

STRONG RECOVERY IN H2 WITH RECORD MARGIN AND EXCELLENT CASH CONVERSION

2020 FULL YEAR RESULTS PRESENTATION

2 March 2021



CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

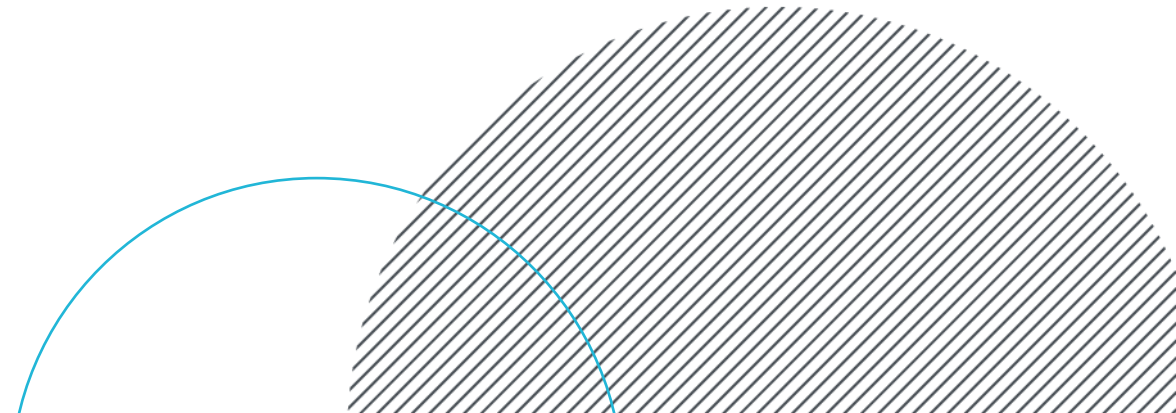
This presentation contains certain forward-looking statements with respect to the financial condition, results, operations and business of Intertek Group plc.

These statements and forecasts involve risk and uncertainty because they relate to events and depend upon circumstances that will occur in the future.

There are a number of factors that could cause actual results or developments to differ materially from those expressed or implied by these forward-looking statements and forecasts.

Nothing in this presentation should be construed as a profit forecast.

2 March 2021





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Divisional Review

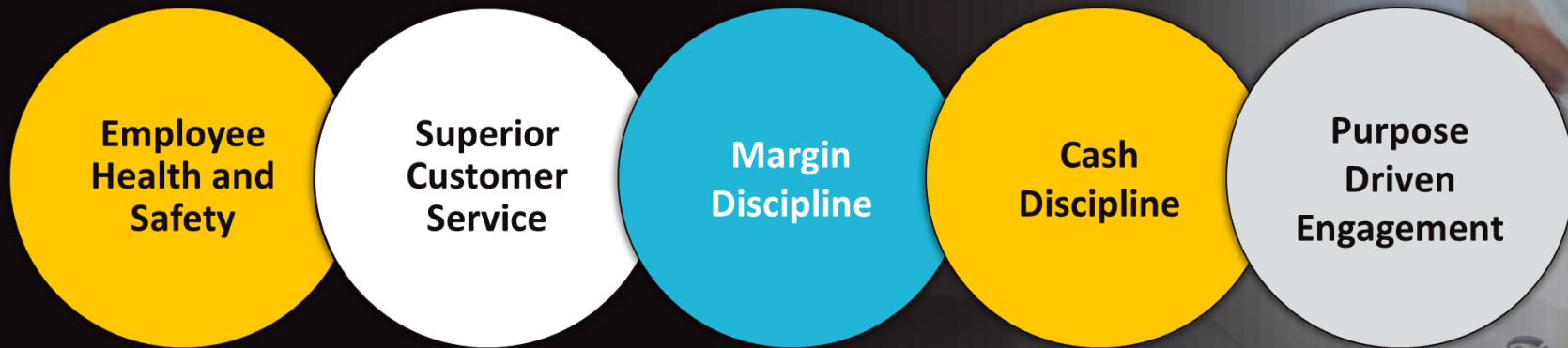
04

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2021 Outlook

LASER FOCUSED OPERATIONAL DISCIPLINE



INTERTEK'S HEROES MADE A BIG DIFFERENCE IN 2020



Blood Donations

Intertek Taiwan

70 colleagues responded to the Taiwan Blood Services Foundation's 'red alert' calling for volunteers to donate blood in the wake of Covid-19.



