



Environmental, Social and Governance (ESG) report

For the year ending 31 March 2023

LGC



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Message from Euan O'Sullivan, President & Chief Executive Officer

I am pleased to introduce our Environmental, Social and Governance (ESG) report for the year ending 31 March 2023. This is our third ESG report using the Global Reporting Initiative (GRI) Standards reporting framework.

ESG criteria are central to our purpose of Science for a Safer World, and I am proud to share how, alongside our customers and partners, we have continued to drive science forward to solve some of the most complex challenges facing our society and our planet. From pioneering new ways to diagnose disease, to measurements which enable new health treatments, from helping farmers grow crops more sustainably, to ensuring the food on our plate is safe to eat.

In last year's report, I set out five ESG key performance indicators (KPIs), which along with our 2050 carbon net zero target, are the focus of our ESG activity. Whilst we have made good progress on a number of these, we recognise we need to do more.

In this report, we set out our performance through the framework of Purpose, People, Planet and Products. Some of the achievements I would particularly like to draw attention to include:

OUR PURPOSE

With our customers and partners we have advanced developments in oligonucleotide-based medicines, furthered measurement techniques for contaminants in recycled plastics and provided unique reference materials to support accurate prenatal testing.

OUR PEOPLE

We continue to strive to make LGC a sustainably great place to work for our ~4,000 colleagues. This includes increasing parental leave for colleagues in the US, training more mental health first aiders and expanding our work around diversity, equity and inclusion.

OUR PLANET

We have made tangible progress on our carbon net zero commitment. During the past year, over 50% of the electricity used at our sites was generated by renewable sources and we installed solar panels at our site in Bury, UK. As a result we have decreased the greenhouse gas emissions associated with the energy used at our sites by 17%.

OUR PRODUCTS

Our teams are accelerating their work with our customers to improve the environmental credentials of our mission-critical tools and solutions. From developing products which need less in-laboratory plastic consumables, to reducing the packaging required to transport our products safely to our customers.

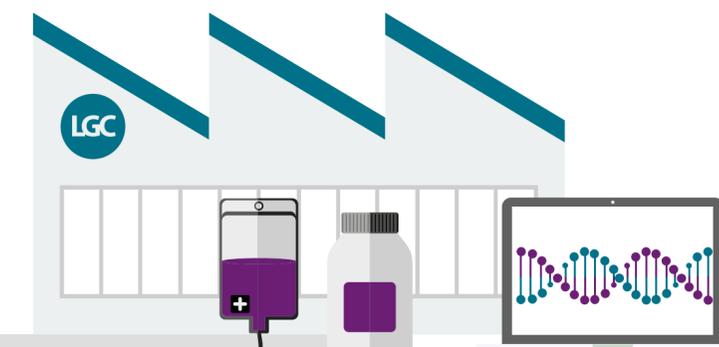
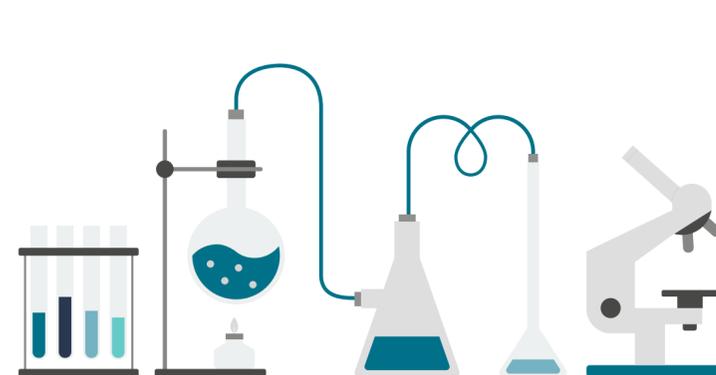
Looking to the year ahead, like many other global companies, LGC faces a challenging macro-economic and geopolitical environment. As we navigate this landscape, sustainability represents an important strategic driver for LGC, helping transform how we do business.

Through our sustainability agenda we can strengthen relationships with our customers, improve our operational efficiency and productivity, in turn creating a more agile, scalable and sustainable business.

Ultimately, it is our brilliant people who make it possible to deliver on our purpose – Science for a Safer World. I would like to thank all my colleagues for their contribution to this critical strategic agenda, as well as for their continued support in making LGC a great place to work.

Euan O'Sullivan,
President & CEO

Highlights



OUR PURPOSE

New reference materials to support accurate, non-invasive prenatal testing (NIPT).

Over **3,500 research chemicals now available** for the development of new cancer therapies.

Launched version 9 of the BRCGS Global Standard for Food Safety, **used by 22,000 manufacturing sites globally.**

OUR PEOPLE

Berlin site wins **‘top family-friendly workplace’** award for third year running.

Over \$94,000 raised for our corporate charity, the Coalition for Rainforest Nations (CfRN).

6,250 hours of leadership and management learning delivered.

1,145 Cheers Awards worth over **£109,000 awarded to colleagues**, as part of our peer-to-peer recognition programme.

OUR PLANET

Over **50% of electricity** from renewable sources.

Solar panels installed in Bury, UK providing 10% of on-site electricity demand.

17% reduction in scope 1 and 2 greenhouse gas emissions.

OUR PRODUCTS

One of the first companies in Ireland to be certified **against the EU In Vitro Diagnostic Regulation.**

43% of cardboard packaging from certified sustainable sources.

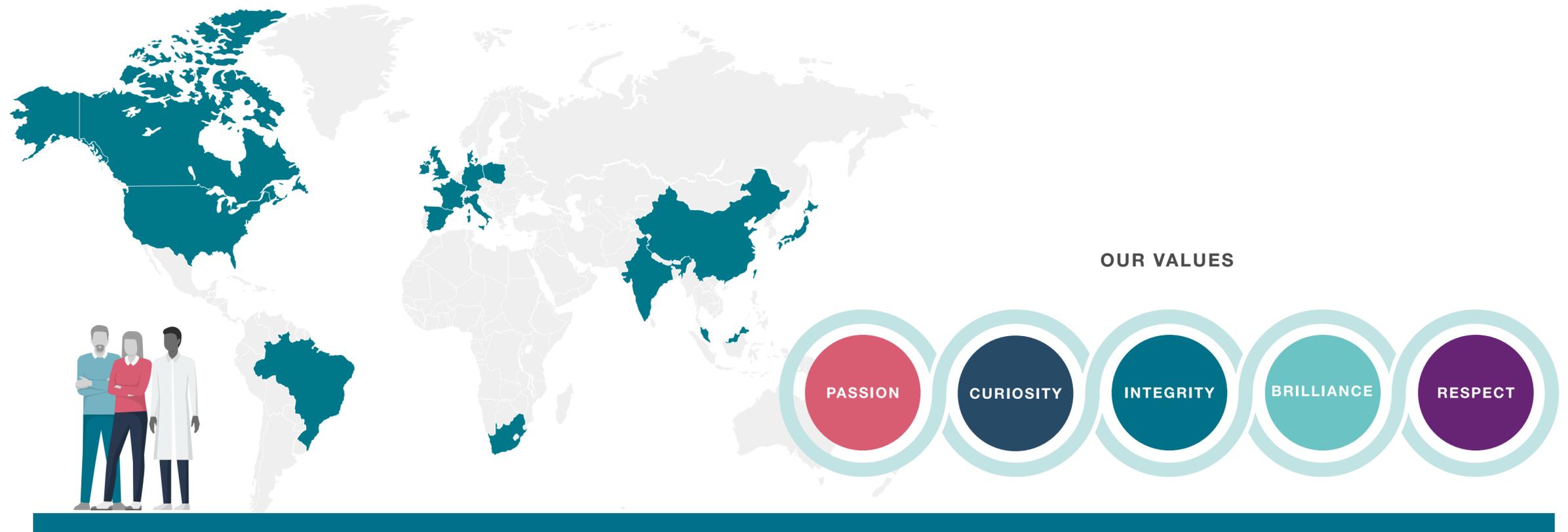
34 peer-reviewed publications written by our colleagues.

Sustainability credentials of **120+ key suppliers** assessed via third party platforms.

Who we are

LGC is a leading global life science tools company. Our purpose is Science for a Safer World. We solve challenges that drive science forward and address critical issues for our society and our planet.

Our work ensures we have safer medicines, more accurate clinical and molecular diagnostics, innovative health treatments and safer food and water supplies.



We have
~4,000
colleagues around the world, with the majority based in our major employment territories of the US, the UK, Germany, Canada and Ireland

We have colleagues in
14 countries around the world

Over the past financial year we delivered revenues of over
£790m

Our approach to ESG

We focus on the ESG topics which matter most to our continued commercial success and ability to drive shareholder value, as well as key stakeholder relationships and how we fulfil our role in wider society.

OUR PURPOSE: Science for a Safer World



OUR PEOPLE

We're making LGC a sustainably great place to work:

- Understanding our people
- Diversity, equity and inclusion
- Talent development
- Employee health and well-being
- Community impact and corporate charity
- Supporting the next generation of scientists

OUR PLANET

We're managing our direct ESG impacts:

- Carbon footprint
- Energy
- Waste management
- Environmental management of our sites
- Supporting the transition to a low carbon society

OUR PRODUCTS

We're enabling our customers to meet their ESG goals:

- Packaging
- Responsible sourcing
- Green chemistry
- Quality
- Advancing and sharing our science
- Environmental credentials of our products



RESPONSIBLE BUSINESS

Corporate governance | Business ethics | Health and safety | Cyber security

ESG Key Performance Indicators (KPIs)

To accelerate progress on our ESG priorities, we have established five ESG KPIs, which are reported to the LGC Board on a quarterly basis.

We also report annually on our progress against our 2050 carbon net zero commitment.

We detail these KPIs and the related activities throughout this report.



OUR PEOPLE

Employee engagement:

Continually improve our employee Net Promoter Score (eNPS)

- 2022 performance: Baseline
- 2023 performance: +1 against 2022 baseline

TARGET: CONTINUAL IMPROVEMENT

Gender diversity: Increase the percentage of women within the LGC Leadership Team

- 2022 performance: 29%
- 2023 performance: 30%

TARGET: 35% BY 2024

OUR PLANET

Climate change:

Achieve our commitment to be carbon net zero by 2050

- 2022 performance: 29,000t CO_{2e}
- 2023 performance: 28,000t CO_{2e}

TARGET: CARBON NET ZERO BY 2050

Renewable energy: Increase percentage of renewable electricity used at our sites

- 2022 performance: 32%
- 2023 performance: 57%

TARGET: 80% RENEWABLE ELECTRICITY BY 2025

OUR PRODUCTS

Sustainable packaging:

Increase percentage of cardboard packaging from certified sustainable sources

- 2022 performance: Baseline
- 2023 performance: 43%

TARGET: 50% BY 2025

Responsible sourcing: Increase percentage of suppliers which meet key ESG criteria

- 2022 performance: Baseline
- 2023 performance: 33%

TARGET: CONTINUAL IMPROVEMENT



Our purpose

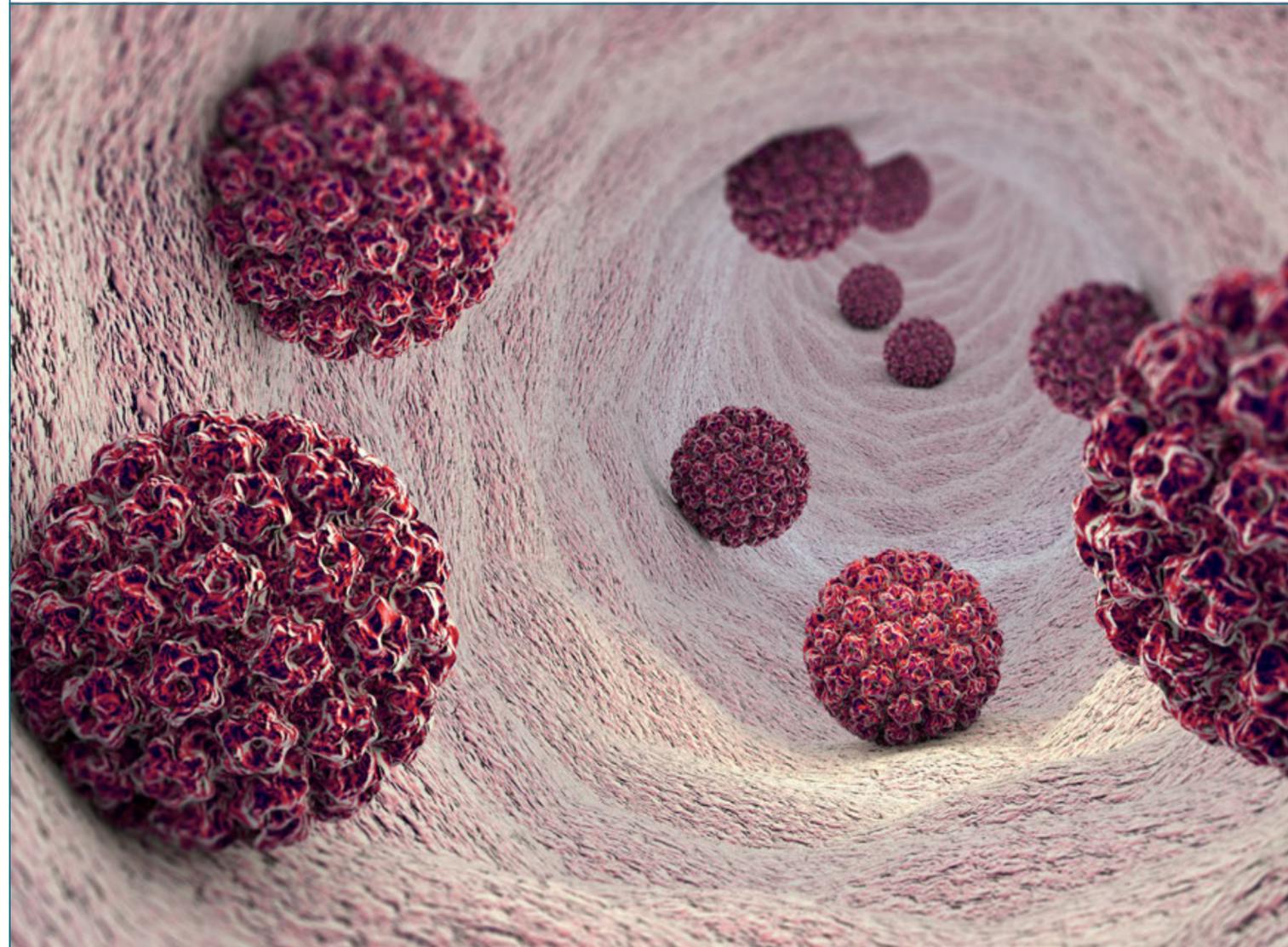
Every day, our people, tools, solutions and science make the world safer. From new ways to diagnose disease, to measurements which enable new treatment pathways, from helping farmers grow crops more sustainably, to ensuring the food on our plate is safe to eat.

Our purpose, Science for a Safer World, has never been more critical and is central to all we do.

Pioneering new ways to diagnose illness

Across our Group we are supporting our customers to make transformational advances in clinical and molecular diagnostics. Our tools enable doctors and researchers to identify and diagnose diseases more accurately. They also help them to develop more effective treatments, based on a person's genetic and molecular make-up.

CASE STUDY



UNDERSTANDING THE HUMAN PAPILLOMAVIRUS

Human papillomavirus (HPV) is the most common viral cause of cancer worldwide and is responsible for approximately 600,000 cases of cervical cancer every year.

However, due to the diversity of HPV, there are multiple carcinogenic genotypes not routinely identified in clinical assays.

This year, our LGC Biosearch Technologies team, working with researchers at a government institute in the US, supported the next-generation sequencing of almost 3,000 HPV-positive Pap smear samples, to help compile a comprehensive list of clinically relevant, taxonomised HPV genomes. The methods developed and tested in the work will help identify HPV virome patterns and trends as a surveillance tool to guide the development of future HPV assays and vaccines.

