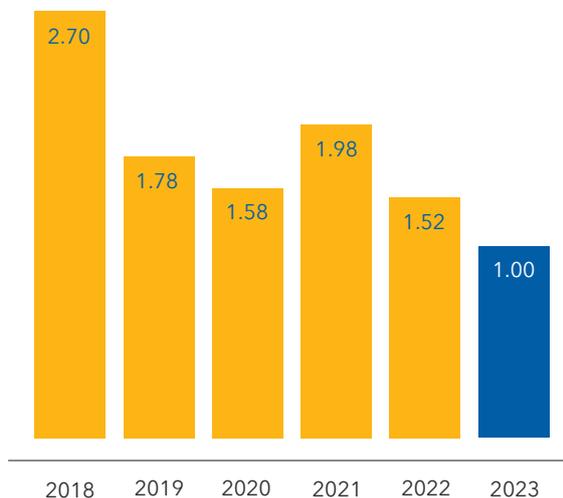
Hazard Observation Frequency Rate<sup>1</sup>



First Aid Frequency Rate<sup>1</sup>



Total Recordable Injury Frequency Rate<sup>1</sup>



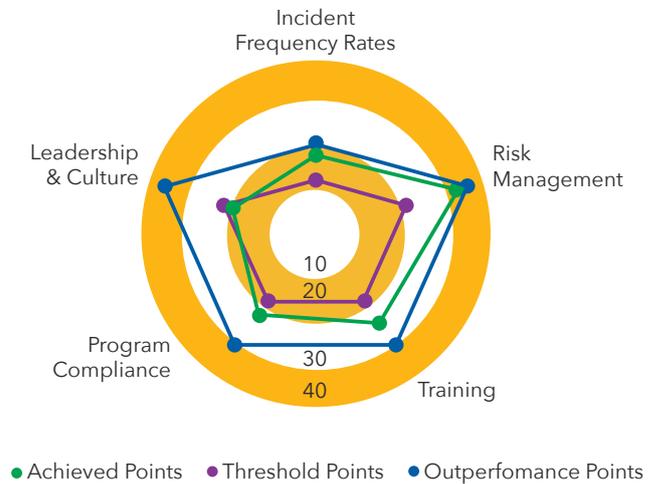
<sup>1</sup> Per million hours

Our Positive Performance Indicator (PPI) program, which was introduced more than 10 years ago as a metric to promote and reward teams that demonstrate a commitment to Safety Culture, considers each of the five components we see as critical to meeting our safety objectives; Leadership, Risk Management Processes, Training, Program Compliance, and Metrics.

In FY2023 the ALS Group PPI score was 138.05 against a threshold of 90 and a maximum of 150. We are proud of this score that reflects the work conducted across the focus areas above and the commitment of our people to reducing risk.

## POSITIVE PERFORMANCE INDICATOR FY2023

TOTAL SCORE 138.05



## Our 2023 Focus Areas

As our business continues to grow we regularly review our Safety strategy. This year the Safety strategy activities we completed included:

### LIFE SAVING RULES

- ➔ Driver Safety 
- ➔ Updated our driver and vehicle safety policy, including additional requirements to enable consistent application of minimum vehicles safety systems across regions.
- ➔ Conducted a global review of the safety of our light vehicle fleets against this standard and implemented a vehicle replacement program to remove vehicle which did not meet the updated standards.
- ➔ Implemented a program to increase the coverage of In Vehicle Monitoring Systems (IVMS) by >90%.
- ➔ Our Corporate Compliance and Risk team increased their routine auditing of Business Streams to monitor, learn, and improve how we apply IVMS monitoring processes across our businesses and regions.

### CULTURE

- ➔ Developed a yearly calendar of selected World Celebration Days with the objective of positively impacting our employees through facilitated discussions relevant to them and ALS, across our material topics including Safety, Wellbeing and the Environment.

### RISK CONTROLS

- ➔ Completed a review of extraction systems used across all sample preparation and fire assay facilities to confirm they are operating effectively (to meet all regulatory occupational exposure standards for our employees).
- ➔ Reviewed ALS site locations that are deemed high risk based on natural catastrophe exposure and developed detailed loss controls.

### LEADERSHIP

- ➔ Reviewed and improved our HSE Leader structure to maintain alignment with business strategy and structure.

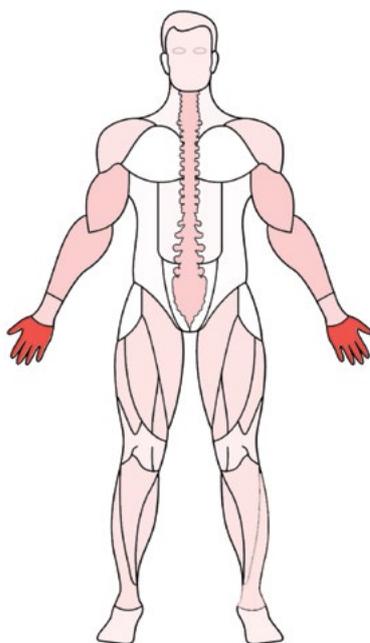
### TRAINING

- ➔ Developed micro-training sessions on technical ESG topics to HSE team and management.



# ALS Group Hazard and Incident Reporting for FY2023

Injury location	Incidents count
Hands/Fingers	540
Arms	132
Back	132
Wrist	102
Legs/Ankles	73
Shoulders	72
Eyes	71
Face	54
Head	54
Feet/Toes	47
Knee	47
Neck	28
Internal Locations	20
Trunk	13
Hips	8
Groin	5
Ear	2
<b>Total</b>	<b>1,400</b>

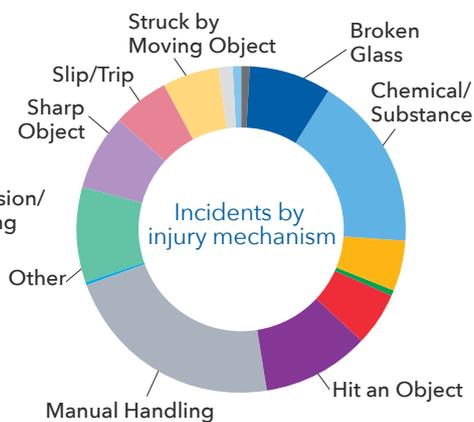
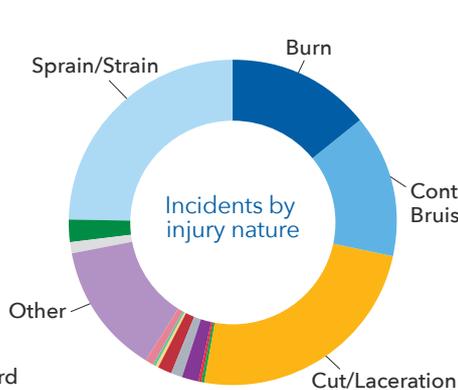
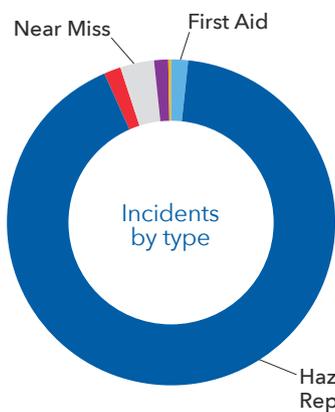


Safety incident forms closed



Total incidents count

**19K**



## CASE STUDY

# Pharmaceutical Mexico Health Day



## Mexico City: Health Day – November 2022

### “May health be your most precious asset”

Every year Pharmaceutical Mexico laboratories coordinates a set of activities focused on health prevention at work called “Health Day”. During this day joint efforts between employees, suppliers, government institutions and ALS work to promote health and wellbeing by encouraging the participation of employees throughout the day and offering information aimed at promoting a healthy lifestyle inside and outside the laboratory.

ALS Mexico City: Health Day

This event is developed and led by the local HSE team who strive to encourage employee participation. The scope of the event program includes a risk analysis to identify the causes of possible threats, probable unwanted events, the damages and consequences, not only to the business, but also to the essential part of the laboratory – the people.

The Health Day activities program included:

- Webinars given by health professionals focused on promoting a healthy lifestyle, visual health and mental health
- Annual Check Up – One of the main objectives of this day was to provide all employees an opportunity for an Annual Check Up, carried out by an external provider who visited our facilities for the convenience of our employees
- With the support of the Mexican Institute of Social Security (IMSS), the seasonal influenza vaccine was provided to employees who chose to have it
- To promote good visual health, an ophthalmology clinic came to our facilities and offered free vision studies
- In support of the WHO International Day against Breast Cancer, ALS made mammograms available to applicable employees
- The 10,000 steps challenge, which encourages participants to achieve at least 10,000 steps per day for 4 weeks, was launched. At the conclusion of the month 78 employees had achieved the goal and received a smart watch as an award for their effort
- Finally, the day closed with the delivery of the results of the annual check-up to each of the collaborators in a confidential manner, with which they can carry out a corresponding follow-up with their doctor.

The local HSE team evaluated the aggregated deidentified statistical data provided by the medical service provider, and prepared an action plan that helps to continue promoting healthy living with our employees.

ALS Pharmaceutical Mexico takes the role of safety very seriously. We apply institutional values in all our processes and through Health Day we promote and strengthen the culture of prevention.

A healthy employee positively influences productivity, their work environment, their family, their community and finally, their social environment.





## Diversity and Equity

ALS enjoys a very strong culture of belonging, camaraderie, mutual respect and support. We celebrate and rely upon each other amongst an impressive global footprint that constitutes the ALS operations worldwide, and we benefit from the collective perspectives, innovation, creativity and effort the ALS global team contributes every day in support of our stakeholders. We recognise the value and community that results when we all do our part to foster and strengthen a workplace and environment that is safe, inclusive and equitable for everyone.

Maintaining an inclusive and equitable workplace widens our talent pool, promotes growth and provides a more fulfilling work environment which, in turn, results in an enriched setting for innovation and new ideas. 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. No individual or minority group will be disadvantaged based on race, gender, ethnicity, disability or any other differentiating trait in gaining access to employment, career advancement and training, nor will they be impeded from accessing the equivalent benefits and privileges that all other persons in the company similarly enjoy. This commitment is referenced in our Code of Conduct and our Diversity, Equity, Inclusion and Belonging (DEI&B) Policy, and remains foundational to our core values.

Our Vision is to be an organisation that promotes and nurtures a diverse workforce committed to sustaining an equitable and inclusive environment. We want to foster and empower everyone to reach their full potential and feel a sense of belonging. We have clearly articulated the business imperative as ensuring strategic alignment to positively impact organisational capabilities, drive innovation and sustainability and support financial growth and our clients and stakeholders. We developed the ALS DEI&B framework and roadmap which formalises an organisational commitment to promoting DEI&B at all levels, and embedded DEI&B training into our core leadership development programs and new manager onboarding.

### Gender as a Diversity Priority

ALS remains committed to delivering focused performance in diversity and inclusion, against measurable objectives that are reviewed and agreed to by Senior Executives and the Board of Directors. While we focus on multiple components and represented groups in the workforce to promote equity and inclusion, given the countries in which we operate globally we pay particular attention to gender representation in our workforce. ALS gender statistics are monitored annually and considered when establishing diversity goals and the broader ALS Talent strategy.

The data utilised in our most recent assessment represents more than 18,000 employees across 70+ Countries. Workforce participation rates and learning data presented in this report are a snapshot as at 1 October 2022, while professional recruitment data covers the period 1 October 2021 to 30 September 2022.

We want to foster and empower everyone to **reach their full potential** and feel a sense of belonging.



We continue to enjoy strong representation of women across our varied and complex business environments, both in support services and operational roles. A total of 44% of our total workforce identifies as female and more than half of our staff who work in professional roles are women.

Acknowledging that globally, women represent a substantial percentage of undergraduate and graduate students entering the STEM fields, we maintain a dedicated focus to ensuring our recruitment activities for both recent college graduates and experienced professionals emphasises the identification and hiring of female candidates, and this year we have again achieved our goal of greater than 50% of new hires being female.

## R.I.S.E Gender Equity Network groups in APAC and R.I.S.E EMEA

This year we have expanded our Reach, Inspire, Share and Elevate (R.I.S.E) Gender Equity Employee Resource Groups (ERG's). These R.I.S.E groups are employee led, with ALS sponsorship, and have been very successful in providing knowledge sharing and ideas, providing a showcase opportunity to feature emerging and existing ALS leaders of all backgrounds and gender, and provide a forum for external and internal speakers to present on topics of interest but aligned to the ERG objective of inspiration and achieving one's full potential.

Our intention is to link these regional ERG's to promote belonging, perspective, community and visibility across the ALS landscape.

The R.I.S.E organisations are also engaged by ALS in helping promote our brand, engage with the stakeholder community and for global recognition events such as International Women's Day, International Day for Women and Girls in Science, plus other regional or local community opportunities.

R.I.S.E includes an internal social media platform (Yammer) with over 570 members globally. During FY2023, R.I.S.E facilitated a number of events, including special guest speaker Dr Wafa El-Adhami, Executive Director of Science in Australia Gender Equity (SAGE). The ALS R.I.S.E program was a finalist in the Leadership HQ Outstanding Leadership Awards for Courageous Teams.

From an initial launch in Australia/Asia, R.I.S.E now also includes a European and North American ERG.



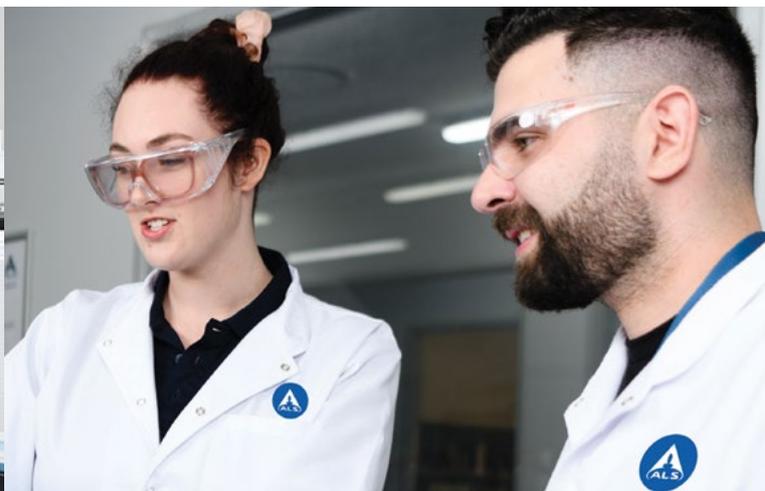
## RISE GENDER EQUITY NETWORK

REACH • INSPIRE • SHARE • ELEVATE

### Pay Equity

Annually as part of the remuneration review process, all general managers conduct a pay equity review for their businesses. Since 2018, general managers are asked to sign and commit to a 'Gender Pay Equity Pledge', confirming their understanding and commitment to the ALS philosophy around fair and equitable remuneration, and that they have reviewed specific analysis of their group's remuneration plan and have implemented any necessary actions to address inequities.

Our remuneration analysis extends beyond a gender focus, to include checking for unintended anomalies that may inadvertently impact individual or minority groups and to ensure an equitable application of pay for performance.





## ALS DEI&B Framework

<b>What</b> <i>OUR VISION</i>	To be an organisation that promotes and nurtures a diverse workforce who are committed to sustaining an equitable and inclusive environment, fostering and empowering everyone to reach their full potential; and creating a sense of belonging.			
<b>Why</b> <i>CASE OF CHANGE</i>	Without losing our focus on gender, we seek to expand our efforts through achieving targeted initiatives that move ALS into a high performing DEI&B culture. This will ensure strategic alignment to positively impact organisational capabilities, drive innovation and sustainability and support financial growth, clients and stakeholders. This framework formalises an organisational commitment to promoting diversity, equity, inclusion and belonging at all levels.			
<b>HR Pillars</b>	ATTRACT	DEVELOP	DEPLOY	RETAIN

## DEI&B Priority Areas and Goals

ATTRACTION	RECRUITMENT & SELECTION	RETENTION	CAREER DEVELOPMENT
<ul style="list-style-type: none"> <li>→ Attract diverse talent to support the communities in which we serve</li> <li>→ To become an employer of choice.</li> </ul> 	<ul style="list-style-type: none"> <li>→ Promote an inclusive recruiting environment ensuring fairness, equity and opportunity for a diverse pool of candidates.</li> </ul> 	<ul style="list-style-type: none"> <li>→ Maintain a sense of belonging, where employees feel safe, included and engaged to thrive as their true authentic selves.</li> </ul> 	<ul style="list-style-type: none"> <li>→ Provide employee equal opportunity (EEO) for all and increase diversity in leadership.</li> </ul> 
SUSTAINABILITY & COMPLIANCE	ACCOUNTABILITY	REPORTING	EMPLOYER BRANDING
<ul style="list-style-type: none"> <li>→ Uphold efforts which support sustainability</li> <li>→ Ensure our policies reflect our commitment to providing a fair and inclusive organisation.</li> </ul> 	<ul style="list-style-type: none"> <li>→ Equipping leaders with the ability to manage diversity and be accountable for the culture results.</li> </ul> 	<ul style="list-style-type: none"> <li>→ Report on diversity metrics that showcases global efforts, summarises key findings and action plans.</li> </ul> 	<ul style="list-style-type: none"> <li>→ Develop compelling messages and communication that supports DEI&amp;B vision, strategy and initiatives.</li> </ul> 

This framework is designed to deliver on DEI&B initiatives that meet the priority areas and align with goals. Through dedicated strategies and action plans, ALS will utilise a 2 + 1 approach to Diversity focal areas.

## Diversity, Equity, Inclusion & Belonging

YEAR	FY2023	FY2024	FY2025	FY2026	FY2027
<b>PHASE</b> 	Foundation & Establishment	Amplify & Recognise	Sustain	Review & Align	Monitor
<b>ACTIONS</b> 	<ul style="list-style-type: none"> <li>→ Develop ALS DEI&amp;B framework</li> <li>→ Engage Executives, Senior Leaders and HR team and solicit feedback</li> <li>→ Embed DEI&amp;B objectives into business strategy mapping</li> <li>→ Develop and execute initiatives that align with action plan where DEI&amp;B approach is leveraged as a tool for team performance, culture shaping and customer outcomes</li> <li>→ Ensure impact is measured (KPIs) (accountability)</li> <li>→ Build on a support network of internal sponsors and champions.</li> </ul>	<ul style="list-style-type: none"> <li>→ Engage workforce and obtain feedback on initiatives/key actions</li> <li>→ Monitor progress and impact across regions</li> <li>→ Measure metrics</li> <li>→ Use KPIs on STI plans to gain momentum and drive change</li> <li>→ Establish DEI&amp;B Council (goals, members, positions) to establish a unified approach and ERGs</li> <li>→ Implement training for managers and senior leaders.</li> </ul>	<ul style="list-style-type: none"> <li>→ Strengthen ALS reputation internally and externally by demonstrating a high-performance and inclusive culture</li> <li>→ Ensure all new leaders are trained in creating inclusive workplaces</li> <li>→ Continue to utilise metrics to measure success of framework.</li> </ul>	<ul style="list-style-type: none"> <li>→ Review and align DEI&amp;B objectives into business strategy mapping</li> <li>→ Conduct employee pulse surveys to get feedback on their experiences, and workshop this feedback with Executive and senior leadership.</li> </ul>	<ul style="list-style-type: none"> <li>→ Monitor and report on success measures</li> <li>→ Ensure continued engagement and momentum of DE&amp;I strategy that aligns with current global trends.</li> </ul>
<b>RESULTS</b> 	Establish and build sponsorship, support/energy and direction.	Gain rewards and momentum to optimise employee engagement and employer brand.	Maintain organisational success.	Embed transformed culture.	Sustainable growth.



