



SNC • LAVALIN

MODERN SLAVERY AND HUMAN TRAFFICKING STATEMENT

2023

At SNC-Lavalin, we will not knowingly be complicit of human rights abuses. We work towards preventing modern slavery and human trafficking, including in our supply chain, and protecting individuals working directly or indirectly for SNC-Lavalin from any form of forced labor, child labor, modern slavery and human trafficking.





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STRUCTURE, OPERATIONS AND SUPPLY CHAIN

STRUCTURE AND OPERATIONS

Founded in 1911, SNC-Lavalin is one of the world's leading professional services and project management organizations, dedicated to engineering a better future for our planet and its people. SNC-Lavalin creates sustainable solutions that connect people, data and technology to design, deliver and operate the most complex projects across the world.

Markets

SNC-Lavalin is strongly positioned with a leading presence across Canada, the United States, and the United Kingdom, as well as targeted operations in Europe, the Middle East, Asia-Pacific, and Latin America. SNC-Lavalin has primary focus on the built and natural environment across seven clearly defined end markets:



TRANSPORTATION

Rail and Transit,
Road and Bridges,
Aviation and Ports



BUILDING & PLACES

Social Infrastructure,
Commercial and
Residential Property,
Urban Development



DEFENSE

Aerospace, Defense,
Security



INDUSTRIAL & MINING

Pharma, Agri-food, Data
Centres, Industrial,
Life Sciences, Mining
and Metallurgy



WATER

Water Utilities,
Industrial Water
Users, Water Resource
Management



POWER & RENEWABLES

Transmission and
Distribution, Energy
Storage, Hydropower,
Renewable Energy



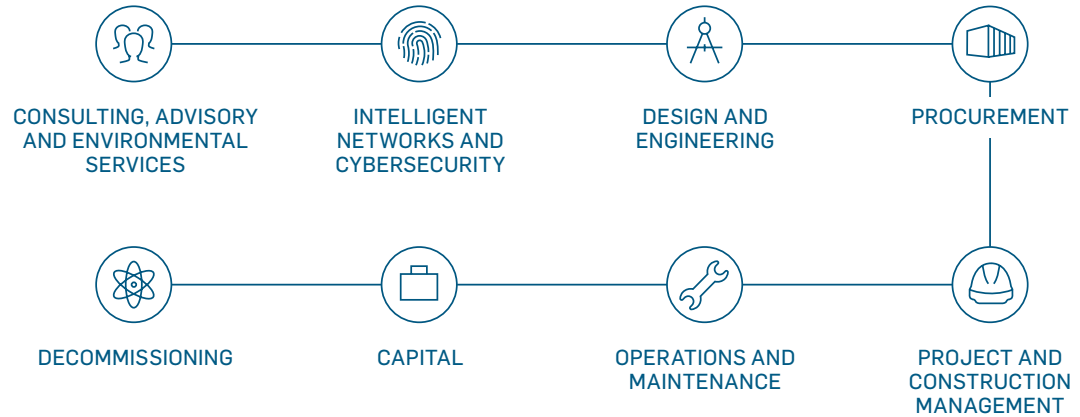
NUCLEAR

Waste Management
and Decommissioning,
Reactor Support,
New Build



Services

SNC-Lavalin deploys global capabilities locally to our clients and deliver unique end-to-end services across the whole life cycle of an asset, including:



Across our services, we leverage our capabilities to meet the demands of the future for our clients in decarbonization and sustainable solutions by connecting people, data and technology.

We harness our global scale to maintain a relentless focus on consistency, efficiency and operational excellence across our portfolio of services complemented by our regional delivery model. SNC-Lavalin offers services individually or as a seamless, integrated partner, on small projects, long-term frameworks, and through collaborative roles on major projects.

As a services business, everything we do is driven by our people and ideas. They have created an inclusive, diverse and energized work environment and share an open culture founded on our values: **SAFETY, INTEGRITY, INNOVATION** and **COLLABORATION**.

Growth & Long-Term Value

SNC-Lavalin creates value through the breadth and depth of our capabilities and by consistently delivering high quality services and solutions to all customers and projects. In addition to driving growth in our core markets and services, we have identified four key growth areas:

- > Leveraging our market leading UK Engineering Services capabilities to support the development of new services and projects globally.
- > Leveraging our Global Nuclear capabilities to support our clients' energy security and Net Zero goals.
- > Building scale and depth in our U.S. Engineering Services business.
- > Elevating our Canadian business to a market leading position by successfully delivering projects and services for our clients and stakeholders.

SUPPLY CHAIN

SNC-Lavalin acknowledges the importance of ensuring that our suppliers deliver their products and services in a responsible and ethical manner to us and to our clients. We are committed to partnering with our supply chain in a manner consistent with our core values. For information on standards demanded throughout our supply chain, [please watch this short video](#).

