

SOLUTIONS FOR A BETTER WORLD



SUSTAINABILITY REPORT 2018

intertek
Total Quality. Assured.

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Making continuous progress in sustainability through an appropriate organisational focus



SUSTAINABILITY REPORT



We are a purpose-led organisation where sustainability is at the heart of what guides us every single day."

André Lacroix
Chief Executive Officer



At Intertek, our purpose is to make the world a better and safer place by bringing quality and safety to life. This is the true meaning of what we stand for.

'Doing business the right way' is core to our differentiated 5x5 strategy that creates sustainable value and growth opportunities for all our stakeholders – our clients and their customers, our employees, our investors, and the communities across the world where we operate.

Sustainability is truly important for our people and Intertek operations around the world. We are passionate about progressing our sustainability agenda as well as helping our customers progress their own sustainability agendas.

We are proud to lead the global quality assurance industry responsibly, energised about how we contribute to society, and how what we do at Intertek

positively impacts everyone's lives today – and the lives of those that will follow.

Making the world a better and safer place is what guides us every single day. True to our Ever Better discipline, we are deeply committed to minimising our environmental impacts, to operating with integrity by doing business the right way, and to pursuing our corporate social responsibility (CSR) activities through living our strong values everyday everywhere.

In our 2018 report, we share how our dedicated colleagues around the world work passionately to make significant progress on the sustainability priorities we articulated last year.

Furthermore, we share how, through our global network of sustainability experts, clients have come to rely on us to help them understand, achieve and validate their own sustainability goals, both existing and emerging.

As the world's only complete Total Quality Assurance (TQA) solution provider, Intertek is ideally positioned to support its customers' sustainability priorities by helping them manage and mitigate risk, operate effectively and act responsibly across their global operations.

Our customers trust us to evaluate the quality, safety and sustainability of their products, operations and services which helps them protect their brands and gain competitive advantage.

This is particularly important to me, as creating sustainable growth for all is one of our core values and is the guiding

SUSTAINABILITY REPORT

continued

principle we pursue on a daily basis to bring quality, safety and sustainability to life inside the operations of our clients.

SUSTAINABLE SOLUTIONS FOR A CHANGING WORLD

As new risks emerge in a fast-changing and increasingly complex world, we continue to seek and explore new and innovative ways of helping

customers improve the quality, safety and sustainability of their products and services.

During 2018, new regulatory developments created the need to develop innovative sustainability solutions based, for instance, on the announcement by the UK Government of a new mandatory Streamlined Energy and Carbon Reporting (SECR)

framework; the heightened prevalence of ‘duty of care’ legislation in France; and the newly updated California Proposition 65 List of restricted chemicals.

Over recent years, sustainability issues have dramatically grown in importance as drivers of consumer choice. In fact, according to research from



Nielsen, 73% of global millennials are willing to pay a price premium for sustainable offerings.

Within this broad context, we have deepened our focus inside the organisation and I am proud about the excellent progress on all aspects of our sustainability agenda in 2018, based on the five priorities we defined last year.

1 Supporting our clients' sustainability priorities

We have launched a global Intertek Sustainability brand to improve the awareness of our industry-leading sustainable solutions. We recognise the need for the customers of our clients to be sure about the sustainability of products and services they buy and we have developed a set of Intertek Sustainability certification marks. We launched our first Sustainability marks – Clean Air certification and Zero Waste to Landfill certification – in September 2018 (see customer story on page 7).

2 Positive impact on our people, our suppliers and communities

Our sustainability agenda is very energising for our colleagues and the progress we have made is commendable: we have broadened our company-wide network of Sustainability Champions; we have rolled-out globally our '10X Way!' training programme to accelerate the growth of our people; we have reported

on our UK gender pay gap for the first time; we have seen good progress on our health and safety monitoring and during my visits around the Group I have been inspired by the quality of our local community activities.

3 Comprehensive non-financial ESG KPIs

In our 2017 Sustainability Report, we showed how sustainability is embedded into our Group strategy. We have improved our environmental reporting which enabled us to improve our Investor Relations engagement activities with institutions that pursue sustainable investment strategies. We also benchmarked our environmental, social, governance (ESG) performance and we were delighted to be recognised by the MSCI, with a rating of AAA.

4 Aligning to the UN Sustainable Development Goals (UN SDGs)

Measuring progress on a regular basis is central to our company performance management approach based on factual leading and lagging indicators. We developed our reporting progress on the UN SDGs for our core Business Lines and Countries, effectively engaging employees and leaders with the appropriate ESG metrics.

5 Core to everything we do

To lead by example and ensure continuous progress, I chair our monthly Sustainability

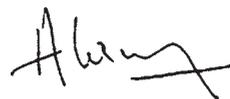
Committee and I receive regular reports on the progress of every sustainability priority, covering internal initiatives as well as the sustainability services we offer to our clients. Our Board is deeply engaged and kept up to date on our progress.

Each of our Countries and Business Lines define their own sustainability agendas, which are tied to our Group priorities and focused on their local operations and communities.

During 2018, we have broadened our network of Sustainability Champions across our Countries and Business Lines and we have encouraged our Sustainability Champions to focus on all aspects of our sustainability agenda, true to our Ever Better discipline.

In 2019 and beyond, we will continue to deliver progress on our own sustainability agenda – and to help our clients progress on theirs.

We strongly believe that making the world better and safer by bringing quality, safety and sustainability to life is the true meaning of what we stand for.



André Lacroix
Chief Executive Officer

OUR SUSTAINABILITY VALUE PROPOSITION



As the world's only complete Total Quality Assurance provider, Intertek is ideally positioned to support its customers' existing and emerging sustainability priorities by helping them identify, manage and mitigate risk, operate effectively and act responsibly across their global operations.

Companies are increasingly facing challenges driven by growing complexities in their operations, sourcing, manufacturing and distribution. As consumers' expectations of corporate responsibility evolve, demand is growing

for Total Quality Assurance (TQA) solutions that enable organisations across a wide range of sectors to keep ahead of emerging sustainability requirements.

Through our global network of sustainability experts and integrated ATIC solutions, Intertek is uniquely placed to help organisations understand, achieve and validate their existing and emerging sustainability goals.

TOTAL QUALITY. ASSURED.

ATIC solutions extending beyond quality and compliance to deliver sustainable solutions for every industry.



ASSURANCE

Intertek's sustainability assurance services offer a solutions-driven and holistic approach to adoption of increasingly prominent environmental, social and economic best practices.



TESTING

Increased scrutiny and demand for transparency and safety of products, food, chemicals, packaging and processes has led to the necessity for testing and analysis services that support and validate sustainable claims.



INSPECTION

Our inspections help clients protect their financial, branding and legal interests throughout the value chain.



CERTIFICATION

Intertek's certification and verification programmes help customers to ensure that their products, assets, processes and services meet leading standards and requirements.

Our passion for the sustainability agenda, proven supply chain expertise, global network and on-the-ground local knowledge means we can give our customers increased transparency to help them manage the social, ethical and environmental risks in their processes and supply chains. At the same time, we support their ability to operate effectively and act responsibly.

In this section, we provide highlights of the ATIC sustainability solutions Intertek offers and specific programmes we launched in 2018 to address the needs of our clients.

We list full details of our sustainability value proposition on our Group website at www.intertek.com/sustainability/services.

Our customers trust us to ensure quality, safety and sustainability in their business, to protect their brands and to help them gain

competitive advantage. We not only provide valuable insight into our clients' current sustainability needs. We also identify emerging trends, enabling our customers to manage sustainability that is material to their business and to safeguard their reputation. Intertek's TQA promise extends to our ATIC sustainability services, applicable to all industries and sectors.