## Gender Statistics

As with many businesses, during the year ALS experienced increased turnover (both voluntary and involuntary). Our data indicates that although headcount has increased, the proportion of women in certain categories has remained relatively stable or has increased slightly from the previous year. We are continuing to focus our attention on both recruitment and internal role movement to ensure our gender distribution, while also looking at workplace policies that enhance workplace flexibility to more adequately accommodate the dynamics of the labour market that have arisen since the pandemic.

Our recruitment goal for FY2023 was to maintain a female participation rate of 50% or more in the category of "females in professional roles". We are pleased to confirm that this target was achieved with a rate of 51%. The rate of new hire females into management roles increased sharply from 24% in FY2022 to 41% in FY2023.

Our goal for female participation in development training for FY2023 was to maintain 50% in our iLEAD Supervisory Development Program and 40% in 'Executive Development Program'. Unfortunately, participation in our development programs declined overall as we pivoted to virtual distance learning and make other appropriate program adjustments. While overall participation declined, the proportion of female participants increased slightly from the previous year, with 41% of iLEAD participants identifying as female up from 38% the previous year. However, this did not achieve our goal of 50% participation. This was improved in the selection process for the iLEAD cohorts delivered in the second half of FY2023 which had a participation rate of 42%. Within our Executive Development Program (EDP), female participation was down considerably from the prior year at 24% versus the previous year's 34%, and below our target aspiration.

## Representation in Leadership

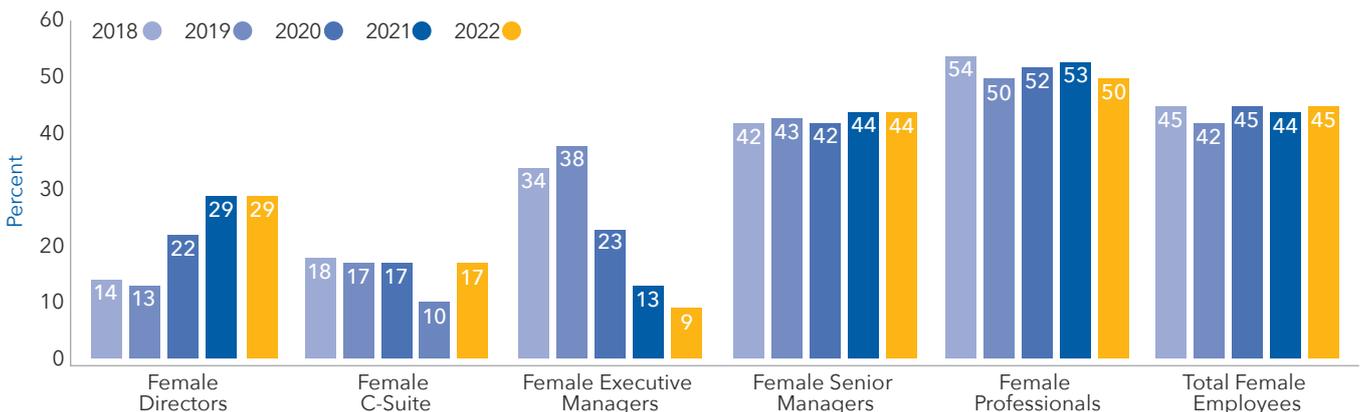
Sustaining a strong, broad and diverse leadership pipeline is essential to a globally distributed multi-national like ALS. Our strategic growth initiatives tie very closely to our need to identify, develop, promote and deploy talented leaders from across the globe, with the capacity to lead and manage diverse teams in multiple cultural settings, while maintaining a commitment to our core values and identity.

While we have made mention of our focus on gender representation, our "People" pillar within our ESG Strategy also identifies a robust succession planning and leadership development program.

We are pleased that the ALS senior leadership team includes global native and cultural representation, drawn from our operations in Australia, Argentina, Brazil, Canada, Sweden, the United Kingdom and the United States. Beyond our senior leadership team, the next level of management and much of our succession planning is represented by leaders from across the globe who operate in a collaborative, integrated fashion joined by a core set of common values and Code of Conduct. We remain very confident that the cultural adaptability, resilience and agility of our management team, complemented by their global disbursement, is directly contributing to the strong working culture and teamwork reputation that entices employees to remain with ALS for lengthy careers, and which facilitates the inclusive environment we celebrate.

In keeping with our gender focus, increasing the representation of women in our leadership pipeline remains an imperative.

### FEMALE PARTICIPATION BY CATEGORY



## Mentoring

Our Global Mentoring and Coaching Program complements our leadership development curriculum and serves our core value of “People Development”, by fostering growth focused leadership within the ALS community.

The program is led by a leadership committee primarily comprising business leaders, HR and L&D staff. It specifically seeks to draw mentors from our recent leadership development programs to both leverage and put into practical terms some of the leadership and management concepts they were exposed to, provide ongoing development and engagement opportunity, and to provide networking visibility to the next generation of leaders at ALS.

Within this broader global mentoring and coaching program, we have also implemented a subset that pairs most senior Executives with select female leaders to accelerate opportunity and awareness.

The mentoring program requires each mentor and mentee to spend at least one hour every month for 9 months on a one-to-one basis. Each of these sessions is supported by the Mentoring Guide which provides discussion topics and videos. Some interesting topics include “The power of attitude”, and “Leading and influencing others”.

In FY2023, our Women in Leadership program had 28 female participants, who received structured mentoring with four participants being promoted into more senior leadership roles.

Our mentoring and coaching program allows for cross functional learning through analysis, reflection and action, and aims to:

- ➔ Develop collaborative and growth-focused future leaders
- ➔ Drive “One ALS” Culture and ALS Core Values through meaningful conversations
- ➔ Increase engagement and visibility between emerging leaders and senior executives
- ➔ Mentor and ultimately endorse future ALS leaders, and establish a pool for consideration of future assignments and succession opportunities
- ➔ Provide a mentoring program centred around ALS leadership competencies to increase cross divisional (OneALS) knowledge and provide opportunity for exposure to ALS strategies, career advice and leadership perspective
- ➔ Enable the sharing of knowledge and resources among mentees and senior-level mentors through discussion and to foster an environment of inclusion and career progression
- ➔ Expose awareness, discussion and understanding of potential barriers to leadership progression and solutions to help bridge gaps.

We are committed to positive actions to address representation and implement practices which enable greater equity in leadership roles. We will continue to mature our Diversity, Equity, Inclusion and Belonging framework to bring visibility and proactive solutions to all under-represented groups and to continually challenge ourselves to provide an integrated, welcoming and celebrated workplace culture.

*ALS receiving the ‘Diversity and Inclusion’ award at the annual Labs Awards ceremony held as part of the Lab Innovations Conference at Birmingham’s NEC on 2nd November.*



CASE STUDY

# Environmental Canada Diversity Initiatives



## In FY2023, ALS updated the Global Indigenous Engagement Policy to complement efforts on Diversity, Equity and Inclusion.

ALS has a vision to be an organisation that strengthens the relationships between Indigenous peoples and non-Indigenous people through recognition, education, respect and support of Indigenous peoples and the communities in which we serve. The first step in building stronger communities, free of bias and any discrimination is about education and learning, both about history and different cultures. ALS Environmental Canada decided to take a proactive step and educate our team on Canadian Indigenous people and their history, led by Joyce Chow. The result was an incredibly powerful, eye opening and sometimes emotional session that dispelled a lot of negative perceptions about Indigenous people that were created over the years. The Canada team have decided to invest in this training long-term with new staff to benefit our community and take positive steps towards inclusion.

*Edmonton Environmental. Day of Truth and Reconciliation 2022*

Across all divisions, the Canadian ALS team has been working on implementing Truth and Reconciliation Calls to Action and the United Nations Declaration on the Rights of Indigenous Peoples within the organisation. This engagement is a commitment that ALS upholds and efforts are part of an ongoing journey to honour Indigenous peoples, their culture and history and to recognise them as the original stewards and caretakers of the lands on which we live and work. Priorities over the last year to take action towards reconciliation include:

- Learning the history between Indigenous and non-Indigenous peoples
- Understanding the history and legacy of residential schools
- Exploring the unique intersections we have between treaty, constitutional, Indigenous, and human rights in Canada
- Recognising the rich contributions that Indigenous peoples have made to Canada
- Taking action to address historical injustices and present-day wrongs
- Teaching others.

A learning partnership was established with Mr. Brad Marsden of the Gitksan First Nation. A series of powerful virtual experiential workshops "Fire Across the Land" was delivered to 424 staff

across the organisation to educate on the impacts of the collective trauma on Indigenous peoples throughout Canada's colonisation history, and to bring awareness to racism and cultural bias. The overwhelming feedback was eye-opening and of empathy and deep gratitude to be given the opportunity to hear a direct perspective. It was very positive and this has clearly strengthened the team's focus on Indigenous recognition respect and awareness.

The National Day of Truth and Reconciliation and Orange Shirt Day was also recognised across Canada on 30 September 2022. It was a day when ALS focused on commemorating the tragic history of Canadian residential schools. Staff wore orange shirts as a symbol of awareness, opening the door to global conversations on creating bridges for reconciliation. Activities also included learning about Indigenous histories and cultures and celebrating rich traditions, foods and art.

Over 1,000 hours of learning have been completed to date by staff to help build capacity and knowledge so ALS can strengthen connections and effectively communicate and empower Indigenous peoples in our communities.



## Learning and Development

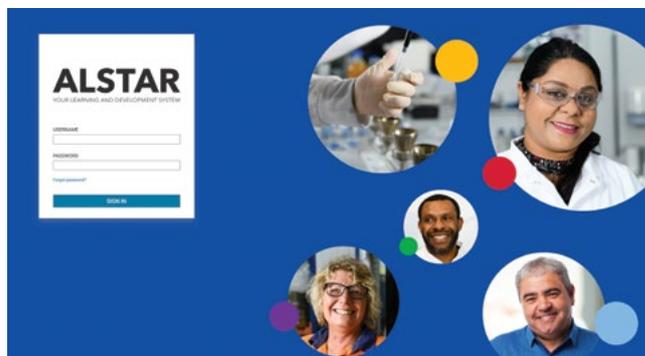
Our global Learning and Development team develop and maintain the core systems and content for the induction of new employees and the provision of professional development and technical training.

Our local Learning and Development teams implement the global systems and work with our geographically-dispersed and discipline-diverse teams to identify, develop and implement initiatives to meet both long-term goals and short-term needs.

Our online courses are delivered through ALSTAR, our Learning Management System. Courses include:

- ➔ [Induction Programs](#)
- ➔ [Health, Safety and Environment Programs](#)
- ➔ [Technical Training](#)
- ➔ [Communication Skills](#)
- ➔ [Skills](#)
- ➔ [Customer Service Skills.](#)

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



### iLEAD (Leadership Enablement and Development)

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

### MEP (Managing Effectively Program)

MEP is for our mid-level managers, and takes them through self-reflection courses that build from their iLEAD learnings and engage them in cross-Business Stream relationship building. Designed to complete four courses over one year, participants will increase their knowledge and skills in communication, strategy, innovation, and ALS culture.

### EDP (Executive Development Program)

EDP allows eligible senior managers to build strategic leadership competencies as potential executive top talent. This focus will drive commercial and technical excellence while inspiring leaders to achieve the unified ALS vision.





We strive to **minimise** our environmental footprint and support our clients to meet their sustainability objectives.



# OUR ACTIONS: Planet

## Climate Change

### Our Approach

As an organisation committed to the delivery of excellence in scientific service, we align our reporting with disclosure frameworks and standards including the following:

- ➔ Global Reporting Initiative (GRI)
- ➔ Task Force on Climate-related Financial Disclosures (TCFD)
- ➔ Greenhouse Gas Protocol

The international landscape of sustainability reporting is moving towards regulation of reporting in some jurisdictions. ALS continues to actively monitor developments in this area and acknowledges the important work being undertaken through ISSB and CSRD. We are assessing business readiness for reporting in accordance with these frameworks/regulations.

### Physical Climate Risk

At ALS, the safety of our employees, contractors and visitors in our workplaces is our highest priority. We have embedded general emergency response plans within our management systems and require that these are practised at least yearly.

With a changing climate comes an increased exposure to natural disasters that can impact not only the business continuity of our facilities, but also the safety and livelihoods of our staff and clients. In FY2023, ALS conducted an extensive review of the exposure of our global facilities to natural hazards to identify those that are likely to be exacerbated with a changing climate.

This review identified a total of 20 facilities that may have increased exposure to natural hazards due to their geographic locations. Each of the facilities identified have undertaken a detailed site-specific review to quantify the risk that was identified.

Facilities that confirmed their exposure were then required to establish a hazard-specific emergency response plan. The purpose of this plan is to ensure the facility has implemented robust controls that enhance the resilience of the facility and protection of assets and occupants in the event of the hazard occurring.

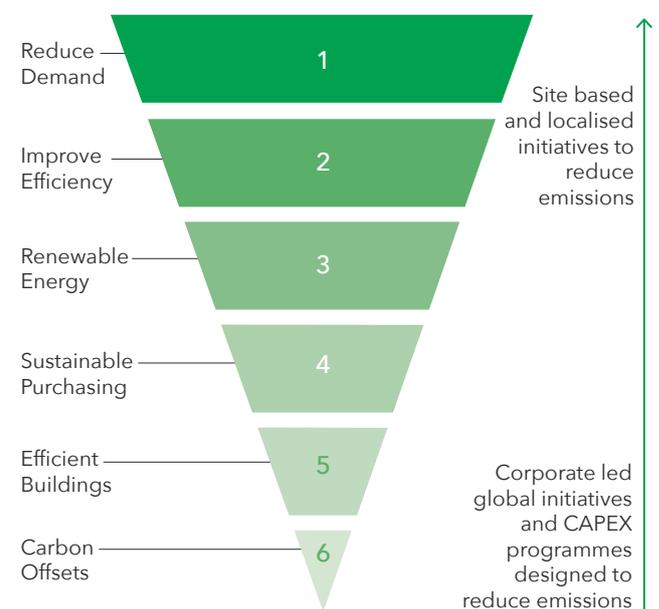
ALS will continue to assess its global facility risk profile and implement robust solutions to ensure we continue to adapt our facilities to the potential impacts of a changing climate.

Our global Health, Safety and Environmental team involves more than 90 staff dedicated to vital sustainability functions. Utilising a matrix management model for our global HSE resources ensures we have boots on the ground in every region we operate in to drive improvement and performance across climate change and sustainability initiatives. This model also provides us with local visibility and knowledge of issues impacting our facilities and their local communities.

ALS implements its mitigation programs through a multi-tiered climate change strategic plan that promotes emissions reduction initiatives and programs across every level of the organisation. This management plan recognises that to achieve real emissions reductions, we require action at both the individual facility level micro-level through to initiatives that are spearheaded at the corporate level macro-level.

We also review our adaptation mechanisms regularly through strategic business planning, risk and opportunity assessment, scenario modeling and market research. Our adaptation mechanisms are assessed across the short, medium and long-term within the remit of our TCFD statement (Annual Report page 26).

### ALS'S CARBON REDUCTION PRIORITIES



# Net Zero

# NET ZERO by 2050

## This year we developed the roadmap for ALS to achieve Net Zero by 2050.

We are a global leader in scientific analysis, our purpose is to help make the world a better place and our Vision, "In Pursuit of a Better World for All", lays the foundation for our approach to sustainability. A better world for our Planet means protecting the world we live in for future generations. Climate change is a material risk that requires global and strategic action.

Our approach to managing the physical and transitional risks of climate change will be astute and pragmatic so that we can continue to provide our clients with the services they trust without compromising the quality they expect. We support a just transition – the way we operate, our systems, policies and procedures and our integrity and ethics are all essential to our sustainability actions.

With operations in more than 430 locations across 70+ Countries there is significant variation in operational infrastructure, climatic conditions, and energy infrastructure across our facilities. Although this variation in value chain inputs adds complexity to the necessary suite of decarbonisation programs, our approach will be consistent and supported by a culture of innovation within our global operations and corporate programs.

In FY2023 our measured greenhouse gas (GHG) emissions were 39,115 t CO<sub>2</sub>e Scope 1 and 2,913 t CO<sub>2</sub>e Scope 2.

This year the Sustainability team conducted a series of workshops to screen, identify and prioritise our Scope 3 emissions. At this stage we have identified and prioritised 7 of the 15 GHG Protocol Scope 3 categories that we will focus our efforts on. The GHG Protocol's Quantis Scope 3 evaluator tool was used to convert our FY2022 spend into a Scope 3 emissions estimate of 310,000 t CO<sub>2</sub>e.

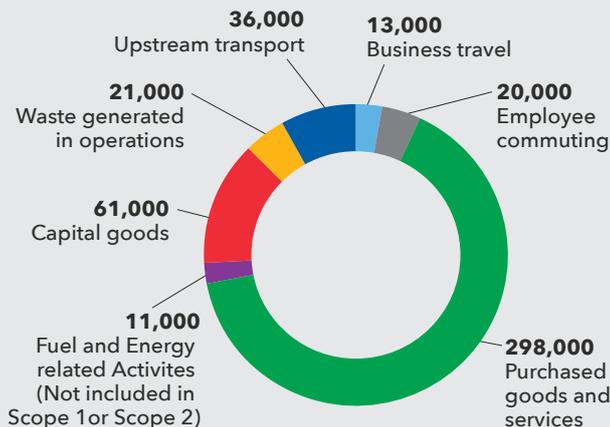
Our roadmap outlines the focus areas which enable us to meet our goal. Across ALS we seek to:

- ➔ Reduce demand on resources
- ➔ Improve our operational efficiency
- ➔ Invest in renewable energy
- ➔ Embed sustainable procurement frameworks
- ➔ Enhance the efficiency of our assets
- ➔ Where mitigation measures are not available or practical, offset residual carbon.

We are committed to achieving Net Zero carbon emissions by 2050 across Scope 1, Scope 2 and Scope 3 and are committed to reducing our Scope 1 and 2 emissions by 78% by 2030.

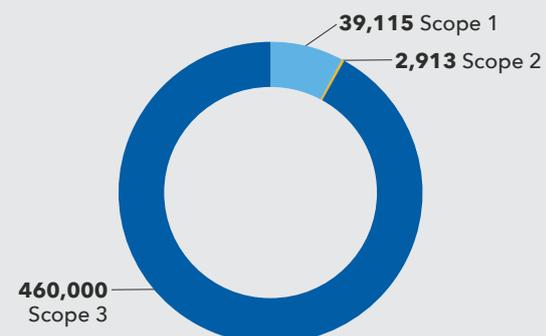
In FY2023 we achieved carbon neutrality (Scope 1 and Scope 2) through the purchase of >90% renewable electricity and by offsetting our Scope 1 and residual Scope 2 emissions with carbon credits. We are committed to maintaining carbon neutrality as we reduce our total emissions on our journey to Net Zero.

### FY2023 ESTIMATED SCOPE 3 EMISSIONS (t CO<sub>2</sub>e)



### FY2023 CARBON EMISSIONS PROFILE (t CO<sub>2</sub>e)

Note: Scope 3 estimations were calculated from ALS FY2022 expenditure using The Quantis Scope 3 Evaluator.



