

Behaving responsibly is fundamental to how we do business. Our core purpose is to provide life scientists with the tools and reagents they need to advance their research. We strive to ensure our products and services are of the highest quality, are effective and are easy to find. Whilst what we deliver for customers is critical, we also focus on how we deliver it, and our wider impact.

Our CSR activities are focused around the following key areas:

1. Delivering for our customers
2. Empowering our people
3. Working responsibly with our partners
4. Behaving ethically across our business
5. Supporting our communities

1. Delivering for our customers

The scientists who use our products and services are our primary stakeholders and central to our mission. To ensure that we anticipate and address their needs, it is critical that we listen to them, offer reliable products and provide the support they need.

Active listening

We listen in a variety of ways. We conduct consumer surveys and focus groups and continuously interact with consumers through our scientific support teams and other customer touch points. The feedback from these engagement channels is fed into our innovation process to help inform our new product developments and improve our service offering.

Customers are offered the chance to provide feedback on our service after every interaction and we measure satisfaction levels through our transactional Net Promoter Score (tNPS), which is a strategic KPI of the business. We believe tNPS is a truer measure of customer satisfaction than the more traditional NPS because it is based on actual interactions rather than on a general perception of brand.

Whilst our score increased to 64% in 2017/18 (2016/17: 62%), there are still areas across the business where we can improve our service for customers, and this continues to be a key area of focus for our business.

Product quality

We strive to provide scientists with products they can rely on, which work as expected, avoiding wasted time and funding. To this end, we continue to invest in a variety of initiatives across the business to keep raising quality standards, including our knockout validation programme (see page 25 for more details). As a result of this ongoing work, the level of product complaints fell to its lowest rate in five years in 2017/18.

Customer support

We continue to work to ensure that scientists receive the support they need to carry out their research effectively and efficiently. This includes the ongoing investment in the curation and update of product data to over 100 customer and scientific support staff who advise our customers and help to resolve their problems.

Together our global scientific and customer support teams received over 240,000 enquiries last year, responding to the vast majority within 24 hours.

As part of our Abpromise® guarantee, customers can contact us by phone, email, Twitter or Facebook. We provide support in languages including Chinese, French, German, Japanese and Spanish.

2. Empowering our people

Attracting and retaining the best talent is crucial to the delivery of our strategy. At 30 June 2018, across our eleven global locations we employed over 1,100 people. We work hard to create a positive and healthy work environment where people feel valued and respected and know they make a real difference. In the latest annual global employee survey, conducted in July 2018, employee satisfaction levels were the highest since the surveys were introduced.

During the year, we launched several performance, engagement, development and well-being initiatives to support these objectives, including:

- Launching our new global behaviours across the organisation with champions to deliver workshops and action plans to ensure people understand why these behaviours are important
- Investing in leadership training to provide our leaders with the skills required to motivate and engage their teams and attract and hire the best new talent
- Partnering with a new survey provider with plans to move to more frequent 'pulse' surveys for employees, to provide more timely, actionable, feedback
- Developing a global all-employee share plan to be launched in Q1 2018/19

Training and career development

Abcam is dedicated to investing in the continuous development of its people. In our latest employee survey, 71% of employees rated they felt 'positive' or 'very positive' about having their learning and development needs met. Highlights of our training and development activities over the last 12 months include:

- Record level of online and offline training undertaken by employees
- New approach to performance management piloted, designed to better identify future potential
- Leadership and management training programmes attended by over 250 employees – almost a quarter of the workforce
- Extended our UK apprentice scheme, following initial success

Rewards and benefits

We recognise that rewarding employees fairly, equitably and competitively is key to attracting and maintaining a motivated workforce. In the last year we have undertaken a job evaluation process using a global grading methodology to ensure that our employees are rewarded fairly. In support of this, we also undertake regular reviews of our reward data to ensure that equal pay issues are not encountered.

We offer a range of incentives and management bonuses related to both Group and personal performance to create alignment between an individual's contribution and the delivery of our strategic goals.

Customer engagement: transactional Net Promoter Score (tNPS) of 64%



+2%

Year-on-year improvement in tNPS (rolling 12m)

6,000+

tNPS customer responses received (2017/18)

1,470,000

Total customer enquires (2017/18)



Abcam's team was highly responsive, gave excellent advice and worked with us to resolve any issues we encountered. Not every company we deal with partners with customers in this way.

Customer feedback, tNPS survey June 2018

Open communication

We aim to create a positive, collaborative working environment and ensure everyone is aware of the contribution they can make. We want employees to be engaged and motivated and have opportunities to openly share feedback and ideas. As a conversational organisation, we engage with our people through a number of channels, including regular updates posted on our group-wide intranet, 'town hall' meetings and global updates from our CEO and other members of the Executive Leadership Team. These events are translated for employees where English is not their first language. We also provide an anonymous service 'Ask Alan' allowing anyone to send a question on any topic to the CEO, the answers being made available to all employees.