INTEGRATED GLOBAL SUSTAINABILITY SERVICES



At Intertek our integrated global services offer everything our clients need to manage emerging sustainability requirements for products, assets, materials, processes and organisations.

Read more at www.intertek.com/sustainability →

OUR SUSTAINABILITY VALUE PROPOSITION

continued



OUR SUSTAINABILITY BRAND

We have offered sustainability services for over 20 years, and in June 2018, we officially unveiled our new Intertek Sustainability brand at the Sustainable Brands (SB'18) conference in Vancouver. This brand serves to communicate Intertek's sustainability proposition to the market, helping our clients understand, achieve and validate their social and environmental goals.

The launch highlighted the strength of our existing Assurance, Testing, Inspection, Certification (ATIC) sustainability services and provided a platform to introduce new programmes being developed to meet continuously evolving demands. Sustainability is core to our business and true to our Ever Better discipline. We

are constantly evaluating and improving our own processes and initiatives, as well as the services we offer our customers.

An internal programme is in place to harness the power of Intertek's global network of experts and maintain the consistency and quality of our sustainability services. In 2018, Intertek sustainability teams developed an internal and centralised location on our Group intranet to provide access to resources, templates and programmes. ATIC toolkits, describing sustainability services, have been developed across all Intertek Business Lines and are available to all colleagues to ensure we can connect customers to the support and services they need. Training of Intertek employees on existing and new sustainability services is underway, with continued emphasis throughout 2019.

SUSTAINABILITY SERVICES: SCIENCE-BASED METRICS AND MATERIALITY

Our sustainability services are now integrated and delivered under the new Intertek Sustainability brand. These services support the growing demand from companies to measure, track, evaluate and report those sustainability metrics that are material to their business. Intertek enables clients to navigate reporting frameworks and evaluate data accordingly, whether for reporting or to meet reduction targets and regulatory requirements. For example, as part of its commitment to sustainability, Mitsubishi Electric Sales Canada (MESCA) retained Intertek to evaluate its Scope 1, Scope 2 and material categories in Scope 3 greenhouse gas (GHG) emissions for their entire product sales network.

SUSTAINABILITY CERTIFICATION MARK

In addition to the Sustainability brand, Intertek launched the Sustainability certification mark in 2018 to serve as the identifier of the Sustainability certification schemes we deliver through our innovative ATIC solutions.

SUSTAINABILITY CERTIFICATION MARK: CLEAN AIR

Formerly known as 'ETL Environmental VOC Certification', Clean Air uses a global network of ISO 17025-accredited testing labs to validate the level of

Sustainability brand launch



volatile organic compound (VOC) emissions from products such as flooring, furniture, drywall, paint and foam insulation.

One of the first programmes to be inaugurated into the new Intertek Sustainability mark, the Clean Air mark responds to growing client demand for product testing solutions that support better indoor air quality. Manufacturer Purple Mattress uses the Intertek Clean Air certification mark to demonstrate that there are no emissions from its bedding products that may harm purchasers or their families.

SUSTAINABILITY CERTIFICATION MARK: ZERO WASTE TO LANDFILL

Zero Waste to Landfill, a programme developed and executed through Intertek's Business Assurance team, uses the Intertek Sustainability certification mark to help clients display their compliance with and their continued commitment to the programme. The Electrolux plant in São Carlos (Brazil) has achieved the highest-level certification ("Zero Waste") for diverting 99.9% of its waste from landfill. It is a proud adopter of the programme and the Intertek Sustainability certification mark.

ACQUIRING LEADING COMPANIES FURTHER STRENGTHENS CYBER SECURITY CAPABILITIES

Following the acquisitions of Acumen and EWA Canada in 2017, Intertek further strengthened its cyber security capabilities during 2018 with the acquisition of NTA Monitor, a leading network security and assurance services provider that is based in the UK and Malaysia. This acquisition builds Intertek's presence, both in the UK and globally, within the security assurance and certification market.



OUR PEOPLE



We are focused on ensuring that our strategy and culture give our people the right platform, not only to grow and develop their careers, but also to be involved in socially responsible activities that support our purpose to make the world a better place by bringing quality and safety to life everyday.

Our 44,720 passionate Intertek people deliver sustainable value through unmatched expertise and quality of work for our customers globally and on a daily basis. They contribute to the success of our customers' products, services and operations, enabling us to succeed in our vision of being the world's most trusted partner for Quality Assurance.

To achieve this, our 5x5 differentiated strategy energises our people to take Intertek to new heights, to deliver our customer promise and live our values. We foster a company culture where our people are recognised for being inspired to find innovative ways of continually developing services and solutions for our customers.

In this section, we detail the ways in which we seek to engage and inspire our people, ensuring the frameworks are in place for them to succeed in a safe working environment and ultimately making them proud to work for Intertek.

Energising, inspiring and engaging our talented people

To seize the exciting growth opportunities arising from our Total Quality Assurance (TQA) value proposition, we continually invest in the growth of our people. We aim to hire, inspire, engage and retain the best people to power our 5x5 strategy, providing them with the skills to grow our business. With an Ever Better mindset we encourage them continuously to learn new skills that help them advance their careers and deliver our customer promise. Our talent-mapping process is critical to our future success in delivering our strategy and fostering our culture and values throughout Intertek.

Training

Following the successful launch of our 'The 10X Way!' training to Intertek leaders in 2017, we continued the global roll out of this unique programme to over 36,000 of our people in 2018. The content of the training workshops was based on internal feedback that identified the key development needs across

the business, with a focus on delivering support, tools and skills to drive 10X Performance.

The continued roll out of the training across the entire organisation aims to ensure everyone has the tools, processes and principles to create sustainable growth for all. To supplement the face-to-face event, embed learning and consistently deliver the message, we also developed eLearning modules, available to all our 44,720 employees via our digital Learning Management System.

10X WAY

ROLLED OUT TO OVER

36,000

INTERTEK PEOPLE

44,720

EMPLOYEES

Sarah
Administration



Graham
Project Support Leader



Jincy
Operations Coordinator
Assistant



In order to further support a highly engaged and high-performing workforce of experts, we continue to embed our performance and growth conversation with 'My 10X Journey', which replaced our previous appraisal process. This transformational new development plan creates better quality conversations during performance reviews, helping to better clarify expectations, foster continual improvement and inspire individual progress.

In addition to 'The 10X Way!', we provide a range of in-house and external learning opportunities to provide employees with the skills and expertise they need to deliver our TQA brand promise. We operate across a wide range of sectors requiring different types of technical training, education and support, including apprenticeships and internship programmes, as well as college degrees and professional qualifications.

UK Living Wage

In the UK, we were accredited in April 2018 as a Real Living Wage employer, in accordance with the guidelines of the Living Wage Foundation. We will continue to align our directly employed staff with the Real Living Wage UK, and are working towards aligning third-party contractor staff with the recommended guidelines.

INCLUSION, DIVERSITY AND GENDER EQUALITY

To live our values and be sustainable and inclusive global family that values diversity, we apply all employment policies and practices in a way that is informed, fair and objective. This covers all policies relating to recruitment, promotion, reward, working conditions and performance management.

Our inclusion and diversity policy eliminates discrimination to ensure that our employees are treated fairly, feeling respected and included in our workplaces. We are committed to maintaining the highest standards of fairness, respect and safety. We adhere to the principles of the UN Convention on Human Rights and the International Labour Organization's core conventions.

We recognise the importance of gender diversity, not only in management but across all levels of our business. In line with the Hampton-Alexander Review, as well as supporting gender diversity on our Board, in June 2018 we contributed our data on the gender balance across our senior executive team and their direct reports, as shown in the table on page 10.