# 2030 Near Term Target

## Scope 1

Our Scope 1 emissions are mainly from our vehicle fleet, facility heating and from ovens and furnaces. We are committed to reducing the combustion of fossil fuels in each of these categories through efficiency improvements and electrification of these activities. We have scheduled most of the reduction in emissions from building heating into the post 2030-2045 period, in line with The International Energy Agency Net Zero by 2050 Roadmap as the Global Energy Sector estimates that 50% of building heating demand will be met by heat pumps by 2045.

We have considered country level commitments to banning fossil fuel powered cars and light commercial vehicles, the availability of suitable vehicles and charging infrastructure and vehicle-use patterns in our plan to electrify our fleet with a target of 30% electric, hybrid, or low emission vehicles by 2030. We are forecasting that the majority of our near-term Scope 1 reductions will be achieved by reducing the consumption of gas in ovens and furnaces by increasing efficiencies and also by transitioning from gas to electricity.

## Scope 2

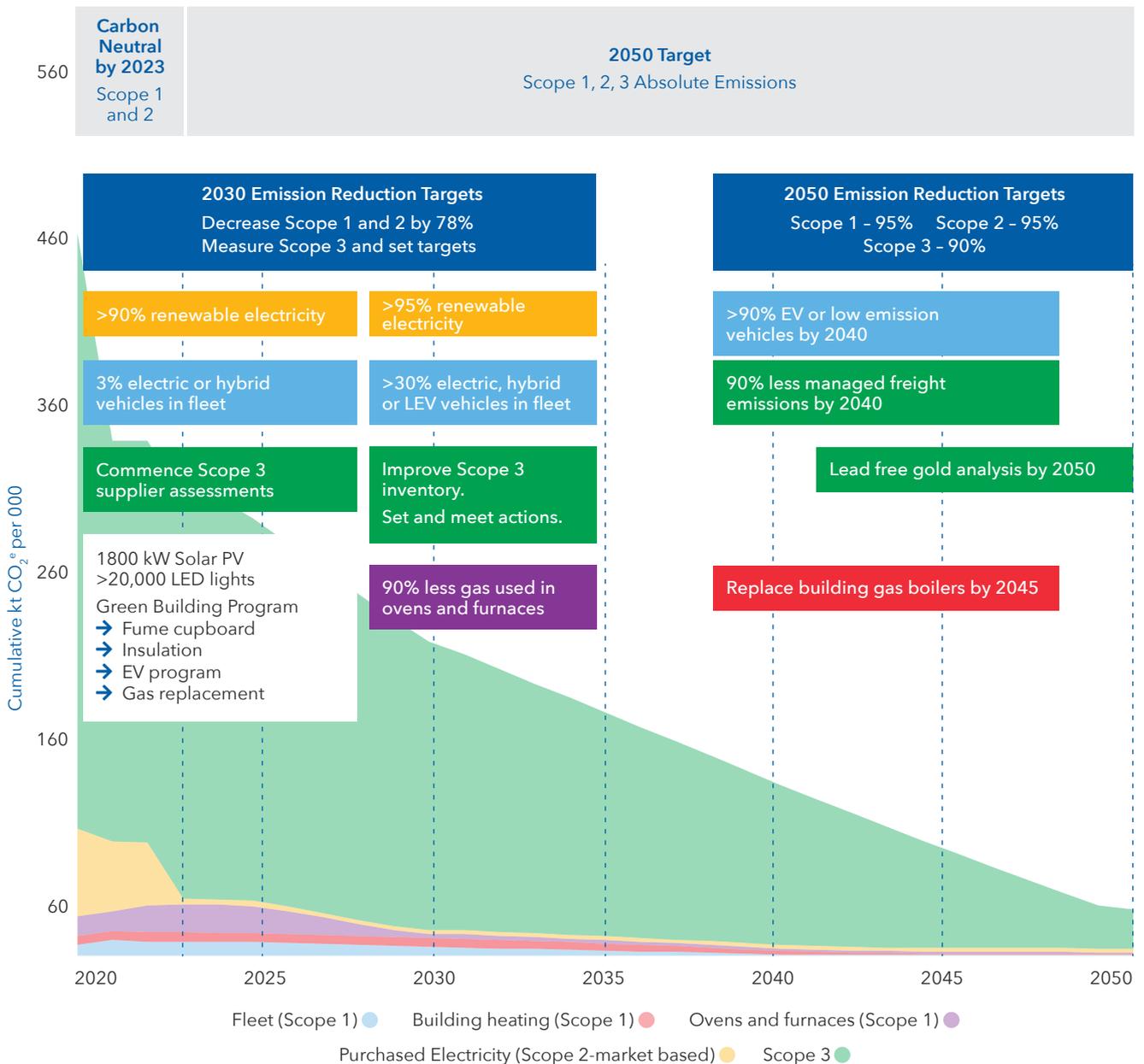
We are committed to increasing our purchase of electricity from >90% in FY2023 to >95% in FY2024 and future years. Our Green Building Program will also contribute to our ongoing efforts to increase energy efficiency and reduce Scope 2 emissions.

## Scope 3

Our current estimate of Scope 3 emissions is calculated from our revenue using the GHG Protocol's Quantis Scope 3 evaluator tool. This estimation informs us that Scope 3 are a significant component of our total GHG emission baseline and is a preliminary step in our efforts to develop a full understanding of our value chain emissions. We are committed to improving the accuracy our Scope 3 baseline by 2025.

Data is an immediate priority. We need to better understand where our carbon impact is concentrated and where we can have the most cost-effective impact. We will closely analyse Scope 3 categories to identify the subcategories that emit the most GHGs and work with our suppliers, employees and industry to improve the accuracy of our data. As the accuracy of our data increases we will be more able to address these emissions.

# ALS Net Zero Roadmap





# Scope 1 Emissions

## TONNES SCOPE 2 CO<sub>2</sub>e BY BUSINESS STREAM

### Fleet

Direct emissions that are generated by activities conducted under our control are defined as our Scope 1 emissions. This includes the non-electricity grid heating of our facilities, the burning of fuels in gas-fired ovens and furnaces, fugitive emissions and the operation of our fleet of vehicles.

Maintaining a safe and efficient vehicle fleet is a crucial to servicing our clients. Our fleet employees include drivers who collect samples in accordance with sample storage conditions and field support professionals.

Where possible we standardise vehicle specification to ensure they are best matched to our requirements, including safety and fuel consumption. Our vehicles include small city cars, large refrigerated vans, four-wheel drives operating in off-road conditions and trucks.

Greater than 85% of our global fleet is five years old or less. Maintaining a current fleet supports our drive to continuously improve safety and environmental outcomes through the utilisation of vehicles with up-to-date safety and fuel technology.

Our fleet accounts for 30% of our Scope 1 emissions and we minimise our use of fossil fuels through regular vehicle maintenance and efficient operation of our vehicles.

### Electric Vehicles

Few aspects of clean energy are as dynamic as the electric car market. According to the International Energy Agency (IEA), sales of electric vehicles (EVs) doubled in 2021 from the previous year to a new record of 6.6 million. A growing number of countries have pledged to phase out internal combustion engines or have ambitious vehicle electrification targets for the coming decades to meet net zero ambitions.

**We are committed to a fleet composition of >90% electric vehicles by 2040.** Across the regions in which we operate there is large variability in the current availability of suitable vehicles and charging infrastructure, however this year we have continued to progress to our target. In FY2023 the ALS Electric/hybrid vehicle and charging network increased to 20 vehicles and 25 charging stations across Europe and North America.

#### Food Sweden

ALS Scandinavia installed eight 22 kW and two 11 kW dual EV charging stations across Sweden to service a fleet of six battery electric vehicles (BEV) and four plug-in hybrid vehicles. Staff are able to charge their private EVs via a billing platform.

#### Prague, Czech Republic

ALS Prague installed two 22 kW EV charging stations with plans to install an additional two charging stations in Ceska Lipa. The charging stations are used for ALS vehicles, employees and clients. Prague have three BEVs and one plug-in hybrid. Future management vehicles will either be BEVs or plug-in hybrids.

#### Houston, America

ALS Houston purchased a large Ford Electric delivery van in 2022, which, although limited by a single charge range of approximately 200 km, has proven to be useful as an 'out and back' vehicle transporting coolers to and from the food laboratory to the warehouse.

#### Food UK

Chatteris and Rotherham will all benefit from the installation of EV charging stations. Each site will have four 22 kW charging points which will charge their vehicles.



## Scope 1 Emissions (continued)

### Fleet Emissions

Business Stream <sup>1</sup>	Distance travelled (km) <sup>2</sup>	Fuel consumed (litres) <sup>3</sup>	t CO <sub>2</sub> e <sup>4</sup>
Asset Care	8,543,866	605,054	1,638
Commodity Inspection	3,941,794	311,429	821
Environmental	22,011,643	2,037,267	5,301
Food & Pharmaceutical	16,490,338	1,213,450	3,234
Minerals	2,657,361	352,322	904
Other	117,425	9,540	24
<b>Total</b>	<b>53,762,427</b>	<b>4,529,063</b>	<b>11,922</b>

1 The data represents >95% of our fleet.

2 Distance traveled data stated in this table is comprised of 73% actual readings with the remainder estimated from historical use or business division averages.

3 Fuel consumption data stated in this table is comprised of 65% actual measurements with the remaining 35% estimated from annual mileage and published fuel consumption figures.

4 Vehicle CO<sub>2</sub>e emissions are calculated using the Australian National Greenhouse Accounts 2021 (fuel combustion emissions factors – fuels used for transport energy purposes).

### Natural Gas and LPG

In delivering services to our clients we consume LPG and natural gas delivered through a complex supply chain. 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 better define and measure our group emission reduction targets and performance. This year we commenced a project to understand the technical and financial feasibility of a long-term project to transfer our gas fired ovens and furnaces, the largest component of our gas consumption, to electricity. Gas fired building heating is the second largest consumer of gas in our portfolio.

Business Stream	Gas consumed (Gj)	t CO <sub>2</sub> e <sup>5</sup>
Commodities Inspection	1,415	73
Environmental	103,852	5,413
Food & Pharmaceutical	10,560	601
Minerals	397,649	20,826
Other	5,466	281
<b>Total</b>	<b>518,942</b>	<b>27,193</b>

NOTE: Greater than 88% of the total gas consumed is measured with the remaining 12% estimated based on similar ALS operations. The information in this table covers all sites and operations that have greater than six employees, and that are wholly owned or joint ventures with greater than 50% shareholding ownership by ALS.

5 CO<sub>2</sub>e emissions are calculated using emission factors from the Australian National Greenhouse Accounts 2022, USEPA (April 2023), and UK Government GHG Conversion Factors for Company Reporting (2022).



We are **committed** to a fleet composition of **>90%** electric vehicles by 2040



## Scope 2 Emissions



We are proud of the initiatives implemented by our businesses to meet our published energy reduction targets since 2018. We have worked with our employees to implement behavioural based electricity reductions, installed >20,000 LED fixtures, improved building insulation,

improved building heating and cooling systems, and installed solar electricity systems on our buildings.

This year we decided to aggressively accelerate our emission reduction program through the purchase of renewable electricity. This significant reduction in our emissions does not reduce our commitment to improve our energy efficiency and install renewable electric generation on our own sites.

ALS collaborated with Ecohz to reach >90% renewable electricity globally in FY2023 through the purchase and retirement of Energy Attribute Certificates (EACs). EACs such as GO (Guarantees of Origin), RECs (Renewable Energy Certificates)

and I-RECs (International Renewable Energy Certificates) are renewable energy certificates in different parts of the world.

### EACs:

- ➔ Are issued electronically and proof that 1 MWh of renewable energy has been produced.
- ➔ Are tools recognised by the Greenhouse Gas Protocol and Carbon Disclosure Project (CDP) to document reduced Scope 2 greenhouse gas emissions.

This year we retired EACs and purchased renewable electricity equivalent to >124,600 MWh. This is >91% of our 136,286 MWh global electricity consumption, exceeding our target of achieving >90% renewable electricity in FY2023. To further mitigate climate change and reduce our Scope 2 carbon emissions, ALS will increase the FY2024 Group target for renewable electricity from 90% to 95%.

Business Stream	kWh	t CO2e* (market based)
Commodities Inspection	9,917,049	7
Environmental	41,981,151	633
Food & Pharmaceutical	23,935,875	291
Minerals	57,436,556	1,949
Other	3,015,455	33
<b>Total</b>	<b>136,286,086</b>	<b>2,913</b>

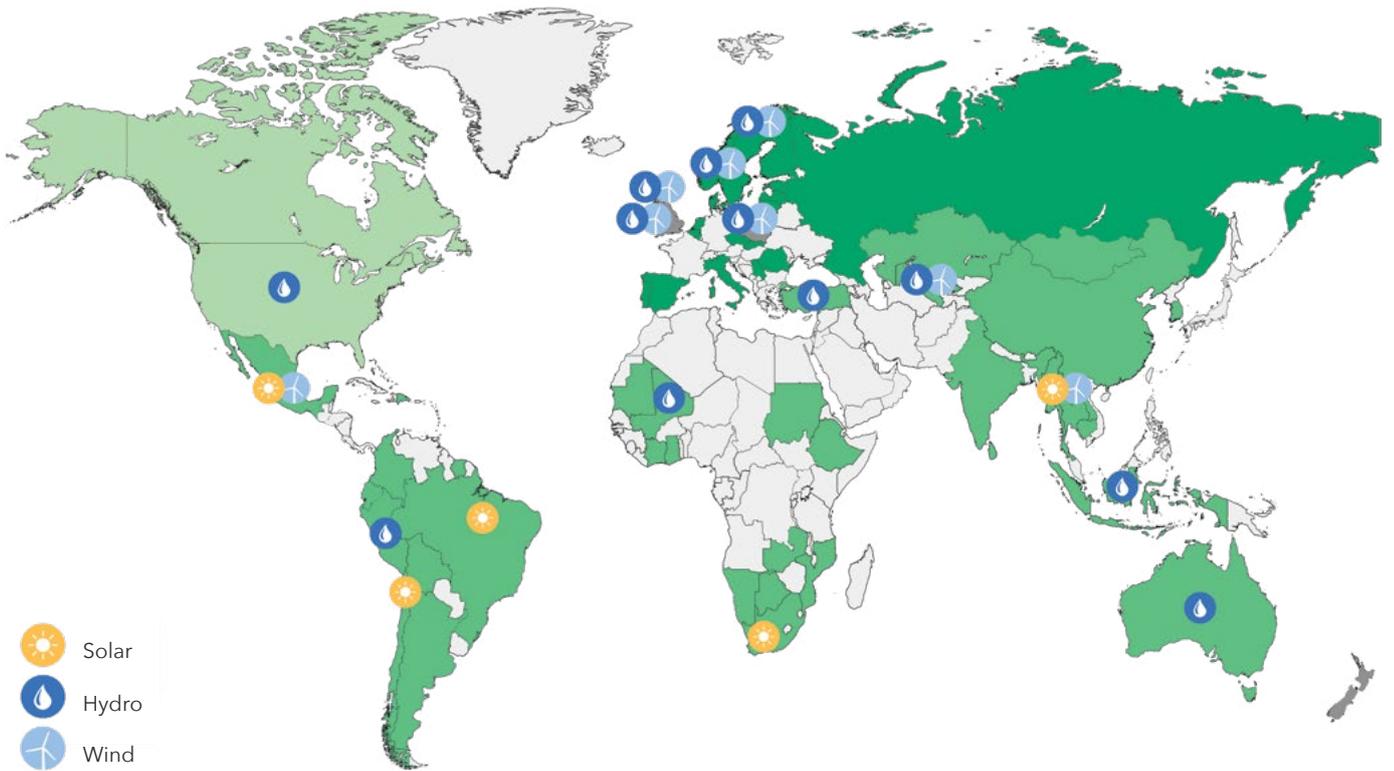
Note: Greater than 83% of the total electricity consumed is measured with the remaining 17% estimated based on similar ALS operations. The information in this table covers all sites and operations that have greater than six employees, and that are wholly owned or joint ventures with greater than 50% shareholding ownership by ALS.

\* CO2-e emissions are calculated using emission factors from the Australian National Greenhouse Accounts 2022, Carbon Footprint (Feb 2023), Ecometrica (2011) Electricity-specific emission factors for grid electricity, IGES (2021), AIB (2022), IFI (2021) and The Climate Registry (2022).



# Scope 2 Emissions (continued)

## ALS RENEWABLE ELECTRICITY SOURCES IN FY2023



-  Solar
-  Hydro
-  Wind

### Energy Attribute Certificate (EACs)

-  Guarantees of Origin (GOs)
-  International RECs (I-RECs)
-  Renewable Energy Certificates (RECs)
-  National Scheme



In **FY2023** we reached  
**> 90%**  
 renewable electricity.



## Scope 2 Emissions (continued)

### Emission Reduction Programs

Our programs to reduce the carbon intensity of our operations continued this year, with our senior manager rewards structure linked to the achievement of emission reduction targets. In FY2023 the Group, Scope 1 and 2 carbon intensity<sup>1</sup> reduced by 16% against a target of 6%.

### Solar PV Rooftop Installations

The current global energy crisis has dramatically escalated concerns over energy security and the inflationary impact of higher energy prices on economies and people's livelihoods around the world. The energy crisis is also driving a sharp acceleration in installations of renewable electricity generation systems, notably solar and wind. According to the International Energy Agency 2022 Energy Efficiency report, renewable energy capacity growth worldwide is set to almost double in the next five years, enabling them to overtake coal as the largest source of electricity generation along the way.

Installation of rooftop solar photovoltaic systems is an important program in ALS's strategy to meet our emission reduction targets. In addition to lowering site carbon emissions, solar energy installations provide our employees a more visible symbol of our commitment to the environment than most other energy efficiency measures. We see partnership with our employees as crucial to meeting our targets.

During this year, ALS's rooftop solar PV capacity increased by 823 kW through installations in Australia, Singapore, Thailand, United Kingdom, and Sweden. The additional 2022 installations boost the group's global solar PV capacity of 7 systems to 1,896 kW. The total combined annual renewable energy generated by these 16 systems in FY2023 was > 1,900 kW which is equivalent to 1.4% of our total FY2023 global electricity consumption, or a reduction of 1,090 CO<sub>2</sub>e.

Throughout FY2024, we also plan to install solar PV systems in Portugal, Spain, Ireland, US, Malaysia and Africa.

### Building efficiency

The ALS facilities building standard provides a broad scope to reduce our carbon intensity through building design and fabric, energy use and waste management. The standard provides a mandatory key elements checklist for capital expenditure proposals linked to new builds and refurbishments that has been used in projects from Perth, Australia to Thunder Bay, Canada.

Energy initiatives included in the facility fit-out and refurbishment standard include use of efficient heating ventilation and air conditioning (HVAC) systems, installation of rooftop solar PV systems and electric vehicle charging stations.

### Life Sciences Scandinavia

During FY2023 the team at ALS Landskrona reduced their building's carbon footprint by:

- ➔ Investing in a new heat pump system for central heating and cooling
- ➔ Installing a 46.8 kW rooftop solar PV system
- ➔ Installing six EV charging stations.

