



SNC • LAVALIN

Modern Slavery and Human Trafficking Statement

2021

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

~~SAFETY~~

~~INTEGRITY~~

~~COLLABORATION~~

~~INNOVATION~~

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STRUCTURE, OPERATIONS AND SUPPLY CHAINS

STRUCTURE AND OPERATIONS

Founded in 1911, SNC-Lavalin is a fully integrated professional services and project management company with offices around the world.

SNC-Lavalin connects people, technology and data to help shape and deliver world-leading concepts and projects, while offering comprehensive innovative solutions across the asset lifecycle. Our expertise is wide-ranging — consulting & advisory, intelligent networks & cybersecurity, design & engineering, procurement, project & construction management, operations & maintenance, decommissioning and sustaining capital – and delivered to clients in four strategic sectors: EDPM (engineering, design and project management), Infrastructure, Nuclear and Resources, supported by Capital. SNC-Lavalin maintains high standards for health and safety, ethics and compliance, and environmental protection. The Company is committed to delivering quality projects on budget and on schedule to the complete satisfaction of its clients.

In 2020, the Company continued to refine its strategic direction and reiterated its focus on creating long-term shareholder value. Despite pressures from the pandemic, SNC-Lavalin has been largely successful in doing this. Looking forward over the next several years, the Company intends to maintain and enhance this focus, as described below in our strategic pillars:

- Running off lump sum turkey projects successfully;
- Driving consistent performance in Engineering Services, unlocking significant value;
- Positioning for a sustainable future, driving organic growth by leveraging our current capabilities and technology; and
- Building a connected collaborative organization.

SUPPLY CHAIN

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

For information on standards we demand throughout our supply chain, [please see this short video](#).



RISKS

We undertake risk assessments to determine where our operations present a higher risk of modern slavery and human trafficking. Where we identify higher risks, we implement mitigation measures.

BLUE COLLAR WORKERS

Significant risk is known to reside in the use of blue-collar workers, something that is common in our industry and indeed in our own operations. The risk is compounded in the case of migrant workers. We have mapped out our use of such workers on our worksites, by country of origin (where applicable) and country of deployment, and compared that against indices such as the Global Slavery Vulnerability Score, the Global Slavery Prevalence Index and the Human Freedom Index. A number of countries have thus been identified as requiring heightened attention from our perspective, and our efforts are guided accordingly.

RECRUITMENT PROCESS

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



ACTIONS

POLICIES AND PROCEDURES

To ensure the transparency of the process, the company makes all governance documents available to all employees.

CODE OF CONDUCT

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

COMPLIANCE PROCEDURE

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

SUPPLIERS

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

PROCUREMENT

We strive to be competitive, yet fair and ethical in our business practice. To ensure the effectiveness of the process, the company has implemented a procurement policy that our personnel must follow. The policy

communicates SNC-Lavalin's procurement principles and rules and contributes in creating and maintaining effective supply chain management capabilities, processes and systems. Relevant governance documents include the Purchasing Management Procedure, Vendor Integrity Verification Procedure and Project Risk Identification work instruction which set out the necessary precautions to be taken to avoid modern slavery and human trafficking.

HUMAN RESOURCES

We also have human resources governance documents to protect our personnel and potential personnel from modern slavery and human trafficking. These include: the Human Resources Policy and Workplace Discrimination, Harassment and Violence Procedure. In some of the company's higher risk operations, provisions have been added in our contract templates for hiring recruitment agencies, specifically addressing modern slavery and human trafficking.

SUSTAINABILITY

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



DUTY TO REPORT

At SNC-Lavalin, all our personnel and suppliers have a duty to report any known or suspected violation of our Code of Conduct or any governance documents, as well as any violation of applicable laws, rules or regulations. These requirements are set out in our Code of Conduct, Compliance Procedure and Supplier Code of Conduct. The various reporting channels are set out in our Reporting Work Instruction. One such channel, the Reporting Line, is operated by an external service provider and is an anonymous way to report ethical and compliance concerns, including any concerns about modern slavery and human trafficking. The line is accessible not only to SNC-Lavalin personnel, but also to third parties who may potentially witness a violation by our personnel or anyone working on our projects. The line is staffed by individuals speaking a variety of languages, to facilitate communication and reporting in any region of the world.