At Intertek, we are proud to be an equal opportunities employer. We consider all qualified applicants for employment

OUR PEOPLE

continued



OUR VALUES

We will continue to promote and endorse fair, consistent and thoughtful working practices that are in accordance with our values.

WE OWN AND
SHAPE
OUR FUTURE

WE ARE A
GLOBAL FAMILY
THAT VALUES
DIVERSITY

WE CREATE
SUSTAINABLE
GROWTH
FOR ALL

WE ALWAYS DO
THE RIGHT THING
WITH PRECISION,
PACE AND
PASSION

WE TRUST
EACH OTHER
AND HAVE FUN
WINNING
TOGETHER

regardless of gender, ethnicity, religion, age, disabilities and other protected characteristics.

We reach out to prospective employees in a variety of ways, depending on location and role, in compliance with local regulations for fair recruitment practices and equal opportunities. We post vacancies on our website (www.intertek.com/careers)

and employ various ways of sourcing talented people. These include recruitment agencies, social media, printed advertisements, employee referrals, professional bodies and associations, schools, colleges and universities. To offer people career growth and progression within the Group, we seek wherever possible to fill vacancies from within the Company first.

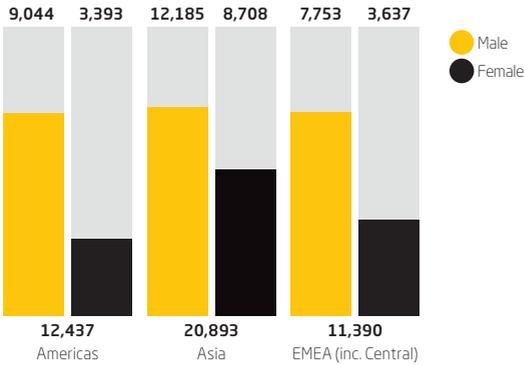
UK GENDER PAY GAP

The gender pay gap measures the difference between the pay and bonuses of men and women across an organisation, irrespective of role and level of seniority. This is different to equal pay, which is the legal requirement to pay the same to men and women who are doing equal work. At Intertek, men and women are paid equally for doing equivalent roles.

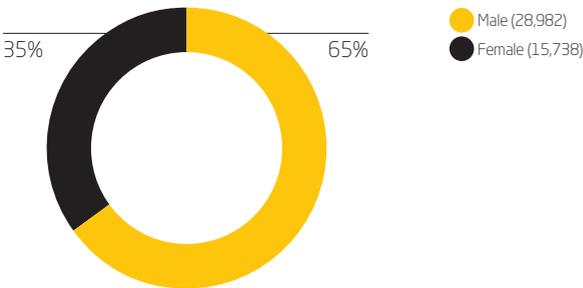
	2017		2018	
	Male	Female	Male	Female
Board	7	3	7	3
Executive Management Team (Exec)	11	2	11	3
Direct reports (DR)	91	19	95	24
Combined: Exec + DR	102	21	106	27

Data submitted as at 30 June 2018.

INTERTEK TQA EXPERTS BY REGION

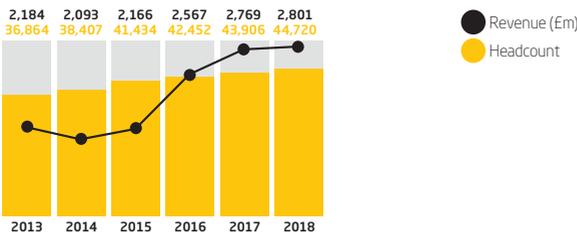


INTERTEK TQA EXPERTS BY GENDER



Intertek's gender diversity reflects the industries and qualification profiles typical of individuals working in the countries and business lines in which we operate.

REVENUE AND HEADCOUNT



Following the publication of our gender pay gap results in 2018, we committed to a number of measures to ensure we provide an energising workplace, free of any gender bias, where employees can flourish based on their talent and effort. To strengthen this, we ensure that our shortlists of external-hire candidates have a balance of gender diversity. We also provide flexible working where possible and provide mentorship to women to address the gap in gender numbers at senior levels. It is vital that our workforce represents the best available talent, reflects the communities in which we operate and is free of gender or other biases. We remain committed to equality.

DOING BUSINESS THE RIGHT WAY

Our vision to be the world's most trusted partner for Quality Assurance is at the heart of everything we do at Intertek. We can only deliver that vision if we operate with integrity to maintain the trust and confidence of all of our stakeholders, including our shareholders, our customers, our people and the communities and environment in which we operate. Integral to this is 'Doing Business the Right Way'; our internal risk, control, compliance and quality programme.

OUR PEOPLE

continued



At Intertek, 'Doing Business the Right Way' means living our values, having the highest standards of ethics and integrity in how we conduct ourselves every day, everywhere and in every situation. The programme includes processes, tools and training to ensure that:

- our people work in a safe and inclusive environment,
- the services we provide and the contracts we enter into are delivered with integrity and in line with our commitment to Total Quality,
- every colleague commits to the highest standards of professional conduct; and
- we deliver sustainable growth by managing our risks and doing the right thing for the longer term.

Ethics, integrity and professional conduct

A vital part of 'Doing Business the Right Way' is our commitment to upholding the highest standards of integrity and professional ethics. This commitment is embedded in the Group's culture through the integrity principles set out in our Code of Ethics ('the Code'), available at www.intertek.com/investors/governance/code-of-ethics. This also covers health and safety, anti-bribery, labour and human rights.

We have a culture in which all issues relevant to our professional conduct and our Code of Ethics can be raised and discussed openly without recrimination. We operate a strict zero-tolerance policy regarding any breach of our Code of Ethics and any behaviour that fails to meet our expected standards of integrity as a trusted leader in the quality assurance industry.

To support this policy in action, all people working for, or on behalf of Intertek are required to sign our Code of Ethics upon joining the Company or before commencing work on our behalf. This confirms their acceptance of the high standards expected of them in all business dealings. The Code sets clear expectations that people working for our business must act at all times with integrity and in an open, honest, ethical and socially responsible manner.

Intertek employees or people acting on Intertek's behalf are responsible for applying the Code in their own job role, their part of the business and location.

To support their continuing understanding, all of our people are required to complete our comprehensive online 'Doing Business the Right Way' training course annually.

This training covers the Code and other important professional conduct areas, such as data security and operational controls. When completing the training, all employees are required to sign a certificate confirming their understanding that any breaches of the Code will result in disciplinary action that may include summary dismissal of the employee concerned.

Whistleblowing hotline

To empower our people and stakeholders to voice any concerns about breaches of the Code or of any of our policies (including our Labour and Human Rights Policy and Modern Slavery Policy), we have a well-publicised hotline which can be used by all employees, contractors and others representing Intertek, or by third parties such as our customers or people who are affected by our operations.

This whistleblowing hotline is run by an independent, external provider. It is multi-language and is accessible by phone and by email to all employees 24 hours a day. Those concerned are encouraged to report any conduct, compliance, integrity or ethical concerns using the hotline. Information posters are present in all of our sites.

Intertek ensures that our colleagues are fully engaged in a safe working environment



OUR PEOPLE

continued



If a report is made to the hotline, it is followed up by Intertek's Compliance officers. Our Group Compliance function, which is independent of our operational businesses and reports directly to our Group General Counsel, fully investigates all reports received. Provided there is no conflict of interest, all reports are also notified immediately to our Group Ethics & Compliance Committee, which consists of our CEO, CFO, EVP for HR and Group General Counsel. This ensures the effective resolution both of individual issues and of any systemic or process improvements that can be made to address them.