The previous central heating system servicing the building struggled to maintain a consistent temperature throughout the year. Three small back-up heat pumps and an electric boiler we relied upon to maintain temperature-controlled areas, as some departments require very stable temperature and humidity. It is estimated that the previous configuration consumed up to 140 MWh energy for heating, equivalent to >50% of the site's annual electricity consumption. Installation of new heat pumps is forecast to realise a significant energy saving of up to 56 MWh.

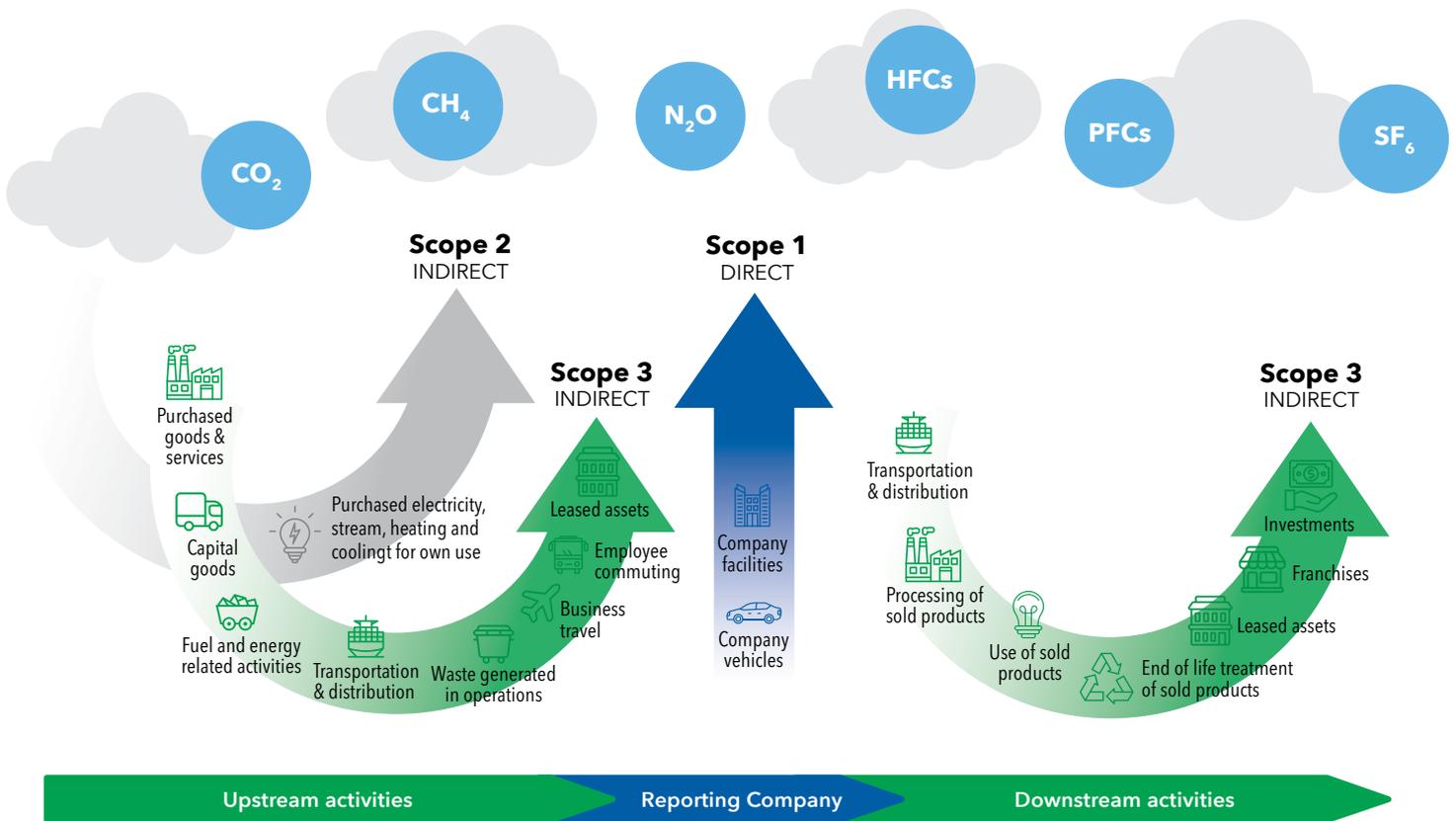
The combined heat pump and solar PV system investments are expected to reduce annual electricity consumption by up to 95 MWh (0.54 t CO<sub>2</sub>e).



<sup>1</sup> t CO<sub>2</sub>e per revenue (excluding renewable electricity).

# Scope 3 Emissions

## A TYPICAL SCOPE 3 EMISSIONS PROFILE



Source: Taken from the Greenhouse Gas Protocol.

Scope 3 emissions are emissions that are generated in the wider economy associated with our business operations but not directly emitted by us. This year, with the dropping of COVID-19 travel restrictions, our air travel emission increased however they remain substantially below previous years. We are committed to using alternative methods to air travel, including teleconferencing where practicable.

This year we conducted a review, including workshops to assess and prioritise which Scope 3 emissions are most material to ALS. We estimate our Scope 3 emissions to be 460,000 t CO<sub>2</sub>e, with purchased goods and services contributing approximately 298,000 t CO<sub>2</sub>e and capital goods 61,000 t CO<sub>2</sub>e.

### ALS Carbon Trading Policy

Although we prioritise emission reduction projects, we acknowledge a role for high-quality offsets in a temporary or transitional capacity while abatement options are being studied, as well as for 'hard to abate' emissions with limited or no current technological solutions.

An ALS carbon trading policy was developed and released in FY2023 to specify the ALS Group requirements for the management of, and reporting on, the company's carbon neutral certification (Scope 1 and Scope 2 emissions), carbon offset portfolio, and energy attribute certificates (EACs) to help meet voluntary goals, targets and commitments.

The Corporate Sustainability team is responsible for centrally managing the Group's offset portfolio and renewable energy certificates.

#### Carbon Offsets

To meet our FY2023 carbon neutrality commitment for Scope 1 and residual Scope 2 emissions, ALS purchased and retired 50,000 high quality nature-based carbon offsets sourced from internationally recognised VERRA and CER registries. Carbon offset projects selected in Australia, China and Ghana have co-benefits, wherever possible, that are additional to carbon reduction e.g. nature based supporting Climate Community and Biodiversity (CCB) standards.

CASE STUDY

# Reducing Agricultural Greenhouse Gas Emissions



The global population is forecast to surge to 9.7 billion people by 2050. Increasing urbanization and the impact of climate extremes in food bowl regions around the world will contribute to instability in food security.

**Impact**  
THROUGH  
ACTION

Developing innovative solutions that support emissions mitigation and climate change adaptation efforts across the global agricultural and food supply chains is a critical link in the chain to protecting the health and safety of future generations. It is estimated that around 500 million farmers globally are dependent on ruminant livestock to support their livelihoods with further billions more relying on ruminant livestock as a source of food. Extensive and mixed grazing systems of ruminant livestock agriculture produces approximately 87-94% of worldwide beef, with the entire agricultural sector contributing an estimated 12% of the world's annual greenhouse gas emissions. Within this sector, enteric fermentation accounts for approximately 40% of direct greenhouse gas emissions with cattle responsible for over half of these emissions.

The primary greenhouse gas of concern for ruminant livestock production is methane which has a global warming potential of approximately 26.

This means that every kilogram of methane emitted to the atmosphere has the equivalent warming potential of 26 kg of CO<sub>2</sub> over a 100-year period (however methane only persists in the atmosphere for approximately 10 years).

ALS-Analytica (an ALS Global Food business) operates a highly regarded commercial research and development function that is at the forefront of innovation in the Australian food industry and natural products sector. ALS-Analytica develops tailored analytical testing solutions that help clients bring new products to market.

In recent years, ALS-Analytica has provided analytical testing solutions to companies developing products that aim to reduce methane production by farmed ruminant animals. One example of this is bromoform, which naturally occurs in some seaweeds, and is also available in synthetic form. Companies are investigating the use of products containing bromoform, fed to cattle and sheep, as a practical way for farmers to reduce their greenhouse gas emissions.

Innovative analytical solutions to real world emissions problems are just one of the many ways in which ALS is contributing to a safer, more sustainable world.

“The methane inhibitor testing services we provide are used by our clients to measure the effectiveness of their products and assess the residues (if any) that arise from their use.”

STEVE HOWSE, EXECUTIVE DIRECTOR AT ALS-ANALYTICA



# Environmental Stewardship

## Our Approach

Fundamental to the ALS mission is our passion for science and utilising data-driven insights to create a safer and healthier world. This mission and our values that underpin it extend to the commitment we demonstrate as a steward of the environment. The ALS Global Environmental Policy cements this commitment into the governance of our operations and expected performance outcomes are further clarified in our corporate HSE management system.

## Waste Reduction

Minimisation of our waste streams helps ALS achieve a reduction in our carbon footprint. ALS utilises a waste management hierarchy that guides how we prioritise management of our waste through avoidance, reduction, reuse, recycling, energy recovery and disposal.

Many of our initiatives are focussed on the prevention and reduction priorities of waste management through sample miniaturisation and innovative analytical processes.

### Canada Geochemistry



Our Canada Geochemistry business has implemented replacement of a plastic consumable used in sample weighing.

Previously, samples were scooped for weighing using disposable plastic spoons that were discarded after single use and analytical requirements due to there being no viable recycling available.

The team identified a recycled cardboard solution that meets our strict analytical quality parameters for testing. As the cardboard spoons are manufactured from recycled materials we are minimising our impact on the environment by increasing the circularity of the raw materials used in the manufacture process. This change has removed approximately 200 kg of plastic from our process each year in Vancouver alone.

### Tribology: Prague, Czech Republic

Our Tribology laboratory in Prague has switched to purchasing solvents in 50 l containers where possible. Any solvents that remain unused can be returned to the supplier – representing approximately 2,000 kg of hazardous waste that is diverted from landfill.

The additional benefit of this method of ordering is that it minimises our Scope 3 emissions through the value chain because there is no need to utilise single-use bottles for purchasing solvents or cardboard boxes and other packaging materials as the containers are reused.

### Geochemistry: Loughrea, Ireland

Some of the analytical processes conducted by our Geochemistry facilities require the use of microwave ovens. Prior to 2019 it was identified that the acidic fumes from analytical processes resulted in a significantly shortened life cycle for the ovens in use.

The team at Loughrea identified an alternative microwave that was robust enough to withstand the fumes generated in its life-cycle. In partnership with the manufacturer, the team commenced a trial of the unit for a period of three years to prove its efficacy. Feedback was given to the manufacturer to further enhance the resilience of the product. The initial trial was a success, decreasing the disposal rate of this important piece of laboratory equipment by 80%, in addition to higher quality sample heating and digestion.



Vancouver  
Geochemistry  
trial removed

200kg  
plastic per year.



### Food Brazil – Analytical optimization using microwave, magnetic and infrared resonance

Food quality testing and nutritional labeling are fundamental to core components in the food industry. Moisture and total fat content are essential tests in monitoring food quality from raw materials to finished products. This information is provided to consumers via nutritional labels.

Magnetic resonance makes it possible to carry out the analysis of total fat without the use of solvents, glassware and water recirculation system (condensers). Consumables include disposable paper fiber and plastic film and reusable plastic tubing that does not require washing. This automated method enhances data integrity and delivers analytical repeatability.

#### Automation Benefits

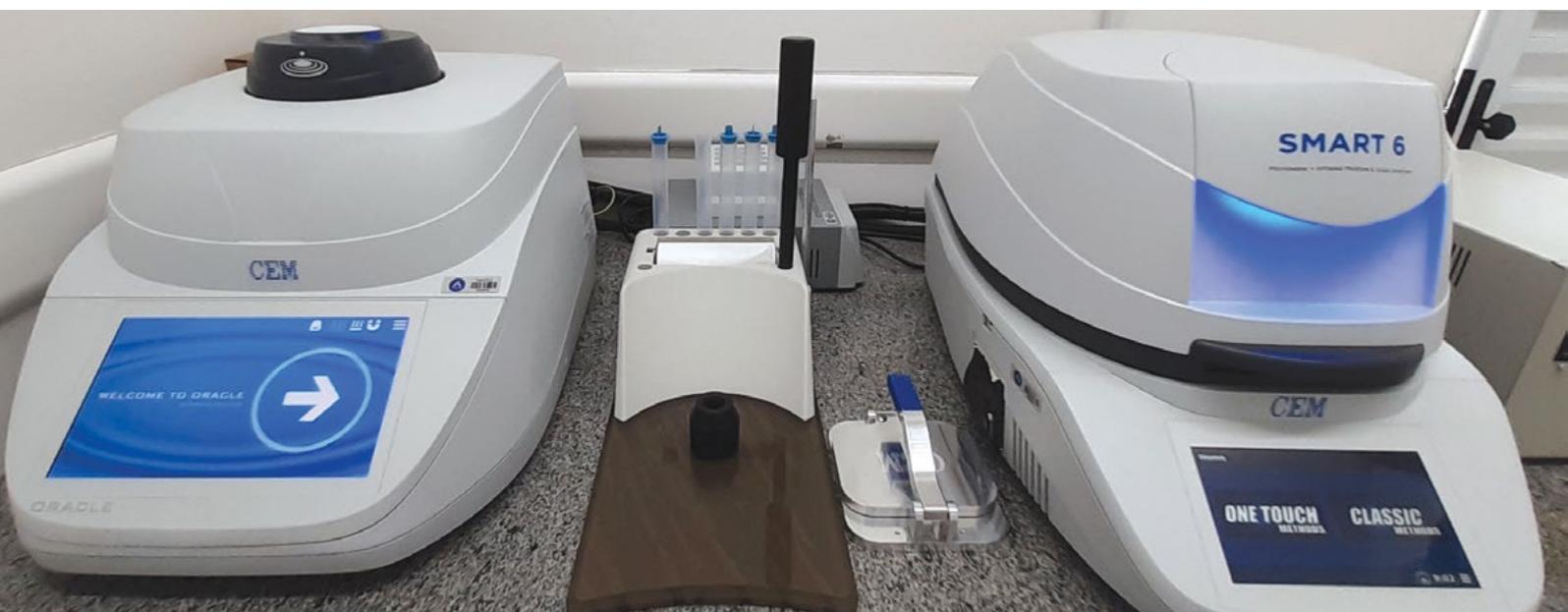
- ➔ Zero solvent consumption
- ➔ Zero acid consumption
- ➔ Zero water consumption
- ➔ Does not generate material to be washed
- ➔ Zero use of glassware
- ➔ Increased safety for analysts

Conventional moisture analysis requires a laboratory technician to dry samples multiple times to a constant weight using laboratory ovens that are switched on 24 hours a day. The Food Brazil team have introduced dual-frequency moisture analysers which operate on an innovative process based on a combination of microwave and infrared energy sources. Drying times have been reduced from 16 hours to approximately 5 minutes – presenting a significant improvement in the sample throughput whilst reducing electricity consumption. Samples are also presented to the moisture analyser via disposable paper coasters. This saves up to 300 ml water per analysis by eliminating an aluminium dish washing and drying step.



Chemical Extraction		Automated Magnetic Resonance
190 litres	Solvents	0 litres
104 litres	Acid	0 litres
1,000 litres	Rinse equipment	0 litres
2,100 hours	Labour	83 hours
6 metres	Bench space	2 metres
USD 5,830	Consumable costs	USD 2,830

Food Sao Paulo, Brazil. Fat and moisture analysers.



CASE STUDY

# Microplastics



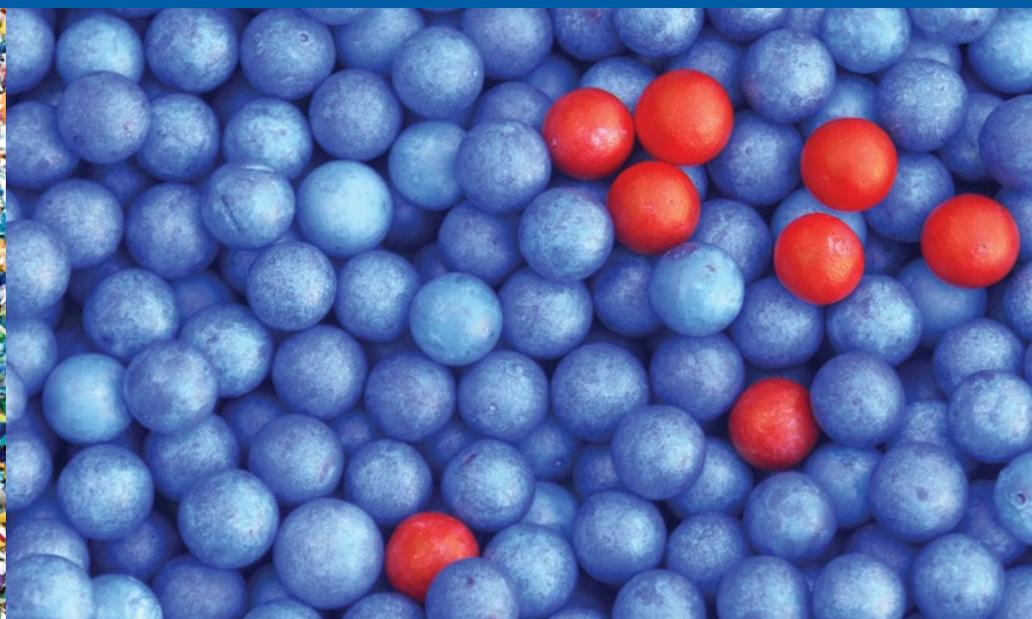
## The consequences of plastic pollution across the world's oceans is a long-standing topic of environmental concern.

With more than half of plastics ever produced having been made since the year 2000, it is estimated that for every one of the 8.5 billion human inhabitants on this planet, there are at least 250 pieces of plastic debris floating in the Great Pacific Ocean garbage patch and that is just the plastic that can be seen by the naked eye.

The reality is microplastics account for a significant proportion of the plastics in our ocean. As an emerging environmental contaminant, microplastics have garnered significant attention in recent years because of the human health impacts stemming from unabated transfer of these microscopic particles across our ecosystems and production systems.

At their largest, microplastics are about the size of a dust mite and scale down from there to nano-plastics size roughly the size of a single virus. They are prolific in our built and natural environments, so it is no surprise that they are now in our food chain and becoming an emerging health concern.

Operating out of our analytical facilities across Malaysia, Sweden and the United States, ALS has a team of highly skilled scientists who have specialised interest in all things micro-plastics. The team are focused on developing scientifically robust analytical methods for microplastics detection and identification as well as industry liaison and education on policy, regulation and awareness around the environmental and human health impacts of microplastics.



CASE STUDY

# PFAS

an emerging global concern



PFAS are a group of persistent organic pollutant with known toxicity. ALS has been testing for complex suites of PFAS analytes globally with accredited methods for decades.

What started out as Perfluorooctane sulfonate (PFOS) and perfluorooctanoic acid (PFOA) has steadily grown into more than 40 compounds of interest as PFAS regulation and knowledge of their precursors and degradation processes increases. ALS has been testing for complex suites of PFAS analytes globally under accredited methods since the late 2000's, supporting global trends to monitor and restrict these persistent chemicals in the environment.

At ALS we continue to explore contemporary techniques and methods to test for PFAS across a range of different matrices to keep up with the pace of PFAS testing requirements. The ALS global network of expert PFAS scientists are constantly developing new capabilities to meet local and global testing needs.