We make sure personnel and third parties are able to disclose, without fear of retaliation, concerns, complaints or allegations of known or suspected wrongdoing or misconduct and this, regardless of the local norms and culture.

Afterwards, we undertake to review all reported matters and investigate when required, within a reasonable timeframe.

For an overview of our duty to report and non-retaliation policies, [please watch this short video](#)

DUE DILIGENCE

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

- The 360° Integrity Check verifies if the third party is listed on international data sources, has a history of corruption, collusion, fraud or labor/ human right issues, is a state-owned entity or

politically exposed person, or appears on SNC-Lavalin's Reference List in order to take the appropriate mitigating measures.

- The Vendor Integrity Verification process is an integral part of SNC-Lavalin's Integrity program. It uses multiple tools to ensure vendors are ethical through a rigorous screening and ongoing monitoring process.
- All clients for international projects undergo an Integrity Check. If there are any findings a prior review and endorsement by an Integrity Officer is required, as well as approval up to the Sector President.
- A uniform risk assessment of business partners performing intermediary functions between SNC-Lavalin and third parties is a company-wide requirement. Based on a set of defined risk indicators – such as the risk of corruption in the country in which the work is undertaken – a risk rating (basic, standard or enhanced) is specified for each registered transaction. The risk rating determines the subsequent action (e.g. due diligence, approval requirements and mandatory contractual clauses) taken regarding business partners.
- Suppliers are required to accept integrity-related contractual provisions and adhere to our Supplier Code of Conduct.
- In high risk areas, we ensure our contracts with employment agencies stipulate that it is prohibited to require employees to pay recruitment fees. In addition, as part of our on-boarding process in these same areas, we verify with blue collar workers that they were not asked to pay such fees.

TRAINING & AWARENESS

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

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

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

In addition, the company's board of directors and top executives attended an in-person presentation aimed at raising their awareness and giving them an understanding of modern slavery and human trafficking issues, given by outside counsel specializing in the topic.

We have also launched on our Website a short video on our Supplier Code of Conduct which includes a portion on human rights and the Duty to Report. The video is available in four languages (English, French, Spanish and Portuguese).

**ALIGNING WITH GLOBAL INITIATIVES
AND BEST PRACTICES**

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

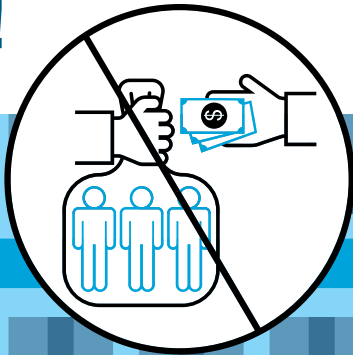
On July 30, 2020, the [World Day Against Trafficking in Persons](#), we took the opportunity, on our intranet, to reiterate our commitment to preventing modern slavery and human trafficking in our operations. Additionally, during our Integrity Week, in November 2020, we dedicated a day to modern slavery and human trafficking and shared useful information and facts on our intranet.



My passport is
being detained
without my
consent.

What should I do?

**SPEAK
UP!**



Modern slavery and human
trafficking are strictly
prohibited.

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

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





EFFECTIVENESS

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

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

OUR COMMITMENT

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

We do not tolerate any form of forced labor, slavery or human trafficking in any part of our business. As a signatory to the UNGC, we are committed to implementing internationally recognized best practices. This includes adhering to the sixth principle that addresses working conditions and human rights.

Our Code of Conduct and Supplier Code of Conduct specifically prohibit human trafficking as well as child and forced labor. All personnel must abide by our Code. In fact, they must undergo mandatory annual certification on the Code, followed by an exam that they need to pass to continue working with us. In terms of our operations, our sustainable business strategy is aligned with the UN Sustainable Development Goals. Our mission is to do business while taking into consideration the economic, social and environmental realities in different countries around the world.

This statement relates to our financial year that ended on December 31, 2020, and is made in accordance with the UK Modern Slavery Act 2015 and the Australian Modern Slavery Act 2018 (Cth). It applies to SNC-Lavalin Group Inc. and all its subsidiaries.



IAN L. EDWARDS
President and CEO
Member of the Board of Directors



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