During 2018, 158 reports of non-compliance with the Code were made to our hotline. Of those reports, 45 were substantiated and required remedial action. Of those substantiated claims:

- there were no substantiated grievances relating to human rights, labour practices or societal impact breaches;
- there were no environmental incidents;
- there were no reported violations of the rights of indigenous people; and
- there were no cases of discrimination.

HEALTH AND SAFETY

A key corporate goal is to ensure that our people are fully engaged in a safe working environment. Managing the health, safety and welfare of our people, clients and third parties connected with the business is therefore a top priority for us. Intertek is committed to the continuous review and improvement of its health and safety performance and works towards achieving zero incidents.

During 2018 we aligned our recent acquisitions' Health and Safety (H&S) processes with our own to ensure complete visibility of H&S incidents across the Group. We also implemented further H&S processes, enabling all Intertek sites to report and track relevant activities with our updated Global H&S Platform.

In 2018, we continued to grow the number of proactive Hazard Observations we recorded, broadening engagement across all countries and achieving an overall reduction in our total recordable incident rate (TRIR) of 5bps. It is encouraging that our TRIR continues to reduce year on year.

17%

REDUCTION IN MEDICAL TREATMENT INCIDENTS

We believe our move to proactive reporting of Hazard Observations has led to improved health, safety and environmental (HSE) awareness at our locations, resulting in incidents previously recorded as 'Near Miss' being more accurately recorded as Hazard Observations. We believe that the increases seen in First Aid incident reporting are also linked with greater awareness and reporting overall. First Aid is a very clear type of incident and is now being reported more comprehensively.

We are constantly improving our tracking and reporting. During 2018, we improved the time for reporting and reviewing incidents, meaning that we can respond more quickly and avoid future issues earlier. Our monthly reporting is now enhanced and richer, including ratios of Hazard Observations with relation to employee headcount for example. Sadly, one fatality was recorded in China. This occurred when a project manager fell down a hoisting shaft on a construction site.

	2018	2017	% change
Hazard Observation	9,155	7,758	18%
Near Miss	2,207	2,544	(13)%
First Aid	1,094	874	25%
Lost time incidents	137	104	32%
Medical treatment incidents	149	180	(17)%
Fatalities	1	1	-
Total recordable incident rate (TRIR)*	0.65	0.70	(5)bps

* Rates refer to the number of lost time incidents (LTIs), medical treatment incidents (MTIs) and fatalities occurring per 200,000 hours worked.

Note: Overall total recordable incidents (TRI) increased by 2, but would have shown a reduction in like-for-like reporting. In 2018 we have included data for our acquired environmental service company, ABC Analytic.



Intertek is committed to the continuous review and improvement of its health and safety performance and works towards achieving zero incidents.”

We go to great lengths to train all our employees on health and safety matters, including as part of our induction process emergency response procedures, intervention and reporting of accidents, incidents and near misses. Where relevant,

all employees and contractors are provided with personal protection equipment when performing work for the Company.

To ensure that we can operate safely, there is a dedicated fire warden, first-aider and health and safety representative at each Intertek location. These representatives are empowered not only to investigate incidents and implement preventative and corrective actions, but also to disseminate safety information through training and continual improvement programmes to target identified specific areas of concern.

SUPPORTING OUR CLIENTS IN HEALTH AND SAFETY

People Assurance services

In 2018, Intertek expanded its People Assurance services with the acquisition of Alchemy Systems, a leading Software-as-a-Service (SaaS) company.

Alchemy offers software learning and compliance solutions for the food industry. In a world of increasingly complex supply chains and distribution channels, employees are key in driving operational excellence in multi-site organisations. There is therefore a growing demand for bespoke People Assurance solutions to identify, monitor and efficiently close critical skills gaps among frontline employees. These solutions offer an efficient and innovative platform to help our clients achieve their sustainability goals, especially in food safety and workplace safety and compliance.

OUR COMMUNITIES



The role we play in supporting more sustainable communities in which we operate is vital to the success of our business. Fostering good relationships provides benefits beyond reputation, in areas including recruitment, local education and engagement. This is because our passionate and dedicated colleagues are proud of improving the lives of the people and communities around them.

In this section, we have selected some examples from across the world to show how our passionate Intertek colleagues have engaged with and supported local communities during 2018.

CANADA: CREATIVE DAY FOR SOCIAL GOOD - ALCHEMY SYSTEMS

Intertek's newly acquired People Assurance business Alchemy Systems, in partnership with Capacity Canada, Conestoga College, Him & Her, Manulife Financial and the local creative community, provides free marketing communications work to charities from across Canada through Creative Day for Social Good (CD4SG).

CD4SG brings together teams of art directors, writers, account managers and other creative professionals who donate their time for two days. They guide graphic design and public relations students from Conestoga College through the professional creative process.

TURKEY: SUPPORT RURAL SCHOOLS

Intertek Turkey supports an ongoing initiative for local schools in poorer rural regions through employee donations.

Volunteers from across the business liaise with schools to collect and then circulate a list of much needed items to all employees. In 2018, following this communication, Intertek Turkey employees donated supplies including stationery, toys, educational materials, reading books, shoes, boots and coats to the schools. Thanks to the combined efforts of all, and the generous donations, more than 100 students were helped as a result of the programme.

UK: REUSABLE WATER BOTTLES FOR ALL CALEB BRETT EMPLOYEES

To reduce the impact of single-use plastic products on the environment, all employees at Caleb Brett in the UK have been issued with branded multi-use water bottles to use at home as well as at work. Simultaneously, the company removed single-use cups from all sites. Managers have also been asked to look at other alternatives to single-use

water bottles, including water coolers and good quality tap water.

HONG KONG: SUPPORT CLIENT'S CHARITY EVENT

Although Hong Kong is one of the wealthiest cities in the world, income disparity is increasing and the city's wealth gap is at its widest in 45 years. Our colleagues at Intertek in Hong Kong were happy to join their client, A.S. Watson, in taking time to visit elderly care homes. Everyone who took part is proud to have had the opportunity to assist people in need and take part in a valued client's key charity event.

HONG KONG: ACTION TO RECYCLE PLASTIC WASTE

Intertek Hong Kong took part in the '10 Tonne Challenge', a city-wide plastic recycling initiative supported by the Hong Kong Environmental Protection Department. A large recycling station was placed in Intertek's Hong Kong office to ensure our

Supporting rural schools in Turkey



100

STUDENTS WERE SUPPORTED BY OUR PROGRAMME FOR RURAL SCHOOLS IN TURKEY

1,300 colleagues recycle their used plastic. The plastic waste collected will be remade into tote bags and other products. The recycling process and tote bag production also provide work opportunities for the community, and the proceeds from the sale of the bags are donated to support the elderly and the poor.

TAIWAN: SUPPORTING MARINE HABITATS AND WILDLIFE

During 2018, colleagues in Taiwan took part in several activities focused on the preservation of marine wildlife. This included 100 Intertek

Creative Day for Social Good in Canada



CSR event to support the elderly in Hong Kong



OUR COMMUNITIES

continued



employees participating in coastal clean-up activities over a weekend, as well as delivering sustainable management services to clients designed to reduce marine pollution and protect coastal ecosystems.

TAIWAN: BUTTERFLY HABITAT CONSERVATION

In November, Intertek colleagues and their families teamed up with The Butterfly Conservation Society of Taiwan to protect habitat in the Jian-nang butterfly garden in Taipei. The Intertek team worked to clear away overgrowing plants around the park, providing space for more butterfly-friendly vines and plants to thrive. Butterflies play key roles in plant pollination, and help to promote natural ecological balance. On the day of the event, volunteers from the Society were on hand to provide insights on the importance of environmental conservation.