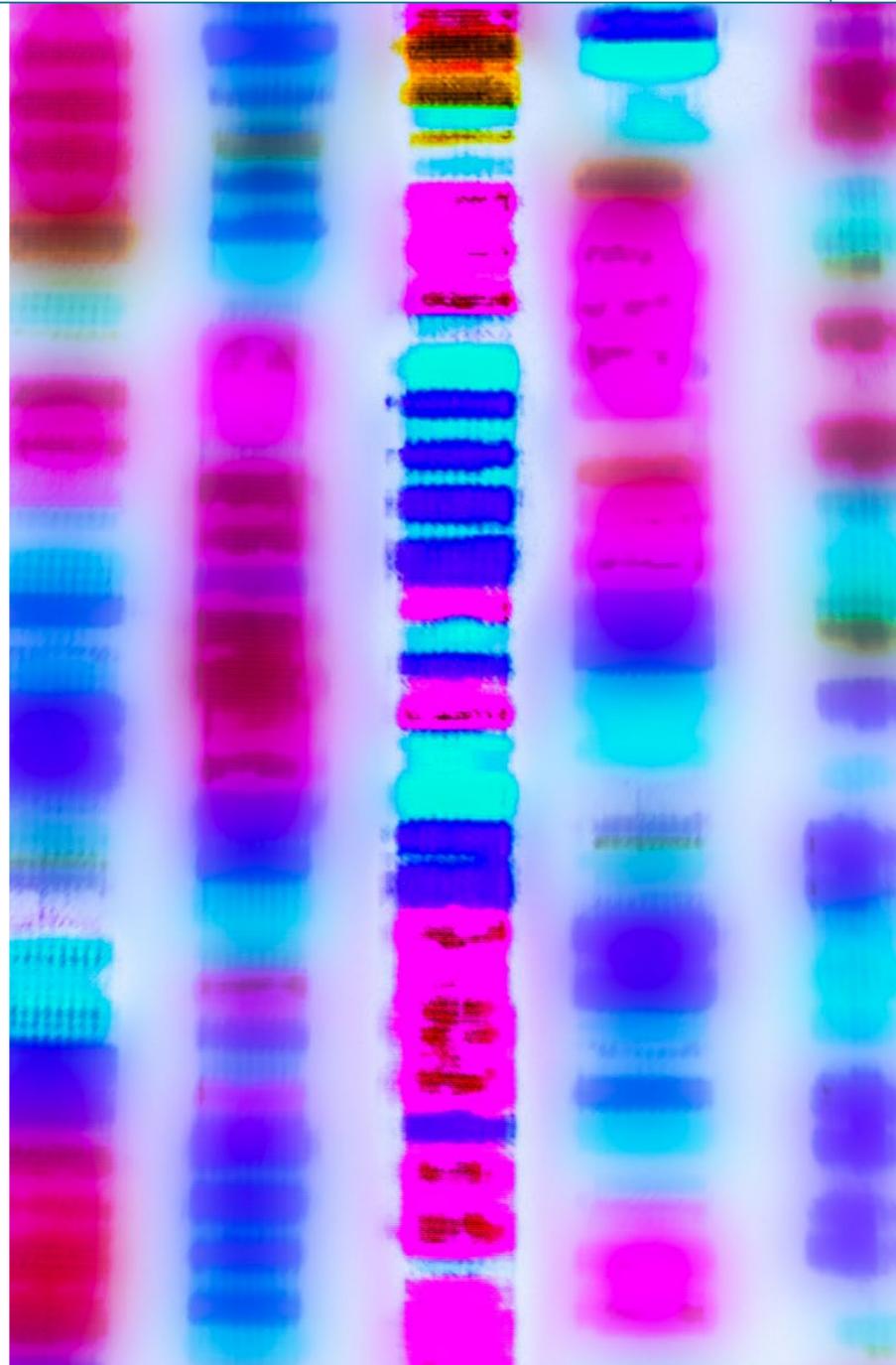
CASE STUDY



ENSURING ACCURATE PRENATAL TESTING

Non-invasive prenatal testing or screening (NIPT/NIPS) is a blood test for pregnant women which assesses the likelihood of a foetus carrying a genetic condition such as Down's syndrome. NIPT analyses cell-free DNA in the maternal blood circulation via a complex workflow using next generation sequencing (NGS). It is a highly sensitive process where accuracy is critical, especially given the implication of false results to expectant parents.

Our SereSeq® reference materials, created by our LGC Clinical Diagnostics team, are the only patient-derived materials available on the market. By accurately mimicking a patient sample, these products support NIPT laboratories for assay validation, routine performance monitoring and quality control.



CASE STUDY



MAPPING THE PROTEINS IN OUR CELLS

Proteomics, or the study of proteins within a cell, represents an exciting frontier in precision medicine by providing unique insights into the early diagnosis of illness and assessing if treatments are working.

However, with over 30,000 proteins making up the human proteome, understanding and identifying different proteins is a complex process.

This year, our LGC Biosearch Technologies team has worked with a clinical diagnostics

company, based in the US, to provide aptamers (short strands of RNA or DNA) which bind to specific proteins which then enable a more accurate mapping of different proteins through next generation sequencing.

Through our support, our customer is building a platform capable of measuring 10,000 proteins from one sample, uncovering key insights into disease pathways and pinpointing new treatment targets.



Supporting the development of innovative medicines

Around the world we are supporting some of the latest advances in the treatment of illnesses, from medicine development and commercialisation, to quality assurance.

CASE STUDY



OLIGONUCLEOTIDE-BASED MEDICINES FOR RARE DISEASES

Creating new medicines for ultra-rare diseases is challenging, with significant investment and time required for often a single digit N of 1 patient population.

Oligonucleotide-based medicines offer important new pathways for treatments that cannot be treated with conventional drugs.

This year, our LGC Axolabs team has worked with a drug development company, based in the US, to support the development of oligonucleotide-based treatments for an ultra-rare neurological condition. This included the full process development, analytical method qualification and the cGMP manufacture of the oligonucleotide drug substance.

This is a critical step towards developing a safe, effective precision medicine which can be delivered to the target area at the right time.

CASE STUDY



MEASUREMENT UNDERPINNING NEW CANCER CARE

Advances in genomics, for instance via NGS, are transforming cancer care, enabling earlier and more accurate diagnosis, guiding therapy selection and driving development of targeted therapies via precision medicine.

However, whilst genomics profiling is rapidly entering clinical practice, the standardisation of genomic measurement science is still in its infancy. This can result in variable quality and lack of comparability which impacts patient care and represents a critical factor in enabling the wider implementation of genomic analysis and precision medicine globally.

Our Molecular Biology team at the UK National Measurement Laboratory in Teddington, working alongside European partners, is developing novel metrological capability and reference measurement systems to support cancer genomic diagnostics and treatment, as part of the healthcare project (GenomeMET) under the Metrology Partnership programme.



CASE STUDY



NEW TARGETED COMBINATION CANCER TREATMENTS

Lung cancer is one of the most life-threatening forms of cancer. Mutations in the epidermal growth factor receptor (EGFR) protein – which regulates cell division and survival – have been identified as key drivers of lung cancer growth and metastasis, impacting treatment success.

Cancer treatments that target the EGFR protein can transform patients' lives, but

evidence shows that resistance can develop relatively early and lead to tumour regrowth.

Over the past year, through our large range of over 3,500 chemicals for cancer research, the LGC Standards team has supported researchers worldwide in the development of new, more effective, targeted combination cancer therapies designed to combat mechanisms of resistance, including those driven by mutation of the EGFR protein.



Ensuring our food is safe to eat

Every year, over 600 million people around the world suffer from food-borne illnesses, while an estimated three million die from illnesses contracted from unsafe food or water.

Our teams work across the food supply chain, from field to fork, to support food safety and quality assurance.

CASE STUDY

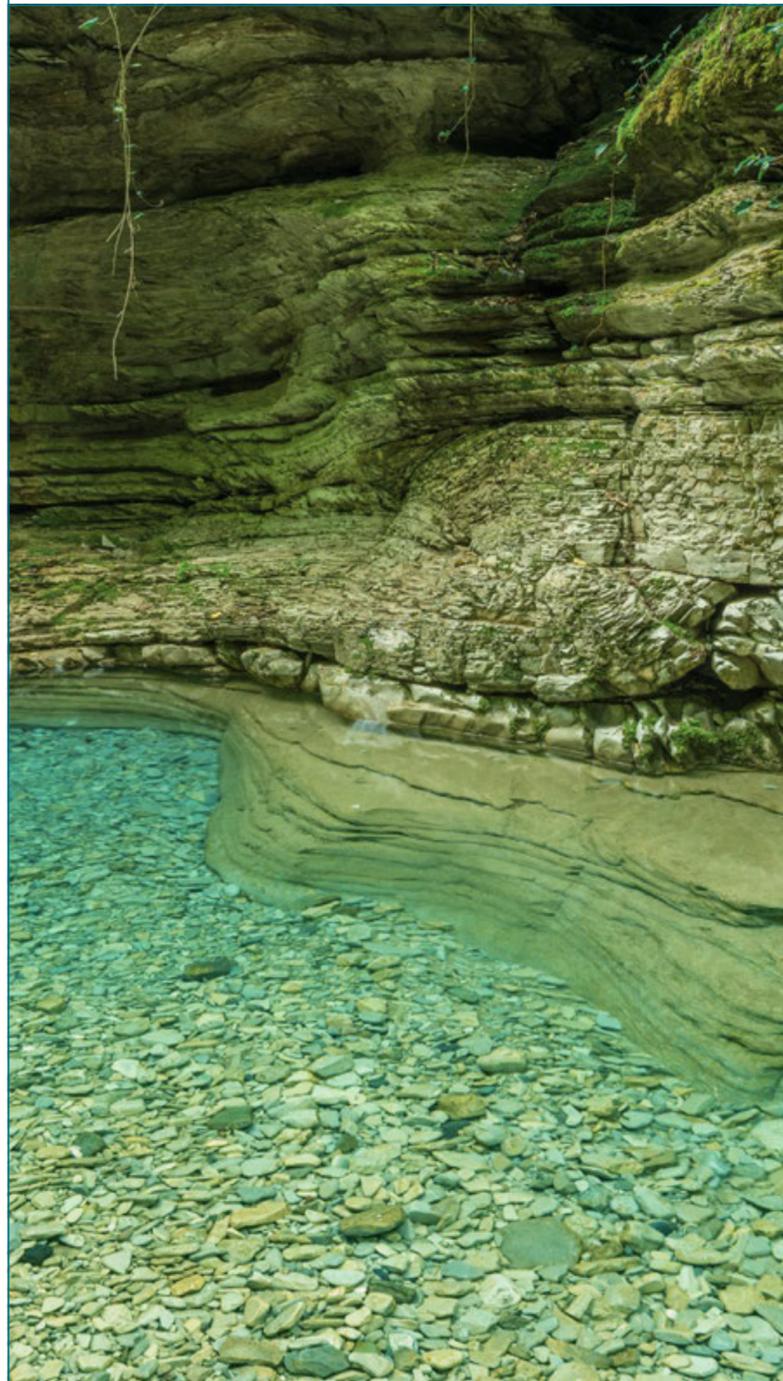


SETTING THE STANDARD FOR FOOD SAFETY
In 2022, over 400 million food products were recalled in the US due to quality or safety issues. Whilst critical to keeping the public safe, each recall results in lost revenue and food being destroyed before it is eaten. This also means that the associated environmental impact of growing that food is wasted.

This year, BRCGS, part of LGC Assure, launched version 9 of our Global Standard for Food Safety. First published in 1998, the Standard has become the leading global food safety programme, providing a framework for food manufacturers to assist them in the production of safe, authentic, legal food.

The Standard is used by ~22,000 food manufacturing sites across 130 countries, impacting over \$800bn of food sales. Independent research has shown that, when applied, the Standard can help reduce product recalls by 40%.

CASE STUDY



PROTECTING OUR FOOD FROM ‘FOREVER CHEMICALS’

Perfluoroalkyl and polyfluoroalkyl substances (PFAS) are known as ‘forever chemicals’ as they are slow to degrade and can remain in the environment for decades. Through migration and bioaccumulation in the environment, they enter the food chain and cause human health problems ranging from cancer to liver, kidney and reproductive diseases.

Our LGC Standards team have developed a wide range of products that support testing laboratories in their work ensuring safe levels of PFAS compounds in food and the environment. Recent innovations include PFASiMix from Dr Ehrenstorfer – an ISO 17034-accredited reference materials mixture enabling the analysis of 27 different PFAS – and a new LGC AXIO Proficiency Testing sample to support laboratories monitoring PFAS in groundwater.

Together, our tools play an important role in protecting public health ensuring the safety of the environment, and the food we eat every day.

CASE STUDY



ENSURING THE SAFETY OF RECYCLED PLASTIC FOR FOOD AND DRINK PACKAGING

Micro- and nano-plastic contamination in our food system represents a significant risk to human health and our wider environment. Recent studies have shown a wide variety of potential contamination sources, including from packaging materials which come into contact with our food. Our Organic Analysis team at the UK National Measurement Laboratory in Teddington, are developing new methods for detection and toxicity measurements of contaminants arising from recycled plastics used in food packaging, including recycled plastic used for water bottles, as part of the Government Chemist Programme.

Work has focused on establishing the limits of detection of the breakdown products of PET from recycled bottles, extracting the targeted compounds from water, and extending the method to include potential contamination from the glue that holds the labels onto the bottles.

The work will support regulation relating to the use of recycled plastic materials for food packaging. It is also an important step in building public confidence in the safety of recycled materials for food packaging, which in turn is key for promoting a more circular economy and reducing plastic pollution.



Our people

We have over 4,000 colleagues across the world. Our ability to attract, engage and develop talented people is essential to our continued success and our goal is to create a sustainably great place to work for all our colleagues.

KEY PERFORMANCE INDICATORS

 **Continued improvement in our employee Net Promoter Score (eNPS):**

2022 performance: **Baseline**

2023 performance: **+1 against 2022 baseline**

 **Achieve 35% female representation within the LGC Leadership Team by 2024:**

2022 performance: **29%**

2023 performance: **30%**

> UNDERSTANDING OUR PEOPLE

> DIVERSITY, EQUITY AND INCLUSION (DEI)

> TALENT DEVELOPMENT

> EMPLOYEE HEALTH AND WELL-BEING

> COMMUNITY IMPACT AND CORPORATE CHARITY

> SUPPORTING SCIENCE EDUCATION

Making LGC a great place to work

OUR APPROACH

Our people make our purpose of Science for a Safer World possible. We are committed to making LGC a sustainably great place to work and to improve our employee experience across our Group.

OUR PERFORMANCE THIS YEAR

We want to hear our colleagues' experiences and opinions directly from them, wherever they are in the Group. We use this feedback to focus our efforts on the activities which matter most to our people. We capture comprehensive, anonymous feedback across the year, through:

- Quarterly employee Net Promoter Score (eNPS) pulse surveys
- Our annual Employee Engagement Survey.

Findings are shared with our leadership teams to enable them to respond through targeted action plans. Findings and action plans are shared with all colleagues through relevant communications.

WHAT WE HEARD THIS YEAR

The things colleagues said they liked about working at LGC, or that we had improved on this year include:

- Action on previous survey feedback
- Work and life blend
- Management
- Collaboration and communication
- Service and quality focus.

Areas where colleagues said we can do better include:

- How we explain our plans for the future and the changes we are making
- How we manage performance and recognise our colleagues.

ACTION ON PREVIOUS FEEDBACK

I have been provided an opportunity to see and discuss employee survey results

+14%

COLLABORATION AND COMMUNICATION

Other departments at LGC collaborate well with us to get the job done

+4%

MANAGEMENT

My manager gives me useful feedback on how well I am performing

+4%

WORK AND LIFE BLEND

I am able to arrange time out from work when I need to

+3%

SERVICE AND QUALITY FOCUS

Day-to-day decisions here demonstrate that quality and improvement are top priorities

+2%

RECOGNITION

We are committed to building a culture where employees feel recognised and appreciated for their contributions. This includes our ‘Cheers Award’ programme which provides colleagues with the opportunity to recognise, appreciate and celebrate each other.

This year **1,145 Cheers Awards** were received worth over **£109,000** awarded to colleagues

PLANS FOR THE NEXT YEAR

Key activities we are focusing on over the next year, include:

- Refreshing our approach to employee recognition, including peer-to-peer activities
- Continuing to embed employee voice activities, through our quarterly and annual surveys, and use the insight to identify and prioritise future activities.

CASE STUDY



BERLIN FAMILY-FRIENDLY AWARD

For the third year in a row, our LGC Biosearch Technologies team in Berlin has been awarded the most “family-friendly workplace” in the southeast area of the region, beating 15,000 local companies.