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 on the requirements of each project, participants in these supply chains might include subcontractors, equipment and material suppliers, labor brokers, recruitment agencies and a variety of specialized service providers.

RISKS

COMPLIANCE RISK ASSESSMENTS

The Compliance Risk Assessment (CRA) is designed to help us better understand risks that our business operations may face. The objective is to:

- > Produce focused and actionable information when defining risk;
- > Determine related remedial action within the organization; and
- > Enable the senior leadership to periodically verify the progress of remedial actions.

We determine the countries of focus using key risk indicators, including: the personnel headcount, Transparency International Corruption Perception Index, FCPA/UKBA Enforcement actions, revenue per country, Global Slavery Index, number of craft labourers. In each of the selected countries, we distribute a risk survey questionnaire to key managers with questions on bribery and corruption, antitrust, modern slavery, and lobbying. Then, the findings are summarized and discussed with the operational business and senior leadership. CRAs are undertaken every 18 months, to ensure we capture any new risks.

CRAFT LABOUR WORKERS

We understand and are aware of the risk craft and general labour workers, especially migrant workers are facing. Migrant workers are more vulnerable to modern slavery and human trafficking and often lack access to information and face language barriers. To that effect, we ensure the documentation and reporting line are available in a variety of languages.

RECRUITMENT PROCESS

It is well documented that the recruitment process, including the use of recruitment or placement agencies, may be a risk in terms of modern slavery. We engage and work in collaboration with our recruitment and placement agencies to ensure that no fees are charged or costs incurred of any kind by workers, that no documents are withheld and all applicable laws and industry standards on employee wages, working hours and minimum age are adhered to.







ACTIONS

POLICIES AND PROCEDURES

To ensure the transparency of the process, SNC-Lavalin makes all governance documents available to employees and main integrity-related governance documents available to the public.

Code of Conduct

Our [Code of Conduct](#) sets the standards of how we work. The compliance with the Code of Conduct is mandatory for all personnel. The Code of Conduct articulates our values and includes a section dedicated to modern slavery. We aim to maintain high ethical standards in the conduct of our business.

Compliance Procedure

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

Human Rights Policy

The [Human Rights Policy](#) sets out the expectations and guidelines with respect to human rights. SNC-Lavalin prohibits, among other things, all forms of modern slavery, forced labour and child labour. SNC-Lavalin permits workers to end, with appropriate notice, their employment; ensures workers maintain free access to their passports, identity papers, work permits, travel documents and other personal legal documents. SNC-Lavalin bears the full cost of recruitment and placement of personnel; prohibits compulsory and abusive overtime practices; pays wages regularly, directly and on time; respects the freedom of association and the rights to worker representation.

Suppliers and Counterparties

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](#) and the [Counterparty Code of Conduct](#) summarizes SNC-Lavalin's expectations and governing principles, including those related to human rights, modern slavery and human trafficking. The Suppliers and Counterparties with which we engage are expected to accept and adhere to our Supplier/Counterparty Code of Conduct.

Procurement

The Procurement Policy communicates SNC-Lavalin's procurement principles and rules and contributes to create and maintain effective supply chain management processes. Relevant governance documents include the Purchasing Management Procedure, Vendor Integrity work instruction 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 have human resources governance documents to protect our personnel and candidates from modern slavery and human trafficking and foster an equitable, diverse and inclusive culture. These include: the Human Resources Policy, Workplace Discrimination, Harassment and Violence Procedure and Equality, Diversity and Inclusion Policy.



Environmental, Social and Governance (ESG)

We believe our purpose is to engineer a better future for our planet and its people. This calling is as much about internal change – adopting robust ESG frameworks, setting internal targets, and always improving our practices - as it is about our impact on society.

This purpose is also reflected in our updated materiality assessment, which confirmed that one of SNC-Lavalin's main responsibilities is to manage the impacts of projects thoroughly and conscientiously. Going beyond the mitigation of environmental impacts, this responsibility also encompasses human rights' protection, social value creation and the maximization of community benefits.

DUTY TO REPORT

At SNC-Lavalin, all our personnel, suppliers and counterparties 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 available as per our Reporting work instruction. One such channel is an independent, confidential, and anonymous reporting line operated by an [external service provider](#). The reporting line allows anyone to report ethical and compliance concerns, including any concerns about modern slavery and human trafficking. The line is available for both SNC-Lavalin personnel and third parties who may potentially witness a violation. The line is staffed by individuals who speak a variety of languages, to facilitate communication and reporting in any region of the world.

We make sure our personnel can disclose, without fear of retaliation, concerns, complaints or allegations of known or suspected wrongdoing or misconduct, regardless of the local norms and culture. We review all reported matters and investigate when required, within a reasonable timeframe.