SURINAME: CALEB BRETT SPONSORS KNOWLEDGE AND EDUCATION

Intertek Caleb Brett was one of the Gold Sponsors for the Petroleum Engineering Student Chapter at the Anton de Kom University in Suriname, when it participated in the 2018 PetroBowl competition – a quiz challenge between different universities relating to competencies, expertise and technical knowledge in the Oil & Gas industry.

CHINA: FUNDING EDUCATION FOR THE POOR

2018 is the 11th year in which Intertek China has campaigned to raise funds for poor students in Chongming District, Shanghai. Over this time, Intertek colleagues have provided 30 students with support and financial assistance, from primary school through to university.

KERALA: PROVIDING RELIEF FOLLOWING FLOODING

In August 2018, severe flooding caused havoc in the Southern Indian state of Kerala, leading to widespread destruction of property and the tragic loss of close to 500 lives.

Intertek colleagues responded to the needs of survivors following the disaster, with voluntary deductions from their monthly salary and the provision of clothes, food, medicines, toiletries and more. Our facilities team consolidated these donations into more than 400 aid packages for distribution across the most affected villages of Annamanada and Poovathussery and the nearby town of Salakudi.

RAISING FUNDS TO PROTECT WOMEN AT RISK OF TRAFFICKING

The Intertek team based in Allentown, Pennsylvania, notably engaged with Women At Risk (WAR) International during 2018. This Michigan based non-profit organisation creates 'circles of protection' around people at risk, using a range of culturally sensitive projects and partnership to fund and provide safe places to heal from abuse, trafficking and other forms of exploitation. The Intertek team sold unique items made by women at risk and people rescued from slavery, raising over US\$1,000 – enough to pay for more than three months in an overseas safe house for a woman rescued from trafficking.

Supporting relief efforts in Kerala



Butterfly habitat conservation in Taiwan



40

INTERTEK TAIWAN COLLEAGUES
VOLUNTEER TO PROTECT LOCAL
BUTTERFLY HABITAT

400

AID PACKAGES PROVIDED
BY INTERTEK FOR FLOOD
SURVIVORS IN KERALA

Woman at risk: 'Circles of protection'



30

STUDENTS IN CHINA HAVE
RECEIVED SUPPORT AND
FINANCIAL ASSISTANCE FROM
PRIMARY SCHOOL THROUGH
TO UNIVERSITY

OUR ENVIRONMENT



Our environmental mission is to provide a better quality of life today and a more environmentally responsible world tomorrow. We will do this by continually improving our business performance in line with our Ever Better discipline to minimise the impact of our operations on the environment.



Intertek’s environmental software allows for site-level energy tracking to reduce carbon emissions.”

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INTERTEK SITES IMPROVED THEIR NATURAL RESOURCE EFFICIENCY.



OUR APPROACH

Intertek’s focus is deeply committed to minimising our environmental impact. To do so, we monitor site-level activities across a range of environmental metrics and work with our sites to reduce energy consumption and limit greenhouse gas (GHG) emissions. Intertek plays an important role in raising awareness of climate change and national resource constraints among its employees, suppliers and customers. As such, our aim is to improve operational and natural-resource efficiency in a consistent manner across all our sites.

Last year, Intertek implemented a Global Sustainability Environmental Software platform. This is optimised specifically to provide Intertek with the reporting, analytics and auditability to support site-level sustainability initiatives and corporate reporting.

Our teams globally regularly upload and monitor their data within the environmental software. This provides them with the deep intelligence they need to understand their local environmental impact. That enables them to assess how they can manage their consumption through:

- utilising renewable energy sources,
- implementing green waste management practices,
- carrying out efficient water management,
- minimising business travel; and
- operating quality management systems.

To support this effort, our Environmental and Climate Change policy is implemented by country management to ensure compliance with local guidelines and regulations.

Through setting meaningful objective targets and tracking accurately, we can ensure that we are minimising our environmental footprint while providing our key stakeholders with the data they need to understand our performance.

OUR DATA

Our annual GHG reporting cycle runs from 1 October 2017

to 30 September 2018. The corresponding average number of employees for this period was 44,255.

Due to the wider scope and depth of reporting from 2017 onwards, and the increased attention to detail and diligence across all Intertek sites, we made continual refinements to our environmental data during

2018. This has resulted in a restatement to our 2017 base year, reducing CO₂ per employee from 5.08 to 4.42.

As a Total Quality Assurance (TQA) provider, we carry out testing on behalf of our clients which involves the direct consumption of fuel or the direct release of emissions through testing procedures. Our clients

CO₂e¹ emissions from activities for which Intertek is responsible include:

		GHG Emissions (tonnes of CO ₂ e) ¹	
		2018	2017 (restated)
Scope 1	Fugitive Emissions	5,034	4,993
	Mobile Combustion - Owned Fleet	25,637	24,357
	Stationary Combustion	24,715	24,877
Scope 2	Purchased and Used Electricity (location-based)	117,706	121,376
	Purchased and Used Electricity (market-based)	124,269	126,527
	Purchased Heat and Steam	1,625	1,573
Scope 3	Energy-Related Activities	7,616	12,274
Total emissions (location-based)		182,333	189,451
Total emissions (market-based)		188,896	194,602
Outside of scope	Biomass	628	947
	Fugitive Emissions	2,512	3,457
Total emissions (location-based) including outside of scope		185,473	193,855
Total emissions (market-based) including outside of scope		192,036	199,006
Intensity ratio - Scope 1,2,3 emissions			
CO ₂ per employee (location-based)		4.12	4.42
CO ₂ per employee (market-based)		4.27	4.54
Average # of employees during reported period		44,255	42,828

1. CO₂e - Carbon dioxide equivalent.

OUR ENVIRONMENT

continued



Intertek uses the most up-to-date GHG emission factors available for each country.”

require the tests we perform to help them determine the safety, quality and environmental efficiency of their products. While this increases our overall Group reported emissions, it has a positive longer-term impact on the item being tested.

For 2018, Intertek’s electricity consumption was reported to be 242,485 MWh (5.48 MWh per employee). Gas consumption was reported to be 64,796 MWh (1.46 MWh per employee).

In 2017 we set our first emissions target which was to reduce CO₂ emissions per employee by 5% by 2020 versus our 2017 base year. Our progress during 2018 resulted in an overall reduction in emissions of 3.8% whilst at the same time we saw a growth in employee headcount of 3.3%, as such our CO₂ per employee reduced by 6.9%. As a result of this reduction we are extending our target to be a 5% decrease in CO₂ per employee from 2018 to 2023.

Intertek’s reporting complies with the methodologies outlined by the GHG Protocol ‘Corporate Accounting and Reporting Standard’, ISO 140064-1, and the UK Government’s

‘Environmental Reporting Guidelines: including mandatory greenhouse gas emissions reporting guidance’.

In compliance with the above standards, Intertek uses the most up-to-date GHG emission factors available for each country and type of activity. The emission factors are sourced from the relevant government department in each country. Where local emission factors are not available, the platform uses default emission factors provided by the International Energy Agency (IEA), GHG Protocol, the UK’s Department for Environment, Food and Rural Affairs (DEFRA) and the US Environmental Protection Agency (US EPA).

SCOPE 3 MATERIALITY ASSESSMENT

As part of our ongoing improvements to our environmental data tracking and reporting, during 2018

242,485 MWh

TOTAL ELECTRICITY CONSUMPTION IN 2018

5.48 MWh

PER EMPLOYEE



we engaged with a reputable third-party vendor to carry out a materiality assessment to determine which Scope 3 emissions, as defined by the GHG Protocol, are relevant to Intertek.

