



# LAB DISCLOSURE FOR THE UK MODERN SLAVERY ACT FOR FY19

## I. INTRODUCTION

At **LAB SA**, we believe we have a responsibility to conduct our business in an ethical way. We expect the same from our suppliers, and focus on working with long-term, strategic partners that demonstrate a commitment to engaging their workers, safe working conditions and environmental responsibility. This includes working to combat risks of forced labor, modern slavery and human trafficking.

The present statement is made pursuant to Section 54 of the Modern Slavery Act 2015 and sets out the steps **LAB SA** has implemented to ensure that slavery, servitude, forced or compulsory labour, and human trafficking, collectively **Modern Slavery**, is not taking place in any part of its business or in its supply chains.

## II. COMPANY OVERVIEW AND SUPPLY CHAIN STRUCTURE

**LAB SA** is a subsidiary of **CNIM Group**, and is committing to offer the latest technology (B.A.T.) and competitive solutions that enable our customers to increase the profitability of their thermal plants while reducing drastically consequences on environment, for AIR, WATER and SOIL. We act to achieve these goals as a globally engineering, construction and services entity, providing to its worldwide customers integrated solutions.

We are focusing on quality, long-term supply agreements with our suppliers that are committed to our strict standards of sustainability and product excellence. As part of our growth strategy, we seek suppliers all around the world. For Fiscal Year 2019, 6,3% of our purchase orders (regarding to the global amount of purchase in 2019) were placed in countries outside European Union.

## III. POLICIES AND PRACTICES

**LAB SA** commitment is to act with integrity in all its business dealings, and to promote ethical conduct to enhance compliance with applicable laws, and to provide guidance with respect to business conduct.

As subsidiary of **CNIM Group**, **LAB SA** is applying charters and general codes coming from the group, and most particularly:

- [CNIM Group Purchasing Policy](#) which is available online on CNIM website.

The Purchasing Policy of the **CNIM Group** aims to build with suppliers long-term, balanced relationships that are profitable for both parties, with a view to satisfying our clients and contributing to achieving the Group's objectives in terms of profitability, performance and innovation.

In all countries where the Group operates, our ambition is to carry out our purchasing activities with integrity, while respecting **CNIM's** core values: Excellence, Creativity, Commitment and Confidence.

- [CNIM Whistle Blowing Procedure](#) which is available on CNIM website.

**CNIM Group's** employees can refer to the whistle blowing procedure to report any breaches regarding Ethics and Integrity.



- [CNIM Declaration from the Management Board on respecting fundamental rights in the workplace](#) which is available on CNIM website.

With this declaration, CNIM's Management Board wishes to affirm its commitment to improving individual and collective working conditions, promoting this policy and involving the entire chain of its subcontractors and suppliers.

#### **IV. SUPPLIER DUE DILIGENCE**

LAB SA ensures that its new suppliers are carefully chosen by performing qualification audits prior to placing the first purchase order.

In addition, for strategic suppliers located in a country considered "at risks", a social and ethical audit could be carry out by a specialized auditing company, regarding SMETA 6.0 requirements. For FY19, 1 audit has been performed leading to improvement actions for the supplier. LAB SA will maintain this approach for 2020.

Moreover, for each contract with LAB SA, it is mandatory for our suppliers to commit themselves to our general rules and values, by signing our Purchasing Conditions which include a paragraph dealing with risk of **Modern Slavery**.


Finally, any new supplier has to commit his organization on the respect of these rules by answering LAB SA Purchasing Qualification Questionnaire which contains a statement dealing with risk of **Modern Slavery**.

#### **V. TRAINING AND AWARENESS**

LAB SA conducts regular trainings for its employees to ensure compliance with legal requirements in order to enable us to reduce business risk of non-compliance regarding **Modern Slavery**. All documentation, policies and updates are provided to everyone within the company for easy access via the internal employee portal.

**We will still continue to respect the human rights and to promote it in the countries where we and our suppliers operate.**

This statement, covering financial year ending 31 December 2019, has been approved by the Managing Board of LAB SA and has been duly signed by the general manager.

  
Richard BUDIN  
Managing Director  
LAB SA

Date: June 16, 2020