



Corporate social responsibility report

2017-2018

Our values

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 grow and evolve.



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

2,626
employees

working at 62
locations in 23
countries

(31 March 2018)



Key numbers

- **1,200** employees worldwide took part in the Global Challenge 2017, together walking 540,734 miles and 1,359,792,432 steps. **70%** of employees met the recommended physical activity levels, up from just 16% at the beginning of the challenge.
- **86%** of employees participated in our Employee Engagement Survey, with 86% of participants identifying as strongly committed to helping LGC achieve its vision.
- LGC raised **£24,783.96** for the MS Society in 2017-2018.

Our work

Standards

- We provide proficiency testing services to over 8,000 participating laboratories in over 150 countries around the world, producing and distributing in excess of 250,000 test materials per annum.
- We offer over 100,000 reference materials, as well as a range of over 75 proficiency testing schemes worldwide, ensuring the safety of many every day and essential products.

Genomics

- Our KASP™ marker panel has helped to naturally select drought-tolerant maize in Asia, which will allow for higher yields and help meet the demand to feed the growing population in the region.
- Our genomics work specialises in sophisticated, custom oligonucleotide-based tools, which allow our customers to accelerate the discovery and application of genomic information in molecular diagnostics and applied sciences.

Health Science & Innovation

- The work of our Health Science & Innovation division underpins all of LGC's science, developing new reference materials, refereeing cases for UK Government, partnering on important health studies and acting as the UK's National Measurement Laboratory.
- Our drug development solutions team provide bioanalysis and analytical services for all therapeutic types and high-end synthesis, biology and cGMP manufacture in the exciting and rapidly emerging area of oligonucleotide therapeutics and nucleic acid medicines.



2017-2018 report

Delivering science for a safer world:

2017-2018 was a big year for LGC; we welcomed many new colleagues around the world and said goodbye to our Forensics and Security division, a longstanding, respected team. And throughout the year, LGC was able to focus and reaffirm our commitment to 'Science for a safer world.'

Much of our work is aimed at improving the quality of life within society. We also recognise that how we conduct business has an important part to play. 'Science for a safer world' not only applies to our commercial endeavours, but also impacts on our employees, communities, customers and the environment.

Each day, our world is presented with new challenges and opportunities due to an ageing population, globalisation and increased regulation of our markets. At LGC, we use our expertise, world-class facilities and cutting-edge research to provide our customers with the science and tools to operate in their labs. In turn, this helps safeguard customers and the environment, and improve quality of life.

Celebrating 175 years:

In October 2017, our 175th Anniversary Conference brought together scientists beyond our business from all over the world. Employees and customers alike were able to meet and confer about the future of their fields. A poster competition highlighting the work of our emerging scientists demonstrated the promising sustainable future of the company.

LGC people:

Our employees are our most important asset and their feedback is crucial to understand where we are successful as an employer and, perhaps more importantly, where we can improve. Our annual Employee Engagement Survey helps us pinpoint our strengths and what we can do better. This year's survey achieved an impressive 86% response rate.

Likewise, we take the well-being and development of our employees very seriously and offer many opportunities to participate in health-focused activities. As part of the Global Challenge 2017, our employees collectively walked a remarkable 540,734 miles, taking over 1.3 billion steps along the way!

LGC and the environment:

We are always looking for ways to reduce our environmental impact and we recognise the importance sustainable development plays in leading beneficial change into the organisation. We seek to minimise our carbon footprint, our use of plastic as well as our energy and water consumption wherever possible. We are looking to increase our recycling efforts, in our offices, our manufacturing sites and our labs.

LGC charitable donations:

Each year, our employees nominate charities they wish to support as our corporate charity, and the chosen charity is supported across the organisation, through a number of fundraising activities.

To further promote our charitable cause, LGC matches charitable contributions that are raised through team events. Last financial year, we raised £24,783.96 for the MS Society through pub quizzes, global and local raffles, scavenger hunts and much more, providing a lot of fun for our employees in the process.

LGC and our customers:

We are extremely proud of the work we do with our customers and what we accomplish together. Whether through our clinical diagnostics products, our drug development solutions, the agricultural biotechnology development we enable or expertise in supporting research, our science has a positive impact on the world.

Our inorganic certified reference materials are used to keep drinking water, food and soil free

from toxic metals. Informed Sport and Informed Choice protect the health of athletes and the integrity of sport. Our genomics work in building custom oligonucleotide-based tools advances research and application in molecular diagnostics.

We operate an Environmental Management System aligned with ISO 14001. At LGC, we seek to continuously improve on our targets and embed a culture of progress, creating a stronger future for our employees, our organisation, stakeholders and environment.

As such, corporate social responsibility is essential to our success. Engaged employees contribute

to developing science to build a safer world, which enables our customers to realise their own goals through safe science. And our customer success ultimately places us in an ideal position to give back to our communities and take greater care of the environment.

Our scientific expertise and curiosity, coupled with our commitment to responsible business, will help us achieve greater success and build a safer world.

