

Corporate social responsibility report

2019-2020

Our values of Passion, Curiosity, Integrity, Brilliance and Respect embrace our employees' commitment and dedication to using science to work with our customers to make the world safer, and are deeply rooted in the behaviours we expect from all our colleagues.

Passion

Pride in our achievements engenders passion for our work and it translates into our ambition to make the world a safer place. We expect our employees to strive to continuously push boundaries, challenge the norm and come to work with an infectious energy to do their best every day.



Curiosity

We constantly look forward to what's next: our curiosity for today's discoveries makes tomorrow's innovations possible. We expect our employees to share their knowledge and expertise with each other and challenge the status quo. We anticipate our employees will discover creative and innovative solutions that will enable our customers and LGC to



Integrity

A commitment to high ethical standards has been at the heart of LGC since we started testing the integrity of products in 1842. Today, integrity is embedded throughout our business: we develop and deliver solutions that match our commitments. We demonstrate transparency and openness in all our actions. We expect our employees to trust the people they work with to do the right thing, to behave ethically at all times and to take accountability for their actions.



Brilliance

We strive to be the very best in everything we say and do. We exceed customers' expectations through innovation and pioneering science. We set the bar high for success and keep raising that bar. We expect our employees to achieve more by working together collaboratively and to meet customers' needs with agility, adaptability and speed.



Respect

We respect gender, age, nationality, religion and individuality – our diversity is our strength. We appreciate the skills, knowledge and strength of employees, teams and the Group as a whole, and respect our customers, their samples (where appropriate) and our environment at large.



Company highlights

3,361 employees

working out of 53 global locations in 19 countries

(end March 2020



Pharma & biotech

- Our API and impurity reference materials assist pharmaceutical manufacturers worldwide, from drug discovery to manufacturing, supporting the provision of safe, effective and affordable medicines for all.
- Our nucleic acid chemistries and manufacturing solutions are critical to the development of life-changing therapies.
- Our bioanalytical work helps understand the metabolism of new drugs and the potential for adverse immune response to novel bio-therapeutics.

Research & Government

 As the UK's National Measurement Laboratory, we ensure trust and confidence in the chemical and biological measurements performed routinely within the UK as well as linking to international standardisation frameworks.

Key numbers

- 83% of employees participated in our Employee Engagement Survey in FY19 and 75% participated in FY20. Overall satisfaction and engagement in both years achieved either 'Excellent', 'Very Good' or 'Good' responses.
- LGC employees raised £37,054.61 for Prostate Cancer UK in FY19 and £21,067.18 for WaterAid in FY20.
- Just under 1,300 employees across the group voted for our current corporate charity WaterAid; we are raising funds for them throughout FY20-21.
- 635 Cheers awards were received and over £35,000 has been awarded to our employees in FY19 and FY20, recognising our colleagues' exceptional actions, achievements or behaviours as part of our peer-to-peer Cheers recognition programme.
- 42 nominations were received as part of our annual awards in FY19, recognising at least 246 employees across the group.

Our work

Contribution to COVID-19 pandemic

We are involved in many aspects of the global COVID-19 pandemic response, from providing the chemistry that goes into testing kits, quality control materials to support diagnostic testing and specialist support for the development of vaccines and medicines to treat the disease.

Clinical & diagnostics

- Our NGS quality control reference materials help medical technicians to build, validate, implement and standardise better assays, enabling clinicians to provide more accurate, targeted patient care.
- Our synthetic oligo probes underpin molecular diagnostics, reducing the need for invasive screening for cancer patients.

Applied

- Our pesticide reference materials support the food industry in meeting ever more stringent food safety regulations, helping to protect the integrity of the food supply for a growing global population.
- Our high throughput genomic analysis tools optimise large scale breeding programmes, accelerating breeding cycles and allowing agricultural companies to take their crop to market faster.

Note from Tim

Science for a safer world

Science is at the heart of LGC's business. We are passionate about providing the highest standard of life science tools to our customers and building on LGC's strong foundations, securing a healthy and vibrant future for our company.

Each day, our world is presented with new challenges and opportunities. At LGC, we are committed to meeting these head on and delivering world-class outcomes for our customers across the globe, helping to ensure science for a safer world.

Changing business landscape

LGC recognises the world is changing at an unprecedented pace, particularly as we adapt to the impact of a new and uncertain COVID world. LGC has a growing list of over 100 COVID-19 offerings available to our customers and the market place. These capabilities are spread across viral testing, antibody testing, vaccine development, treatment development and underpinned by our vital work in measurement science, to ensure appropriate quality and standardisation of response.

We are working on bringing our strategy, risk, procurement, business development and other functions closer together, to improve our operational sustainability across the company. This is a complex and multifaceted task but we understand the importance and responsibility LGC has to deliver a sustainable business. We have strengthened our internal networks across the company over the past two years and we are in the process of setting new targets to drive sustainable performance across the group.