Equal opportunities

It is important that our business includes people from different backgrounds and cultures who have diverse skills and experience, and we are committed to providing equal opportunities for all potential and existing employees in a working environment which is free from discrimination.

This year we set up a Women in Leadership group to look at improving the representation of women in management positions using the methodology recommended in the Hampton-Alexander review. We also published our UK gender pay gap report which showed a mean pay gap of 14.2% and a median pay gap of 11.1%. We are dedicated to addressing our gender pay gap and we are currently looking at ways to identify and address broader diversity issues including social background and ethnicity.

Health and safety

We provide a safe work environment for employees and ensure we follow legal requirements and best practice standards. Employee participation in the delivery of our health and safety strategy is crucial and representatives from all offices are involved in championing healthy and safe working practices and supporting the annual safety audit.

This year we added near-miss reporting to our Health and Safety Board reports and have seen zero lost time due to accidents or injuries in the year.

3. Working responsibly with our partners

To meet our customers' needs we rely on a series of partners, suppliers and the distributors of our products. Our goal is to work collaboratively to build stable, long-term relationships.

We expect our suppliers and distributors to demonstrate a culture that reinforces ethical and lawful behaviours and ensure all aspects of their business complies with applicable laws and regulations, both in the country in which they operate, and in the country to which the services or products are supplied.

Last year we developed and launched our Supplier and Distributor Codes of Conduct detailing our expectations of these partners in a wide range of areas including anti-bribery and corruption, employment practices and health and safety. These Codes are published on our website. We also provide annual anti-bribery training to all distributors.

All suppliers and distributors are required to sign up to and abide by these Codes. Since the launch we have transferred almost half of our current suppliers across to the new Codes and continue to work hard to transfer those that remain.

4. Behaving ethically across our business

Earning trust and behaving in a socially and environmentally responsible way protects our reputation and underpins our long-term future.

During 2016/17 we launched 'How we do things at Abcam', our Code of Conduct for employees. We strive to ensure that all relevant employees complete the necessary training and completion is carefully monitored. Our whistleblowing hotline and portal, 'Speak-Up', enables employees to provide feedback or raise concerns anonymously in their own language.

Our legal and compliance function works with the Audit and Risk Committee and the Board to provide visibility to our leadership of compliance initiatives and ensure Board oversight of adherence to Abcam's ethical principles.

Maintaining data privacy and security

We have defined and implemented relevant policies and procedures to ensure compliance with all applicable data protection legislation, including the EU General Data Protection Regulation (GDPR) which came into force in May 2018. Our data privacy standard, 'How we do data at Abcam' is available on our website.

Reducing our impact on the environment

Operating sustainable practices is important to Abcam's success and we continue to look at ways to reduce our environmental impact and improve resource efficiency.

As an online business, we ship to customers in over 140 countries and territories from our logistics centres in the UK, US, China and Japan. The biggest environmental impacts from our business are carbon emissions from customer deliveries, the running of our buildings, employee travel and waste from our packaging. We are focusing on these areas to improve operational and resource efficiency.

Developments during the last year include:

- Initiating an environment policy, to be launched in the UK initially before being rolled-out globally, designed to standardise, monitor and reduce our environmental impact
- Three of our manufacturing sites have ISO9001 or ISO13485 accreditation which recognise quality management
- Launching an 'agile working' initiative in the UK which will support a reduction in employee-related travel



Ethical conduct from each of us is essential and non-negotiable at Abcam. Doing so is the only path to being the trustworthy partner to help life scientists discover more, faster.

Alan Hirzel
Chief Executive Officer

5. Supporting our communities

Abcam has a proud history of involvement with local communities by supporting and partnering with organisations that help advance life sciences research. We aim to help communities through programmes that inspire the next generation of scientists, and support life sciences research through corporate giving and fundraising activities. We are in the process of establishing a global charity and fundraising committee network so that we can contribute more fully to our communities and to those who help advance life sciences research.

Charitable causes and local projects

A percentage of the previous year's Profit Before Tax is allocated each year to charitable donations. Globally, we support and run many local charity and community projects which are decided upon by local employee teams. From charity events to extreme sports challenges, these activities deliver for our local communities around the world and are an important way of enabling our employees to feel engaged and connected with those communities. Local stories are shared and celebrated regionally and across our organisation through a variety of employee communication channels. We also make donations to local, national and international charities.

Partnering with In2Science to encourage the next generation of scientists

In2Science is an award-winning charity founded by research scientists with the mission to help young people from under-represented backgrounds progress to science degrees and into professions while promoting diversity and equal opportunities.

Abcam's involvement with In2Science began in 2016 and continued throughout this year, with the launch of the Abcam In2Science Scholars programme, where five secondary school students joined a year-long educational programme based in Cambridge, UK.



The experience has inspired me to work within the research field ... I have a better understanding of the career paths that are open to me.

In2Science Scholar

71%

Employees feeling 'positive' or 'very positive' about learning and development opportunities

250+

People attending leadership and management training programmes