Key behaviours which contributed to the site’s continued success include:

- A positive work-life balance
- Flexible working conditions
- A focus on physical and mental health and well-being.

KPI: OUR EMPLOYEE NET PROMOTER SCORE (eNPS)



LGC eNPS Survey results as at 31 March



Diversity, equity and inclusion (DEI)

OUR APPROACH

Diversity, equity and inclusion (DEI) is central to the way we are building a culture at LGC that invites and nurtures talent from all backgrounds and supports colleagues to realise their full potential. This includes, as a first step, our commitment to have 35% female representation in our LGC Leadership Team (LLT) by spring 2024.

OUR PERFORMANCE THIS YEAR

Over the past year, we have undertaken a series of activities to further embed DEI across our business processes, including:

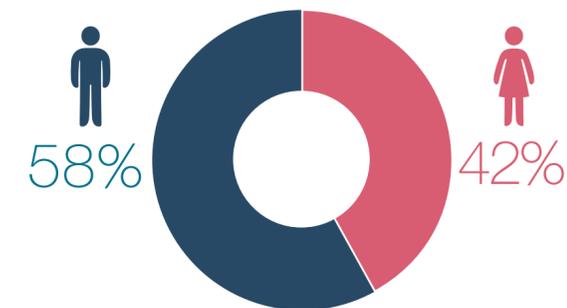
- Independent external review of our recruitment and promotions processes:** To validate and refine our approach including in relation to DEI factors.
- Employee resource groups:** Ongoing support and development of our two employee resource groups (ERGs), the LGC Women’s Network and PRYSM - see page 19.
- Women in leadership programmes:** To build leadership skills for female colleagues who have been identified as future leaders, working with executive coaches.
- Inclusive leadership training:** Launched for all managers.
- Expansion of our gender pay reporting:** see page 20.

KPI: % FEMALE REPRESENTATION IN OUR LGC LEADERSHIP TEAM (LLT)

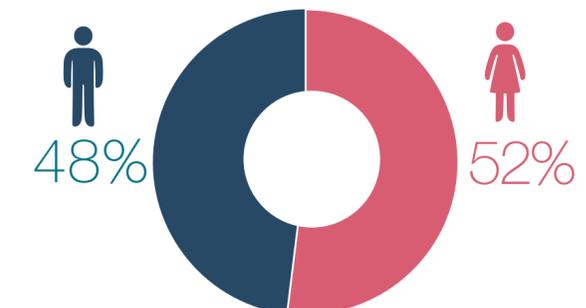


As part of this KPI, we also track the % of male and female candidates who are recruited at different levels across the Group:

SENIOR LEADERSHIP ROLES - HIRE RATE:



ALL ROLES - HIRE RATE:

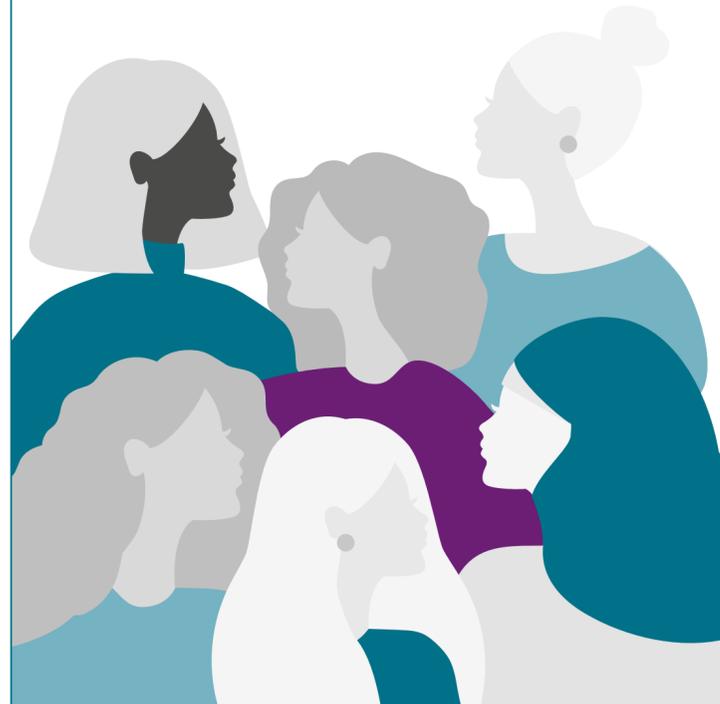


CASE STUDY

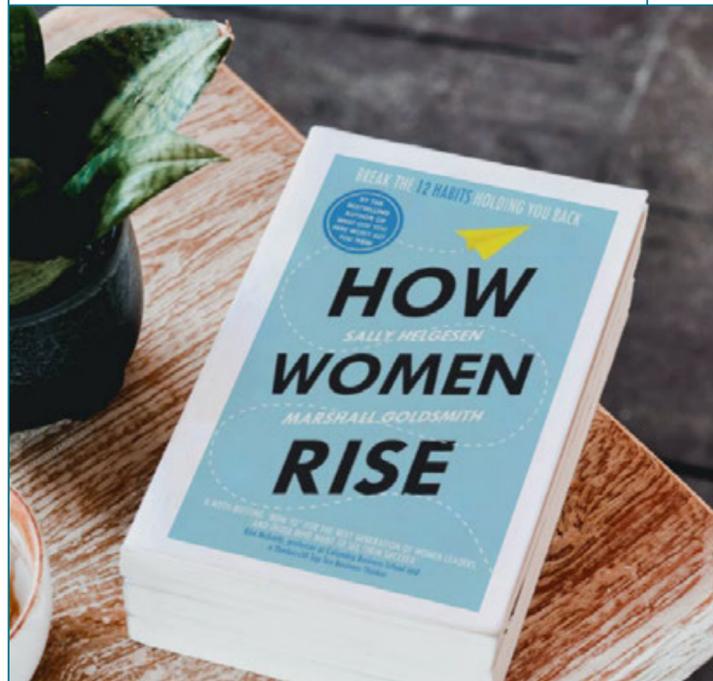


OUR WOMEN'S NETWORK

Established in 2021, our Women's Network is comprised of, and led by, colleagues from across LGC at all levels. The mission of the network is to create an inclusive and equitable culture at LGC, with the aim of providing a supportive space for women to thrive through career development opportunities, mentorship and shared interests. Current activities being developed by the Women's Network include building awareness through events and menopause support.



CASE STUDY



**INTERNATIONAL WOMEN'S DAY
- #EMBRACEEQUITY**

To recognise and celebrate International Women's Day this year, our Women's Network hosted an exclusive virtual talk by international bestselling author, Sally Helgesen. She drew on material from her most recent book, How Women Rise. Almost 25% of our colleagues, both male and female, from across LGC attended the presentation and breakout sessions.

CASE STUDY



PRYSM

- Established in 2022, PRYSM is our cross-business LGBTQIA+ employee resource group, whose mission is to help cultivate an inclusive workplace culture where members of the LGBTQIA+ community feel welcomed, respected and supported.

PRIDE

- To show our support for Pride, we invited colleagues from across LGC to share pictures of their allyship and celebrations. This led to colleagues wearing pride colours at work, drawing pictures, writing letters and sharing how they were celebrating Pride. We collated all the pictures in a virtual mosaic at the end of the month.



PLANS FOR THE NEXT YEAR

Key activities we are focusing on over the next year, include:

- Talent and succession:** Monitoring gender representation in succession plans and talent development categories. Evolving our talent management processes to support greater internal mobility and progression.
- Recruitment:** Through inclusive job descriptions; tracking 50/50 gender balanced shortlists for leadership roles and providing unconscious bias training for hiring managers.
- Employee resource groups:** Continued sponsorship of, and investment in, our ERGs, including the development of a sustainable governance structure for DEI.
- Education and training:** Expanding our unconscious bias training for managers and facilitating discussions for leadership teams regarding unconscious bias within recruitment, promotions and performance.
- Data tracking:** Report diversity of applicants across all roles, and % of male and female candidates shortlisted for leadership positions (against our 50/50 shortlist goal).

Extended gender pay reporting

OUR APPROACH

We recognise that understanding and addressing differences in average pay between male and female colleagues is an important aspect of our commitment to diversity, equity and inclusion (DEI).

This year we have expanded our gender pay analysis for countries where LGC has more than 250 employees. Historically, this analysis has only been reported for our UK operations, to comply with the UK Gender Pay Reporting Regulation. This extended analysis is an important milestone, which goes beyond legal requirements, in our aspiration to build an inclusive working environment where the opportunity for progression is equal for all.



REPORTING METHODOLOGY

In preparing our gender pay data, we have adopted the following approach:

- **Use of median rather than mean average pay:** To reduce the risk that the data is disproportionately influenced by a small number of individuals ('outliers').
- **Pay gap by quartile rather than all employees:** To provide a more granular level of data to enable comparison across different areas of our business, in particular relating to levels of seniority.

WHAT WE ARE REPORTING

- **Pay quartiles:** Calculated by listing the hourly pay for all colleagues, from lowest to highest, and then dividing this list into four equal groups - to show how the distribution of males and females varies according to each quartile.
- **Bonus representation:** Difference in the percentage of male and female colleagues receiving a bonus across the Group.

In reporting this information, it is important to note that the **Gender Pay Gap is not the same as Equal Pay:**

1. **Equal pay** is a man and a woman being paid the same for doing the same job, or a job of equal value.
2. **Gender pay gap** compares average pay by gender to show the overall balance of pay between all men and all women in a company irrespective of their roles. This measure does not take into account factors such as colleagues' responsibilities, levels of seniority or if they choose to work part- or full-time.

The countries reported on are:

- > Canada, CA (N=402)
- > Germany, DE (N=668)
- > United Kingdom, UK (N=1,124)
- > United States, US (N=1,269)

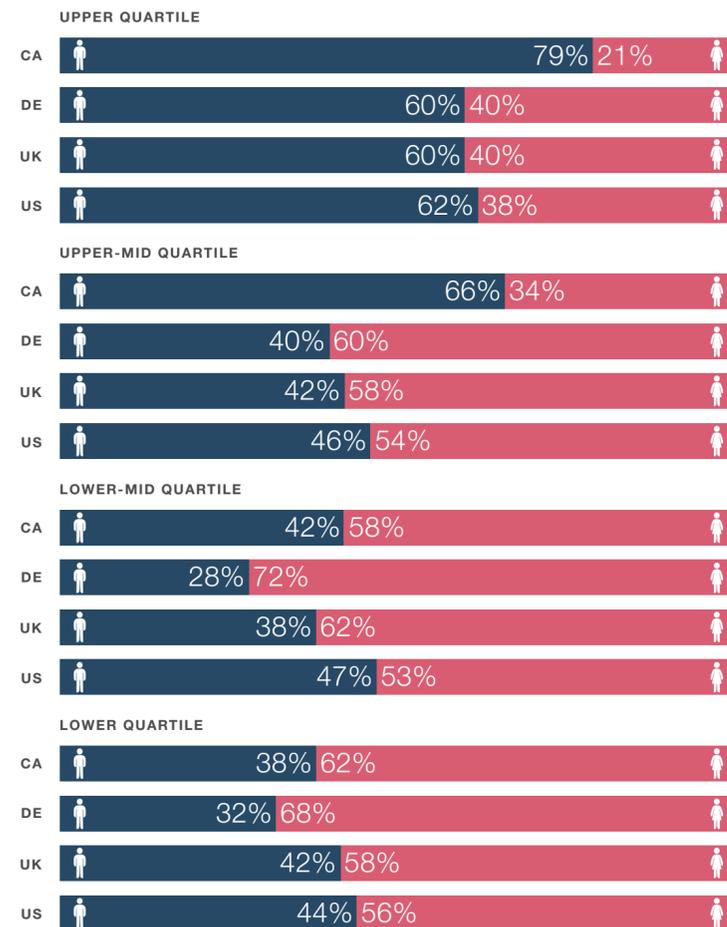


OUR PERFORMANCE THIS YEAR

PAY QUARTILES – REPRESENTATION

Across LGC, there are more men in the upper quartile (the 25% highest paid roles), and more women in the lower quartile (the 25% lowest paid roles). There are generally more women than men in the middle quartiles (the middle 50% paid roles).

% OF MALE | FEMALE COLLEAGUES PER PAY QUARTILE



PAY QUARTILES – MEDIAN GAP

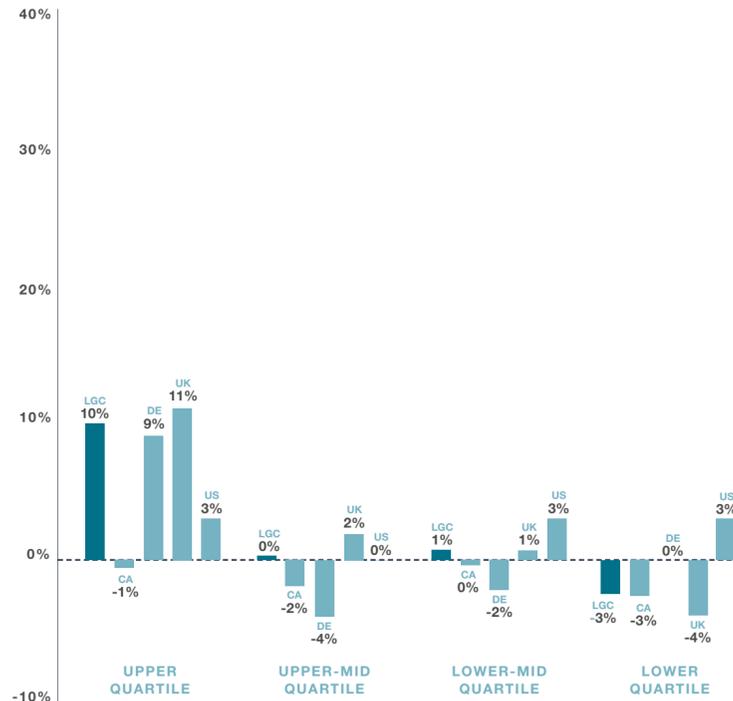
Across LGC, in the upper quartile (the 25% highest paid roles), the average [median] male salary is 10% higher than female colleagues within this quartile (10% pay gap).

Within the middle quartiles (the middle 50% paid roles), the average [median] salary of men and women is the same (<0.5% pay gap).

Within the lower quartile (the 25% lowest paid roles), the average [median] female salary is 2.5% higher than male colleagues within this quartile (-2.5% pay gap).

MEDIAN PAY GAP PER QUARTILE

CA CANADA DE GERMANY UK UNITED KINGDOM US UNITED STATES

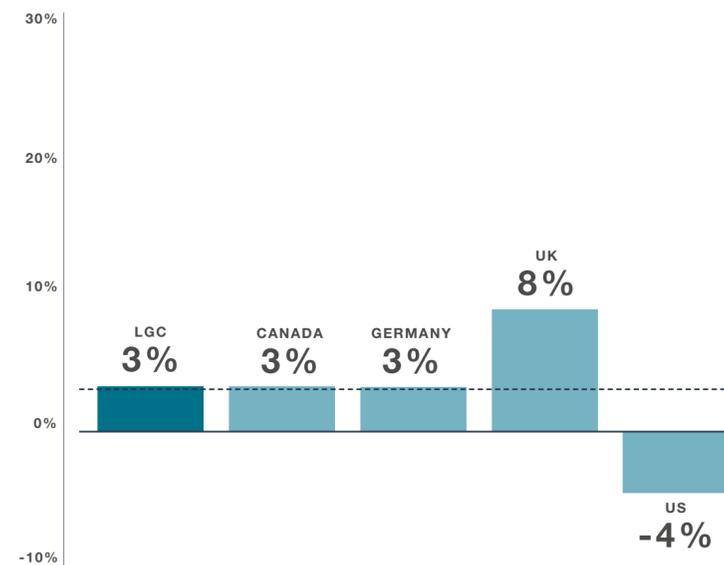


BONUS REPRESENTATION

Across LGC, 52% of male colleagues received a bonus and 49% of female colleagues received a bonus (equating to a 3% bonus gap).