ALS has new expanded test suites that reduce the risk of underestimating cumulative PFAS, and offer detection limits with most below the lowest of any

global PFAS regulatory guidelines from the USA, Europe, Canada or Australia.

Our laboratories apply enhanced internal laboratory segregation and controls to minimise potential false positives for PFAS, caused by cross-contamination, throughout the entire measurement process delivering higher quality data.

From both a field and laboratory perspective, the challenging issue over the last decade has been how to avoid cross-contamination from 'mid-plume' contaminated groundwater samples to clean samples collected and analysed together, where analyte concentrations may differ by three to five orders of magnitude.

This is despite dedicated field equipment and best field practice of sampling from lowest to highest impacted sites. The challenge to reduce cross-contamination includes field handling, shipment, storage, and laboratory protocols.

PFAS in biosolids is an emerging environmental issue as it is a pathway to human exposure/contamination through the reuse of biosolids in agriculture. The high organic content of biosolids present unique analytical challenges for PFAS beyond standard soil matrices.

Extraction efficiency is typically poor for conventional solvent extraction techniques used for soils. ALS has developed a unique extraction procedure to maximise PFAS recovery from biosolids, including a comprehensive extract clean-up to remove interfering co-extracted organics.

From ALS's decades of experience in analyzing thousands of PFAS samples per week, our scientists believe that optimum data quality is achieved by not pushing to see the lowest possible detection limits in sites/samples with high potential impact, but by offering a series of methods designed to meet specific client needs.



## Operational Environmental Performance

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

Our management systems require that our operations comply with relevant legislation, that environmental risks are closely monitored, and that effective controls are in place and operational so as to minimise any emissions and waste streams. This is confirmed by our managers utilising ALS's routine compliance sign-off process. In FY2023 there were no prosecutions of any ALS entity in relation to a breach of environmental regulations, or any reported significant spills or incidents of environmental harm. Consistent with our commitment to continuous improvement we actively look for opportunities to reduce our impact on the environment.

Over FY2023 our global Geochemistry team initiated a review to improve our understanding of air emissions impacts and design innovative solutions to further improve our performance.

ALS Geochemistry facilities worldwide conducted assessments of their environmental impact relating to air and water, utilising HSE tools and self-assessments, then designed and implemented additional controls to further reduce our environmental footprint beyond minimum compliance requirements.

The output of this exercise included improvements to preventative maintenance programs, enhanced equipment operating efficiency and considerable reduction in environmental impacts and lab downtime.

In North Vancouver, Canada the facility commissioned a study of their air emissions which demonstrated that by implementing improved fume hood capture designs and doubling the number of air-scrubber filters would result in an incredible 68% reduction in emissions to air.

The process used in North Vancouver is being deployed across the portfolio of Geochemistry facilities and demonstrates our unwavering commitment to exceeding minimum compliance to protect the safety of our employees, the health of our communities and the preservation of our environment.

In Lima, Peru the site assessed their wastewater and implemented new technology to improve the capture of water contaminants. As a result, the site was able to reduce a key wastewater contaminate by 99% and significantly improve the quality of the site's effluent.

Ouagadougou, Burkina Faso installed state-of-the-art fire assay dust controls. Numerous benefits have been achieved in both environmental and safety.

ALS Containerised Preparation Laboratories (CPLs) installed at remote mine sites in Moxico (Zambia) and Motheo (Botswana) have been fitted with the latest make-up air systems to combat the dusty environment. The air systems include high-performance long-life energy efficient intake air filters that are free of glass fibres, non-corroding and microbiologically inactive. Scrubber systems installed at the CPLs include wet-scrubbing fume cupboards, level-controlled neutralization tanks and automated release valves to recycle water to mine site wastewater ponds.

Through continuous assessments, seeking best available technology, placing high visibility on achieving results, and sharing learnings, Geochemistry operations are proud to support our employees, clients, and communities with a shared desire to further reduce our environmental impact.





Our global business **connects** us with diverse communities, and we believe our success and sustainability are linked to theirs.



# OUR ACTIONS: **Community**

## Economic Contributions

### Paying our fair share of tax

We pay our fair share of corporate taxes by confirming tax is paid pursuant to the applicable taxation laws in the jurisdictions in which we operate. This ensures we contribute to the development and wellbeing of the communities in which we operate, across all 70+ Countries.

Tax Risk Management Policy is reviewed and approved on an annual basis by the Board ensuring:

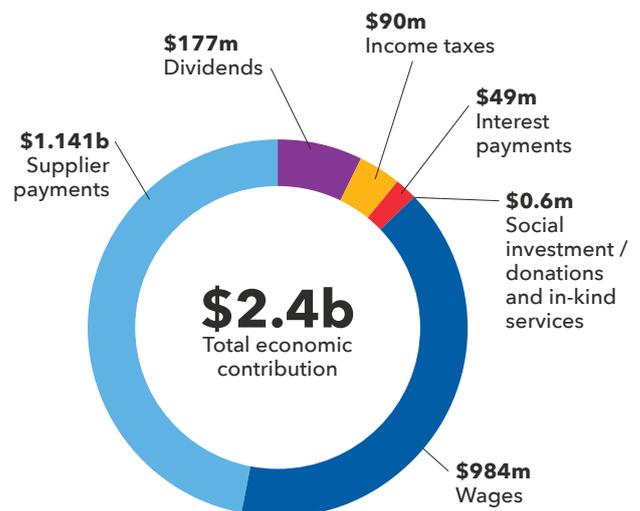
- ➔ Approach, tax risk appetite and tolerances are set
- ➔ Stakeholders' interests are identified and incorporated
- ➔ Internal roles and responsibilities assigned
- ➔ Overall alignment with our Code of Conduct.

The Board appointed Audit & Risk Committee is charged with the responsibility for ensuring we have effective risk management systems in place, with the Chief Financial Officer responsible for the day to day management of the tax risk. The Chief Financial Officer provides an attestation to the Board at the six-monthly financial reporting process as to accuracy of tax balances reported, disclosures, and the effectiveness of the underlying internal systems and controls.

Tax transparency is maintained by ensuring workpapers and records exist to appropriately document the tax positions and/or conclusions reached, and adequate disclosures are made in the tax return lodgements to enable revenue authorities to understand the tax positions adopted. Regular training and guidance is provided to employees to ensure they have the knowledge and awareness to conduct their activities in accordance with ALS's tax policy and procedures.

We do not engage in transactions or activities that are primarily tax driven, lack commercial substance or are otherwise specifically undertaken to derive a tax benefit. Should the need arise where activities or decisions are made that are not aligned with our tax policy, we have various channels where this can be reported, including an independent third party provided confidential helpline – the ALS Business Integrity Helpline.

Total Corporate Taxes paid to governments in FY2023 was \$90m.





## Local Contributions

Our global business connects us with diverse communities, and we believe our success and sustainability are linked to theirs. The focus of our charitable giving program is to look for opportunities where our contributions have an enduring positive impact on the communities in which we operate.

We seek to foster an organisational culture that promotes:

- ➔ Supporting the specific needs of our communities through targeted financial support and in-kind contributions through involvement in events, programs, projects and initiatives that we believe create meaningful and sustained positive economic, social and environmental benefits
- ➔ Long-term partnerships with community groups and organisations.

The ALS Charitable Giving Program focuses on supporting charitable organisations whose values align with ours.

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. ALS Charitable Giving Policy can be accessed at [alsglobal.com/en/corporate-governance](https://alsglobal.com/en/corporate-governance).

In FY2023, ALS directly contributed to charitable organisations within our communities. In addition, ALS encourages and supports our employees to participate in fundraisers and volunteering activities within their communities. ALS will roll out a Global Volunteering Program in FY2024, further enhancing and solidifying ALS's commitment to employees to donate their time to charitable causes.



### EDUCATION

Giving that supports inclusive and quality education, and that enhances or promotes skills development and lifelong learning opportunities, particularly:

- ➔ Learning in STEM
- ➔ Skills development, such as reading, writing and other fundamentals.



### ENVIRONMENT

Giving that supports:

- ➔ Diversity equity and the ability of women to fully and productively participate in the workforce and society
- ➔ Individuals with disabilities.



### COMMUNITY ENRICHMENT

Giving that supports environmental learnings and resilience through addressing specific concerns relating to biodiversity conservation, ecosystem restoration and climate change mitigation and adaptation.



### DIVERSITY, EQUITY AND REDUCING INEQUALITIES

Giving that supports the social and economic health of a community ranging from addressing poverty and food scarcity, clean water and sanitation, improved nutrition, addressing the immediate impacts arising from a natural disaster, and the promotion of healthy lives and wellbeing.

# ALS

PARTNERS WITH

# WATER FIRST

**“Much More than Water” is the mission statement of Water First Canada, a non-governmental organisation operating in Canada. Water First was the recipient of \$100,000 CAD donation in FY2022-2023 to fund educational programming dedicated to supporting Indigenous and First Nations communities in addressing local water challenges.**

Many Indigenous and First Nations communities in Canada lack consistent access to clean drinking water, despite the fact that Canada holds roughly 20% of the earth’s surface fresh water resources. This disparity is, in part, due to the remoteness of many First Nations communities, as well as lack of infrastructure and trained personnel to manage local water treatment facilities. In some areas, these issues have been exacerbated by industrial and agricultural activities that have disturbed the surrounding ecological balance.

The remoteness of these communities also creates challenges in access to STEM education and career opportunities for Indigenous youth within their home communities.

Water First works collaboratively with Indigenous and First Nations communities to provide short- and long-term solutions to a lack of drinking water access including:

- ➔ Providing K-12 classroom science education to Indigenous and First Nations children around water and related topics to engage and stimulate interest in STEM paths and spark passion for environmental water stewardship. Indigenous leaders and teachers are involved in the programs to embed cultural context, such as language, ceremony and importance of water and environment to Indigenous life
- ➔ Providing training and internships to Indigenous and First Nations peoples in reclamation, water testing, and the operation of water treatment facilities. This allows youth to find employment within their communities, and the community to have agency, ownership, and control over their own facilities
- ➔ Managing water reclamation and monitoring projects in conjunction and collaboration with First Nations communities.

ALS has recognised a significant opportunity to create a long-term partnership with Water First given our intersections of purpose – access to clean drinking water, promoting STEM education, and supporting employment and education opportunities, particularly in diverse and underserved communities.

ALS will be providing a further \$100,000 CAD in donated services-in-kind to support internships and reclamation projects through the 2023 summer field season.





## ALS Cares Workplace Giving Program

The “ALS Cares Workplace Giving Program” is a joint partnership between ALS, its employees and charitable organisations. The ALS Cares Workplace Giving Program was established in 2019 by partnering with Australian charitable organisation, Youngcare.

The Program supports our corporate values and sustainability strategy to contribute to local communities where we operate and live in with a focus on having an enduring impact. It provides an opportunity for ALS employees to donate from their salary regularly to one of the charitable organisations included in the Program. The impact of the donations is then doubled by ALS Limited by matching employee donations dollar-for-dollar.

Prior to selecting the charitable organisations to partner with, ALS conducts due diligence to confirm that the organisation’s values are aligned with ALS’s core values and to assure that the programs of the organisation have a lasting demonstrative impact, or make a real difference, to the individuals the organisation aims to support, or to the community. We do not support political candidates, parties or organisations, religious organisations, or individuals.

Due to the generosity of ALS staff and funds matched by ALS, a total of AUD \$62,000 has been donated under the Program in FY2023. This year, we focused on further promoting the ALS Cares Workplace Giving Program by providing information about the Program as part of the employee onboarding process. We will continue to review the effectiveness and work towards enhancing the Program in FY2024.

ALS seeks to establish long-term, meaningful relationships.

## EMERGENCY RESPONSE EARTHQUAKE APPEAL (FOR TURKEY AND SYRIA)

ALS provided a donation to the UNHCR which was fully directed to the UNHCR’s Türkiye and Syria Earthquake Emergency. The United Nations High Commissioner for Refugees (UNHCR) is a United Nations agency responsible for protecting and providing assistance to refugees and other persons of concern.

The UNHCR provided emergency supplies to those in Turkey and Syria who have been displaced by the earthquakes that struck the region in February 2023. Emergency supplies include kitchen sets, mattresses, tents, thermal blankets, winter jackets and clothing kits.

ALS also provided financial support to assist ALS employees and their families affected by the 6 February 2023 earthquakes with temporary accommodation and emergency support.





## WORKPLACE GIVING PROGRAM

### The charitable organisations we support

In FY2023, ALS made the decision to partner with the following organisations to a total of AUD \$239,533:

#### ASIA-PACIFIC



#### Youngcare

Youngcare is a national not-for-profit, revolutionising the way young people with high care disability live. They are creating a more inclusive Australia by empowering industry, government and community to work together and challenge the way society views disability.

#### LATIN AMERICA



#### Fundación Conin

The Conin Foundation is a non-profit foundation that works against child malnutrition through the adoption of the CONIN Method. The CONIN method is based on ample evidence as to comprehensive nutritional intervention programs, taking into account social and psycho-affective factors in conditions of poverty and underdevelopment to prevent infant morbidity and mortality, and improve growth and development.

#### CANADA



#### Second Harvest

Second Harvest is a not-for-profit organisation that was incorporated in April 1985. It is Canada's largest food rescue charitable organisation. Its primary purpose is to redistribute to other not-for-profit service groups perishable food collected from donors while at the same time keeping usable food out of landfills and protecting the atmosphere from GHG emissions that are contributing to climate change.

#### CANADA



#### Water First

Water First supports Indigenous communities in Canada addressing critical water challenges by providing education, training and internship in reclamation, water testing, and water treatment facilities. The charity also provides classroom science education to Indigenous and First Nations Children and manages water reclamation and monitoring projects in conjunction and collaboration with First Nations communities.



## Contributing to Community

ALS is a global provider of testing, inspection, auditing and consulting services for food, beverage and related industries. Our food laboratory teams have the experience and expertise to ensure that communities have access to wholesome, nutritious, and safe food. Across the ALS network, our laboratories also provide important packaging information to allow consumers to make informed decisions and understand potential risks from allergens.

The key to our success is the application of innovative testing methods and technologies. The examples below demonstrate how ALS uses innovative technologies and techniques to keep our communities safe and assist our clients in making sustainable choices. ALS also focuses on providing training and awareness to our communities to further educate people about risks and best practice when it comes to food safety.

### Protecting consumers from Salmonella

Our microbiology laboratories perform millions of tests annually to provide our clients with the information to ensure that food for humans and pets is safe and suitable for consumption. ALS have microbiology laboratories dedicated to fast turnarounds for product assurance and release testing. ALS can support its clients with advice and additional testing to help the investigation process if pathogens are detected in products.

This year ALS used genetic microarray analysis to link Salmonella contamination between two clients with testing at two different ALS laboratories. The rapid method allowed ALS to quickly identify a very unusual serotype of Salmonella from samples submitted to our laboratories. The samples were tested for different manufacturers, supplying different retailers with different products. The rapid Salmonella serotyping link provided additional information to identify the common component and hasten the efforts to identify the raw material, which was the potential source of the contamination.

### Quality honey and A2 milk from New Zealand

ALS in New Zealand performs quality assurance testing of manuka honey. The grading tests are used to verify the functional properties of the honey. The floral origin of the honey is authenticated through the manuka honey classification tests. ALS Consultant and company co-founder, Dr. Terry Braggins is a member of international standards committees that define the testing criteria used to confirm the quality and authenticity of honey when it is traded.

Another example of ALS contributing to the health of our communities is our unique testing services for bovine (cow) dairy products related to beta-casein. With many people suffering from milk allergies and intolerances, ALS provides this service to companies wanting to verify whether milk or dairy products only contain the A2 type beta-casein variant.

### Helping animals in Colombia

In the second half of 2022, ALS COLOMBIA donated more than 2,000 kg of food for animal consumption to the Huella Roja foundation, who provides a dignified life to unprotected animals. Its mission is to sterilise stray animals to control overpopulation, located in Bogotá, Colombia. The foundation also works against the mistreatment of stray dogs and cats and educates the community about humans' animal rights duties towards their pets and abandoned animals.

### Recognition for lifetime achievement and contribution to community

Singapore Institute of Food Science and Technology (SIFST) presented the Lifetime Achievement Award to ALS Managing Director (Food and Pharmaceutical, Singapore), Mrs Jeanette Wong, for her 20+ years of contribution as SIFST Council Member and Honorary Treasurer. Mrs Wong actively took part in organising several of SIFST's gala dinner events, and international and regional congresses, such as ASEAN Food Conference in 2013 and World Congress 2022. SIFST members are academics, manufacturers, and Research & Development professionals. ALS strives to support communities through education and awareness initiatives.

*Mrs Jeanette Wong receiving the SIFST Lifetime Achievement Award.*



## Keeping food safe for school children in Thailand

In August 2022, 21 members of ALS Care Club in Thailand provided a solar cell freezer for food preservation to “Tam-Rued-Tra-Vein-Chai-Dan-Ta-Ko-Pit-Thong” Border Patrol Police School located between Thailand and Myanmar. The school is attended by around 220 children of migrant workers from kindergarten to elementary level. Without a freezer, the school staff had to travel 8 km round trip each day to buy ice to keep the food for children cool and safe. ALS members also provided donations and fun learning courses and activities for the children. ALS is committed to providing an equal opportunity for all to learn.

ALS Canada continued their long-standing support of United Way, whose mission is to improve lives by mobilising the caring power of communities around the world. This year the team raised more than CAD \$23,000, 5% more than the previous year.

## Local employment

ALS has over 18,000 employees around the globe, with over 80% (15,200) as full time, nearly 90% of those being permanent positions.

In FY2023, ALS paid more than \$980m in wages to our employees around the world, contributing to local economies.

ALS welcomed new employees around the world through strategic acquisitions and expansions of operations around the globe: Canarias (Spain), Halifax (Canada), Irving (USA), Odense (Denmark), Talcahuano (Chile), Mimbula (Zambia), Motheo (Botswana), Alquife (Spain), Nanulaq (Greenland), Santiago (Spain), Carson City (USA), Cerro Quema (Panama), Zagreb (Croatia), and Santiago (Spain).

ALS continues to operate in eight LDCs (Least Developed Countries, as defined by the UN Department of Economic and Social Affairs): Burkina Faso, Cambodia, Ethiopia, Lao People’s Democratic Republic, Mali, Myanmar, Senegal, and Zambia. According to the UN DESA, many of these nations were especially impacted by the financial and social impacts of the COVID-19 pandemic and many have struggled to recover. ALS is grateful to have been able to continue to partner with our valued employees to support the local economies in these nations.

## Science Education

### Brazil

On 7 April 2022 a group of chemistry, pharmacy and environmental management students of the Oswaldo Cruz University had the opportunity of visiting our environmental laboratory in Sao Paulo. They toured around the different laboratories to understand the scope of methods performed in an environmental laboratory. Our professionals explained the daily challenges that the industry faces.

### Students-Meet-Industry

ALS Metallurgy, Perth participated in an evening event attended by students from mining and related disciplines from the University of Western Australia, Curtin University of Technology and Murdoch University. ALS was a sponsor and attended the event to provide information to students interested in careers in the industry.

The ALS team also provided a site tour to a group of students from these universities through their engagement with the Metallurgical Education Partnership.

The ALS Coal Newcastle and Richlands sites hosted site visits for local students and teachers from the Newcastle and Richlands TAFE (Technical and Further Education) and LTT (Labtech Training) vocational college/training institutions.