Employee wellbeing

Our employees are key to the delivery of our science; their well-being and knowledge has and always will be of paramount importance to us and we endeavour to nurture and develop every individual.

Our employees affirm our company's purpose and we work together to ensure we provide a positive and supportive working environment for everyone. We regularly engage with our colleagues through an annual engagement survey and their feedback is invaluable. It helps us to prioritise activities within our business strategy and to find ways to support and improve our employee's wellbeing.

Diversity & inclusion

We know that creating a diverse and inclusive work environment is an essential part of making LGC a great place to work and build a career. Our aim is to encourage a culture of inclusiveness, free from bias and discrimination and help create a truly diverse organisation within LGC. Through our colleagues' feedback, we are identifying what is working well within LGC and more importantly, areas we can improve on.

Focus for the future

Much of our work helps improve the quality of life within society. Our agile business approach means that we have been able to respond quickly to the COVID pandemic and this agility enables us to adapt to an ever-changing future.

LGC's focus for the future is to help our customers tackle the issues our world and societies face. Our scientific expertise and curiosity, coupled with our commitment to responsible business, will help us achieve greater success and build a safer world. We are committed to delivering business value and to continuously strengthening our focus on science for a safer world.

Tim Robinson

Chief Executive Officer, LGC



Our people

Our people are our most important asset, our goal is to attract, inspire, develop, reward and retain our employees; we invest in their future through a focus on learning, development and career progression. We want passionate, curious, brilliant people working at LGC and in return we ensure that we nurture and support their development and success. We apply a dynamic approach to reward and recognition, linking an employee's contribution with our strategic business priorities.

We also support our employees through our formal performance (PPDR) process and talent review programme, as well as encouraging employees to discuss their development, career aspirations and next steps with their line manager on a regular basis. LGC also has a formal Talent Management programme with the objective of enabling our people to reach their full potential.

Diversity and Inclusion

- LGC aims to provide a welcoming and respectful environment, where all voices are heard and people can be themselves, this enriches our workplace in many different ways. It brings us opportunities to deliver on our core purpose and help make the world safer for all.

We are continuously reviewing our approach to Diversity and Inclusion (D&I) and we are committed to creating a broader D&I strategy and action plan in our journey.

We are making progress in building targeted initiatives to support women in leadership. LGC has been a member of the WISE campaign for the last two years. Their mission is for gender balance in science, technology and engineering in the UK. WISE enables people in business, industry and education to increase the participation, contribution and success of women in science, technology, engineering (STEM). mathematics and membership of WISE means that all of our employees across the group (both male and female) can access support to develop their career.

Celebrating success

- 'Cheers' are awarded each month to employees by their peers, to show appreciation for colleagues who demonstrate LGC's Core Values through their work.



Training and development

- We invest in employee training and professional development. Employees receive mentoring and coaching to supplement on-the-job experience and receive regular performance feedback from managers. We offer skills based workshops, as well as management and leadership development workshops to maximise

performance and support career development. In the last year, we have invested in a global Learning Management System, which supports a new Learning Framework for LGC, enabling us to drive business outcomes by connecting employee learning and development plans to strategic goals and performance.

Employee wellbeing

- We run an annual Employee Engagement Survey across the group, helping us to ensure we provide a positive and supportive working environment for all our employees

FY19

We had an excellent completion rate of 83%. Almost 80% of questions achieved good, very good or excellent overall mean scores. 'Overall Engagement' was rated excellent and showed a slight increase from FY18.

FY20

We reached a 75% response rate, with 80% of questions achieving 'Excellent', 'Very Good' or 'Good' overall mean scores.

- Due to the great success and participation rates of the Virgin Pulse Global Challenge in FY18, we signed up once more to the challenge in FY20. The challenge allows employees to team up and compete with each other in a good-natured health and wellbeing challenge, focusing on physical and mental wellbeing. 78% of employees say the challenge improved their relationship with exercise and 71% of employees hit the target of 10,000 steps or more per day.

Collectively employees took 1,606,698,063 steps, equalling 1,028,287km walked. That is the equivalent of walking the around the earth's diameter over 80 times!

-Volunteers were sought at five of our UK sites, to complete a two-day Mental Health First Aid (MHFA) training course. We now have a team of over 20 fully trained MHFAs. We hope to extend this training to other sites in the future.

Collaboration and communication

- Our ethos, 'One LGC', gives all our employees the opportunity to easily collaborate and communicate with their peers, no matter their location or seniority, to hear and to be heard. We have introduced and are developing a number of initiatives to help promote channels that enable better communication and collaboration.