The relevance of each of the 15 categories was established based on the Intertek business model. Data was then collected

ASSESSMENT OF INTERTEK SCOPE 3 MATERIALITY



and analysed to assess the materiality of those that were determined to be relevant. The available information and data from each relevant category was then used to calculate an estimate of the total global emissions in those categories.

The review established that Scope 3 emissions are a material portion of Intertek's total

footprint. As such, the materiality of each GHG Protocol category was set as 5% of total Scope 3 emissions in order to ensure that future data gathering and reduction strategies will be focused on the most impactful areas.

After determining that seven categories were relevant to

Intertek, five were deemed to be material as they each represent more than 5% of the total Scope 3 emissions. During 2019, Scope 3 data under the five material categories will be assessed in further detail with the objective of reporting on these categories as part of Intertek's future global emissions reporting.

CATEGORY	RELEVANCE	MATERIAL	DETAILS
1. Purchased Good & Services	✓	✓	Emissions associated with goods and services that Intertek procures through routine operational expenditure
2. Fuel and Energy-Related Activities	✓	✓	Emissions associated with transmission losses from electricity
3. Employee Commuting	✓	✓	Emissions associated with employees commuting to work
4. Capital Goods	✓	✓	Emissions associated with goods and services that Intertek procures through capital expenditure
5. Business Travel	✓	✓	Emissions from travel undertaken by employees on company business
6. Upstream Transportation & Distribution	✓	-	Emissions associated with shipping and transportation of goods
7. Waste Generated in Operations	✓	-	Emissions associated with disposal of waste generated
8. Upstream Leased Assets	✗	-	Not considered relevant due to limited sub-leasing of Intertek assets
9. Downstream Transportation & Distribution	✗	-	Not considered relevant due to Intertek being a service provider
10. Processing of Sold Products	✗	-	Not considered relevant due to Intertek being a service provider
11. Use of Sold Products	✗	-	Not considered relevant due to Intertek being a service provider
12. End-of-Life Treatment of Sold Products	✗	-	Not considered relevant due to Intertek being a service provider
13. Downstream Leased Assets	✗	-	Not considered relevant due to limited sub-leasing of Intertek assets
14. Franchises	✗	-	Not considered relevant due to no franchises in operation
15. Investments	✗	-	Intertek has employee pension schemes but due to their external management, under GHG guidelines these can be excluded

OUR ENVIRONMENT

continued



LCA evaluation of products



SUPPORTING OUR CLIENTS IN ENVIRONMENTAL MANAGEMENT

Our Sustainability Services provide multiple ways in which we can support our clients achieve their environmental monitoring and management goals:

Life Cycle Assessment

Life Cycle Assessment (LCA) has emerged as an essential and widely recognised framework to understand and measure the environmental and carbon impacts of a product, material or process. LCA tools can be leveraged to support value chain decision-making, production optimisation, innovation in design and end-of-life management. Intertek is working with a popular global e-commerce company to assess the cradle-to-grave impacts of their core product. The evaluation offers insight into the environmental impacts and avoided impacts associated with

the product from the selection of materials and shipping networks to recycling, reuse and end-of-life management. Environmentally conscious and accountable business practices are essential to our client's vision and they intend to use the science-based metrics from the LCA to continuously improve their impacts and meet corporate sustainability goals.

Carbon Footprint Assessment for Mitsubishi Electric Sales Canada (MESCA)

As part of the global push to reduce GHG emissions, organisations are assessing their carbon impacts through science-based metrics that provide accurate and reliable information to key decision-makers and stakeholders.

Intertek's sustainability teams are working with companies to determine or validate their GHG emissions throughout their entire value chain and achieve carbon-

Evaluating GHG data



reduction targets. As an example, Intertek's sustainability experts have been retained by Mitsubishi Electric Sales Canada to collect data, calculate and report their Scope 1, 2 and 3 GHG emissions for the country's entire sales network. Intertek is collecting and evaluating data, not only for regional sales offices, but also such Scope 3 categories as the upstream purchase of goods and transportation, business travel and employee commuting as well as the downstream distribution network and use. The project involves supporting internal teams to collect the correct information, to perform technical reviews of data and calculations in accordance with the GHG Protocol and ISO standards, and to prepare a report outlining the science-based metrics. Mitsubishi Electric Sales Canada is undertaking this in-depth analysis as part of its corporate sustainability initiatives and carbon reduction goals.



Management of wastewater

Wastewater global regulatory requirements study for Roche

Intertek worked with F. Hoffmann-La Roche Ltd (Roche) in Switzerland to identify wastewater pollutant discharge limits in multiple jurisdictions worldwide. Managing the prevention of wastewater pollution from industrial, institutional and commercial sources is an important environmental mechanism to protect fresh and groundwater resources against harmful and restricted substances. Municipalities and regional jurisdictions across the world regulate and enforce specific concentrations of subject pollutants and substances that can be

discharged into the sanitary sewer to protect important infrastructure, human health and impacts on the environment. As a global healthcare business, this company is a leader in sustainability and committed to promoting healthy lives and wellbeing for all.

Intertek's research into regulation preventing wastewater pollution ensures access to information on key environmental regulatory mechanisms that are crucial to Roche's customers' operations. It also provides insight into evolving sustainability targets across various jurisdictions.



Intertek worked with OCTAL to carry out a carbon footprint analysis, demonstrating its novel approach to PET manufacture and new technologies."



PET Plastic resin

Novel approach to PET plastic manufacturing

As part of its strong commitment to sustainability, OCTAL, a global PET resin manufacturer, has developed innovative and efficient means of producing PET plastic that reduces environmental impact through an overall reduction in carbon emissions.

Intertek worked with OCTAL to carry out a carbon footprint analysis, demonstrating its novel approach to PET manufacture and new technologies. OCTAL also enlisted Intertek to evaluate the environmental impacts associated with end-of-life recycling. This contrasts with traditional disposal via landfill and demonstrates the effectiveness of the recycling programme in reducing the overall carbon footprint of PET plastic products.

OUR ENVIRONMENT

continued



OUR GLOBAL ENVIRONMENTAL ACHIEVEMENTS 2018

As we operate a decentralised business model, it's our local teams who look for ways to become more environmentally efficient and reduce the impact of operations. Here we provide some examples of our achievements in 2018. Through actively performance managing our GHG emissions in 2019, we hope to make further improvements.



1 TRANSPORTATION TECHNOLOGIES, UK

Intertek Transportation Technologies UK was awarded certification to the ISO 14001 Environmental Management and to BS OHSAS 18001 Occupational Health and Safety Management standards.

2 MALTA

Intertek in Malta moved offices in August 2018. The new office is equipped with double glazing apertures and LED lighting.

3 CANADA, BC OPERATIONS, COMMODITIES

In Canada, Intertek partnered with a plastic recycling company to recycle all used sample bags.

4 INTERTEK CALEB BRETT DENMARK, KALUNDBORG

In Denmark, Intertek recycles cooling water during RON petroleum analysis.

5 DOMINICAN REPUBLIC

In the Dominican Republic the Accuvio system is used to monitor petrol and electricity consumption.

6 TURKEY

In Turkey feasibility studies are underway for a solar energy project.

7 GHANA, TARKWA MINERALS

In Ghana, Intertek planted 500 trees on site.

8 AUSTRALIA, HONG KONG, JAPAN, NEW ZEALAND, SOUTH KOREA, TAIWAN

Intertek upgraded to LED lighting in labs in these countries.

OUR ENVIRONMENT

continued



INDEPENDENT ASSURANCE STATEMENT TO INTERTEK GROUP PLC MANAGEMENT

We have performed a limited assurance engagement on selected performance data presented on page 21 of the Intertek Group plc (“Intertek Group”) Annual Report 2018 (“the Report”).