These visits provide opportunities for students interested in laboratory careers to see a real-world view of a working laboratory environment, learn about the experiences and career paths of ALS leaders, and explore potential career pathways and opportunities in laboratory science.

The events received very positive feedback from the students and teachers, and TAFE team has expressed a desire to organise annual visits on an ongoing basis.

*ALS Care Club Thailand at the Border Patrol Police School*





# Human Rights

## Our approach

We are committed to ethical and responsible business conduct, including respecting and upholding the human rights of all individuals throughout our operations and supply chain. We seek to foster an organisational culture that demonstrates respecting human rights.

Our approach is guided by the international human rights principles encompassed in the International Bill of Human Rights, the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work and the United Nations Global Compact. 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. Our approach 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 our employees' health, safety and security and having no tolerance for any discrimination or harassment occurring in our workplaces
- ➔ Subscribing to local 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
- ➔ Seeking to engage with business partners that are committed to the protection of human rights and that demonstrate sound ethical performance
- ➔ Seeking to identify and understand the risks of any adverse impacts our actions or activities may have on protecting human rights

- ➔ Encouraging our employees and those working in our supply chain to raise concerns about poor or unacceptable human rights practices
- ➔ Providing an independent, confidential external reporting hotline to ensure matters can be reported on a confidential and anonymous basis.

As part of our onboarding process, our employees receive training on 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 with regulatory requirements, including safe working conditions, employment conditions, equal opportunity and freedom of association, by completing an annual sign-off declaration. Details of our progress in protecting human rights in FY2023 are listed on page 77.

## Our focus for FY2024

Our focus for FY2024 is to continue refining our human rights management approach given our geographical spread and diverse operations and supply chains. In particular, we will continue enhancing our due diligence practices, including supply chain risk assessments and ongoing engagement with our highest-risk suppliers to understand and address any human rights concerns or issues that arise. Our continued focus on maturing the implementation of technological solutions across our Group will further enhance our ability to identify, monitor and respond to human rights-related risks.

We will continue to collaborate with our peers and other industries on best practices and continue to maintain open communication with our suppliers and support them to operate in line with the principles outlined in our Code of Conduct and Human Rights Policy.

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

“Our focus for FY2024 will be on engaging with our highest-risk suppliers and maturing technology to enhance our ability to identify, monitor and respond to modern slavery risks.”

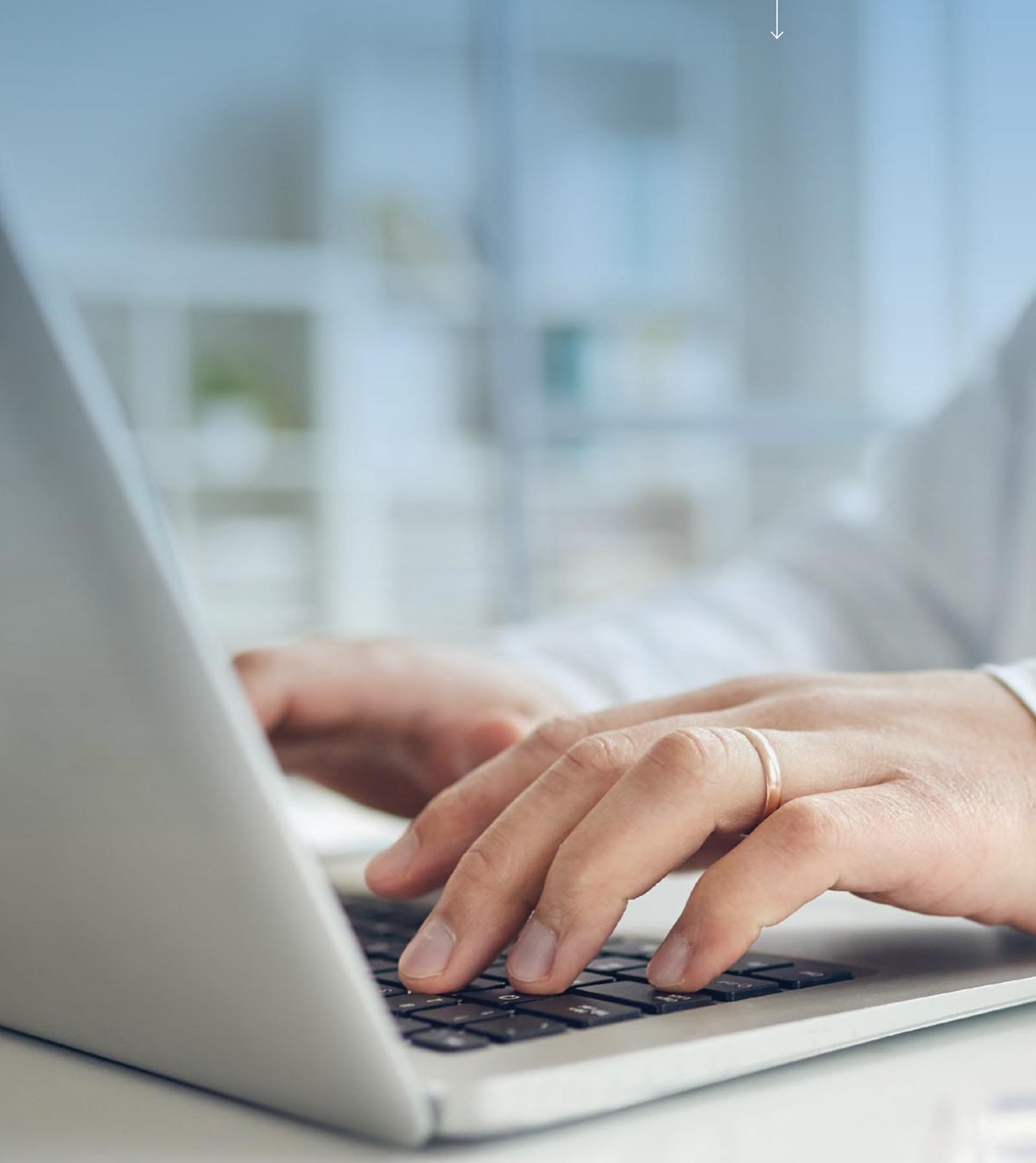


## Our progress in protecting human rights

During the year, we continued to mature our framework to protect human rights by:

 <h3>GOVERNANCE</h3> <ul style="list-style-type: none"> <li>➔ Strengthening our governance by further clarifying responsibilities and accountabilities to implement our strategic response to human rights risks</li> <li>➔ Maturing our global procurement function and processes to streamline our procurement and supplier engagement experience</li> <li>➔ Reviewing and updating our Code of Conduct, Supplier Code of Conduct, Human Rights Policy, Modern Slavery Statement, Workplace Bullying, Harassment and Discrimination Policy, Diversity &amp; Inclusion Policy, Recruitment Management Guidelines, and Whistleblower Policy</li> <li>➔ Enhancing our HSE Program</li> <li>➔ Continuing to offer a confidential externally provided whistleblowing hotline, including the ability for reports to be made anonymously if desired.</li> </ul>	 <h3>SUPPLIER ENGAGEMENT</h3> <ul style="list-style-type: none"> <li>➔ Reviewed and enhanced the human rights-related questions that form part of our global supplier due diligence process</li> <li>➔ Continuing to request that our suppliers accept and commit to our Supplier Code of Conduct</li> <li>➔ Having supplier contracts that contain clauses in relation to modern slavery and respecting human rights and identifying and discussing any reluctance as to the inclusion of these clauses</li> <li>➔ Identifying the preferred onsite auditing approach for our suppliers having the potential for increased adverse human rights impacts.</li> </ul>
 <h3>RISK-BASED APPROACH</h3> <ul style="list-style-type: none"> <li>➔ Continuing risk assessments of our operations and supply chains to better understand the risks stemming from adverse human rights impacts, with the focus on identifying suppliers with the most significant potential for these impacts</li> <li>➔ Continuing open engagement with our suppliers about human rights-related risks. Engaging with our suppliers identified as high-risk and examining their human rights position by obtaining additional information about their operations and supply chains.</li> </ul>	 <h3>CULTURE AND CONDUCT</h3> <ul style="list-style-type: none"> <li>➔ Continuing to sponsor ALS's RISE Gender Equity Network</li> <li>➔ Assessing gender pay equity, and employee benefits and allowances in the context of local legal requirements and cost of living pressures</li> <li>➔ Encouraging open dialogue regarding remuneration, performance and career development</li> <li>➔ Participating in good faith collective bargaining negotiations</li> <li>➔ Obtaining employee acknowledgment as to adherence with the expected standards of behaviour outlined in our Code of Conduct.</li> </ul>
 <h3>AWARENESS AND CAPABILITY</h3> <ul style="list-style-type: none"> <li>➔ Continuing to build awareness and capability of our employees as to our approach in addressing the risks of adverse human rights impacts in our operations and supply chains, and their role in the identification and timely reporting of any concerns</li> <li>➔ Continuing to refine our internal training resources, including refreshing our ALStar Code of Conduct and ALStar Modern Slavery Awareness courses for employees, making these available in multiple languages.</li> </ul>	 <h3>BENCHMARKING AND PUBLIC REPORTING</h3> <ul style="list-style-type: none"> <li>➔ Reviewing and benchmarking our human rights framework each year and assessing its effectiveness to ensure continuous improvement</li> <li>➔ Submitting an annual statement as to the actions taken to assess and address modern slavery risks during the financial year and the focus for the next financial year in accordance with the United Kingdom's Modern Slavery Act 2015 and the Australian Modern Slavery Act 2018 (Cth).</li> </ul>
 <h3>COMMUNITIES</h3> <ul style="list-style-type: none"> <li>➔ Continuing our commitment to the development of local workforces and the use of local suppliers where possible to support the local communities in which we operate.</li> </ul>	 <h3>TECHNOLOGY</h3> <ul style="list-style-type: none"> <li>➔ Further exploring technological solutions to further enhance our existing practices in addressing the human rights-related risks in our operations and supply chains.</li> </ul>

Our ongoing human rights assessment of our operations and suppliers during the year did not identify any incidents of modern slavery practices.



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



# OUR ACTIONS: BUSINESS PRACTICES

## Financial Performance

### Maximise return for shareholders

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

In FY2023, the Group continued its prudent approach to capital management, balancing investment in organic growth, accretive acquisition opportunities and dividend payments to shareholders. Record underlying shareholder returns were once again achieved during the period, proving the strength of the business model and management team. Good progress has been made towards the FY2027 financial objectives set within our newly established five-year strategy with full execution expecting to see the business continue to grow and cement itself as a market leader in the testing industry.

### FY2023 – key financial indicators:

- ➔ Statutory revenues\* of \$2.4b
- ➔ Net profit after tax (NPAT)\* \$320.6m
- ➔ Earnings per share\* totalled 66.3 cents
- ➔ Strong Group liquidity of \$574m.

A full copy of the audited financial statements can be found on [alsglobal.com](https://alsglobal.com)

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

Shareholders are kept informed of the Company's performance and major developments in an ongoing manner, this is done through the annual report, investor presentations at full and half year and ASX announcements on [alsglobal.com](https://alsglobal.com).

#### UNDERLYING REVENUE\*

# \$2.4b

▲ 19.5%

#### UNDERLYING EPS\*

# 66.3c

▲ 23.2%

#### UNDERLYING EBIT\*

# \$490.7m

▲ 21.8%

#### UNDERLYING EBIT MARGIN\*

# 20.3%

▲ 2.0%

#### UNDERLYING NPAT\*

# \$320.6m

▲ 23.4%

#### DIVIDENDS PER SHARE

# 39.7c

▲ 21.0%

\* From continuing operations.



# Conduct and Culture

## Responsible and Ethical Business Conduct

We recognise that what we achieve is equally important as how we achieve it. As we pursue our mission to use the power of testing to solve complex challenges, we are driven by our passion for science to provide our clients with data-driven insights, we are committed to conducting our business and activities responsibly and ethically.

We know that there can be no science built on falsity. We promote and encourage consistent ethical behaviour to create a strong culture anchored in honesty, transparency and accountability. Our Code of Conduct informs the behaviours we expect of our employees and business partners to deliver our strategy and meet the expectations of our clients and other stakeholders. Our Code defines how we conduct our business and assists our employees in understanding what they should expect of themselves and from each other. We aim for our Code to be a resource that our employees can 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.

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. Our employees are required to confirm that they acknowledge and understand our Code and will abide by it. The requirement to undertake this course is incorporated into our employee onboarding process 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 take this course upon joining the company and at least every two years thereafter. The course highlights for our employees the governance policies that reinforce our Code and support our commitment to responsible and ethical conduct to enable them to be fully informed to avoid consequential adverse decisions.

An updated and refreshed online Code of Conduct training course was rolled out globally this year as mandatory training for all our employees. With the rollout we promoted our interactive online Code of Conduct portal. This portal enables quick and easy navigation of our Code and provides access to a broad range of answers on commonly asked questions on each of the topics covered in our Code. It also links to a broad range of external and internal resources and subject matters expert details should our employees wish to discuss any topic or circumstance in more detail.

Creating and promoting a culture in which acting responsibly and ethically is fundamental to day-to-day decision-making, and where our employees are encouraged and empowered to ask questions and seek guidance when faced with complex, complicated or sensitive situations, rests with our Executive Leadership.

Our managers and supervisors are responsible for consistently and regularly reinforcing responsible and ethical business conduct through practical and demonstrated leadership. Our employees are required to share the company's commitment to responsible and ethical business conduct and to speak up should they witness indiscretions or misconduct. Through sharing learnings from our failures and successes, investigations into allegations of misconduct and implementing/applying disciplinary actions for unethical actions or clear violations of ethical behaviour, consistently, we uphold our commitment to conducting our business and activities responsibly and ethically.

We recognise that we must continually assess our conduct and deepen our understanding of our culture to ensure the conduct and culture we desire is experienced by our employees. During the year, with the assistance of an independent third-party, we asked our employees to provide us with open and honest feedback as to how they see the company's culture and what is and isn't working. Information and insights gained will assist us in taking actions to ensure alignment between our prevailing culture and the culture we desire.

### GIVEN THE DIVERSITY OF OUR WORKFORCE, OUR CODE OF CONDUCT IS AVAILABLE IN 18 LANGUAGES



- ➔ Chinese
- ➔ Czech
- ➔ Danish
- ➔ English
- ➔ French
- ➔ Indonesian
- ➔ Italian
- ➔ Lao
- ➔ Malay
- ➔ Mongolian
- ➔ Polish
- ➔ Portuguese
- ➔ Russian
- ➔ Spanish
- ➔ Swedish
- ➔ Thai
- ➔ Turkish
- ➔ Vietnamese

### POLICIES THAT SUPPORT OUR COMMITMENT TO RESPONSIBLE AND ETHICAL CONDUCT

- ➔ Code of Conduct
- ➔ ABC Policy
- ➔ ABC Guidelines
- ➔ Business Partner Due Diligence Process
- ➔ Compliance Policy
- ➔ Continuous Disclosure Policy
- ➔ Human Rights Policy
- ➔ Privacy Policy
- ➔ Risk Management Policy
- ➔ Sanctions Policy
- ➔ Supplier Code of Conduct Policy
- ➔ Whistleblower
- ➔ Workplace Bullying Harassment and Discrimination Policy

Our commitment to **ethical conduct, quality and data integrity** is embodied in our Code of Conduct.

## Data Integrity and Traceability

At ALS, we are using the power of testing to solve complex challenges. With a passion for science, we serve clients with data-driven insights for a safer and healthier world. Our clients expect our services, reports and data to be of the highest standard.

### ALS Quality Management Policy

Data integrity is at the core of the services we provide. As the global leader in scientific analysis and testing, our clients rely on obtaining accurate data from us. Our commitment to ethical conduct, quality and data integrity is embodied in our Code of Conduct.

Our Group Quality Management Policy further guides our commitment to providing clients with accurate data and services whilst ensuring the highest level of impartiality and confidentiality for all our activities.

We perform our duties with the highest standard of integrity and independent judgement and always provide services professionally and impartially in accordance with approved standards, methods and policies. We pay close attention to sampling, quality and process control and method precision. We ensure the completeness and traceability of all data and information reported and do not misrepresent data or comply with any request for data to be improperly changed.

Our Purpose statement highlights the importance of integrity and assurance:

ALS is using the power of testing to solve complex challenges. With a passion for science, we serve clients with data-driven insights for a safer and healthier world.

SCIENCE

ASSURANCE

SUSTAINABILITY

The steps we take to ensure we generate accurate results and uphold data integrity include:

- ➔ Following the quality management and operational guidelines set out in the international standards ISO 9001 Quality Management Systems and ISO/IEC 17025 General requirements for the competence of testing and calibration laboratories
- ➔ Undertaking monitoring and quality assurance activities such as reviews and validations, Proficiency Testing and internal audits in line with international standards ISO 9001 and ISO/IEC 17025 and as described in our Quality Assurance Manuals and Laboratory Ethics and Data Integrity Standard Operating Procedures
- ➔ Ensuring that all staff are adequately trained and understand their obligations in relation to maintaining the highest standards of conduct and data integrity
- ➔ Fostering a culture of safeguarding data accuracy and traceability
- ➔ Continually striving for efficiency whilst maintaining or improving the effectiveness of the quality management system, using risk-based thinking to take advantage of opportunities and prevent undesirable results
- ➔ Innovating, developing or adopting new technologies/methodologies to ensure that our service offerings meet regulatory and client requirements
- ➔ Fostering a positive and open culture of reporting and providing anonymous and confidential reporting channels under our Whistleblower Policy
- ➔ Investigating reports of non-compliance or improper conduct and implementing corrective actions and controls to prevent a recurrence.



## 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 risk portal located on our Group intranet supports us in our commitment to meet our regulatory obligations.

The compliance portal provides access to specific policies and programs that assist in addressing our compliance with the regulatory obligations we are subject to. Policies and programs include those relating to health and safety, environmental protection, anti-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, whistleblower protections, and compliance with the Australian Securities Exchange listing rules. Each of our Business Streams are required to adopt these specific policies and programs.

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

To frequently reinforce awareness of regulatory compliance and early notification of non-compliances, our compliance exception reporting process requires each site's senior manager or supervisor to report specific compliance risk-related matters to the company's Chief Sustainability Officer each month. Reporting is via our Compliance Portal to enable monitoring and traceability. Each year these managers and supervisors also confirm their awareness and understanding of specific compliance obligations by completing a sign-off declaration.

Regulatory compliance risk metrics to reinforce a culture of compliance are incorporated into Business Stream Positive Performance Indicator Scorecards and individual Short-Term Incentive Plan Scorecards.

### Business Resilience Workshops

Our Business Resilience Workshops are designed to promote an organisational culture that encourages asking questions and raising issues to ensure we conduct our business in a responsible and ethical manner. This occurs through facilitated discussion on situations that may challenge adherence to our core values and the expected standards of behaviour expressed in our Code of Conduct.

The workshops provide an opportunity for participants to come together to talk about how they can continue to uphold the company's core values and enhance the ethical and compliance culture of the company. The workshops build awareness in recognising and resolving compliance risks by discussing scenarios that can 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, anti-competitive behaviours, data integrity and reporting behaviour or actions not aligned with our Code. Participants are provided with the knowledge to be alert to circumstances that could increase their exposure to unethical opportunities so as to prevent or avoid them.

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 adversely affect our reputation as a global leader in the discipline of scientific analysis.