Medical Beds

**Chirag Parikh, Production Engineer,
Intertek Electrical**

Worked long hours and weekends to complete urgent project on medical beds built for those with severe lung congestion.



Community Support

**Azer Sanili, IT Manager
Intertek Azerbaijan**

Set up local donation initiative called "Bigane Qalma", that provided 45 families affected by the pandemic with relief packages.



Hand Sanitiser

**Analytical & Textiles labs
Intertek Bangladesh**

Produced hand sanitizer and set up a 'virtual hospital' with oxygen tanks to help colleagues and their families.



Face Masks

**Ludwig Laibahas, HR Manager
Intertek Indonesia**

Provided face masks to colleagues in countries greatly affected by Covid-19, sending 154k to HK, Taiwan, Korea, Philippines, China, Singapore and Malaysia.

GLOBAL INNOVATIONS SUPPORTING THE NEEDS OF OUR CLIENTS



intertek
total sustainability
ASSURED.



intertek
inlight 2.0



intertek
cyber assured



protek
Safety. Everywhere. Every day.



in
MAISON



intertek
ppe



intertek
interpret



intertek
inview



alchemy
playbook



intertek
crystek



intertek
riskAware



INTERTEK
PEOPLE ASSURANCE



intertek
Sourceclear
Visible. Traceable. Sustainable.