Tim Robinson

Chief Executive Officer, LGC

During this past financial year, we've raised £24,783.96 for the MS Society





Science for a safer world

Employees

Celebrating success

- **Annual awards** are held in May each year, and employees can be nominated for awards in six categories: One LGC, Operations, IP and Innovation, Science, Commercial and Values.
- **'Cheers'** are awarded to employees by their peers to show appreciation for colleagues who demonstrate LGC's core values through their work and behaviour.

Training and development

- We offer over 130 training courses and events to employees each year and support employees in seeking out training opportunities that will develop their careers.

Employee well-being

- We took part in the Virgin Pulse Global Challenge 2017, allowing employees to team up and compete against each other in a good-natured health initiative.
- We encourage employees to forego the daily commute by car, bus or train and instead opt for the healthier alternative, cycling.
- 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. We achieved an impressive completion rate of 86% this year, up from 83% the previous year.



Environment

We are committed to acting responsibly to meet our obligations to the environment, complying with all relevant environmental legislative requirements.

We operate an Environmental Management System aligned with ISO 14001 principles. We actively seek to minimise the environmental impact

of our business operations through adherence to statutory requirements and the application of in-house specialist skills. We are working on a number of initiatives, which aim to increase recycling and minimise the single use of plastic across offices, manufacturing sites and offices.

Our environmental strategy:

We are working to increase data transparency, quality and coverage of our environmental performance reporting across the Group. An environmental manual has been developed, which follows the principles of ISO 14001, and is currently being implemented across the divisions. We have determined the operational environmental

aspects that have or potentially have the highest impact on the environment. Based on these, we will be developing a governance programme and tools in the next financial year in order to measure 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 testing and manufacturing sites, including general and recycled waste;
- Business travel, including distance and fuel consumption;
- Solvents and other bulk substances purchased and used for testing and manufacturing purposes;
- Packaging purchased, including type and quantities.





Science for a safer world

Community and charity

- Each year, our employees nominate charities they hope to support and we participate in global and local fundraising for the chosen charity.

- To encourage engagement with corporate charity activities, we match donations raised during team-building events, bringing the total raised for the MS Society in the last financial year to **£24,783.96**.

- Local fundraising efforts have included pub quizzes, bake sales, sponsored cycle rides and other sporting events. One of our teams even got together to pull a Boeing 757 aircraft to raise funds and awareness for the MS Society.



In addition to our global corporate charity, some LGC sites take the initiative to support their local communities. Efforts include Christmas toy and canned food drives, collecting pet food for local humane societies, collecting cold weather clothing for the homeless and making holiday cards for veterans.

Outcomes for our customers

Our scientific expertise enables our customers to achieve their objectives – meeting the environmental, health and food challenges posed by an ageing and growing population, the globalisation of our markets or increased regulation in many markets. This is ‘Science for a safer world’ in action.

Food & environment

- Our Dr Ehrenstorfer reference materials offer over 8,000 products to the residue analysis and environmental testing market. These are fundamental to the reliability of analytical results, upon which key decisions on the environmental safety and quality of products and processes are made every day by our customers around the world.
- We partner with the African Orphan Crops Consortium to ensure its members have access to affordable sequencing kits and services to support the development of drought-resistant crops.
- Our research in genomics fosters the study of future agricultural solutions, which allows customers to discover and develop new methods for sustainable food supply chains.

Healthcare

- Our biomarker standards and controls give confidence in diagnostic instruments and testing labs.
- Our bioanalysis and analytical drug development solutions support manufacture and help understand the safety and efficacy of new therapies, from small molecules through to large, complex proteins.
- Our oligonucleotide products, synthetic chemistry and analytical technology help discover and bring novel gene- and cell-based therapies to market.
- Our Informed Sport programme tests over 13,000 products and supplements each year, minimising the risk associated with sports nutrition products for athletes around the world.

Enabling laboratory tools

- We offer over 100,000 reference materials to analytical laboratories and we provide proficiency testing services to laboratories in more than 150 countries around the world, as well as over 75 proficiency testing schemes worldwide. This supports our customers’ quality control in the laboratory, ensuring the safety of many everyday and essential products.
- Our IntelliQube® high throughput instrumentation allows customers to achieve quality data with repeatable results and increase laboratory efficiencies.
- Our genomics work specialises in sophisticated, custom oligonucleotide-based tools, which allow our customers to accelerate the discovery and application of genomic information in molecular diagnostics and applied sciences.
- Our knowledge transfer activities ensure that the expertise developed within our role as the UK’s National Measurement Laboratory is effectively disseminated, to support organisations in making valid measurements.



Governance

The Group Enterprise Risk Management (ERM) team was established to develop Group policies, tools and guidance aligned to LGC's operations in order to meet our business and legal requirements. ERM provides an independent level of compliance assurance, demonstrating to stakeholders how risk is measured, evaluated, monitored and managed across a wide range of topics including health and safety, environment, security, facilities and cyber-security, amongst others.

ERM works closely with representatives from all divisions, supporting them in the development of divisional risk registers and business continuity plans relevant to their operations.

CSR and our suppliers

We hold ISO 14001 environmental certification for our Teddington and Twickenham sites and work towards these principles at other UK locations.

We are compliant with Modern Slavery legislation and we have 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 are working on a Supplier Code of Conduct, which we aim to have in place for FY19.

For more information on our policies visit lgcgroup.com.





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