0

Regulator notifications received for a potential or actual compliance breach

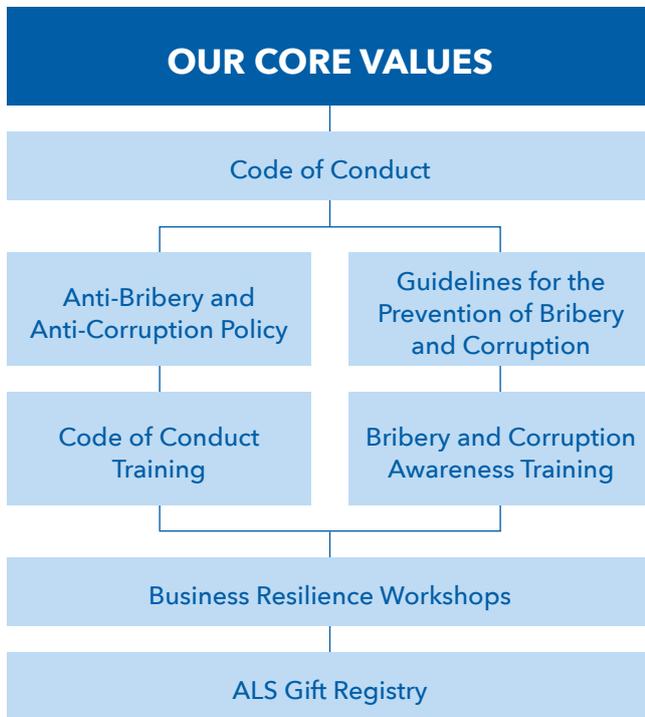
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significant financial penalties or sanctions incurred

>97%

of employees completed Code of Conduct training within the previous two years

## Anti-Bribery and Anti-Corruption



Our reputation is built from us living our core values. Having one of our core value as “Honest” highlights that we must always act with integrity and in compliance with the law in conducting our business. This includes never engaging in bribery or corruption with anyone in any way, anywhere in the world.

Our commitment to anti-corruption compliance is embodied in our Code of Conduct and Anti-Bribery and Anti-Corruption Policy (ABAC Policy). Our Code and ABAC Policy make it clear that bribes, corruption, kickbacks, secret commissions or facilitation payments of any kind are strictly prohibited, even at the risk of losing business opportunities.

Our Anti-Bribery and Anti-Corruption Program sets out the requirements and controls that support our prohibition of bribery and corruption 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 on 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 present to our reputation and continued operation. Our Code of Conduct training is supplemented by our in-depth online Bribery and Corruption Awareness training. This in-depth training provides those in high risk roles with an increased understanding and awareness of bribery and corruption risks relevant to their position and reduce their exposure to potentially compromising situations.

Detailed practical guidance on preventing, detecting and responding to bribery and corruption risks is set out in our Guidelines for the Prevention of Bribery and Corruption. These Guidelines include general rules on a number of topics, including gifts and entertainment. Questions for our employees to ask themselves when offering or receiving gifts forms part of the Guidelines to help ensure that any offering or receiving of gifts and entertainment does not, or is not perceived to, improperly influence a business outcome.

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. We also expect our suppliers to conduct their business in a way that is consistent with the principles outlined in our Code of Conduct and in compliance with the requirements of our Supplier Code of Conduct, including never participating in any form of bribery or corruption.

Our Anti-Corruption Program is reinforced through our Business Resilience Workshops and by our Whistleblower Program for reporting instances of potential non-compliance.





## Whistleblower Program

Our Whistleblower Program seeks to foster an honest, transparent and accountable culture where our core values and Code of Conduct are upheld. We recognise that our employees are often our best source of information regarding actual or suspected misconduct or wrongdoing and are uniquely placed to discover and inform us of this. We encourage our employees to speak up with confidence and to feel that they can freely report suspected or actual conduct that does not support our business being conducted with integrity or in compliance with the law.

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 Code of Conduct, Whistleblower Policy, and corresponding training courses confirm and reinforce this commitment and include 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 helplines – the ‘ALS Business Integrity Helpline’ and the ‘ALS Your Voice Helpline’ – seek to address this and support reporting where there may be a feeling of uneasiness to do so. These helplines are provided by an independent third party and are an integral part of our Whistleblower Program. The helplines enable 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. Each helpline features an anonymous reporting mechanism to alleviate any fear of retaliation that might be associated with making a report.

Our Code of Conduct, Whistleblower Policy and ‘ALS Business Integrity Helpline and ALS Your Voice Helpline’ poster – which is required to be displayed on the employee noticeboard at each of our sites globally – all provide information on the various ways in which the helplines 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 is available to our employees through our Code of Conduct.

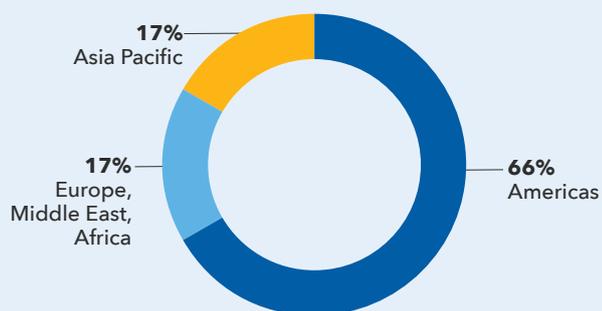
Information on how the helplines work, which helpline to report to, answers to frequently asked questions about making a report and what happens after a report is made is also published and is publicly available on the ALS Business Integrity Helpline and ALS Your Voice Helpline website.

Each year we evaluate our Whistleblower Program against global benchmarking information to determine actions that might improve the effectiveness of our 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.

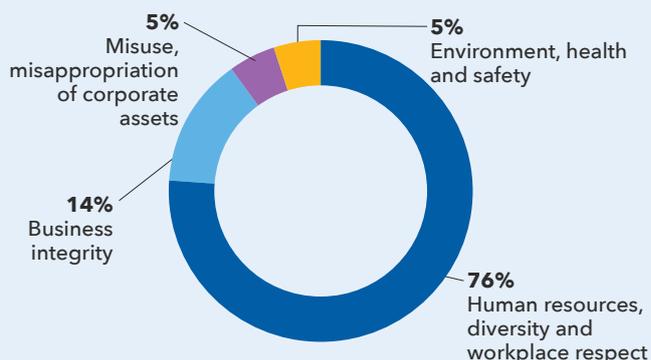
Reports made under our Whistleblower Program are reviewed and assessed by the Company’s Chief Sustainability Officer. All reports are investigated where there is enough information for an investigation to be undertaken. The Audit and Risk Committee of the Board oversees our Whistleblower Program. Annually 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 FY2023, 30 reports were received under our Whistleblower Program to the ALS Business Integrity Helpline or ALS Your Voice Helpline. These reports contained 65 allegations as to suspected misconduct, which was a 62.5% increase in allegations made compared to FY2022. All allegations were reviewed by relevant management. 65 allegations were, or are, the subject of an investigation. As at 31 March 2023, 23 allegations arising from 12 reports remain under investigation. The investigation into 42 allegations has concluded, with 16 of these allegations being substantiated or partially substantiated. During the year 7 reports gave rise to remedial actions (noting that remedial actions can arise where allegations are not substantiated), with the remedial actions arising from 6 of those reports having been completed. During the year, 2 reports gave rise to disciplinary action.

### SUBMISSIONS BY REGION



### ALLEGATIONS BY CATEGORY



## Enterprise Risk Management

Effectively managing financial and non-financial risks is fundamental to informing our strategic direction, protecting our reputation and ensuring our sustainability. Continual focus on identifying and managing 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 the adverse effects or maximise possible benefits.

Our 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 Sustainability and Risk function is responsible for the design of our Risk Management Framework and for supporting the implementation of the framework across the organisation.

Our Risk Management Policy details the role and responsibilities for risk management of our Board, Board Committees, CEO and Executive management, Chief Sustainability Officer, Executive Risk Management Committee, Business Stream general managers, managers and supervisors and our employees for risk management. The responsibilities of our Executive Risk Management Committee include ensuring all enterprise-wide material business risks are identified and evaluated in the context of the company's 5-year strategic plan and that existing risk treatments and risk treatment action plans, where required, are adequate.

Accountability for identifying risks and ensuring appropriate and effective risk management controls are in place to adequately manage local business and operational risks rests with our site managers and supervisors. Our Business Stream managers are responsible for ensuring that each site manager or supervisor understands this accountability within their areas of responsibility and for ensuring that appropriate and effective risk management controls in place. Our employees are responsible for ensuring they are aware of policies and procedures in place for managing risk, undertake their duties with care and diligence and in accordance with approved policies, procedures and processes and report potential or actual risk incidents to management as soon as they are identified.

Our approach to risk management 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. Financial and non-financial risks are identified across the organisation in many ways, including through strategic workshops, operational activities, assessments against Standards, incident and event logging, and assurance and audit activities.

At least once a year we conduct a materiality assessment to validate previously identified external, strategic, financial or operational enterprise-wide business risks and identify emerging risks that may have a potential material impact. Existing risk management strategies 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. A controls assurance matrix details the control processes that are utilised to measure and monitor each risk. 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.





Our risk management focus and efforts throughout the year focused on:

- ➔ Reviewing our business continuity plans with a continued emphasis on cost reduction, strengthening liquidity, cash generation and repatriation, and acquisitions in complementary geographies
- ➔ Business system consolidation and development of core business information and finance systems
- ➔ Continuing to enhance our health and safety work practices and protocols as to employee wellbeing and good mental health
- ➔ Ensuring our employees safety whilst on the road by undertaking a review of the safety specifications of our vehicles and reviewing our fleet to implement in-vehicle monitoring systems globally
- ➔ Extending the depth of our annual detailed semi-quantitative assessment of our climate change risks and opportunities through global warming scenario analysis aligned with the recommendations of the Task Force on Climate-related Financial Disclosure
- ➔ Continued implementation of policies and programs to reduce energy usage and carbon emissions, encourage renewable energies, and change employee behaviours to address the impacts of increasing energy, fuel and carbon costs
- ➔ Refreshing natural catastrophe modelling and monitoring of our sites globally
- ➔ Detailed reviews of business continuity plans and emergency response plans of sites identified as having a real risk of earthquake, volcano, tsunami, tropical cyclone, extratropical storm, hail, tornado, lightning strike, river flood, flash flood, storm surge or bushfire to reduce the potential adverse impacts posed by such perils
- ➔ Improving our innovation governance framework
- ➔ Formalising a revised business development framework
- ➔ Delivering trusted results through ongoing investment in custom built laboratory information management systems and continued assurance reviews as to the robustness of quality programs implemented across our business including:
  - Monitoring of corrective action and client complaint registers to ensure items are being addressed in a timely manner, trends are being identified and reported to general management
  - Vertical audits to compare test data with final reports or certificates issued to clients being undertaken
  - Sufficient ongoing training of our employees is in place for them to maintain the required skills and competencies relevant to their roles and responsibilities
  - Ensuring the education of our employees so they can perform their duties with the highest standard of integrity and independent judgement

- ➔ Continuing to assess the strength of our cybersecurity controls to counteract the ever-increasing number and changing nature of cybersecurity threats including:
  - Undertaking external audits and vulnerability assessments of the company's systems, applications and practices affecting company and client data
  - Reviewing and updating our enterprise-wide cybersecurity threat and risk assessment
  - Reviewing our incident response readiness plan and ensuring critical asset testing
  - Undertaking phishing simulation testing
  - Expanding our cybersecurity training curriculum
- ➔ The development and implementation of a revised margin improvement plan that prioritises improvements in consumables, freight and postage, insurance, repair and maintenance, and information technology and systems
- ➔ Revising our procurement and supply chain management approach and governance framework
- ➔ Continuing to review our business continuity plans to ensure redundancy plans for critical suppliers
- ➔ The implementation of development programs, monitoring, and benchmarking employee remuneration, career progressing and succession planning to retain and attract talent
- ➔ The rollout of a refreshed employee engagement survey to obtain open and honest feedback to identify specific areas of focus to support ALS in being a great place to work, grow a successful career and to be an employer of choice.

More information on the specific risk management strategies to address a number of our enterprise-wide material business risks are detailed throughout this report. Please see:

- ➔ Page 53 for information on how we manage our climate change risk
- ➔ Page 49 for information on talent development and retention
- ➔ Page 33 for information on health and safety
- ➔ Page 63 for information on environmental management
- ➔ Page 82 for information on regulatory compliance
- ➔ Page 26 for information on innovation.

More information about our Risk Management Framework can also be found in our 2023 Annual Report and 2023 Corporate Governance Statement located on [alsglobal.com](https://alsglobal.com).

## 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.

### Our Board

Our skilled, experienced and diverse Board of seven non-Executive directors and CEO and Managing Director 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 non-executive 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. Non-Executive directors are not appointed for specific terms and are subject to rotational requirements outlined in the company's constitution for re-election. A criterion for continued office is effective contribution, which is reviewed annually in an 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 FY2023, the Board, lead by the Chair, performed a self-assessment review of the role and accountabilities of the Board and Committees, a skills and expertise analysis of the Board and of their own individual performance. 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. Non-Executive directors have the opportunity for professional development through programs operated by the Australian Institute of Company Directors and via bespoke updates with external subject experts.

All current non-Executive directors, excepting the Managing Director, are considered independent of management influence. An annual assessment of non-Executive director independence is undertaken on annual basis. 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 non-Executive director with the Company existed during the year.

Four standing sub-committees assist the Board in the effective discharge of their responsibilities and duties. 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 Nominations Committee is comprised of all non-Executive directors.

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 [alsglobal.com](https://www.alsglobal.com). The Board and sub-committee charters are reviewed annually.





## Board Committees

<b>Sustainability and Innovation Committee</b> Chair: Charlie Sartain	<b>Audit and Risk Committee</b> Chair: Leslie Desjardins	<b>People Committee</b> Chair: Tonianne Dwyer	<b>Nominations Committee</b> Chair: Bruce Phillips
<p>Role of the Committee is to provide:</p> <ul style="list-style-type: none"> <li>→ 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</li> <li>→ Oversight of compliance with relevant laws, regulations, standards and best practice guidelines within the Committee's responsibilities</li> <li>→ Advice to assist management in achieving sustainability targets and performance improvements</li> <li>→ Oversight of the ALS innovation framework to ensure regular flow of innovation concepts and ideas are shared across all business streams.</li> </ul>	<p>Purpose of the Committee is to identify and recommend for approval the implementation of policies, practices and processes, to receive reports from management, and to monitor performance, so that the ALS Group discharges its responsibilities to exercise due care, diligence and skill in relation to the:</p> <ul style="list-style-type: none"> <li>→ Reporting of financial information</li> <li>→ Application of accounting policies</li> <li>→ Financial management</li> <li>→ Internal control systems</li> <li>→ Risk management systems</li> <li>→ Business policies and practices</li> <li>→ Protection of assets</li> <li>→ Reviewing the company's disclosure requirements specific to the impact of climate change on the company's financial statements including oversight of TCFD reporting.</li> <li>→ Compliance with relevant laws, regulations, standards and best practice guidelines.</li> </ul>	<p>Role of the Committee includes assisting the Board in the fulfillment of its responsibility to ensure the Company's people and remuneration practices support the achievement of its purpose and strategy, encourage the desired culture and behaviours, and are aligned with its risk appetite. The Committee's responsibility for review and making recommendations to the Board include:</p> <ul style="list-style-type: none"> <li>→ The principles and practices that underpin the Company's overall approach to remuneration</li> <li>→ The remuneration of, development programs for, and succession planning and processes for Senior Executive Managers</li> <li>→ Talent and leadership development programs for other senior leaders</li> <li>→ Policies and practices that foster a culture of high performance, inclusion, collaboration and ethical conduct</li> <li>→ Policies and practices that promote the attraction, development and retention of a diverse and capable workforce and position the company as an employer of choice</li> <li>→ People risks associated with its area of responsibility under its Charter.</li> </ul>	<p>The Committee's primary function is to assist the Board in fulfilling its responsibilities to shareholders through making recommendations for the optimal composition of the Board and Committees as well as reviewing the performance and remuneration of the CEO and overseeing Board and CEO succession planning. This includes responsibility for reviewing and making recommendations to the Board regarding:</p> <ul style="list-style-type: none"> <li>→ Composition of the Board</li> <li>→ The processes in place to review the performance and remuneration of the Board, its Committees and non-executive directors</li> <li>→ CEO performance, remuneration and succession planning</li> <li>→ Appointment, election and re-election of non-Executive directors</li> <li>→ Director independence assessments</li> <li>→ Direction induction programs.</li> </ul>

## Policies and Standards

Audit and Risk Committee Charter Board Charter Summary Code of Conduct Continuous Disclosure Policy Diversity and Inclusion Policy People Committee Charter Risk Management Policy Securities Trading Policy	Sustainability and Innovation Committee Charter Health and Safety Policy Environmental Policy Donations and Sponsorships Policy Cash Management Policy Tax Risk Management Policy Human Rights Policy	Financial Risk Management Policy Risk Appetite and Tolerance Policy Anti-Bribery and Anti-Corruption Policy Privacy Policy Whistleblower Policy Delegation of Authority Policy
Performance Standards	HSE Foundation Standard	Risk Management Framework
Process Standards	Local management procedures and practices	

## Management Team

<b>MALCOLM DEANE</b> CEO and Managing Director <sup>1</sup>	<b>TIM KILMISTER</b> Executive General Manager, Global Environmental
<b>LUIS DAMASCENO</b> Chief Financial Officer	<b>ANDREAS JONSSON</b> Executive General Manager, Global Food, Pharmaceutical and Diagnostics
<b>MARK ZORBAS</b> Chief Human Resources Officer	<b>MALCOLM DEANE</b> Chief Strategy Officer
<b>LISA McCLAIN</b> Chief Information Officer	<b>BRUCE McDONALD</b> Executive Vice President, Minerals
<b>MICHAEL BURCHAM</b> Chief Sustainability Officer	<b>GRACE COILEY</b> Executive General Manager, Commodity Inspection
<b>MICHAEL PEARSON</b> Company Secretary and Group General Counsel	<b>RICKARD OLOFSSON</b> Chief Technology and Innovation Officer

<sup>1</sup> Raj Naran resigned as CEO and Managing Director from the Company on 7 March 2023. Malcolm Deane was appointed as the CEO and Managing Director on 8 May 2023, following his appointment as Acting CEO and Managing Director on 7 March 2023.

We are **committed** to providing data against key ESG metrics for our stakeholders.

# OUR KEY DATA

## Statistics

PEOPLE	GRI Disclosure	2022/23	2021/22	2020/21	2019/20
No. of staff employed <sup>1</sup>	102-07	18,514	18,148	16,272	15,638
Total no. of employees (f) <sup>2</sup>	405-01	8,220	7,804	7,160	7,037
Total no. of employees (m) <sup>2</sup>	405-01	10,186	10,344	9,112	8,601
Employee turnover – voluntary	401-01	17.3%	21.0%	11.3%	12.1%
Employee turnover – involuntary	401-01	12.9%	16.7%	25.1%	24.3%
TRIFR*	403-09	1.00	1.52	1.98	1.58
LTIFR*	403-09	0.31	0.42	1.01	0.72
Work-related fatalities	403-09	0	0	0	0
Severe Injury Rate <sup>3</sup> (LTI >7 days)		0.14	0.21	0.30	0.30
Occupational Disease Rate <sup>4</sup>		0	0	0	-
Average hours of compliance training per employee	404-01	3.6	1.9	2.2	2.9

N/C Data not collected.