intertek
fasttek



intertek
carbonclear



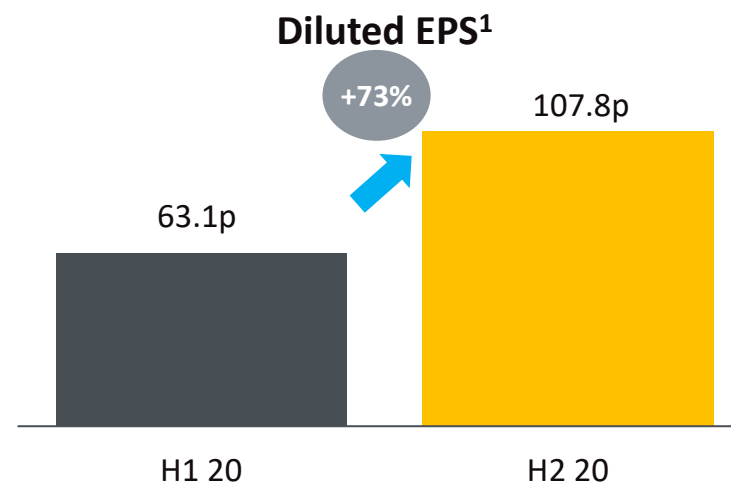
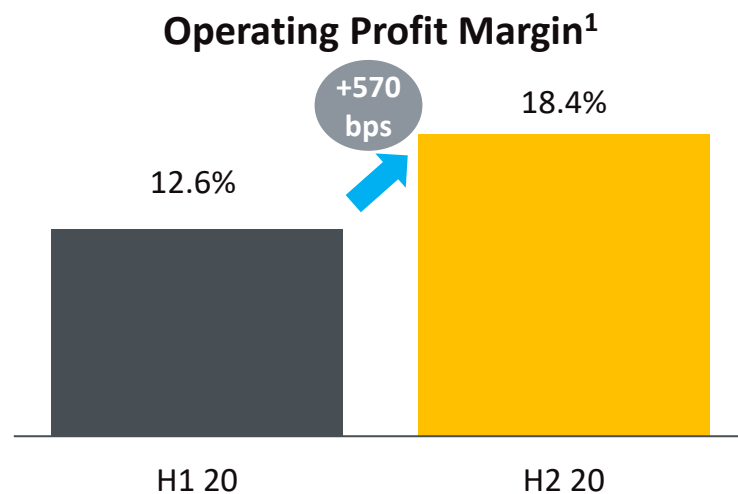
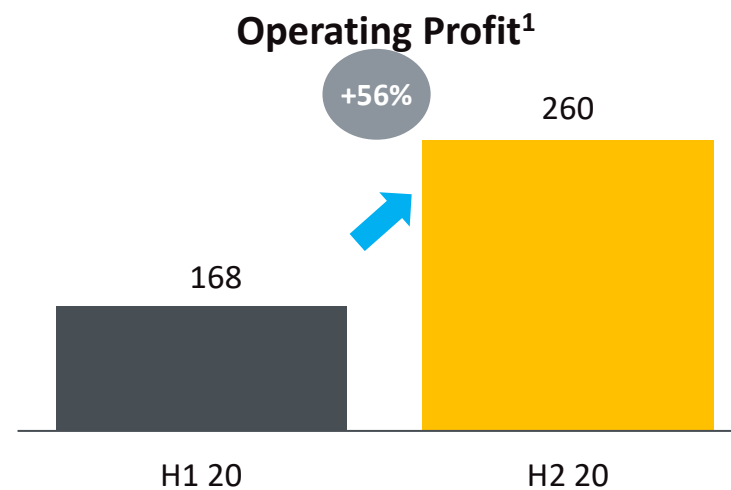
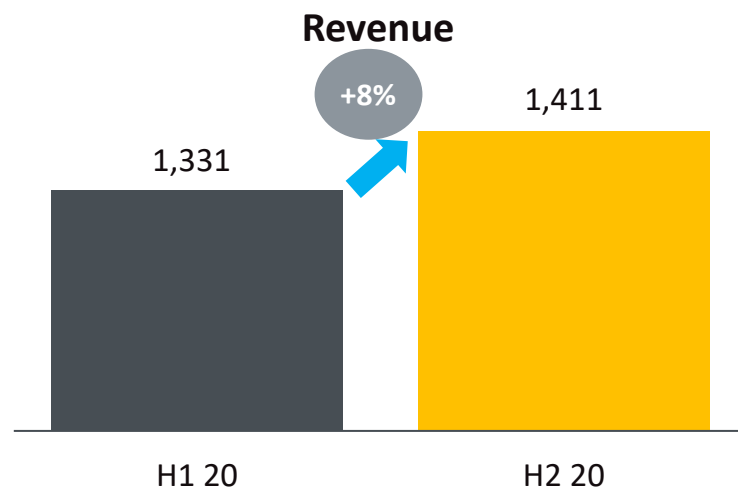
PERFORMANCE AHEAD OF EXPECTATIONS IN EARNINGS AND CASH



	2020	2019	YoY (Actual rates)	YoY (Constant rates)
Revenue	£2,741.7m	£2,987.0m	(8.2%)	(6.7%)
Like-for-like revenue ¹	£2,735.9m	£2,983.3m	(8.3%)	(6.8%)
Operating Profit ²	£427.7m	£524.2m	(18.4%)	(17.0%)
Adjusted Operating Margin ²	15.6%	17.5%	(190bps)	(190bps)
Adjusted diluted EPS ²	170.9p	212.5p	(19.6%)	(18.1%)
Adjusted FCF ²	£435.6m	£395.3m	10.2%	
Financial net debt	£419.9m	£629.4m	(33.3%)	
Financial Net debt / Adjusted EBITDA ²	0.7x	0.9x		
ROIC	21.6%	23.7%	(210bps)	(190bps)

Notes: (1) Like-for-like revenue includes acquisitions following their 12 month anniversary of ownership and removes the historical contribution of any business disposals/closures; (2) Before separately disclosed items; (3) Guidance as at November IMS