- **In Canada:** 3% more male colleagues received a bonus (3% bonus gap)
- **In Germany:** 3% more male colleagues received a bonus (3% bonus gap)
- **In the UK:** 8% more male colleagues received a bonus (8% bonus gap)
- **In the USA:** 4% more female colleagues received a bonus (-4% bonus gap)

DIFFERENCE BETWEEN % OF MALE AND FEMALE COLLEAGUES RECEIVING BONUS



WHAT IS BEHIND THIS DATA

A central factor in differences in pay scales between male and female colleagues is representation – with male colleagues historically occupying more senior and therefore higher paying roles, than female colleagues. This reflects a wider trend of female underrepresentation within Science, Technology, Engineering and Mathematics (STEM) disciplines. At LGC, this is further amplified by legacy pay of existing senior, predominantly male, colleagues.

PLANS FOR THE NEXT YEAR

This data supports our focus to close the gender pay gap by increasing the proportion of female colleagues at senior levels of LGC, specifically by:

- Ensuring a stronger pipeline of female talent through internal promotions and external recruitment.
- Supporting female colleagues to progress into more senior roles, including via our ‘Women in leadership’ programme and the activities of the LGC Women’s Network.
- Our target to increase female representation in the LGC Leadership Team (LLT) to 35% by Spring 2024.

Talent development

OUR APPROACH

Our colleagues separate us from our competition and make our purpose of Science for a Safer World possible. We continue to strive to attract, retain and grow the brightest and best in their field, to build an innovative and collaborative community of experts.

We recognise that development is a personal activity: everyone's ability, goals and learning preferences are different. As such, as part of our employee annual personal performance development review, individual objectives and development opportunities are identified and agreed between colleagues and their managers.



SUPPORTING COLLEAGUES STARTING THEIR CAREER

Programmes to support colleagues as they build their career include:

- Science-related placement opportunities, providing 12 months' industry experience.
- Business-based apprenticeships, which are tailored to different roles within our business and include apprenticeships in Business, IT, Finance and HR.
- Science apprenticeships, a three-year training position, which supports the development of a wide range of laboratory skills via work experience and in-house training.
- PhD opportunities, both direct and joint PhDs with other research institutes.

OUR PERFORMANCE THIS YEAR

Over the past year, we have supported talent development and retention by:

- Launching a project to create a consistent and transparent job architecture to enable career development pathways across the Group.
- Developing resources and tools to help colleagues understand the different types of development support available and assist them to identify their own strengths, goals and areas for improvement.
- Enhancing our capacity to track learning metrics to understand its impact and identify future needs to drive continuous improvement.

OUR PERFORMANCE THIS YEAR (CONT)

LEADERSHIP AND MANAGEMENT: DEVELOPMENT PROGRAMMES

Our leadership training portfolio supports the development of skills and behaviours critical to our growth and continued success. This year, training programmes have included:

Stepping up to leadership, enabling colleagues to step up from team member to leader, focusing on developing people, managing performance and building high performing teams through a structured programme of coaching and feedback.



Leadership essentials stretch workshop, equipping managers to refresh their approach to people management through a deep dive into core principles within our current business context with peers.



Advanced personal leadership, supporting the continuous development of our senior leaders, through an in-depth programme exploring leadership in context, understanding own strengths and those of others and how to build resilience and resourcefulness to elevate performance.



LEADERSHIP ESSENTIALS: E-LEARNING

This year, we expanded the suite of e-learning programmes available to all colleagues to build their leadership and people management skills, with courses including:

- **Setting meaningful objectives**, to support managers in providing clarity and direction for their teams.
- **Inclusive leadership**, to build awareness, understanding and skills to manage and promote diversity, equity and inclusion.
- **Managing well-being**, to equip managers and their teams to talk about and build tools to manage well-being in their team.



PLANS FOR THE NEXT YEAR

- Key activities:
- Expanding the Group-wide learning solutions which are available and accessible to all employees.
 - Create a new approach to performance management.
 - Strengthening our talent and succession strategy including the criteria we use to identify and accelerate the development of future leaders.
 - Enabling and promoting the internal movement of colleagues across our Group.

Health and well-being

OUR APPROACH

The uncertain economic climate is being felt by many of our colleagues, impacting their health and well-being. Our Group has a number of resources in place that have been designed to support our colleagues and help them navigate some of these challenges.

OUR PERFORMANCE THIS YEAR

Over the past year, we have reviewed our existing employee resources to ensure these are coordinated and accessible. Where needed, we have also developed more targeted support locally. This includes enhancing the tools and resources to support health and well-being, such as:

- **Extension of parental leave in the US:** Providing 8 weeks fully paid parental leave for adoptive, birth or non-birth parents.
- **Increase in paid annual leave in Germany:** Harmonisation of annual leave entitlement across all our German sites.
- **Well-being support:** Modules introduced across our leadership training portfolio and e-Learning programmes.

SUPPORTING HEALTH AND WELL-BEING

This year, we launched a series of well-being events and webinars, hosted by health experts. These modules are available to all colleagues. Topics covered include:

- How women can maintain a healthy life and lifestyle, at every life stage
- How to promote a healthy sleep routine
- How to maintain a healthy diet.

SUPPORTING AND PROMOTING GOOD MENTAL HEALTH

Across the Group, we have an established network of Mental Health First Aiders (MHFAs) trained to be a first point of contact for any employee experiencing mental health issues or emotional distress.

This year we reviewed our coverage, and identified areas where the network can be strengthened. As a result, 21 additional MHFAs have been trained and accredited to support colleagues throughout the Group, thereby expanding our network to 50 trained MHFAs globally.



PLANS FOR THE NEXT YEAR

Key activities:

- Expand our series of well-being events and webinars, including engaging leaders across LGC as visible well-being advocates.
- Continue to enhance and refresh our employee well-being network including promoting and supporting our MHFAs as an engaged and proactive community.
- Create an employee resource reference library to improve visibility and accessibility across our business.

Community impact and corporate charity

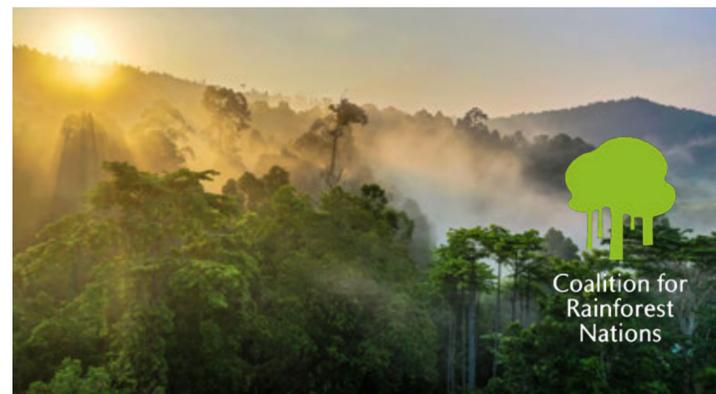
OUR APPROACH

We actively encourage colleagues across LGC to support our communities locally and globally through our corporate charity and site-based events.

For the last 20 years, our colleagues have supported 17 different corporate charities on an annual and, more recently, bi-annual basis, raising money through fun and creative activities. LGC boosts these charitable contributions by matching the funds raised when five or more colleagues participate in a team event.

OUR PERFORMANCE THIS YEAR

Over the past two years we have supported the Coalition for Rainforest Nations (CfRN), who work with countries and communities around the world, helping them to preserve their tropical rainforests. Through our colleagues' fundraising activities and corporate donations, we are delighted to **have raised over \$94,000**. Our highest amount raised for a corporate charity to date.



PLANS FOR THE NEXT YEAR

Following a comprehensive call to LGC colleagues to nominate and vote for our next corporate charity, we are delighted to announce that **Save the Children** will be our corporate charity for the next two years.



CASE STUDY



DONATION TO THE DISASTERS EMERGENCY COMMITTEE (DEC) UKRAINE APPEAL

In July 2022, we made a donation to the Disasters Emergency Committee (DEC) Ukraine Appeal, in support of all those displaced by the war in Ukraine. The donation consisted of £5 per employee, which equated to £22,500.

In addition, this year, instead of providing a corporate employee Christmas gift, we invited all colleagues to choose where a festive donation be made by LGC on their behalf. The two options were our corporate charity (the Coalition for Rainforest Nations) and the DEC Ukraine Appeal.

Supporting science education in our local communities

OUR APPROACH

Around the world, we aim to inspire and empower students to pursue careers in Science, Technology, Engineering and Maths (STEM), by engaging with our local community, sharing our science and supporting teachers and schools.

CASE STUDY



LGC ASSURE SCIENTISTS JUDGE AT LOCAL SCHOOL SCIENCE FAIR

Three colleagues from our LGC Assure team in Lexington, US, served, for the second year running, as volunteer judges at the 38th Annual Kentucky American Water Science Fair, evaluating projects from elementary, middle and high school students.

CASE STUDY



LGC BIOSEARCH TECHNOLOGIES AT ALEXANDRIA STEAM EXPO

The STEAM Expo is an annual event in the Alexandria, US, community and is designed to give students, families and community members an opportunity to participate in activities involving science, technology, engineering, arts and maths (STEAM). Our team provided hands-on support to help hundreds of students and parents from across the community learn more about DNA.



CASE STUDY



INNOTRUCK VISITS LGC AXOLABS

LGC Axolabs invited the InnoTruck from the German Federal Ministry of Education and Research to our site in Kulmbach, Germany. Exhibits on the bus showed local students how research and technologies influence our lives and how young people in STEM professions can help shape the world. School classes were also offered tours of our facilities.

CASE STUDY



LGC STANDARDS IN GERMANY HOSTS OPEN-DOOR EVENT

“Türen auf mit der Maus” or “Open the doors with the mouse” is an annual open-door event, which takes place across Germany each October. Many companies open their doors for a day and welcome visitors to their site. This year almost 250 children and adults visited our LGC Standards site in Luckenwalde, Germany, and explored the scientific processes involved in producing reference materials.

Our planet



Our products and services are helping to diagnose illnesses, develop new medicines and ensure food is safe to eat.

However, we recognise that we need to reduce the environmental impact of our products and services across their lifecycle.

KEY PERFORMANCE INDICATORS

- 
To be carbon net zero by 2050
 2022 performance: **29,000t CO₂e**
 2023 performance: **28,000t CO₂e**

- 
80% of renewable electricity used at our sites by 2025
 2022 performance: **32%**
 2023 performance: **57%**

Our carbon footprint

OUR APPROACH

The world is facing a climate emergency. In November 2021, LGC committed to be carbon net zero by 2050. By this date, the net greenhouse gas emissions (carbon footprint) from our business activities will be zero.

Our carbon footprint is inherently linked to our business activities, and we recognise that as our business grows there is likely to be a corresponding increase in our carbon emissions. From requiring more energy at our sites, to transporting more products around the world, a key challenge we face is how to decouple our carbon emissions from our business growth.

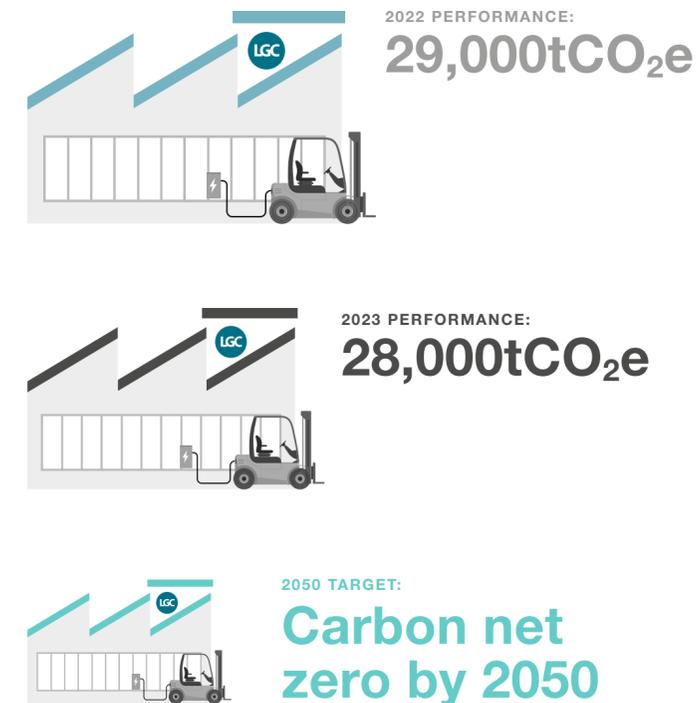
OUR PERFORMANCE THIS YEAR

During the past year, our carbon footprint was approximately 28,000 tonnes of carbon dioxide equivalents (tCO₂e). Compared to last year, this represents a:

- **Reduction in direct emissions associated with our energy usage (scope 1 and 2)**, due to increased use of renewable electricity across our sites.
- **Increase in emissions from our supply chain (scope 3)**, driven by increased business output and expanded scope of emissions included in our assessment.

To monitor our carbon footprint, and to reflect the varied nature of our products and services as well as our business growth, we also track our carbon intensity (tonnes of carbon per £m revenue). This is an important metric in helping us understand how we can reduce carbon emissions whilst growing our business. Over the past 12 months, **our carbon intensity decreased by 8%.**

KPI: TO BE CARBON NET ZERO BY 2050



PLANS FOR THE NEXT YEAR

When we set our carbon net zero target, we recognised the journey would be challenging and complex. While we are encouraged by the reduction in our direct emissions, reducing the emissions associated with our wider supply chains remains a key challenge.

Over the next year we will:

- Develop a more detailed roadmap, including exploring shorter-term carbon reduction targets.
- Continue to reduce our direct emissions, through improving energy efficiency and increasing the proportion of renewable energy used.
- Explore opportunities to partner with customers and suppliers to reduce our supply chain emissions, in particular emissions relating to the transport and packaging of our products.

Our carbon footprint

Our carbon footprint is complex and spans our entire business.



In November 2021, LGC committed to be **carbon net zero by 2050.**

25% Emitted directly from sources we control e.g. natural gas, fuel for company cars, refrigerant gases.

20% Emitted indirectly from the generation of purchased energy.

55% All other relevant indirect emissions in our value chain – upstream and downstream:

- Transport and distribution: **15-20%**
- Chemicals: **10-15%**
- Business travel: **5-10%**
- Packaging: **10-15%**
- Laboratory consumables: **5-10%**
- Waste disposal: **5-10%**
- Capital goods: **1-5%**

Energy

OUR APPROACH

We operate across 44 sites and 14 countries; as such, the management of our buildings has a significant impact on our environmental performance.

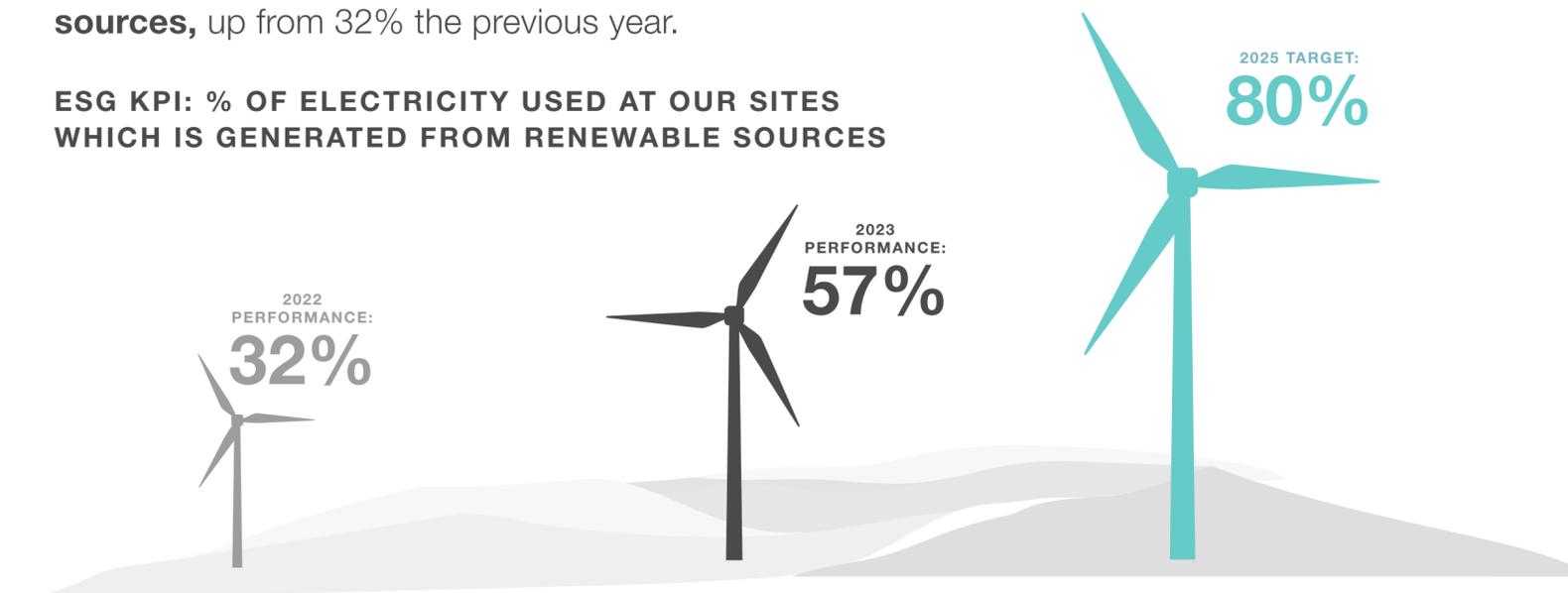
A key priority is to improve efficiency and reduce resource consumption at our sites, particularly when we open new ones or upgrade existing facilities.