DUE DILIGENCE

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

- › The Vendor Integrity Verification process is an integral part of SNC-Lavalin's Integrity program. We use multiple screening tools and databases to ensure vendors are ethical through a rigorous screening, including an ongoing monitoring process on our business partners.
- › All clients for international projects undergo an Integrity Check. If there are any findings, a prior review and endorsement by the Integrity team. Our Integrity Checks verify if a third party is listed on any national or international risk and compliance databases and watch lists (including denied and sanctions lists), has a history of corruption, collusion, fraud or labor/human right violations or related issues through adverse media and publicly available information research, whether it is a state-owned entity/politically exposed people, or appears on SNC-Lavalin's Reference List before we decide whether to proceed with engaging them.
- › A uniform risk assessment of business partners performing intermediary functions on our behalf is a companywide 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 transaction. The risk rating determines the subsequent action (e.g., due diligence, approval requirements and mandatory contractual clauses) taken regarding business partners.
- › Counterparties/Suppliers are required to accept integrity-related contractual provisions and adhere to our Counterparty/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 areas, we verify with craft and general labour workers that they were not asked to pay such fees.

TRAINING AND AWARENESS

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

For our craft and general labor workforce, we ensure awareness of our Code of Conduct and values by providing information by various means such as onboarding presentations and posters. Pictograms have specifically been developed to aid with the 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. It gives real-life examples and advice on 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 explains human trafficking, how to recognize it, and suggests compliance strategies to use internally and throughout the supply chains. Every member of our Board of Directors has completed it as part of their on-boarding. It is also available to all our employees and each manager may, at their discretion, assign it to their employees.

On our website, we have 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

SNC-Lavalin has been a signatory of the UN Global Compact since 2015, progressing corporate and project initiatives across all Sustainable Development Goals (SDGs). SDGs are far-reaching and recognize that ending poverty and other deprivations must go together with strategies that improve health and education, reduce inequality, and spur economic growth – all while tackling climate change and working to preserve our oceans and forests.

SNC-Lavalin is also taking part in initiatives fostering global societal improvement, such as:

- › Trace International, Inc. is a globally recognized anti-bribery business organization and leading provider of third-party risk management solutions.
- › PACI Vanguard, a CEO community consisting of 25 CEOs from various industries across the world collaborating in the fight against corruption.
- › The World Economic Forum's Stakeholder Capitalism Metrics Initiative, which aims at unlocking long-term value through greater transparency, accountability and business transformation.
- › Progressive Aboriginal Relations (PAR) program an online management and reporting program that supports progressive improvement in Aboriginal relations, and a certification program that confirms corporate performance.
- › The United Nations Framework Convention on Climate Change's (UNFCCC) Race to Zero, a global campaign rallying non-state actors to take rigorous and immediate action to halve global emissions by 2030.
- › The Science-Based Targets Initiative (SBTi), etc.

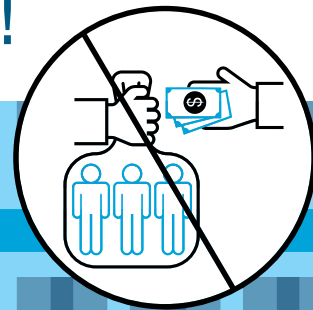




My passport is being detained without my consent.

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 reducing the risk of modern slavery. We review all reported matters and investigate when required, within a reasonable timeframe. We keep track of all our employees' mandatory training sessions: ensuring it is completed on time and following up when necessary. We have audit processes to flag, identify and address potential weaknesses or risks. 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.

COMPLIANCE CONTROL FRAMEWORK

SNC-Lavalin uses its Compliance Control Framework (CCF) to test and monitor the internal controls that comprise its Integrity Program. Led by the Compliance Investigations team, the CCF tests the integrity program key controls. These controls are sampled and tested to determine whether the Integrity Program is being effectively implemented.

For each control procedure of the CCF, we assess the design (i.e., whether the control mitigates the compliance risk identified) and its operating effectiveness (i.e., whether the control operates as planned). To assess the controls operating effectiveness, the control procedures are tested on a sample basis, consistent with our Internal Audit department's methodology. Testing is performed by obtaining documentation supporting the occurrence of the control procedure and sample sizes are determined based on controls frequency.

OUR COMMITMENT

At SNC-Lavalin, we will not knowingly be complicit of human rights abuses. We work towards preventing modern slavery and human trafficking, including in our supply chain, and protecting individuals working directly or indirectly for SNC-Lavalin from any form of forced labor, child labor, modern slavery and human trafficking.

APPROVAL

This statement relates to our financial year that ended on December 31, 2022, and is made in accordance with the UK Modern Slavery Act 2015. It applies to SNC-Lavalin Group Inc. and all its subsidiaries.

This statement has been approved by the Board of Directors of SNC-Lavalin Group Inc. and is hereby signed SNC-Lavalin Group Inc.'s President and Chief Executive Officer.



IAN L. EDWARDS
President and CEO

BOARD OF DIRECTORS
SNC-Lavalin Group Inc.



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REPORTING ENTITY:

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