Respective responsibilities

Intertek Group management is responsible for the collection and presentation of the information within the Report. Intertek Group management is also responsible for the design, implementation and maintenance of internal controls relevant to the preparation of the Report, so that it is free from material misstatement, whether due to fraud or error.

Our responsibility, in accordance with our engagement terms with Intertek Group management, is to carry out a ‘limited level’ assurance engagement on the selected data (“the Subject Matter Information”) outlined under the following headings in the Report:

- Greenhouse gas emissions – scope 1;
- Greenhouse gas emissions – scope 2; and
- Greenhouse gas emissions – intensity ratio.

We do not accept or assume any responsibility for any other purpose or to any other person or organisation. Any reliance any such third party may place on the Report is entirely at its own risk.

Our assurance engagement has been planned and performed in accordance with the International Standard for Assurance Engagements (ISAE) 3000 Revised, *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information*. The Report has been evaluated against the following criteria (collectively “the Criteria”):

Completeness

- Whether all material data sources have been included and that boundary definitions have been appropriately interpreted and applied.

Consistency

- Whether the Intertek Group scope and definitions for the Subject Matter Information have been consistently applied to the data.

Accuracy

- Whether site and business-level data have been accurately collated by Intertek Group management at a Global level.
- Whether there is supporting information for the data reported by sites and businesses to Intertek Group management at a Global level.

Summary of work performed

The procedures we performed were based on our professional judgement and included the steps outlined below:

1. Interviewed a selection of management to understand the management of greenhouse gas data within the organisation.
2. Reviewed a selection of management documentation and reporting tools including guidance documents.
3. Performed a review of the Accuvio online data collection tool, including testing outputs and selected conversions made within the tool.
4. Reviewed underlying documentation for a sample of site-level data points.
5. Reviewed and challenged the validation and collation processes undertaken by Intertek Group management in relation to the Subject Matter Information.
6. Reviewed the Report for the appropriate presentation of the Subject Matter Information, including the discussion of limitations and assumptions relating to the data presented.

Limitations of our review

Our evidence gathering procedures were designed to obtain a 'limited level' of assurance (as set out in ISAE3000 (Revised)) on which to base our conclusions. The extent of evidence gathering procedures performed is less than that of a reasonable assurance engagement (such as a financial audit) and therefore a lower level of assurance is provided.

Completion of our testing activities has involved placing reliance on Intertek Group's controls for managing and reporting sustainability information, with the degree of reliance informed by the results of our review of the effectiveness of these controls. We have not sought to review systems and controls at Intertek Group beyond those used for selected data (defined as the Subject Matter Information above).

The scope of our engagement was limited to the reporting period, and therefore 2018 performance only.

The responsibility for the prevention and detection of fraud, error and non-compliance with laws or regulations rests with Intertek Group management. Our work should not be relied upon to disclose all such material misstatements, frauds, errors or instances of non-compliance that may exist.

Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Subject Matter Information was not prepared, in all material respects, in accordance with the Criteria, which were applied by management.

Our independence

We have implemented measures to comply with the applicable independence and professional competence rules as articulated by the IFAC Code of Ethics for Professional Accountants and ISQC1¹. EY's independence policies apply to the firm, partners and professional staff. These policies prohibit any financial interests in our clients that would or might be seen to impair independence. Each year, partners and staff are required to confirm their compliance with the firm's policies.

We confirm annually to Intertek Group whether there have been any events, including the provision of prohibited services that could impair our independence or objectivity. There were no such events or services in 2018. Our assurance team has been drawn from our global Climate Change and Sustainability Services Practice, which undertakes engagements similar to this with a number of significant UK and international businesses.

Ernst & Young LLP

London
4 March 2019

1. Parts A and B of the IESBA Code, and the International Standard on Quality Control 1 (ISQC1).

TRACKING OUR PROGRESS WITH THE UN SDGs



As a purpose-led organisation and Total Quality Assurance provider, we are in a strong position to align with each of the United Nations Sustainable Development Goals ('UN SDGs'). This is due both to the internal activities we carry out for our people, our communities and the environment, and to the sustainability services we provide to our customers.

We use the UN SDGs as a third party, independent framework to track our Country and Business Line progress in sustainability. In our 2017 report, we announced that from 2018 each of our major Business Lines and Countries will provide quarterly updates on their progress towards achieving the UN SDGs that they have chosen to align with and embed in their daily activities.

A wide and impressive range of goals is targeted across the organisation. Quantitative and qualitative reporting demonstrated during the year how our countries have contributed to the goals.

Here we provide an overview of many of the Group's activities across all the UN SDGs. We also include examples of highlights from the year on a selection of the goals, from both an internal and a client services perspective.

LOOKING AHEAD

We will continue to update stakeholders on our progress on the UN SDGs, providing annual examples of our activities across different Business Lines and Countries, both from an internal and a client perspective.



INTERTEK ACTIVITIES ALIGNED TO ALL UN SDGs



- Charity and community support initiatives



- Charity and community support initiatives



- Food testing services for our clients
- Colleague health and wellbeing programmes



- 10X training and development for Intertek colleagues
- Community education support initiatives



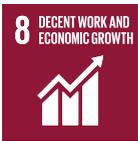
- Workplace Gender Equality report Australia
- EDGE certifications provided to clients in Australia
- Real-time inequality monitoring system in France



- Water quality testing services for our clients
- Intertek China partners WWF



- Installation of Stem Battery Solution in US
- Intertek certified several leading regional quality alliances in China
- Environmental audits, training and services for our clients



- Commitment to UK Living Wage
- Charity and community support initiatives



- Commitment to 'Doing Business the Right Way'



- Commitment to inclusion and diversity policy



- Charity and community support initiatives



- Waste initiatives in the US, Australia, UK, Hong Kong
- Verifying new sustainable materials in Hong Kong
- Supporting sustainable production of plastics



- Environmental audit services for clients
- Environmental monitoring and control in Intertek locations
- Fitting labs with LED lighting



- Charity and community support initiatives



- Charity and community support initiatives



- Commitment to 'Doing Business the Right Way'



- Global network of Sustainability Champions drive engagement with UN SDGs locally
- Charity and community support initiatives

TRACKING OUR PROGRESS WITH THE UN SDGs

continued



MAKING OUR OWN PROGRESS WITH THE UN SDGs...



INSTALLATION OF A STEM BATTERY SOLUTION

The United States has a significant role to play in Intertek's energy use and how we are meeting the carbon reduction goals outlined in this report.

We therefore continue to implement better ways for all of our US-based locations to reduce their energy consumption. These activities are fully aligned to the Affordable and Clean Energy goal, focusing on energy efficiency projects and clean energy purchasing options.

In October 2018, Intertek's Lake Forest California site installed a Stem battery system which is designed to reduce peak energy demand. This battery storage system also plays a part in strengthening the California electricity grid by supporting renewable energy in the state.



CLIMATE ACTION

ABC Analytic, Intertek's leading environmental services company based in Mexico, received the government's Certificate of Environmental Compliance in June. In achieving this, we reaffirmed our commitment to caring for and preserving the environment. The Certification in Environmental Compliance is an evaluation strategy used to help improve the quality of sustainable processes, products and services.



REDUCING GENDER INEQUALITY

Intertek first produced a Gender Pay Gap report in 2017 for its UK operations. We are highly committed to reducing the pay gap and improving our gender balance across the whole organisation globally.

We have, for example, ensured compliant reporting to the Australian Government Workplace Gender Equality Agency and implemented a permanent system to monitor inequalities in France.