OUR PERFORMANCE THIS YEAR

Over the past year, our sites used approximately **64,500 MWh of energy** with the primary sources being electricity and natural gas. An increase of almost 2,500 MWh since last year. Our energy intensity (MWh per £m revenue) decreased by 1%. This was primarily due to energy efficiency activities across our sites.

During this period, **57% of the electricity used across our sites was from renewable sources**, up from 32% the previous year.

ESG KPI: % OF ELECTRICITY USED AT OUR SITES WHICH IS GENERATED FROM RENEWABLE SOURCES



PLANS FOR THE NEXT YEAR

Over the next 12 months, we will:

- Continue to invest in energy efficiency as part of the refurbishment and development of existing and new sites.
- Increase the use of renewable electricity at sites globally, through investing in on-site generation opportunities and by switching to 100% renewable electricity tariffs.

CASE STUDY



SOLAR PANELS IN BURY, UK

In December 2022, solar panels were installed at our LGC Standards site in Bury, UK, as part of our ongoing journey to be carbon net zero by 2050. The array of 158 panels will generate up to 50 MWh of electricity each year, approximately 11% of the site's electricity usage, and avoids the generation of 11.5 tonnes of carbon each year.



Waste management

OUR APPROACH

Due to the nature of our business, a significant portion of our waste is classified as hazardous or clinical and requires specific disposal and treatment. The need for sterile equipment also results in a significant volume of single-use plastic laboratory waste at our sites.

At all our sites, our waste management is based upon the waste hierarchy principles of reduce, reuse, recycle, recover and dispose.

OUR PERFORMANCE THIS YEAR

Over the past year, we have expanded our data reporting to enhance our understanding of waste generated, and how this is disposed of, across our Group, specifically considering the following types of waste:

- Chemical and other hazardous waste
- Biohazardous and other clinical waste
- General or non-hazardous waste.

This year, **we generated approximately 2,500 tonnes** of waste of which:

- 48% was recycled or reprocessed
- 16% was used to generate energy
- 36% was disposed of via other treatments, including landfill.

PLANS FOR THE NEXT YEAR

The responsible management of waste across our Group represents an ongoing challenge; our approach for the next year will focus on two aspects:

- Continue to reduce the volume of waste generated through process design.
- Working with external partners to increase the proportion of our waste which is recycled or reprocessed.

CASE STUDY



STEPPING UP OUR RECYCLING IN LYSTRUP, DENMARK

Our LGC Biosearch Technologies team in Lystrup, Denmark, has established a waste management system which splits non-hazardous waste generated on site, into 15 different streams for processing and recycling. This includes recycling bins across the site for batteries, glass, wood, shredded paper, plastic (with and without PVC), cardboard and foil.

Over the past year, the waste providers for our Lystrup site have calculated that approximately 77% of all our physical waste has been reused or recycled. The team aims to increase this to close to 90% next year.



Environmental management across our sites

OUR APPROACH

The LGC Environmental Management System (EMS) sets out our approach for the continuous improvement of our environmental performance across our sites. It is aligned with our ISO 14001:2015 certification and includes the precautionary principle of taking action to prevent potential negative impacts.

OUR PERFORMANCE THIS YEAR

OUR BUILDINGS

Across our Group, we are investing in new sites, and upgrading existing facilities. We aspire to create both great workplaces for our colleagues and continually improve the environmental footprint of our buildings.

Investments over the past year include:

- New oligonucleotide manufacturing facility in Lystrup, Denmark.
- New facility in Oxford, UK - see case study.
- Significant expansion of our LGC Axolabs site in Kulmbach, Germany.

During site developments we aim to incorporate international sustainability accreditations, such as LEED®, BREEAM® and WELL™.

WATER

This year we expanded our reporting on water use to cover all operational sites. **Over the past 12 months we used approximately 120,400 M³ of water across our business.** We plan to continue to track water usage particularly in areas where there may be future water scarcity.

PLANS FOR THE NEXT YEAR

Future developments include:

- New site in Toronto, Canada, to create a new centre of excellence for organic synthetic chemistry.
- New site in Berlin, Germany dedicated to GMP manufacturing of oligonucleotides for use in Nucleic Acid Therapeutics.
- Expansion at our facility in Cumberland Foreside, US, to support growth in demand for our calibration verification products.

CASE STUDY



OUR MOST SUSTAINABLE SITE YET - IN OXFORD, UK

In 2022, we opened our new purpose-built facility in Oxford, UK, which serves as the home of The Native Antigen Company and also hosts LGC Biosearch Technologies activities.

The 36,000-ft² site was designed following international best practice for sustainable buildings. The site uses 100% renewable electricity, thereby generating zero carbon emissions from energy and has water efficient taps, helping to reduce our water usage. There is provision for up to 40 bicycles and 10 electric vehicle charging points.

Supporting the transition to a low carbon society

We are working with customers across a wide range of industry sectors to help advance the transition to a low carbon society.

CASE STUDY	
<p>SUPPORTING A LOW CARBON HEALTHCARE SYSTEM</p> <p>Our Grant Management Group team is working with the NHS, as part of the SBRI Healthcare Programme, funded by NHS England and NHS Improvement, to deliver £6million in public funding to 18 companies offering healthcare innovations to achieve a net zero NHS by 2040. These include a circular economy service to replace single-use products, a tool to show the carbon footprint of medicines, and Uncrewed Aerial Vehicles (UAVs) to enable faster, more reliable, on-demand and greener healthcare deliveries.</p>	

CASE STUDY	
<p>ENABLING LOW CARBON AGRICULTURE AND FOOD</p> <p>Our LGC Biosearch Technologies team is working with agricultural companies to support breeding improvement programmes for crops such as Pennycress, which can be grown as a cover crop (over winter) and helps slow soil erosion, utilise excess nitrogen and store carbon in the soil.</p> <p>Our BRCGS team, part of LGC Assure, has established a plant-based global standard, providing clarity in what is a plant-based product. Recently, Waitrose (a major UK supermarket chain) announced that suppliers that manufacture vegan or plant-based products for their stores must be certified to the BRCGS plant-based standard.</p>	

CASE STUDY	
<p>ADVANCING NEW CLEAN ENERGY SOLUTIONS</p> <p>The Inorganic Analysis team at the UK National Measurement Laboratory in Teddington, as part of a European Metrology Partnership project (MetroCycleEU), is working with partners across Europe to address the measurement challenges associated with the recovery of Technology Critical Elements (TCEs) from electronic waste.</p> <p>These elements are essential for energy efficient lighting and new green technologies including electric vehicles and wind turbines. They have low natural abundance and unique properties, which make them difficult to replace with alternatives.</p> <p>The work developing validated analytical methods and suitable reference materials will enable the recycling industry to maximise the recovery of TCEs from e-waste and will reduce the pressure on supply of virgin TCEs. The decreased need for mining will in turn result in a reduction of greenhouse gas emissions, associated with the extraction processes of raw materials.</p>	



Our products

Our products and services are valued by our customers for their performance, quality and range. We recognise our products and services are also important in enabling our customers to meet their own sustainability goals and lower their environmental impacts.

KEY PERFORMANCE INDICATORS



50% of cardboard packaging from certified sustainable sources by 2025

2022 performance: **baseline**

2023 performance: **43%**



Increase the percentage of our top 100 suppliers which meet our key ESG criteria

2022 performance: **baseline**

2023 performance: **33%**

> PACKAGING

> RESPONSIBLE SOURCING

> GREEN CHEMISTRY

> COMMITMENT TO QUALITY

> ADVANCING AND SHARING OUR SCIENCE

> ENVIRONMENTAL CREDENTIALS OF OUR PRODUCTS

Packaging

OUR APPROACH

Across our Group, we use a wide range of packaging materials, to ensure our products reach our customers in optimal condition.

While critical for the safe transportation of our products, we recognise the sourcing and disposal of this packaging can have a negative environmental impact. We are therefore actively working to identify more sustainable packaging solutions.

OUR PERFORMANCE THIS YEAR

Our teams around the world are working with customers and supply chain partners to identify opportunities to improve the performance of our packaging, focusing on two key areas:

REDUCING THE VOLUME OF PACKAGING MATERIAL USED

Over the past year, examples include:

- Reducing plastic packaging components, by switching to paper-based materials
- Consolidating shipments, to reduce duplicate packaging materials
- Avoiding packaging materials, through using temperature controlled containers.

INCORPORATING MORE RESPONSIBLY SOURCED MATERIALS

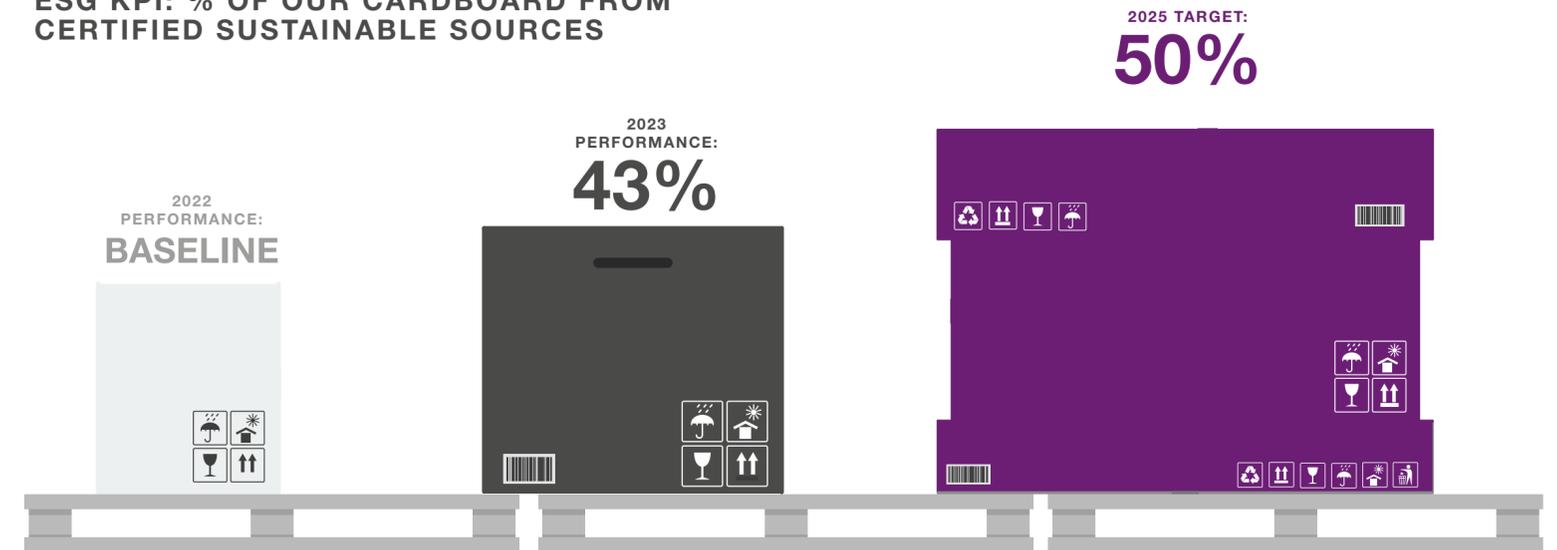
We are committed to ensuring the materials used in our packaging comes from certified responsible sources. The first step relates to our cardboard packaging, of which during the past year **43% came from certified responsible sources.**

PLANS FOR THE NEXT YEAR

We will continue to work with our customers and supply chain partners to identify opportunities to improve the performance of our packaging, with a focus on:

- Increasing the % of our cardboard from certified sustainable sources.
- Opportunities to consolidate shipments, to reduce the volume of packaging required.

ESG KPI: % OF OUR CARDBOARD FROM CERTIFIED SUSTAINABLE SOURCES



CASE STUDY



AVOIDING PACKAGING MATERIALS

This year, our LGC Clinical Diagnostics team in Tipperary, Ireland, piloted a specialised temperature-controlled container unit to transport Quality Control kits. So far, over 4,000 Technopath Urinary QC products have been transported this way, which has avoided the use of 126 polystyrene boxes, 2,500 polar cold packs and creates zero waste for the receiving team.



CASE STUDY



REDUCING PLASTIC PACKAGING COMPONENTS

This year, our LGC Biosearch Technologies team in Bellshill, UK, replaced loose-fill polystyrene packing peanuts with 100% recycled shredded paper. The shredded paper is fully recyclable after use. The shipments are also sent in fully recyclable cardboard boxes.

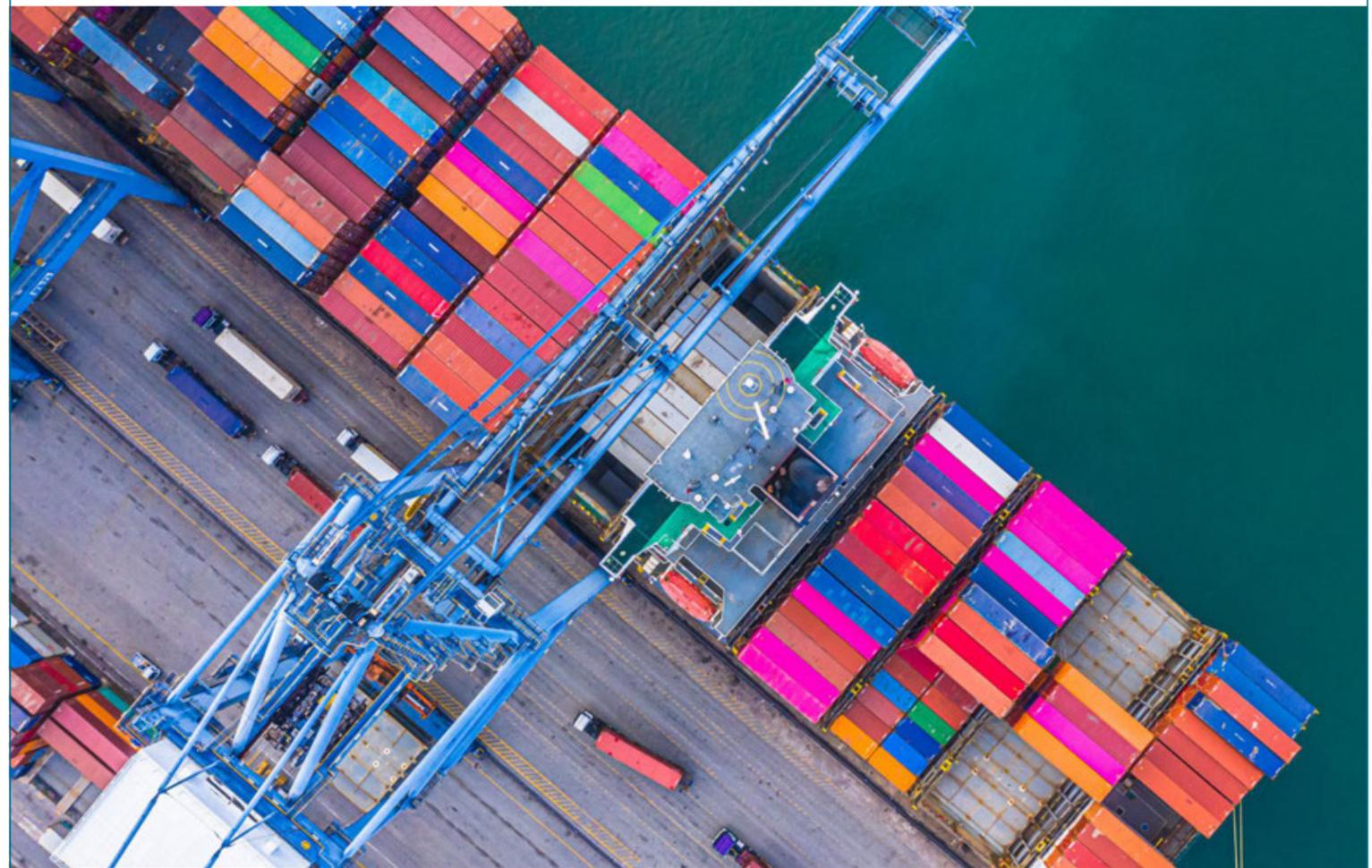
CASE STUDY



REDUCING PACKAGING BY CONSOLIDATING SHIPMENTS

Our LGC Biosearch Technologies team have established a new way in which customers can place their orders for oligonucleotide products. This enables our team to consolidate multiple customer

orders into one shipment, reducing the volume of racks and the associated shipping boxes and dry ice, while maintaining the same levels of quality and speed of delivery.



