MODERN SLAVERY TRANSPARENCY STATEMENT

1. Introduction

"Science for a safer world" is integral to how we operate and informs how we conduct business at LGC. We are committed to the continuous improvement of our business practices and how we view our operations and wider supply chain, this includes assessing and minimising risk arising from slavery, servitude, forced and compulsory labour and human trafficking (collectively "modern slavery").

2. Our business

LGC is an international life sciences tools business providing products and services to customers in a wide range of markets. LGC provides a comprehensive range of reference materials, proficiency testing schemes, genomics reagents and instrumentation, as well as research and measurement services. We work with customers in the pharmaceuticals, agricultural biotechnology, food, environment, security and sports sectors, as well as with governments and academia.

LGC is headquartered in Greater London, operates out of 19 countries and employs approximately 2600 people. LGC’s origins can be traced back to 1842 when the Laboratory of the Board of Excise was founded. The Laboratory of the Government Chemist was privatised in 1996 and renamed "LGC". Since privatisation, LGC has significantly expanded its activities and has grown rapidly both through organic growth and the acquisition of complementary new businesses. LGC is now owned by funds affiliated with KKR.

3. Our policies and practices

At LGC, “integrity” and “respect” are two of our core values. Many of our policies reflect our commitment to act with integrity and respect in all our business interactions and therefore minimise the risk of modern slavery in our business and wider supply chain. These include policies on: Equality & Diversity; Resourcing, Employing overseas nationals; as well as our processes for supplier selection and diligence. In June 2018, LGC launched a new group-wide Code of Ethics and updated the underpinning policies. LGC has also issued a Supplier Code of Conduct which includes specific consideration of modern slavery. LGC personnel are accountable for compliance with company policies and procedures which includes a requirement to ensure LGC operates in compliance with the law.

LGC operates a Whistleblowing procedure, allowing employees to report concerns about the actions of suppliers, managers and other employees anonymously and in confidence. This includes concerns of corruption, unethical or illegal action or human rights infractions. All reports are assessed to determine the scope and need for an investigation.

4. Risk assessment and due diligence

LGC’s risk assessment processes indicate that across our businesses the risk associated with modern slavery including our wider supply chains is low. LGC is a global business and has a global supply chain. As a consequence of the high specialised nature of our businesses, the vast majority of LGC’s suppliers are located in low risk sectors and geographies. Our suppliers are predominantly based in the UK, EU, United States of America and Australia. Over 90% of our employees are permanent and 57% are graduates or doctorates. Nonetheless, as part of LGC’s initiative to identify and mitigate risk, we conduct due diligence, including financial checks on all
new suppliers, employees, contractors, sub-contractors, distributors, agents, and customers. These checks help identify and verify that such parties are not involved with, or suspected of, modern slavery, bribery, corruption or other unlawful activity.

As part of our commitment to continuous improvement, LGC has introduced a Supplier Code of Conduct which sets out the standards which LGC expects its suppliers to adhere to and provides reassurance to LGC on its supplier’s compliance policies and procedures, including those related to modern slavery. In the next 12 months, LGC intends to review its supplier on-boarding processes.

LGC standard terms of procurement require suppliers to comply with all applicable laws in the provision of products and services to LGC. LGC typically reserves the right to conduct supplier audits to underpin this requirement. These terms and conditions will be updated to include a requirement for suppliers to comply with the LGC Supplier Code of Conduct.

5. Training

Training on counterparty checking of both customers and suppliers is delivered periodically to LGC personnel in a systematic and targeted manner, informed by LGC’s risk assessment processes. In the next 12 months, LGC is planning to refresh its processes and training in respect of counterparty checking.

6. Next steps

LGC is not aware of any established instance of modern slavery in our business or wider supply chain. As our business continues to grow, we are committed to integrating our businesses with uniform policies and procedures which highlight and educate our employees and suppliers of the risk of modern slavery. As such, identification and management of modern slavery risk will continue to inform the update of LGC’s compliance processes and policies.

This statement is made in respect of the financial year ended 31 March 2018, in connection with, Section 54, Part 6 of the UK Modern Slavery Act 2015 in respect of LGC Limited and the California Transparency in Supply Chains Act of 2010 (SB657) in respect of Biosearch Technologies Inc. Statements for years 2016 and 2017 respectively can be viewed at www.lgcgroup.com

The Board of LGC Science Group Holdings Limited (on behalf of its relevant subsidiaries) approved this statement on 26 July 2018.*

T M Robinson
Chief Executive
26 July 2018

*Updated in November 2018 to specify: i) relevant entities in the LGC group of companies; ii) date statement approved by the Board of LGC Science Group Holdings Limited and Chief Executive of LGC; and iii) where copies of previous statements can be found.