In addition, we provide our clients with key auditing services for Gender Equality, such as Economic Dividends for Gender Equality (EDGE). Intertek is the first certification body fully approved to certify companies against the EDGE standard, which is the only global assessment methodology and business certification standard for gender equality.

... AND SUPPORTING OUR CLIENTS' PROGRESS WITH SUSTAINABILITY SERVICES



WATER QUALITY TESTING SERVICES

Our wide range of water testing services assists clients operating in all water-related sectors, including water utilities, industry, Oil & Gas, ports and harbours, food, power generation, desalination and pharmaceuticals. We help our clients use practical technologies to explore water properties and produce quality improvements.

Partnership with WWF China

Intertek China established a partnership with the World Wide Fund for Nature (WWF China) in 2017, and since then has participated in a project called 'WWF Water Management Innovation Action'. By providing water management solutions to the textile industry, Intertek aims to improve corporations' water use efficiency within their value chain and pollutant discharge conditions, as well as reducing water related crises and adverse environmental impacts in manufacturing operations. We continue to offer training services to increase textile companies' water risk awareness.

Responding to crisis averts environmental disaster

When several dead manatees were spotted in rivers in the Mexican state of Tabasco, a team from Intertek ABC Analytic quickly rose to the challenge of testing the water for toxins. When no high levels of toxic substances were found through conventional approaches, the team needed to develop and implement a series of entirely new tests in just five days.

Because our labs are capable of quickly processing the complex matrices required in these instances, our involvement was mission-critical in enabling local government bodies to make informed decisions and act quickly to prevent wider environmental impacts.



RESPONSIBLE PRODUCT PRODUCTION

Intertek is at the forefront of ensuring the safe and sustainable execution and delivery of products to their intended markets. Our capabilities in a range of industries – including electrical and electronic products, medical devices, IT and telecoms, toys and games, juvenile products, textiles and apparel, food and

more – give clients access to an interconnected knowledge base that provides solutions to everything from regulatory issues to supply chain challenges.

Total Quality Assurance validation of sustainable material

In Hong Kong, our client manufactures Chitosan yarn, a sustainable new material that's based on a natural compound derived from the shells of crab and shellfish. Intertek has created a unique and innovative testing method both to verify the material's existence within yarn and to assure its recycling lifecycle. This Total Quality Assurance solution validates the material's anti-bacterial, odour repellent and biodegradable properties.

First 'Water Footprint' Green Leaf Mark awarded

A product developed by the Ming Fai Group, the leading company in the Chinese hotel industry's consumer goods sector, has received the first water footprint Green Leaf mark. The Reeco product reduces the foam produced in the laundry process, cutting washing time and water consumption to reflect the key importance of addressing water scarcity. The Green Leaf mark award follows Intertek's work evaluating the life cycle of the Reeco product, from manufacture to implementation.

OUR SUSTAINABILITY GOVERNANCE



At Intertek, sustainability is core to our business and everything we do. We are constantly evaluating and improving our processes, both in the services that we offer to our customers and in our own business processes and initiatives.

In 2017 we established a set of five Group sustainability priorities, linked to our 5x5 differentiated strategy for growth. We further developed these over 2018, under the leadership of the Sustainability Operating Committee.

THE SUSTAINABILITY OPERATING COMMITTEE

The purpose of the Sustainability Operating Committee (the 'Committee') is to advance Intertek's initiatives, both in our external sustainability services for clients and our internal sustainability activities. The core elements the Committee focuses on include:

- Oversight of the development of Intertek's sustainability service offerings;
- Oversight of the progress made on internal sustainability activities, including Intertek's environmental footprint, GHG emissions, contribution to the UN SDGs, tracking and reporting of key ESG metrics and reporting to the Executive Management Team and the Board.

To enhance engagement across our sustainability initiatives, the Committee is supported by a network of Sustainability Champions across our major Countries and Business Lines. Their roles include:

Country network:

- Seeking opportunities to act sustainably, through energy efficiency and cost reductions across energy, water and waste usage.
- Engaging with people locally to drive positive behaviours throughout the organisation as well as through encouraging sustainability engagement with local stakeholders.
- Maintaining best-in-class internal labour and human rights practices, activity monitoring and improving social sustainability metrics.

Business Line network:

- Engaging the sales organisation within the Business Line to ensure it is aware of all the sustainability services that can be offered to customers.
- Working with colleagues globally to help develop our suite of sustainability services.
- Helping to generate new and innovative ways of offering sustainability services to our customers.

We aim to expand this network over time to include more Countries and Business Lines, enhancing engagement across our business in sustainability activities.

Our people are passionate about their work and are proud to be involved in activities which generate a positive impact for society and the environment. Each of our Countries and Business Lines defines its own sustainability agenda, tied to our Group priorities. This ensures that the objectives and activities being performed locally are understood, and that we benefit from best practice globally.

SUSTAINABILITY NETWORK



RESPONSIBLE INVESTMENT

Generating sustainable, long-term returns is a key enabler of our 5x5 strategy for growth. We achieve this by means of a Responsible Investment ('RI') approach. RI includes the evaluation of 'ESG' risks as part of the investment process.

ESG due diligence forms a key part of our acquisition review process. We also use it when assessing capital expenditure decisions on new and innovative ATIC services. We ensure that we have identified potential ESG risks and have in place corresponding mitigation plans and remedies. Our investment process, in line with our overall Group strategy, ensures that we maintain the right balance between performance and sustainability.

As appropriate, acquired businesses will be provided with access to our Group Environmental Data Software and will be required to submit their environmental data as part of the ongoing reporting cycle.

SUPPORTING OUR CLIENTS - ETHICAL SOURCING FORUM

Our Sustainability value proposition also supports our clients in their supply chain risk assessments.

Since 2001, Intertek's Global Business Assurance business line has leveraged its supply chain expertise in shaping the Ethical Sourcing Forum (ESF). This is an industry-leading event focused on supply chain social responsibility and responsible/ethical sourcing. The conference's main theme, 'Be Part of the Solution', emphasises ESF's role

in the continuously improving and ever-changing areas of working conditions, human rights and environmental conditions in the supply chain.

In 2018 we held two ESF events, one in New York and one in London. These covered, among other topics, Modern Slavery and hidden labour risks in the UK and US, as well as global supply chain trends.

In the UK, a panel of industry experts who were invited to speak and take part in roundtable discussions included:

- Ethical Trade Manager, Sainsbury's Group;
- Head of Global Ethical Policy, BBC Studios;
- Director of Operations, Gangmasters Labour Abuse Authority;

OUR SUSTAINABILITY GOVERNANCE

continued

- Human Rights, Modern Slavery and Responsible Sourcing Consultant; and
- Intertek Group General Counsel and Head of Risk & Compliance.

The forum provided an opportunity for senior compliance and ethical sourcing representatives from UK brands and retailers to discuss and learn about the risks of sourcing from the UK, especially around the subject of worker exploitation. This topic is important because the current access to a labour market

via labour agencies is increasing organisational risks such as compromised brand reputation and reduced visibility and control during sourcing and due diligence practices.

In the US, the panel included a representative of the US government, Senior Policy Advisor Forced Labour Programmes, US department of Homeland Security Investigations, providing different perspectives on business and government initiatives.

Going forward, the Intertek Business Assurance team will build on these events. It is scheduling future Ethical Sourcing Forums in 2019 in key sourcing markets.

Global Reporting Initiative (GRI) guidelines provide a recommended framework and indicators for reporting. A table outlining the GRI standard disclosures is provided on our corporate website at www.intertek.com/about/corporate-responsibility/.

All data used for performance indicators is representative of the GRI Guidelines.



Read more at
[www.intertek.com/
sustainability](http://www.intertek.com/sustainability) →

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