Responsible sourcing

OUR APPROACH

We work with suppliers around the world who provide products, services and solutions essential to the quality, resilience and sustainability of our own products and services. We require all our suppliers to adhere to our supplier code of conduct as a condition of doing business with LGC.

This code sets out the standards LGC expects our suppliers to follow, including those related to modern slavery, the provision of safe working environments and reducing environmental impact.

OUR PERFORMANCE THIS YEAR

A key priority this year was to build greater visibility of our suppliers and their ESG credentials and performance, and to use this insight to identify opportunities to collaborate with our suppliers.

EXISTING KEY STRATEGIC SUPPLIERS

As a first step, we assessed the percentage of our top 100 suppliers (by spend) which met three key ESG criteria:

- Have a net zero carbon commitment
- Report their ESG performance on an external platform
- Have a code of conduct, which includes a whistleblowing policy.

In January 2023, we expanded this work by reviewing the ESG credentials of the top 80% of suppliers at each of our major operational sites. This includes establishing a partnership with Ecovadis, a leading and trusted provider of business sustainability ratings. To date

over **120 of our major suppliers** have been assessed via Ecovadis or other third-party sustainability assessment platforms.

NEW SUPPLIERS

For all new suppliers to LGC, this year we introduced an updated digital procurement process, which tracks and captures their ESG credentials. Of the new suppliers onboarded this year:

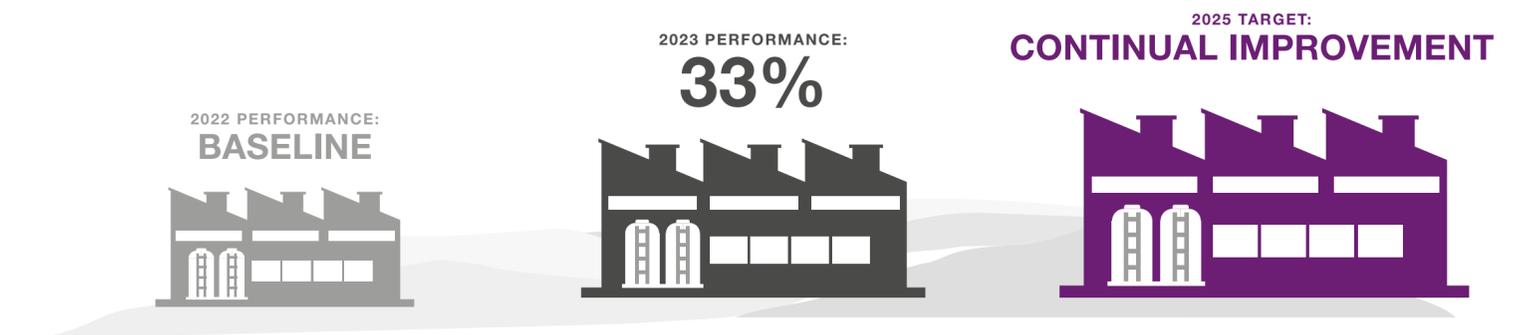
- 15% provided sustainability or ESG policies or reports
- 10% have a carbon net zero target
- 100% received our supplier code of conduct.

PLANS FOR THE NEXT YEAR

We will continue to expand the scope of our responsible sourcing programme by:

- Identifying and tracking the ESG credentials of the top 80% of suppliers at each of our main operational sites.
- Reviewing supplier ESG evaluation scores to drive improvement in key areas.
- Engaging new and existing suppliers around our key ESG criteria, including regular supplier reviews and audits.
- Updating our tender processes to include an ESG questionnaire.

ESG KPI: PERCENTAGE OF TOP 100 SUPPLIERS WHICH MET OUR KEY ESG CRITERIA



Green chemistry

Our teams are increasingly exploring the principles of green chemistry, through the design of chemical products and processes that reduce or eliminate the use or generation of environmentally hazardous substances.

CASE STUDY	
<p>USING GREENER AND LESS TOXIC SOLVENTS</p> <p>Our LGC Standards team in Toronto, Canada, are using greener and less toxic solvents in their chromatography processes, which includes replacing dichloromethane (DCM) with ethyl acetate and replacing hexane with heptane.</p>	

CASE STUDY	
<p>ALTERNATIVE EXTRACTION PROCESSES</p> <p>Our LGC Assure team in Lexington, US, has modified their extraction procedures, as part of their sample analysis. This has reduced the use of chlorinated solvents by up to 50% and reduced the use of plastic consumables by up to 20%.</p>	

CASE STUDY	
<p>REDUCING VOLUME OF SOLVENTS</p> <p>The Medicines and Healthcare products Regulatory Agency (MHRA) team in Teddington, UK are exploring how to optimise solvent usage in monograph development.</p>	

Commitment to quality

OUR APPROACH

The integrity and quality of our products and services are essential to our customers. Given the diverse nature of our operations, each LGC site has its own quality management system (QMS) aligned to the LGC Group quality policy.

Our quality policy has been communicated to all colleagues and made publicly available on the LGC website. All colleagues are required to adhere to this policy.

OUR PERFORMANCE THIS YEAR

Central to our commitment to quality is an ongoing process of ensuring compliance, including with legal requirements and industry standards. This is achieved through regular assessments and audit by external, independent and authorised bodies.

Individual sites and manufacturing operations are also accredited to best practice and international standards, relating to their specific operations.

Over the past year, there were zero fines or penalties for non-compliance with regulations and/or voluntary codes in relation to the health and safety impacts of our products and services.

CASE STUDY

LGC ASSURE | LAB 51 CERTIFICATION

After a year-long process and onsite assessment from UKAS, LGC Assure's Sport and Specialised Analytical Services (SSAS) laboratory in Fordham, UK, has gained recognition for Lab51 compliance.

Lab51 provides further interpretation and guidance of ISO/IEC 17025 requirements, to which the laboratory must adhere.

LGC now proudly joins an elite group of laboratories accredited for the analysis of toxicology samples for chemical analysis and workplace testing applications.

CASE STUDY

LGC CLINICAL DIAGNOSTICS | IVDR CERTIFICATION

The In Vitro Diagnostic Regulation (IVDR) is the new regulatory basis for medical devices, which are sold to be used in laboratories in Europe.

This year our Clinical Diagnostics team in Tipperary was one of the first companies in Ireland to obtain IVDR certification, the result of two years' of work.

For the Technopath team, achieving IVDR certification was a complex effort, involving remediation to existing quality management processes and support from research and development, quality, regulatory, labelling and operations teams. It also required a close alignment with our notified body, TÜV SÜD, to ensure that all requirements were met.

Our Tipperary site now has IVDR Certificates for 14 product families, the first step in an on-going journey to get the full portfolio of LGC Clinical Diagnostics regulated products, certified to IVDR.

Advancing and sharing our science

OUR APPROACH

Our proud heritage in advancing scientific knowledge includes our role as the UK National Measurement Laboratory. We are at the forefront of science discovery and encourage our colleagues to share their research in academic publications and engage with standards committees and expert technical working groups.

We have also set up strategic partnerships with academic institutes, which are renowned for their technologies or expertise.

OUR PERFORMANCE THIS YEAR

Over the past year, **colleagues across our Group have published over 34 papers or articles in peer-reviewed journals and publications**, spanning:

- Standardisation within the synthesis of nanomaterials
- Developments in the detection of Alzheimer's disease
- Testing for new psychoactive substances
- Characterisation of silver nanoparticles in textile products
- Accuracy and standardisation within testing for Monkeypox.

LGC SCIENCE CONFERENCE

Our annual science conference is an important event to bring colleagues together and share our knowledge and successes between our scientific teams and the wider Group. This year, the virtual LGC Science Conference ran across five days, with 16 presentations and four panel sessions, with topics including:

- Impact of the bioinformatics component on microbiome analysis
- Enabling portable devices and at-site measurements
- Challenges with the measurement of genetic biomarkers for oncology
- Future of gene editing in emerging markets.

As part of the LGC Science Conference, this year's poster competition saw 51 scientific posters submitted by colleagues from across LGC. The winning poster showcased work on the 'Detection of gene doping and genetic manipulation in thoroughbred horses by long-read sequencing'.

PLANS FOR THE NEXT YEAR

We will continue to:

- Support our colleagues in delivering world-class science.
- Build and strengthen our relationships with universities and centres of research excellence around the world.

CASE STUDY



This year we launched the Northern Cell Metrology Hub, a collaboration between the National Measurement Laboratory at LGC and The University of Leeds.

Based at the University, the hub will support the health and life science industries focusing on the standardisation of cell measurements, using flow cytometry and bio-imaging techniques, while supporting the development of new biological measurement approaches.

Environmental credentials of our products

We actively support our customers by providing products and services, which help them achieve their sustainability goals.

CASE STUDY	
<p>SUPPORTING RESPONSIBLE SOURCING Our LGC Assure team has launched Issue 2.1 of the BRCGS Ethical Trade and Responsible Sourcing (ETRS) Global Standard. This was the first standard to be recognised by the Consumer Goods Forum’s Sustainable Supply Chain Initiative in 2021. The ETRS Standard provides businesses with a framework to evaluate their sites’ processes, controls and effectiveness in delivering against principles of ethical trade and responsible sourcing.</p>	

CASE STUDY	
<p>REDUCING PLASTIC WASTE Our proprietary manufacturing processes for quality control (QC) materials allow the incorporation of a greater number of analytes into a single product. For instance, Multichem® IA Plus and Multichem® S Plus, contain more than 190 analytes combined, driving significant efficiencies for laboratories.</p> <ul style="list-style-type: none"> • Providing consolidated multi-analyte QC materials reduces primary packaging waste. • Barcoded vials eliminate the need to manually transfer QC materials into the sample cups, removing the need for plastic laboratory consumables. 	

CASE STUDY	
<p>LOW IMPACT COLLECTION KITS A critical challenge for genomics analysis and NGS is the requirement for intact, high molecular weight DNA. Our LGC Biosearch Technologies team, working with an industry partner, have developed the BioArk Fish collection kit, which is designed to reduce collection time, improve sample material, and reduce environmental impacts. Specifically it:</p> <ul style="list-style-type: none"> • Does not require ethanol or freezing to stabilise the sample • Reduces plastics and energy needed for freezing of samples. 	

CASE STUDY	
<p>REFERENCE MATERIALS TO HELP CUSTOMERS REDUCE WASTE Our PestiMix kit combines 739 analytes for liquid chromatography (LC) and 431 analytes for gas chromatography (GC) in just five ampoules. This helps reduce the environmental impact of undertaking quality assurance and calibration in laboratories, including a reduction of:</p> <ul style="list-style-type: none"> • Solvents for in-laboratory sample preparation • In-laboratory plastic waste • Electricity and HVAC usage for fume-hoods. 	



Responsible business

A commitment to high ethical standards has been at the heart of LGC since our inception in 1842. We expect our colleagues and business partners to do the right thing.

> CORPORATE GOVERNANCE
AND BUSINESS ETHICS

> HEALTH
AND SAFETY

> CYBER
SECURITY

> OUR
LEADERSHIP

Corporate governance and business ethics



OUR APPROACH

BUSINESS ETHICS

Our code of ethics sets out clear expectations for all colleagues and business partners to behave in an ethical and compliant manner.

We actively encourage a culture within which all colleagues feel empowered to raise concerns about actual or potential misconduct, without fear of reprisal. We operate an external whistleblowing procedure, allowing colleagues, business partners or others to report concerns about the actions of suppliers, managers and other colleagues anonymously and in confidence. This may include concerns of corruption, unethical or illegal action or human rights infractions. All reports are assessed by our Chief Compliance Officer to determine the scope and need for an investigation.

Four reports were raised via the external whistleblowing service this year; on investigation none were found to have identified employee misconduct.

ANTI-BRIBERY, CORRUPTION AND COMPETITION

We do not tolerate bribery, corruption or any action which fails to comply with competition law. To ensure complete clarity of our zero tolerance expectations, our anti-bribery and corruption policy and procedures are communicated to all our colleagues, who are required to undertake regular training on these procedures. Relevant portions of our policies and procedures are also included in our supplier code of conduct, which is communicated to all our suppliers.

This year, there were zero confirmed incidences of corruption or illegal actions relating to anti-competitive behaviour or violations of anti-trust and monopoly legislation.

DATA PRIVACY

We adhere to the requirements under the laws of the countries where we operate, including the European Union General Data Protection Regulation (EU GDPR). Our Group-wide privacy and processing policy adopts best practice standards to guide our use of personal data worldwide and ensure we respond to developments in law and regulation in the places we operate. We deploy training and guidance on data privacy and security regularly to colleagues.

CLINICAL PRACTICE AND BIOETHICS

The LGC Bioethics Committee meets twice a year (once with external legal representation) and is chaired by our Chief Scientific Officer. This Committee acts as an advisory body to ensure the work and projects LGC undertakes remain fully compliant with the highest bioethical standards. All work with biological resources is reviewed by the Bioethics Committee prior to its commencement and is subject to applicable impact assessments.

Health and safety

OUR APPROACH

All colleagues and contractors working at our sites are required to adhere to relevant, site-specific health and safety (H&S) management systems, which are based on, and aligned to, our global H&S policy and manual in addition to meeting relevant local or national regulations.

Our H&S leaders are responsible for the implementation of the H&S management system at each LGC site, with all colleagues trained on applicable occupational H&S. Colleagues who are exposed to specific workplace hazards such as compressed gases, biological substances and hazardous materials, also receive specialised safety training in accordance with regulatory requirements.

As part of our commitment to ongoing improvement, we regularly review the effectiveness of our H&S systems, including site-based risk assessments and job hazard analysis. LGC consults with employees through Safety, Health and Environmental Committees across the Group, to promote and maintain rigorous H&S standards. Site representatives meet frequently to review processes and share best practice. We also consult our Work Councils formally on applicable health and safety topics.

OUR PERFORMANCE THIS YEAR

We record and closely monitor safety-related data by site, including:

- **Injuries:** this refers to all work-related injuries which are recorded by our safety teams.
- **Reportable injuries:** this refers to work-related injuries, which meet the criteria for reporting to the relevant local external safety bodies.

This information is reported on a monthly basis to the LGC Board and to colleagues through our Safety, Health and Environmental Committees across the Group.

Over the past year, there were 168 work-related injuries, mostly minor injuries with the most common cause a cut, puncture or graze, of which 19 were required to be reported externally. There were no fatalities.

This year the rate of work-related injuries (calculated per 1,000,000 hours worked) was 2.2, a reduction from 2.6 last year.

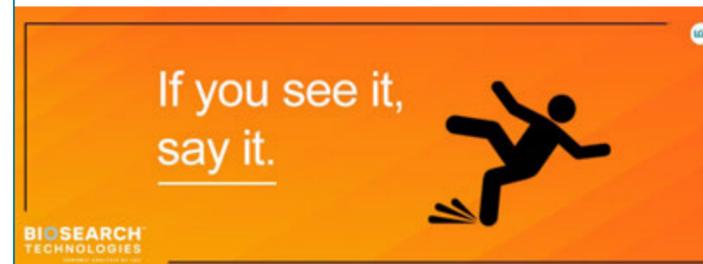
CASE STUDY



IF YOU SEE IT, SAY IT – H&S CAMPAIGN

This year, our LGC Biosearch Technologies team ran an extensive health and safety campaign on the theme ‘if you see it, say it’. Activities included: safety toolkits for site leadership teams on building a safety culture; safety tips and best practice for different working environments; posters and videos raising awareness.

