Our strategy is designed to increase growth and improve our long-term financial performance.

An overview of the strategic and operational milestones reached in 2018/19 and our future priorities are provided in the following tables:
Sustain antibody and digital marketing leadership

**Long-term objective**
Generate above market revenue growth in our core research antibody market

**Priorities for 2018/19**
- Develop new products focused on high-value areas, based on customers’ research needs
- Enhance our product validation and raise product quality standards across the catalogue
- Implement the next phase of our China growth strategy

**What we achieved**
- Delivered primary antibody revenue growth ahead of the global market growth rate
- Published over 7,000 high-performance recombinant antibodies, including new formulations, increasing our range to over 18,000
- Further enhanced our target selection process to increase the success of new products
- Continued to work with suppliers to add validation data as well as delivering improvements in our own range through enhanced antibody validation and production techniques
- Continued to grow and enhance our digital footprint, driving better engagement and conversion
- Further expanded electronic catalogue connections to large-volume customers

**Link to KPIs**
- Total revenue growth (CER)
- Recombinant revenue growth (CER)
- tNPS

**Link to Principal Risks**
1. Increased competition
2. Availability of research funding
3. ERP project/IT infrastructure
4. Cyber security
5. Loss of output
6. Inadequate resources
7. Reputational risk
8. Non-compliance with laws and regulations

Expand in related growth markets

**Long-term objective**
Generate value through the addition of new product ranges and services and by extending our geographic penetration

**Priorities for 2018/19**
- Grow our immunoassay business in line with multi-year aspiration
- Expand the number of CP&L ‘Abcam Inside’ projects and framework agreements
- Launch teams to develop one to two new capability areas

**What we achieved**
- Published over 250 new SimpleStep ELISA® immunoassay products on the catalogue
- Further developed FirePlex® multiplex platform, validating over 170 pairs of antibodies and launching a high throughput product (Fireplex®-HT) to simplify and speed up workflows
- Continued to expand addressable market in custom products & licensing, including completing over 160 projects and executing over 50 agreements with pharmaceutical and diagnostic development partners
- Launched protein science team to expand our recombinant protein production capability

**Link to KPIs**
- Total revenue growth (CER)
- Immunoassay revenue growth (CER)

**Link to Principal Risks**
1. Increased competition
2. Execution of acquisitions
3. Availability of research funding
4. ERP project/IT infrastructure
5. Cyber security
6. Loss of output
7. Inadequate resources
8. Reputational risk
9. Non-compliance with laws and regulations

Invest in operating capabilities for 2x 2016 scale by 2023

**Long-term objective**
Invest in our people, systems and infrastructure to ensure we have the appropriate capabilities to support our business as it grows

**Priorities for 2018/19**
- Successfully deploy next phases of Oracle Cloud ERP
- Roll-out equity participation scheme to global employees
- Successfully move UK team to the new headquarters on the Cambridge Biomedical Campus
- Continue to fill or enhance our capabilities across supply chain and manufacturing, IT and new growth projects

**What we achieved**
- Successfully transitioned the financial and non-stock procurement modules of the Group’s Oracle ERP system
- Successfully launched a global employee share ownership scheme, with strong employee take up of 88%
- Completed the construction of our global headquarters on the Cambridge Biomedical Campus on budget
- Further investment in our global teams, including corporate development, product development, digital marketing and global supply chain and manufacturing functions – including new SVPs of Corporate Development and Supply Chain and Manufacturing

**Link to KPIs**
- Adjusted Profit Before Tax

**Link to Principal Risks**
3. Availability of research funding
4. ERP project/IT infrastructure
6. Cyber security
9. Reputational risk
Our strategic priorities continued

Sustain attractive economics

Long-term objective
Maintain operational efficiency and cost effectiveness to support sustainable, profitable growth

Priorities for 2018/19
- Continue to realise productivity gains
- Move to direct distribution in at least one more market

What we achieved
- Identified and delivered operating efficiencies and productivity gains
- Continued to increase sales of higher margin products, supporting an increase in gross product margin of 0.6%, to 70.5%
- Delivered our new global headquarters in the UK on budget
- Executed contingency plans to ensure customer disruption is minimised in the event the UK leaves the EU without a withdrawal agreement

Link to KPIs
- Adjusted Profit Before Tax
- Return on Capital Employed

Link to Principal Risks
1. Increased competition
4. ERP project/IT infrastructure
5. Cyber security
6. Loss of output
7. Inadequate resources
8. Inadequate acquisition integration
9. Reputational risk
10. Foreign exchange movements
11. Non-compliance with laws and regulations

Supplement organic growth – acquisitions and partnerships

Long-term objective
Make selected partnerships and acquisitions that add to our competitive advantage and supplement our organic revenue growth

Priorities for 2018/19
- Continue to strengthen relationships for future deals

What we achieved
- Appointed new SVP Corporate Development to lead delivery of acquisition strategy
- Completed the tuck-in acquisition of Calico Biolabs
- Entered £200m RCF, providing additional financial flexibility for future corporate transactions
- Continued to strengthen relationships and expand the opportunity set across the industry

Link to KPIs
- Total revenue growth (CER)
- Adjusted Profit Before Tax

Link to Principal Risks
1. Increased competition
2. Execution of acquisitions
4. ERP project/IT infrastructure
7. Inadequate resources
8. Inadequate acquisition integration
9. Reputational risk
Sustain and extend antibody and digital marketing leadership

**Long-term objective**
Generate above market revenue growth in our core research antibody market

**Priorities**
- Develop best in class binders to high value targets, pathways and research areas
- Expand industry leading quality and validation initiatives
- Execute our China growth strategy to maintain regional leadership
- Reinvent our digital channel to add value for customers

**Link to KPIs**
- Total revenue growth (CER)
- Revenue growth (CER) from in-house products (Catalogue)
- tNPS

**Link to Principal Risks**
1. Increased competition
2. Availability of research funding
3. ERP project/IT infrastructure
4. Cyber security
5. Loss of output
6. Inadequate resources
7. Reputational risk
8. Non-compliance with laws and regulations

Drive continued expansion into complementary market adjacencies

**Long-term objective**
Generate value through the addition of new product ranges and services for our customers

**Priorities**
- Become a leader in immunoassays through continued innovation and development of our proprietary portfolio
- Build on our position as a leading antibody discovery partner for biopharma
- Invest in internal innovation capabilities to support further portfolio development across proteomic research tools and reagents

**Link to KPIs**
- Total revenue growth (CER)
- Revenue growth (CER) from in-house products (Catalogue)
- tNPS

**Link to Principal Risks**
1. Increased competition
2. Execution of acquisitions
3. Availability of research funding
4. ERP project/IT infrastructure
5. Cyber security
6. Loss of output
7. Inadequate resources
8. Reputational risk
9. Non-compliance with laws and regulations

Build organisational scalability and sustain value creation

**Long-term objective**
Invest in our people, systems and infrastructure to ensure we have the appropriate capabilities to support our business as it grows whilst driving operational efficiency

**Priorities**
- Drive productivity improvements across our operations to enhance margins and cash flow
- Build talent depth and invest in the potential of our teams
- Complete IT transformation
- Optimise facilities footprint and automate manufacturing processes

**Link to KPIs**
- Total revenue growth (CER)
- Adjusted Profit Before Tax
- Return on Capital Employed

**Link to Principal Risks**
3. Availability of research funding
4. ERP project/IT infrastructure
5. Cyber security
6. Loss of output
7. Inadequate resources
9. Reputational risk