1 As at 31 March 2023.

2 At 1 October 2022 for WGEA reporting.

3 Per million hours worked.

4 Per million hours. Illness as defined by Safe Work Australia.

COMMUNITY	GRI Disclosure	2022/23	2021/22	2020/21	2019/20
% of senior management at significant locations hired from the community	202-02	98%	98%	98%	98%
a. Total number of incidents of discrimination during the reporting period		4	1	4	4
b. Status of the incidents and actions taken with reference to:					
i. Incident reviewed by the organisation		4	1	4	3
ii. Remediation plans being implemented	406-01	0	0	0	0
iii. Remediation plans that have been implemented, with results reviewed through routine internal management review processes		1	0	2	0
iv. Incident no longer subject to action		1	0	2	0



PLANET	GRI Disclosure	2022/23	2021/22	2020/21	2019/20
Electricity intensity ratio for the organisation (MWh/MAUD Revenue)	302-03	56.3	65.5	61.0	65.5
Gas intensity ratio for the organisation (Gj/MAUD Revenue)	302-03	214	246	246	234
Total number and total volume of recorded significant spills		0	0	0	0

### Scope 1 - Fleet Emissions<sup>1,6</sup>

CO <sub>2</sub> (tonnes)	305-01	11,844	12,171	13,448	10,048
CH <sub>4</sub> (t CO <sub>2</sub> e)	305-01	2	36	48	36
N <sub>2</sub> O (t CO <sub>2</sub> e)	305-01	75	113	146	109
Total t CO <sub>2</sub> e	305-01	11,922	12,320	13,642	10,193

### Scope 1 - Gas Consumption Emissions<sup>2</sup>

CO <sub>2</sub> (tonnes)	305-01	26,826	27,491	22,157	21,588
CH <sub>4</sub> (t CO <sub>2</sub> e)	305-01	329	365	302	290
N <sub>2</sub> O (t CO <sub>2</sub> e)	305-01	37.2	41	34	32
Total t CO <sub>2</sub> e	305-01	27,193	27,898	22,493	21,991

### Scope 2 - Electricity Emissions (market based)<sup>4,7</sup>

Energy Indirect (Scope 2) t CO <sub>2</sub> e		2,913	48,930	-	-
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### Scope 2 - Electricity Emissions (location based)<sup>3,7</sup>

Energy Indirect (Scope 2) t CO <sub>2</sub> e	305-02	54,528	56,914	53,705	67,977
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### Scope 3 - Estimated Emissions (t CO<sub>2</sub>e)<sup>5</sup>

Business travel	305-03	13,000	-	-	-
Employee commuting	305-03	20,000	-	-	-
Purchased goods and services	305-03	298,000	-	-	-
Fuel and energy related activities (Not included in Scope 1 or Scope 2)	305-03	11,000	-	-	-
Capital goods	305-03	61,000	-	-	-
Waste generated in operations	305-03	21,000	-	-	-
Upstream transport	305-03	36,000	-	-	-

### Voluntary Carbon Offset (t CO<sub>2</sub>e)<sup>8</sup>

Credits purchased		50,000	-	-	-
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1 Fleet emissions data is calculated using the Transport Fuel Emissions method and emissions factors as listed in the Australian National Greenhouse Accounts Factors published yearly by the Department of Industry, Science, Energy and Resources.

2 Gas consumption emissions data accounts for purchased gas that is used for in building heating or in our ovens and furnaces. Data for our 2020 and 2021 consumption represents approximately 70% of gases consumed with the remaining 30% estimated based on similar ALS operations.

3 Electricity emissions data (location based), are calculated using published emission factors which calculate the total CO<sub>2</sub>e per unit of electricity consumed and does not separately calculate CO<sub>2</sub>, CH<sub>4</sub> or N<sub>2</sub>O attributed to our electricity consumption.

4 Market based is a method to quantify scope 2 GHG emissions based on GHG emissions emitted by the generators from which the reporter contractually purchases electricity bundled with instruments, or unbundled instruments on their own.

5 Scope 3 estimations were calculated from ALS FY2022 expenditure using The Quantis Scope 3 Evaluator.

6 Emissions related to refrigerant gases not included.

7 Emissions related to district heating are not included.

8 Carbon offsets sourced from internationally recognised VERRA and CER registries.

BUSINESS PRACTICES	GRI Disclosure	2022/23	2021/22	2020/21	2019/20
No. of locations	102-07	445	432	424	428
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	8/100%	7/100%	7/100%	9/100%
Total number and nature of confirmed incidents of corruption	205-03	0	0	0	1
Total number of confirmed incidents in which employees were dismissed or disciplined for corruption	205-03	0	0	0	1 <sup>1</sup>
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	0
Public legal cases regarding corruption brought against the organisation or its employees during the reporting period and the outcomes of these cases	205-03	0	0	0	0
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	0	0	1 <sup>2</sup>
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 <sup>4</sup>	0	1 <sup>3</sup>

<sup>1</sup> 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.

<sup>2</sup> 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.

<sup>3</sup> 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.

<sup>4</sup> Life Sciences Lima were fined USD15,000 for not correctly monitoring site emissions in 2017/18.

## Statistics

Sustainability Pillar	2022/23	2021/22	2020/21	2019/20
<b>PEOPLE</b>				
Staff employed	18,514	18,148	16,272	15,638
Training sessions completed	41,134	42,526	44,276	36,215
Compulsory compliance training sessions completed (%)	99	99	100	100
<b>SAFETY</b>				
PPI Scorecard	138	129	91.0	93.71
Fatalities	0	0	0	0
LTIFR <sup>1</sup>	0.31	0.42	1.01	0.72
TRIFR <sup>1</sup>	1.00	1.52	1.98	1.58
Hours worked	35,984,338	33,567,299	26,800,226	27,921,499
<b>PLANET</b>				
Government fines or penalties imposed for environmental-related incidents	0	1 <sup>5</sup>	0	1 <sup>2</sup>
Uncontrolled releases	0	0	0	0
Electricity Consumed (kWh)	136,286,086	133,183,770	118,432,789	118,095,496
<b>COMMUNITY</b>				
Spend with local suppliers (\$m)	1,141	945	751	752
Dividend return to shareholders paid (\$m)	177	146.6	70.4	111
<b>BUSINESS PRACTICES</b>				
Taxes paid (\$m)	90	106	74	96
Wages (\$m) <sup>6</sup>	984	958	841	909
Revenue (\$m) <sup>6</sup>	2421.2	2,108.5	1,761.4	1,853.9
Underlying EBITDA <sup>3,6</sup> (\$m)	648	547.2	425.1	431.5
Underlying EBIT <sup>3,6</sup> (\$m)	490.7	409.4	301.4	305.8
Underlying NPAT <sup>4,6</sup> (\$m)	320.6	264.2	185.9	188.8
Underlying earnings per share <sup>6</sup> (cents)	66.3	54.7	38.5	39.1
Statutory NPAT <sup>4</sup> (\$m)	291.2	190.5	169.6	127.8
Dividends per share (cents)	39.7	32.8	23.1	17.6
Gearing ratio (net debt/net debt + total equity) (%)	42.6	44.4	36.2	41.9

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 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.

4 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.

5 Life Sciences - Lima Food received a USD 15,000 fine for not complying with environmental monitoring plans during Dec 2017 - Nov 2018. The non-compliance resulted from an error which occurred when the relocation to a new facility was delayed. The facility has complied with its monitoring requirements since 2019 which are audited regularly by the HSE team and part of the Annual HSE Plan. N/C Data not collected.

6 For continuing operations.

## GRI Reporting Table

Statement of use		ALS Limited has reported the information cited in this GRI content index for the period April 2022 to 31 March 2023 with reference to the GRI Standards.		
GRI 1 used		GRI 1: Foundation 2021		
GRI Standard	Disclosure Number	Disclosure	Report	Section
GRI 2: General Disclosures 2021	2-1	Organisational Details	Annual Report	General Information
	2-2	Entities included in the organisation's sustainability reporting	Sustainability Report	About this report
	2-3	Reporting period, frequency and contact point	Sustainability Report	About this report
	2-4	Restatements of information	Sustainability Report	About this report
	2-5	External assurance	Sustainability Report	About this report
	2-6	Activities, value chain and other business relationships	Sustainability Report	Our business model
	2-7	Employees	Sustainability Report	Statistics
	2-9	Governance structure and composition	Sustainability Report	Business Practices
	2-10	Nomination and selection of the highest governance body	Sustainability Report, Corporate Governance Statement	Governance, Principle 2
	2-11	Chair of the highest governance body	Annual Report	Directors Report
	2-12	Role of the highest governance body in overseeing the management of impacts	Sustainability Report	Business Practices
	2-13	Delegation of responsibility for managing impacts	Sustainability Report	Business Practices
	2-14	Role of the highest governance body in sustainability reporting	Sustainability Report	Business Practices
	2-15	Conflicts of interest	Sustainability Report, Corporate Governance Statement	Governance, Principle 2
	2-16	Communication of critical concerns	Sustainability Report	Business Practices
	2-18	Evaluation of the performance of the highest governance body	Sustainability Report, Corporate Governance Statement	Governance, Principle 1
	2-19	Remuneration policies	Annual Report	Remuneration Report
	2-23	Policy commitments	Sustainability Report	Business Practices
	2-26	Mechanisms for seeking advice and raising concerns	Sustainability Report	Business Practices
	2-27	Compliance with laws and regulations	Sustainability Report	Business Practices
2-28	Membership Associations	Sustainability Report	Statistics, Business Practices	
2-29	Approach to stakeholder engagement	Sustainability Report	Materiality	



Statement of use		ALS Limited has reported the information cited in this GRI content index for the period April 2022 to 31 March 2023 with reference to the GRI Standards.		
GRI 1 used		GRI 1: Foundation 2021		
GRI Standard	Disclosure Number	Disclosure	Report	Section
GRI 3: Material Topics 2021	3-1	Process to determine material topics	Sustainability Report	Materiality
	3-2	List of material topics	Sustainability Report	Materiality
	3-3	Management of material topics	Sustainability Report	Materiality Each Material Topic
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	Sustainability Report	Community
	201-2	Financial implications and other risks and opportunities due to climate change	Annual Report, Sustainability Report	TCFD Statement, Climate Change
GRI 202: Market Presence 2016	202-2	Proportion of senior management hired from the local community	Sustainability Report	Statistics
GRI 203: Indirect Economic Impacts 2016	203-2	Significant indirect economic impacts	Sustainability Report	Community
GRI 205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	Sustainability Report	Business Practices
	205-2	Communication and training about anticorruption policies and procedures	Sustainability Report	Business Practices
	205-3	Confirmed incidents of corruption and actions taken	Sustainability Report	Statistics
GRI 206: Anti-competitive Behavior 2016	206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	Sustainability Report	Statistics
GRI 302: Energy 2016	302-1	Energy consumption within the organisation	Sustainability Report	Planet
	302-2	Energy consumption outside of the organisation	Sustainability Report	Planet
	302-3	Energy intensity	Sustainability Report	Planet
	302-4	Reduction of energy consumption	Sustainability Report	Planet
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	Sustainability Report	Planet
	305-2	Energy indirect	Sustainability Report	Planet
	305-4	GHG emissions intensity	Sustainability Report	Planet
	305-5	Reduction of GHG emissions	Sustainability Report	Planet
GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	Sustainability Report	Planet
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	Sustainability Report	Statistics

Statement of use		ALS Limited has reported the information cited in this GRI content index for the period April 2022 to 31 March 2023 with reference to the GRI Standards.		
GRI 1 used		GRI 1: Foundation 2021		
GRI Standard	Disclosure Number	Disclosure	Report	Section
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	Sustainability Report	People
	403-2	Hazard identification, risk assessment, and incident investigation	Sustainability Report	People
	403-3	Occupational health services	Sustainability Report	People
	403-5	Worker training on occupational health and safety	Sustainability Report	People
	403-8	Workers covered by an occupational health and safety management system	Sustainability Report	People
	403-9	Work-related injuries	Sustainability Report	People
	403-10	Work-related ill health	Sustainability Report	People, Statistics
GRI 409: Forced or Compulsory Labor 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	Sustainability Report	Community
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	Sustainability Report	Community
GRI 415: Public Policy 2016	415-1	Political contributions	Sustainability Report	Business Practices





## 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
	(1) Number of data breaches, (2) Percentage involving clients' confidential business information (CBI) or personally identifiable information (PII), (3) Number of clients affected	Quantitative	Number Percentage (%)	SV-PS-230a.3	(1) 0 (2) 0% (3) 0
Workforce Diversity and Engagement	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 Equity
	(1) Voluntary and (2) Involuntary turnover rate for employees	Quantitative	Rate	SV-PS-330a.2	Statistics
	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.2	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)

## Industry and 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



# Glossary

<b>\$</b>	Australian dollars
<b>ALS</b>	Australian Laboratory Services
<b>ASX</b>	Australian Stock Exchange
<b>b</b>	billion
<b>CMP</b>	Crisis Management Plan
<b>CO<sub>2</sub></b>	Carbon dioxide
<b>CO<sub>2e</sub></b>	Carbon dioxide greenhouse gas equivalent
<b>EAP</b>	Employee Assistance Program
<b>EBITDA</b>	Earnings Before Interest, Tax, Depreciation, Amortisation
<b>EDP</b>	Executive development program
<b>EPA</b>	Environmental Protection Authority
<b>ERP</b>	Emergency Response Plans
<b>FY</b>	Financial Year
<b>GHG</b>	Greenhouse Gas
<b>GRI</b>	Global Reporting Initiative hour
<b>h</b>	Hour
<b>HR</b>	Human Resources
<b>HSE</b>	Health, Safety and Environment
<b>HSEMS</b>	Health, Safety and Environment Management System
<b>HVAC</b>	Heating, Ventilation, and Cooling

<b>JCC</b>	Joint consultative committee
<b>JSEA</b>	Job Safety and Environment Analysis
<b>km</b>	kilometers
<b>kWh</b>	kilowatt hour
<b>l</b>	litres
<b>LED</b>	Light emitting diode
<b>LTI</b>	Lost Time Injury
<b>LTIFR</b>	Lost Time Injury Frequency Rate (per million hours worked)
<b>m</b>	million
<b>M&amp;A</b>	Mergers and acquisitions
<b>MTI</b>	Medical Treatment Injury
<b>NPAT</b>	Net Profit After Tax
<b>PPI</b>	Positive Performance Scorecard for HSE
<b>SASB</b>	Sustainability Accounting Standards Board
<b>STI plan</b>	Short Term Incentive remuneration plan for ALS management
<b>t</b>	tonnes
<b>TIC</b>	Testing Inspection and Certification
<b>TRIFR</b>	Total Recordable Injury Frequency Rate (per million hours worked)

# Assurance Statement



## Independent Limited Assurance Report to the Management and Directors of ALS Limited

### Our Conclusion:

Ernst & Young ('EY', 'we') was engaged by ALS Limited ('ALS') to undertake a limited assurance engagement as defined by Australian Auditing Standards, hereafter referred to as a 'review', over selected non-financial performance disclosures defined below for the year ended 31 March 2023. Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the selected non-financial performance disclosures have not been prepared, in all material respects, in accordance with the Criteria defined below.

### What our review covered

We reviewed the following selected non-financial performance disclosures in ALS's reported performance of its material sustainability issues risks and opportunities as included in its Sustainability Report ('Report') for the year ended 31 March 2023.

We reviewed selected non-financial performance disclosures, as shown in the table below:

Selected non-financial performance disclosures	Report page
1. Total Recordable Injury Frequency Rate (TRIFR), being 1.00 2. Lost Time Injury Frequency Rate (LTIFR), being 0.31	Pages 25, 91, 94
3. Scope 1 – Fleet Emissions (Fuel consumed and km travelled in ALS motor vehicles): i) Fuel consumed, being 4,529 kilolitres (kL) ii) Distance travelled, being 53,762,426 kilometres (km) iii) Emissions, being 11,922 tonnes of carbon dioxide equivalent (tCO <sub>2</sub> -e) 4. Scope 1 – Gas Consumption Emissions (building heating, ovens and furnaces), being 27,193 tCO <sub>2</sub> -e 5. Scope 2 Emissions (electricity consumed) using: i) A location-based approach, being 54,528 tCO <sub>2</sub> -e; and ii) A market-based approach, reflecting the use of renewable electricity and Energy Attribution Certificates, being 2,913 tCO <sub>2</sub> -e	Pages 54, 56-58, 92
6. Completion of Code of Conduct training for managers and employees, within the required period being >97%	Pages 10, 82
7. Number of unresolved complaints of negative air, noise, or land impact from surrounding neighbours, being zero 8. Number of Environmental prosecutions, being zero 9. Number of reported spill or reportable, uncontrolled releases, being zero	Page 25

### Criteria applied by ALS Limited

In preparing the selected non-financial performance disclosures ALS applied the following Criteria:

- ▶ Global Reporting Initiative ('GRI') Topic Specific Standards
- ▶ ALS's publicly disclosed criteria as established and set out in its internal policies and procedures, and as detailed in footnotes of the Report.

### Key responsibilities

#### EY's responsibility and independence

Our responsibility is to express a conclusion on the selected non-financial performance disclosures based on our review.

We have complied with the independence and relevant ethical requirements, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The firm applies Auditing Standard ASQM 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements*, which requires the firm to design, implement and operate a system of quality management including

policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

#### ALS's responsibility

ALS's management is responsible for selecting the Criteria, and for presenting the selected non-financial performance disclosures in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the subject matter, such that it is free from material misstatement, whether due to fraud or error.

#### 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'), and terms of reference for this engagement as agreed with ALS on 25 March 2023 in the engagement letter. That standard requires that we plan and perform our engagement to express a conclusion on whether anything has come to our attention that causes us to believe that the selected non-financial performance disclosures are not prepared, in all material respects, in accordance with the Criteria, and to issue a report.

#### Summary of review procedures performed

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

The nature, timing, and extent of the procedures selected depend on our judgement, including an assessment of the risk of material misstatement, whether due to fraud or error. The procedures we performed included, but were not limited to:

- ▶ Conducted interviews with key personnel to understand the process for collecting, collating and reporting the selected non-financial performance disclosures during the reporting period
- ▶ Checked that the calculation criteria have been correctly applied in accordance with the methodologies outlined in the Criteria
- ▶ Undertook analytical review procedures to support the reasonableness of the data
- ▶ Identified and tested assumptions supporting calculations
- ▶ Tested, on a sample basis, underlying source information to check the accuracy of the data.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our review conclusion.

#### Inherent limitations

Procedures performed in a review engagement vary in nature and timing from and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a review engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.



# Assurance Statement



## Other matters

We have not performed assurance procedures in respect of any information relating to prior reporting periods, including those presented in the Sustainability Report. Our report does not extend to any disclosures or assertions made by ALS relating to future performance plans and/or strategies disclosed in ALS's Sustainability Report and supporting disclosures online.

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. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

## Use of our Assurance Report

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

Elizabeth Rose  
Partner  
Brisbane, Australia  
19 June 2023

Ernst & Young

## Report feedback

We welcome any feedback you may have. Please contact [sustainability@alsglobal.com](mailto:sustainability@alsglobal.com) if you require further information or have specific comments to make.