Employee communication network

A dynamic communications network, fostering dialogue between all our sites and ensuring corporate communication is not only 'top down' but becomes a push/ pull model

Internal, science focused, intranet discussion board

Enabling employees to reach out and ask the wider LGC scientific community for expertise and advice from their peers

Ask the ELT

Opportunity for employees to pose questions to senior leadership via our intranet, about areas of interest or queries about the current business landscape

Environment

A number of environmental initiatives have been implemented across LGC, during FY19 and FY20, both from an employee and business led perspective. Green Groups have been established at a number of our sites; these are employee led groups, with the aim to help LGC improve its local environmental performance by encouraging recycling and providing energy saving

support and ideas. Implemented ideas include:

- recycling of non-hazardous nitrile gloves and pipettes where possible;
- energy saving reminder stickers to turn off monitors and equipment;
- recycling of single use coffee cups and pods at some sites.

As a company, LGC is strongly committed to implementing environmentally led changes, where possible. Company led initiatives include

- Upgrading conference room facilities at a number of sites, reducing the need to travel;
- Evaluating tip-washing technology to enable the reuse of some pipette tips and reduce the amount of plastic waste generated:
- Approaching suppliers to reduce the amount of packaging used when sending orders:
- Evaluating the facilities for segregating waste to make recycling easier and therefore reduce the amount of waste potentially sent to landfill;
- Re-using as much polystyrene and packing material as is safely possible by our dispatch teams, across relevant sites;

- Implementation of centralised recycling bins to reduce levels of waste and encourage more recycling;
- Consolidating IT infrastructure in the US to a centralised data centre, to reduce the need to maintain inefficient server rooms at each US site:
- Gifting all employees a reusable coffee cup and straws at Christmas, leading to a reduction in non-recyclable/one use cups being thrown away (our Petaluma and Novato sites have reported an estimated 78% decrease in disposable cup waste in FY20 compared to FY19 as a result).

We continue to be committed to acting responsibly in order to minimise the environmental impact of our business and meet our obligations to the environment. We have achieved this through adhering to statutory requirements, monitoring of our operational environmental impacts and regular independent audits from the Enterprise Risk management Team.



Our environmental strategy:

LGC strives to increase the transparency, quality and coverage of the data gathered for environmental performance reporting. A Group Environmental Manual, aligned with ISO 14001 requirements, has been implemented across our divisions. The manual provides a framework for sites to work towards a local Environmental Management System based on the principles of ISO14001.

We regularly review the operational environmental aspects that have been determined to have or potentially have the highest impact on the environment. Where possible we have developed governance programmes and tools to enable us to monitor

and evaluate ways to improve the following environmental key performance indicators:

- Energy consumption within our directly managed testing and manufacturing sites and offices;
- Water consumption at sites managed by LGC;
- Waste generated within our offices and testing and manufacturing sites, including general and recycled waste;
- Business travel, including distance, fuel consumption and type of travel;
- Solvents and other bulk substances purchased and used for testing and manufacturing purposes;
- Packaging purchased, including type and quantities.

Community and charity

Every two years, our employees have the opportunity to nominate a charity they wish LGC to support as our corporate charity. Employees vote for one of these charities, which is then supported across the group,

through numerous fundraising activities. To support our charitable cause further, LGC matches charitable contributions raised by our employees through their fundraising activities.



Governance

The Enterprise Risk Management (ERM) team is responsible for producing top-level policies, supplementary tools and guidance related to a wide range of topics including Health & Safety, Quality, Environment, Security, Risk and Business Continuity and Cyber Security, in order to meet our business and legal requirements.

The ERM team works closely with representatives across all of LGC's divisions. The team provides a range of training workshops and programs aimed at keeping our people safe, protecting the environment, and continually enhancing business resilience. ERM is responsible for delivering an independent level of assurance that key policies are being followed, via a programme of impartial compliance audits, KPIs and monthly reporting.

This demonstrates to stakeholders how risk is being measured, evaluated, monitored and managed.

CSR and our suppliers

LGC holds ISO14001 Environmental certification for our Teddington and Twickenham (UK) sites and works towards these principles at other sites across the Group.

LGC participates in the EcoVadis CSR rating assessment process. This provides evidence of our commitment to a range of values including labour and human rights, ethics, sustainable procurement, environment and CSR values, both to internal and external stakeholders.

LGC is compliant with Modern Slavery legislation in the UK and USA, and has the appropriate references on our website.

Where possible we use suppliers that operate in a sustainable way to minimise the impact of waste on the environment.



We have now implemented a Supplier Code of Conduct that all suppliers are expected to commit to as a condition of doing business with LGC. Our suppliers are required to ensure this code of conduct is communicated to their employees and subcontractors. Areas they must commit to are:

- Following laws and regulations
- Labour standards
- Health and safety
- Environmental
- Business integrity
- Supply chain transparency.

For more information on our policies visit lgcgroup.com.



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