STRONG H2 RECOVERY WITH RECORD MARGIN

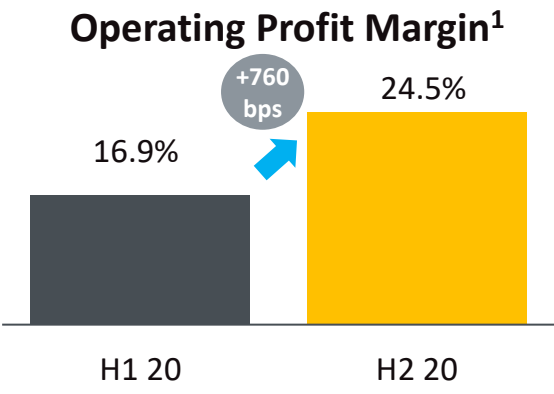
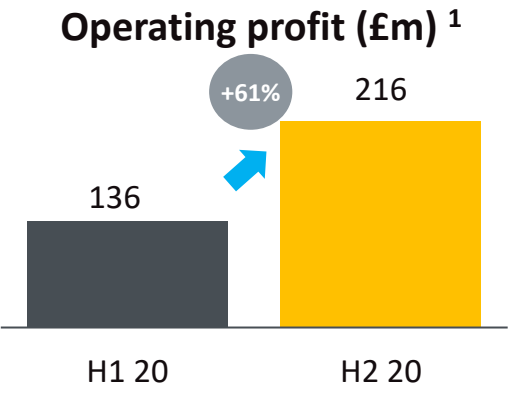
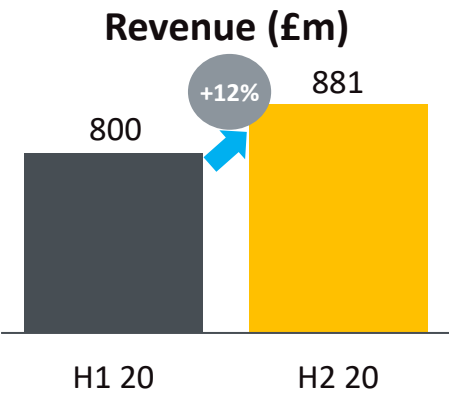


Note: Growth rates and bps movement at constant currency; (1) Adjusted

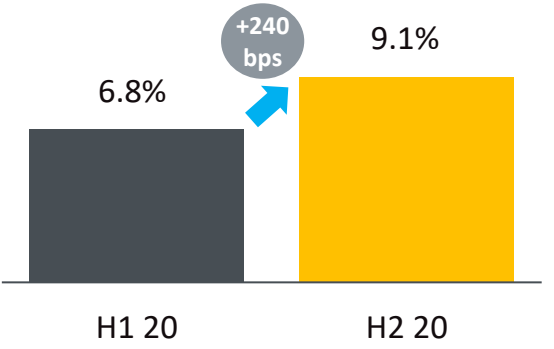
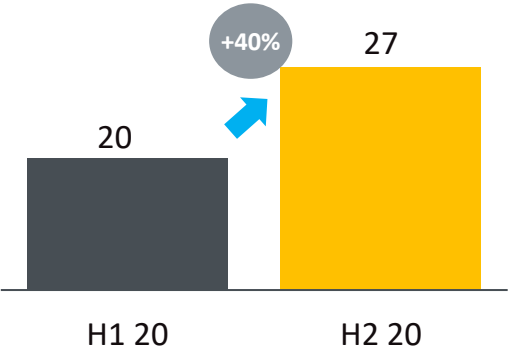
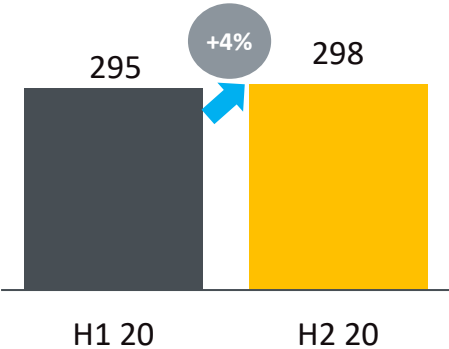
BROAD BASED RECOVERY IN H2



