



Spectris is a leading supplier of productivity-enhancing instrumentation and controls. Our 6,000 employees operate from 134 offices in 31 countries around the world. Our products are used to monitor and control research and manufacturing processes, enhancing productivity and reducing environmental impact for customers in a wide range of industries.

We are committed to creating business growth through adding such value for our customers whilst also ensuring that our own impact on the environment is minimised and that we adhere to high standards of corporate social responsibility generally.

Spectris is a member of the FTSE4Good index, the leading responsible investment benchmark. The policies and information described below apply to all Spectris operations.

## Policy setting and monitoring

Overall responsibility for developing corporate policies on environmental, social, ethical and health and safety matters, and for reviewing their effectiveness, lies with the Spectris Board of Directors. These policies are mandated across all business units and applied within each particular business, taking account of local legislation and regulation. All policies are reviewed periodically and any updates are communicated to the operating companies.

## Reporting and compliance

Conformity with group policies is monitored by self-certification, on an annual basis, by the managing director and finance director of each operating company that their business has complied in full. Any instances of non-compliance must be reported. There were no material cases of non-compliance in 2010.

This certification forms an integral part of the company's system of internal controls, and is regularly reviewed by the group's internal audit function and considered annually by the company's external auditors. Compliance testing is a formal part of internal audit reviews. Through a structured review process, the internal audit function undertakes visits to group locations on a rotational basis. These visits involve an assessment of the business' key internal controls as well as compliance with the group's policies and procedures. The results of internal audits and any non-compliance events are reported to the Audit Committee.

## Risk assessment

The key potential risks and uncertainties which could have a material impact on the group's long-term performance are described in the Annual Report.

A very small proportion of our products and processes have potential environmental risks. The PANalytical business, which supplies instrumentation for X-ray analysis, makes limited use of beryllium in detector windows and X-ray tubes, whilst certain NDC Infrared Engineering products utilise low-level sealed radioactive sources. In all cases, the legal requirements for the correct handling and labelling of such products are documented and regularly audited for compliance. Procedures also exist for the disposal of contaminated waste and for recovering used products from customers and disposing of them safely. The Servomex gas analysis business requires the storage of flammable and toxic gases at its technical centre. Operating procedures for the movement and use of cylinders containing such gases are in accordance with the appropriate legal requirements and are inspected annually by an independent authority. Chemical and hazardous waste is disposed of in accordance with written procedures.