The campaign also included a drawing contest for the children in our employees’ lives, who were asked to draw a poster of what staying safe in the workplace looked like to them. The winning posters are now proudly displayed around our sites.



Cyber security

OUR APPROACH

We recognise that cyber security is one of the most serious, rapidly growing and pervasive risks facing businesses today, which is further heightened by recent geopolitical events and the increase in remote working.

Our goal is to maintain a secure environment for our products, our data and our systems to support our business objectives and customer needs. To achieve this, we have a programme of work in place to maintain and improve our cyber security and our IT resilience. This includes deploying additional cyber security controls and running regular assurance activities, such as:

- Independent cyber security assessments
- Penetration testing of critical systems
- Continuous scanning of our systems for security weaknesses
- Management of cyber security risks introduced by third parties.

Our cyber security programme is led by our Chief Information Security Officer, who, along with our Chief Data and Information Officer, provides regular updates to our LGC Executive Leadership Team and the LGC Board.

OUR PERFORMANCE THIS YEAR

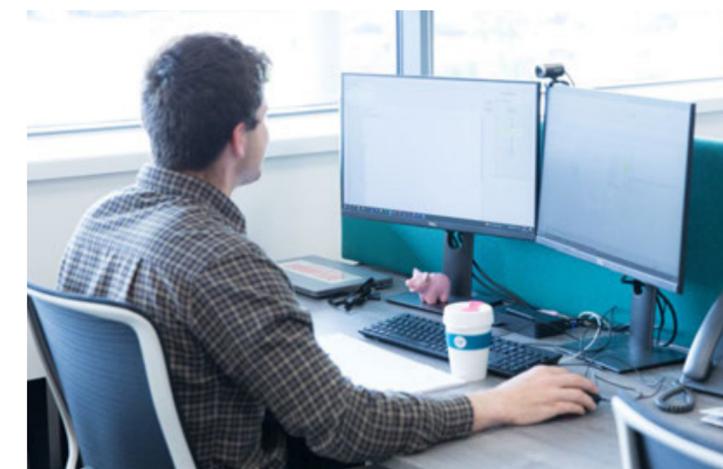
Activities over the past year include:

- **User education and awareness**, all colleagues are required to undertake a mandatory annual learning module, together with regular awareness activities throughout the year.
- **Regular phishing simulation programme**, delivered by our ERM team, through which we monitor our exposure and deploy interventions as needed.
- **Enhancements to the protection of digital assets**, including securing business information on mobile devices, controlling IT accounts with additional privilege and strengthening security of third-party access.

This year, we have experienced no critical cyber security incidents. Such incidents are defined as those which would have a material impact on the company.

PLANS FOR THE NEXT YEAR

Looking ahead, we recognise that cyber security threats will continue to increase and present a significant threat to our business. We will continue to undertake regular assessments of our cyber security and verify that our key controls are both operating as intended and improved as needed. We will also continue to engage with our critical suppliers to assess and help them strengthen their cyber security controls.



Our leadership

LGC'S EXECUTIVE LEADERSHIP TEAM



EUAN O'SULLIVAN
President &
Chief Executive Officer



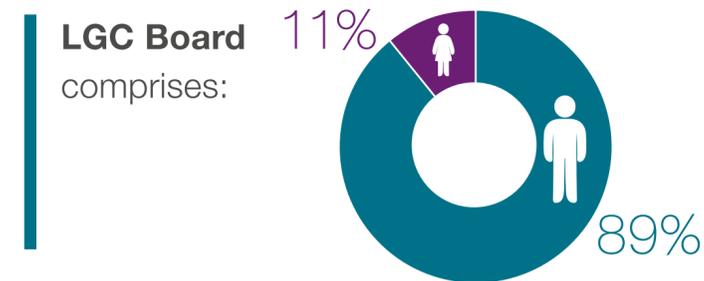
VIVID SEHGAL
Chief Financial Officer



BHARATHI ANEKELLA
EVP & GM, LGC Clinical
Diagnostics



KEN YOON
EVP & GM,
LGC Standards



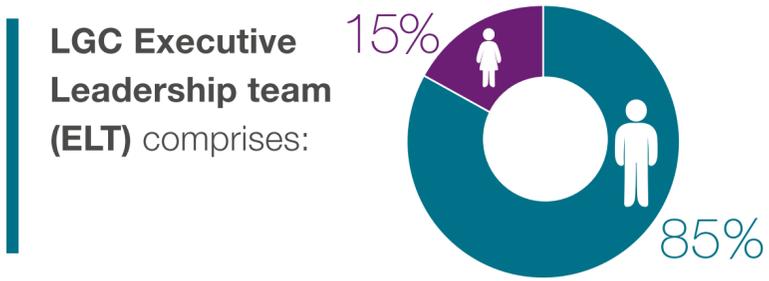
DR DEREK CRASTON
Chief Scientific Officer



MARK DEARDEN
Managing Director, LGC
Biosearch Technologies



LEE MAW
Chief Digital and
Information Officer



JULIE CORMACK
Chief People Officer



DR MEHRDAD TABRIZI
EVP & GM,
LGC Axolabs



GREER MCMULLEN
General Counsel and
Company Secretary



MANJEET AUJLA
Chief Transformation Officer



MIKE WILSON
SVP, LGC Assure



SANJEEV RANA
SVP Corporate Strategy,
Development & Communications

46% are between 35-55 years old.

54% are above 50 years old.



Science
for a Safer World

Reporting index

> GLOBAL REPORTING INITIATIVE (GRI) STANDARDS

> SUSTAINABLE FINANCE DISCLOSURES REGULATION (SFDR)

> TASKFORCE FOR CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD)

> INDEPENDENT ASSURANCE REPORT

Report profile

REPORTING PERIOD AND SCOPE

The information within this report relates to the activities of LGC Science Group Holdings Limited, which is headquartered in Teddington, UK. Data reported includes all LGC operations worldwide for the period of 1 April 2022 - 31 March 2023, unless otherwise noted.

For further information relating to the organisational structure and financial performance of LGC, see the LGC Annual Report.

REPORTING FRAMEWORK

This report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards: Core option. Reference numbers against the GRI Standards and the Sustainable Finance Disclosures Regulation (SFDR) are included in the following data tables.

In preparing this report the reporting requirements of the Sustainability Accounting Standards Board (SASB) - 'Medical Equipment and Supplies' Standard and the United Nations Global Compact (UNGC) were also reviewed. LGC intends to further embed SASB and UNGC aligned approaches and metrics into our reporting in the future.

EXTERNAL ASSURANCE

The energy and greenhouse gas emission (scope 1 and 2) data for 2022-23 in this report has been externally assured by Bureau Veritas. Data which is assured within this report is indicated by [A]. See page 58 for further details of the assurance process.

RESTATEMENTS OF INFORMATION

For details of restatements and updates to data published within previous reports see page 51. For previous ESG / CSR reports and supporting policies see the LGC website.

MATERIALITY

The topics reported were identified through an internal materiality assessment conducted in 2021, and subject to ongoing review. For further information, see LGC ESG Report 2020-21.

GOVERNANCE OF OUR ESG COMMITMENT

Our ESG Policy Committee meets quarterly and is responsible for the oversight of our approach to ESG. The Committee is chaired by Euan O'Sullivan, President & Chief Executive Officer, and includes the Chief Financial Officer, Chief People Officer and Chief Scientific Officer, as well as senior leaders from across our Group. The role of the Committee is to provide guidance on our strategic plans to embed ESG activities across LGC and review progress on a quarterly basis. The Committee provides reports to the ELT and the LGC Board on an annual basis.

ENGAGING OUR COLLEAGUES AROUND ESG

Our People and ESG Council meets quarterly and is comprised of nominated representatives from the full breadth of our business and operating territories. The Council is a consultative body to shape how we address environmental and social issues facing our business and society. As of 31 March 2023, 28 colleagues sat on the Council, representing 19 of the main LGC sites.

Report profile

GRI INDICATOR	DESCRIPTION	PAGE REF:
GENERAL DISCLOSURES		
2-1	Organisational details	48
2-2	Entities included in the organisation’s sustainability reporting	48
2-3	Reporting period, frequency and contact point	48, 59
2-4	Restatements of information	48, 50, 51
2-5	External assurance	48, 58
2-6	Activities, value chain and other business relationships	5
2-7	Employees	5, 50
2-8	Workers who are not employees	50
2-9	Governance structure and composition	46, Annual report
2-10	Nomination and selection of highest governance body	Annual report
2-11	Chair of the highest governance body	46, Annual report
2-12	Role of the highest governance body in overseeing the management of impacts	46, Annual report
2-13	Delegation of responsibility for managing impacts	48, Annual report
2-14	Role of the highest governance body in sustainability reporting	48, Annual report
2-15	Conflicts of interest	Annual report
2-16	Communication of critical concerns	Annual report
2-17	Collective knowledge of the highest governance body	Annual report

GRI INDICATOR	DESCRIPTION	PAGE REF:
GENERAL DISCLOSURES		
2-18	Evaluation of the performance of the highest governance body	Annual report
2-19	Remuneration policies	Annual report
2-20	Process to determine remuneration	Annual report
2-21	Annual total compensation ratio	Annual report
2-22	Statement on sustainable development strategy	6, 48
2-23	Policy commitments for responsible business conduct	32, 43
2-24	Embedding policy commitments throughout activities	32, 43
2-25	Process to remediate negative impacts	6, 48
2-26	Mechanisms for seeking advice and raising concerns	43
2-27	Compliance with laws and regulations	43
2-28	Membership associations	40
2-29	Approach to stakeholder engagement	16, 48
2-30	Collective bargaining agreements and worker consultation	44
201-2	Financial implications and other risks and opportunities due to climate change	53
3-1	Process to determine material topics	6, 48
3-2	List of material topics	6, 48
3-3	Management of material topics	6, 48

ESG data (GRI and SFDR)

INDICATOR	GRI	SFDR	FY21	FY22	FY23	PAGE
OUR PEOPLE						
TOTAL NUMBER OF EMPLOYEES	2-7		3,944	4,361	4,144	p.15
Canada	2-7		-	-	10%	
US	2-7		-	-	32%	
Germany	2-7		-	-	17%	
UK	2-7		-	-	30%	
Rest of World	2-7		-	-	10%	
RATIO OF FULL-TIME PART-TIME EMPLOYEES	2-7		87% 13%	93% 7%	92% 8%	
Female	2-7		-	-	88% 12%	
Male	2-7		-	-	97% 3%	
RATE OF NEW EMPLOYEE HIRES			-	-	22%	
Female	401-1		-	-	23%	
Male	401-1		-	-	21%	
RATE OF EMPLOYEE TURNOVER			-	-	27%	
Female	401-1		-	-	27%	
Male	401-1		-	-	25%	
TALENT DEVELOPMENT						p.22
Leadership talent development training programmes (colleagues trained)	404			393	305	
Apprenticeships (number of colleagues)	404			21	12	
Employees receiving regular performance and career development reviews (%)	404-3		100%	100%	100%	

INDICATOR	GRI	SFDR	FY21	FY22	FY23	PAGE
OUR PEOPLE						
DIVERSITY (GENDER)	405-1	PAI				p.18
Female (all employees)	405-1		53%	52%	53%	
Male (all employees)	405-1		47%	48%	47%	
Female (senior management)	405-1		-	29%	30%	
Male (senior management)	405-1		-	71%	70%	
Female (Executive Leadership Team)	405-1		11%	18%	15%	
Male (Executive Leadership Team)	405-1		89%	82%	85%	
Female (Board)	405-1		-	-	11%	
Male (Board)	405-1		-	-	89%	
DIVERSITY (AGE)	405-1					
<35 years old (all employees)	405-1		40%	40%	37%	
35-55 years old (all employees)	405-1		48%	48%	49%	
55+ years old (all employees)	405-1		11%	12%	14%	
<35 years old (Executive Leadership Team)	405-1		0%	0%	0%	
35-55 years old (Executive Leadership Team)	405-1		56%	45%	46%	
55+ years old (Executive Leadership Team)	405-1		44%	55%	54%	

REPORTING NOTES:

- Diversity:** We recognise that not all colleagues identify as male or female. Our data currently only allows us to report gender diversity for the two categories 'male' and 'female'. We support colleagues of all gender identities through our employee resource group PRYSM.
- Diversity (gender):** Senior management refers to the LGC Leadership Team (LLT), which is made up of senior leaders from across the Group nominated for participation by their Executive Leadership Team (ELT) member.
- Diversity (gender and age):** ELT reported as at 1 August 2023.

INDICATOR	GRI	SFDR	FY21	FY22	FY23	PAGE
OUR PLANET						
TOTAL ENERGY CONSUMPTION (MWH)	302-1	PAI	63,049	62,058^[A]	64,398^[A]	p.30
Natural gas (MWh)	302-1		32,915	29,066 ^[A]	31,271 ^[A]	
Fuel use - generators and company vehicles (MWh)	302-1		306	702 ^[A]	783 ^[A]	
Electricity use – total (MWh)	302-1		29,828	32,290 ^[A]	32,344 ^[A]	
• Electricity - non-renewable sources (MWh)	302-1		20,620	21,859 ^[A]	14,040 ^[A]	
• Electricity - renewable sources (MWh)	302-1		9,208	10,431 ^[A]	18,304 ^[A]	
ELECTRICITY FROM RENEWABLE SOURCES (%)	302-1		31%	32%^[A]	57%^[A]	
ENERGY INTENSITY (MWH PER £M REVENUE)	302-3		90	82	82	
TOTAL GHG EMISSIONS (SCOPE 1,2 AND 3) (tCO₂e)	305	PAI		29,000	28,000	p.28
Direct GHG emissions (scope 1) - from energy (tCO ₂ e)	305-1		6,734	5,834 ^[A]	6,413 ^[A]	
Indirect GHG emissions (scope 2) - from energy: market (tCO ₂ e)	305-2		6,555	6,650 ^[A]	3,888 ^[A]	
Indirect GHG emissions (scope 2) - from energy: location (tCO ₂ e)	305-2		8,012	8,334 ^[A]	9,639 ^[A]	
Direct and indirect GHG emissions (scope 1 and 2): market (tCO ₂ e)	305-2		13,289	12,484 ^[A]	10,301 ^[A]	
Direct and indirect GHG emissions (scope 1 and 2): location (tCO ₂ e)	305-2		14,746	14,168 ^[A]	16,052 ^[A]	
Other indirect GHG emissions (scope 3) – across supply chain (tCO ₂ e)	305-3			16,000	17,500	

INDICATOR	GRI	SFDR	FY21	FY22	FY23	PAGE
OUR PLANET						
GHG EMISSION INTENSITY (SCOPE 1 AND 2): MARKET (tCO₂e PER £M REVENUE)	305-4	PAI	19	17	13	
GHG EMISSION INTENSITY (SCOPE 1 AND 2): LOCATION (tCO₂e PER £M REVENUE)	305-4	PAI	21	19	20	
WATER CONSUMPTION – FROM MUNICIPAL SOURCES (M3)	303-3		20,898	23,367	120,431	p.32
Water withdrawal from areas of water stress (%)	303-3		-	-	29%	
WATER USE INTENSITY PER (M3 PER M2)	303-3		1.0	1.2	0.9	
TOTAL WASTE GENERATION (TONNES)	306-3	PAI	954	1,191	2,517	p.31
Chemical and other hazardous waste (tonnes)	306-3		954	1,191	1,032	
Biohazardous and other clinical waste (tonnes)	306-3		n/a	n/a	51	
General or non-hazardous (tonnes)	306-3		n/a	n/a	1,434	
WASTE DISPOSAL	306					
Recycled or reprocessed (%)	306-4		-	-	48%	
Incinerated with energy recovery (%)	306-5		-	-	16%	
Other treatments, including via landfill (%)	306-5		-	-	36%	

REPORTING NOTES:

4. Assurance: Data which is assured within this report is indicated by [A].

5. Water consumption – from municipal sources: Increase in volume relates to an expanded scope of reporting for 2022-23, with data from additional operational sites included.

6. Total waste generation (tonnes): Increase in volume relates to an expanded scope of reporting for 2022-23, with data from additional operational sites included.

7. Other indirect GHG emissions (scope 3): Data rounded to 2 significant figures to reflect degree of uncertainty in calculations and current data availability.

INDICATOR	GRI	SFDR	FY21	FY22	FY23	PAGE
OUR PRODUCTS						
RESPONSIBLE SOURCING						p.37
New suppliers that were screened using environmental criteria (%)	308-1	-	-	-	100%	
New suppliers that were screened using social criteria (%)	414-1	-	-	-	100%	
Top 100 suppliers which met key ESG criteria (%)	-	-	-	-	33%	
Number of suppliers' sustainability credentials assessed via third party platforms	-	-	-	-	120	
CARDBOARD PACKAGING FROM CERTIFIED SUSTAINABLE SOURCES (% BY SPEND)						p.35
	-	-	-	-	43%	

INDICATOR	GRI	SFDR	FY21	FY22	FY23	PAGE
RESPONSIBLE BUSINESS						
HEALTH AND SAFETY						
New employees who have received H&S training (%)	403-5		100%	100%	100%	p.44
Number of work-related injuries	403-9		-	226	168	
Number of reportable work-related injuries	403-9		13	21	19	
Rate of recordable work-related injuries	403-9		1.5	2.6	2.2	
Number of fatalities	403-9		0	0	0	
Days lost due to injury (includes all recordable injuries)			-	-	172	
FINES OR PENALTIES CONCERNING THE HEALTH AND SAFETY IMPACTS OF PRODUCTS OR SERVICES						
	416-2		0	0	0	
NUMBER OF QUALITY-RELATED ISO CERTIFICATIONS ACROSS OUR SITES						
	-		41	52	49	p.39
SUBSTANTIATED COMPLAINTS CONCERNING BREACHES OF CUSTOMER PRIVACY AND LOSSES OF CUSTOMER DATA						
	418-1		0	0	0	
CORPORATE GOVERNANCE AND BUSINESS ETHICS						
	205	PAI				p.43
Executive Leadership Team received training on anti-corruption	205-2		100%	100%	100%	
Employees received training on anti-corruption	205-2		100%	100%	100%	
Confirmed incidents of corruption	205-3		0	0	0	
Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	206-1		0	0	0	

TCFD Statement

This is the first year LGC has disclosed against the recommendations of the Taskforce on Climate-related Financial Disclosures (TCFD). We aim to provide further disclosures on relevant climate-related topics in future reports.

GOVERNANCE

- a. Describe the Board's oversight of climate-related risks and opportunities
- b. Describe management's role in assessing and managing climate-related risks and opportunities

The LGC President & Chief Executive Officer oversees the LGC environmental, social and governance (ESG) approach and associated risks and opportunities, including those related to climate. LGC climate-related targets and performance are discussed annually at Board level, as part of the Board review of the ESG strategy and performance.

- The ESG Policy Committee is chaired by the LGC President & Chief Executive Officer and includes the Chief Financial Officer, Chief People Officer and Chief Scientific Officer, as well as senior leaders from across our Group. The Committee meets quarterly and is responsible for the oversight of our approach to ESG, including climate-related issues. The Committee reports into our Executive Leadership Team (ELT) and the Board of LGC on an annual basis.

- The LGC Operational Risk Committee comprises senior functional leaders from across the Group, who meet monthly to review the risk register and the operational risk programme, this includes reviewing climate-related risks and opportunities. The risk register containing risks which are material at enterprise level is submitted for quarterly review to the Strategic Risk Committee and LGC Board.

STRATEGY

- a. Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term
- b. Describe the impact of climate-related risks and opportunities on the organisation’s businesses, strategy, and financial planning
- c. Describe the resilience of the organisation’s strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario

Relevant climate-related risks and opportunities, using the TCFD categorisation, are listed below. Based on an initial assessment, none are believed to have substantive financial or strategic impact on the business.

TRANSITION RISK

Risk type: Current and future regulation

Impact: Supply chain

Risk level: Low to medium

Description: Potential carbon tax instruments could impact LGC operations directly or indirectly leading to an increase in operating costs, as well as additional activities for monitoring, reporting and verification.

Mitigation strategy: In 2021, we announced our commitment to achieve net-zero greenhouse gas emissions by 2050. We continue to invest in renewable energy and seek ways to reduce overall energy use. In 2022, we began mapping our suppliers to understand their emissions reduction plans.

PHYSICAL RISK #1

Risk type: Acute physical risk

Impact: Operations

Risk level: Low

Description: Extreme weather events, such as hurricanes, floods, droughts and fires could affect LGC operations. Climate change may

lead to an increase in frequency in these events.

Mitigation strategy: A regular assessment is undertaken at all LGC sites to assess their exposure and associated vulnerability to extreme weather events. Any potential risks identified are managed by business continuity plans.

PHYSICAL RISK #2

Risk type: Acute physical risk

Impact: Supply chain

Risk level: Low

Description: Extreme weather events, such as hurricanes, floods, droughts and fires, could affect LGC supply chains impacting production capacity.

Mitigation strategy: We are evaluating suppliers who are most at risk and will collaborate with our strategic suppliers on their risk mitigation plans.

OPPORTUNITY #1

Type: Energy source

Impact: Operations

Opportunity level: Low-medium

Description: Investing in lower-emission sources of energy, including solar energy offers opportunities to reduce operational costs and exposure to future fossil fuel price increases.

Strategy: We continue to invest in renewable energy including recent investment into on-site solar energy at our site in Bury, UK.

OPPORTUNITY #2

Type: Resource efficiency

Impact: Operations

Opportunity level: Medium

Description: Use of more efficient buildings, production and distribution processes provides opportunities to reduce operating costs (e.g., through efficiency gains and cost reductions).

Strategy: We are actively seeking to reduce overall energy use, including through energy efficient lighting and heating, ventilation and air conditioning (HVAC) equipment.

OPPORTUNITY #3

Type: Products and services

Impact: Market

Opportunity level: Medium

Description: A number of our products and services are well-placed to support the transition to a low carbon economy, and represent important potential growth markets in the future. For further information see page 33.

Strategy: We will continue to develop and promote products and services which are aligned with the transition to a low carbon society.

RISK MANAGEMENT

The LGC Enterprise Risk Management (ERM) programme provides a framework for identifying material risks across the company; determining ownership of the risk, management and mitigation actions to be applied and supports the creation and maintenance of business continuity plans where appropriate. This includes the identification of risks relating to climate change.

Risks are identified at site-level via risk registers. In parallel, and informed by this process, the LGC Operational Risk Committee maintains the LGC Risk Register. Within this assessment, risks are ranked on a scale of 1 to 5 according to consequence and probability. The risk register containing risks which are material at enterprise level is submitted for quarterly review to the Strategic Risk Committee and LGC Board.

Longer term implications of climate change which are relevant at a site-level, for instance relating to extreme weather events, are captured within ongoing site-level business continuity planning.

- a. Describe organisational processes for identifying and assessing climate-related risks
- b. Describe organisational processes for managing climate-related risks
- c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management

METRICS AND TARGETS

- a. Metrics used to assess climate-related risks and opportunities in line with its strategy and risk management process
- b. Scope 1, Scope 2 and, if appropriate, Scope 3 (GHG) emissions and the related risks
- c. Describe targets used by the organisation to manage climate-related risks and opportunities and performance against targets

TARGETS

In 2021, LGC committed to be carbon net-zero by 2050. As part of this commitment, in 2022 we set the target to source 80% of electricity from renewable sources by 2025.

METRICS

LGC discloses performance, on an annual basis, against the following climate-related metrics:

- Total energy used
- % of electricity from renewable sources
- Total GHG emissions (scope 1,2 and 3).

For further details, see page 27-29 of the LGC 2022-23 ESG report.

Energy and greenhouse gas emissions: Method statement

This statement summarises the reporting approach relating to energy use and greenhouse gas (GHG) emissions for the period of 1 April 2022 to 31 March 2023, as included within the LGC Environmental, Social and Governance (ESG) report.

REPORTING APPROACH

Calculations for energy usage and GHG emissions follows the GHG Protocol Corporate Accounting and Reporting Standard and the following Global Reporting Initiative (GRI) Standards:

- **Energy (2016)** - disclosure 302-1 (energy use), 302-3 (energy intensity)
- **Emissions (2016)** – disclosures 305-1 (scope 1 emissions), 305-2 (scope 2 emissions), 305-4 (GHG intensity).

REPORTING BOUNDARIES

Data is reported for 36 LGC sites, which relates to the largest sites within the LGC estate including all manufacturing facilities. Other sites associated with LGC employees (typically sales offices or those with less than 5 members of staff) are treated as de minimis.

For businesses or sites which have been acquired during the reporting period, where possible, energy and GHG emission data is included for the full month after the acquisition was announced by LGC.

For businesses or sites in which LGC shares the facility with other organisations (e.g., multiple-tenant buildings), the following hierarchy is adopted:

- Sub-meters are used to measure energy usage (and associated GHG emissions) relating to LGC operations
- An allocation methodology is applied based on size of LGC operations or a similar metric.

GREENHOUSE GASES

GHG emission data reported includes all seven Kyoto greenhouse gases (biogenic CO₂ is not included unless otherwise noted), data is reported in metric tons of CO₂ equivalent (CO₂e).

ENERGY

Energy usage within the scope of reporting, includes consumption for heating, cooling and steam (if applicable to the site). LGC does not sell energy and this information is not included within the report.

SCOPE OF DATA

The following energy and GHG emissions sources are included:

- **Natural gas** - direct consumption, primarily for heating.
- **Fuel usage** - direct consumption, primarily for back-up generators.
- **Fuel use for company vehicles** - direct consumption, primarily for on-site or employee use.
- **Electricity** - via self-generation or contractual provision, primarily for heating and equipment usage.
- **Fugitive emissions** - relating to the use of refrigerant gases for cooling.

DATA SOURCES

Based on the contractual arrangements for energy provision, the following data sources are used:

- **Energy directly procured by LGC or a third-party broker:** Data is captured via regular utility bills.
- **Energy procured by landlord (e.g., as part of the building lease):** Data is typically captured via utility bills, with an allocation between LGC and other tenants within the building applied.
- **Fuel usage (e.g., for back-up generators):** Data is provided by the site team on an annual basis.
- **Fuel usage for company vehicles:** Data is captured as part of employee expenses or vehicle management tracking. Where primary data is not available, estimates are provided by relevant teams.
- **Fugitive emissions:** Refrigerant gas losses are recorded by site teams and shared on an annual basis, including the volume of gases leaked (or topped up during servicing) and the type of gas. For sites, in which primary data is not available, a methodology was applied to estimate the fugitive emissions based on the following

variables: site energy requirements; site size; geographical climate and expected refrigerant needs.

EMISSION FACTORS

GHG emissions were calculated using the following sources of emission factor:

- **Emission factors for natural gas:** Based on 'Natural Gas HHV' taken from the UK GHG inventory (2022), applied to all sites globally and updated on an annual basis.
- **Emission factors for electricity – location:** Via Association of Issuing Bodies (AIB) data or other available data sources.
- **Emission factors for electricity – market:** Adopts the following hierarchy: renewable energy certificates; emission factors provided by utility company; residual mix emission factors; location-based emission factors.
- **Emission factors for fuel:** Based on 'Diesel' taken from the UK GHG inventory (2022) applied to all sites globally and updated on an annual basis.
- **Emission factors for fugitive gases:** Taken from the UK GHG inventory (2022), applied to all sites globally and updated on an annual basis.

INTENSITY CALCULATIONS

To reflect the varied nature of our products and services, the following intensity ratios are used within the report:

- **GHG (carbon) emission intensity** – based on tonnes of carbon (scope 1,2 and 3) per £m revenue.
- **Energy intensity** – calculated based on all energy usage per £m revenue.

Independent Assurance Report

To: The stakeholders of LGC Group

1. Introduction and objectives of work

Bureau Veritas UK Ltd ('Bureau Veritas') has been engaged by LGC Group ('LGC') to provide limited assurance over selected sustainability data to be included in LGC's ESG Report 2022/2023 ('the Report'). The objective is to provide assurance to LGC and its stakeholders over the accuracy and reliability of the reported information and data.

2. Scope of work

The scope of our work was limited to assurance over the following information included within the Report for the period 1st April 2022 – 31st March 2023 (the 'Selected Information'):

- GRI 302-1: Energy consumption within organization
- GRI 305-1: Direct (scope 1) GHG emissions
- GRI 305-2: Energy indirect (scope 2) GHG emissions [market and location-based]

The scope of our work also included a calculation of the year-on-year percentage difference from LGC's FY22 (verified by Bureau Veritas in June 2022) to FY23.

3. Reporting criteria

The Selected Information needs to be read and understood together with LGC's reporting methodology 'Energy and greenhouse gas emissions: Method statement' as set out in the Report.

4. Limitations and exclusions

Excluded from the scope of our work is assurance of information relating to:

- Activities outside the defined assurance period;
- The appropriateness of the Reporting Criteria;
- Positional statements of a descriptive or interpretative nature, or of opinion, belief, aspiration or commitment to undertake future actions; and

- Other information included in the Report other than the Selected Information.

The following limitations should be noted:

- This limited assurance engagement relies on a risk based selected sample of sustainability data and the associated limitations that this entails.
- The reliability of the reported data is dependent on the accuracy of metering and other production measurement arrangements employed at site level, not addressed as part of this assurance.
- This independent statement should not be relied upon to detect all errors, omissions or misstatements that may exist.

5. Responsibilities

This preparation and presentation of the Selected Information in the Report are the sole responsibility of the management of LGC.

Bureau Veritas was not involved in the drafting of the Report or of the Reporting Criteria. Our responsibilities were to:

- obtain limited assurance about whether the Selected Information has been prepared in accordance with the Reporting Criteria;
- form an independent conclusion based on the assurance procedures performed and evidence obtained; and
- report our conclusions to the Directors of LGC.

6. Assessment standard

We performed our work to a limited level of assurance in accordance with International Standard on Assurance Engagements (ISAE) 3000 Revised, Assurance Engagements Other than Audits or Reviews of Historical Financial Information (effective for assurance reports dated on or after December 15, 2015), issued by the International Auditing and Assurance Standards Board.

7. Summary of work performed

As part of our independent assurance, our work included:

1. Conducting interviews with relevant personnel of LGC
2. Reviewing the data collection and consolidation processes used to compile Selected Information, including assessing assumptions made, and the data scope and reporting boundaries in line with the reporting methodology 'Energy and greenhouse gas emissions: Method statement'
3. Reviewing estimation methods where source evidence was unavailable
4. Reviewing documentary evidence provided by LGC
5. Agreeing a selection of the Selected Information to the corresponding source documentation;
6. Reviewing LGC systems for quantitative data aggregation and analysis
7. Comparing the Selected Information to the prior year amounts taking into consideration changes in business activities, acquisitions and disposals
8. Evaluating the design of internal systems, processes and controls to collect and report the Selected Information
9. Reperforming a selection of aggregation calculations and greenhouse gas emissions conversions calculations
10. Assessing the disclosure and presentation of the Selected Information to ensure consistency with assured information.

A 5% materiality threshold was applied to this assurance. It should be noted that the procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

8. Conclusion

On the basis of our methodology and the activities and limitations described above nothing has come to our attention to indicate that the Selected Information is not fairly stated in all material respects.

9. Statement of Independence, Integrity and Competence

Bureau Veritas is an independent professional services company that specialises in quality, environmental, health, safety and social accountability with over 190 years history. Its assurance team has extensive experience in conducting verification over environmental, social, ethical and health and safety information, systems and processes.

Bureau Veritas operates a certified¹ Quality Management System which complies with the requirements of ISO 9001:2015, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, quality reviews and applicable legal and regulatory requirements which we consider to be equivalent to ISQM 1 & 2².

Bureau Veritas has implemented and applies a Code of Ethics, which meets the requirements of the International Federation of Inspections Agencies (IFIA)³, across the business to ensure that its employees maintain integrity, objectivity, professional competence and due care, confidentiality, professional behaviour and high ethical standards in their day-to-day business activities. We consider this to be equivalent to the requirements of the IESBA code⁴. The assurance team for this work does not have any involvement in any other Bureau Veritas projects with LGC.



Bureau Veritas UK Ltd

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Science for a Safer World

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