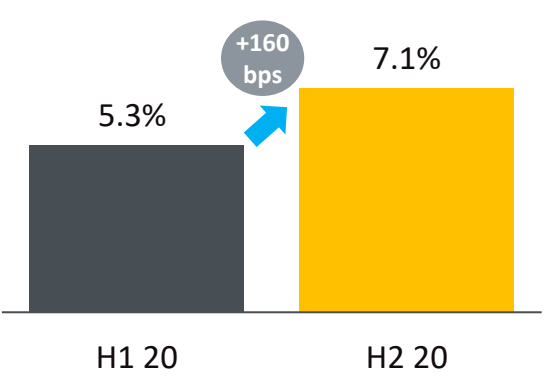
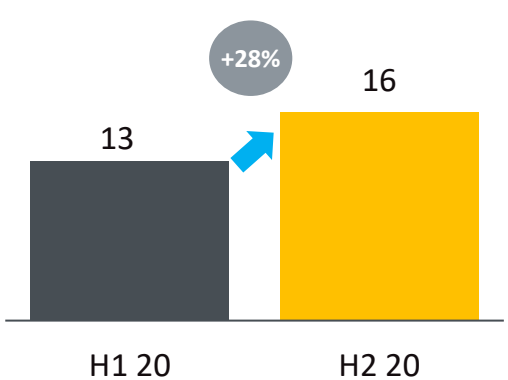
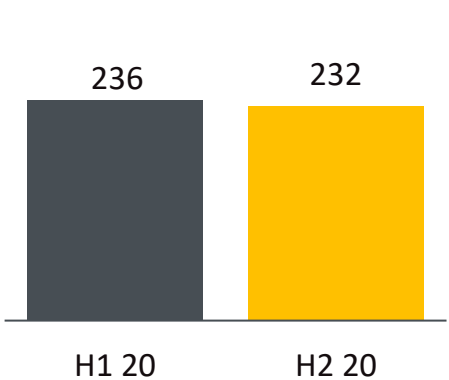
Products



Trade



Resources

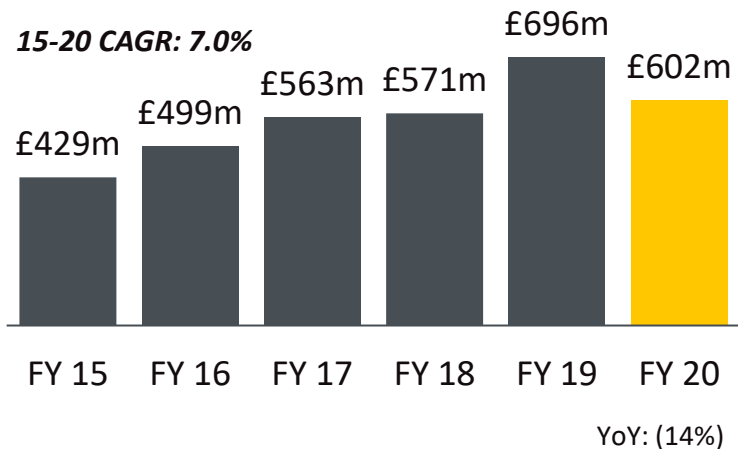


Note: Growth rates and bps movement at constant currency; (1) Adjusted

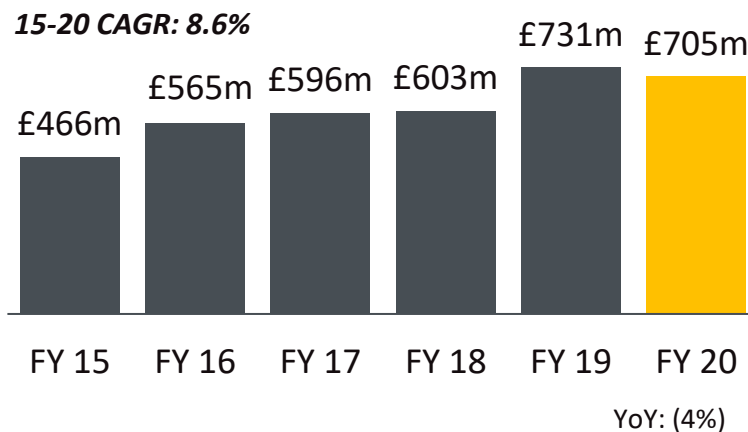
HIGHLY CASH GENERATIVE EARNINGS MODEL DELIVERS <0 WC



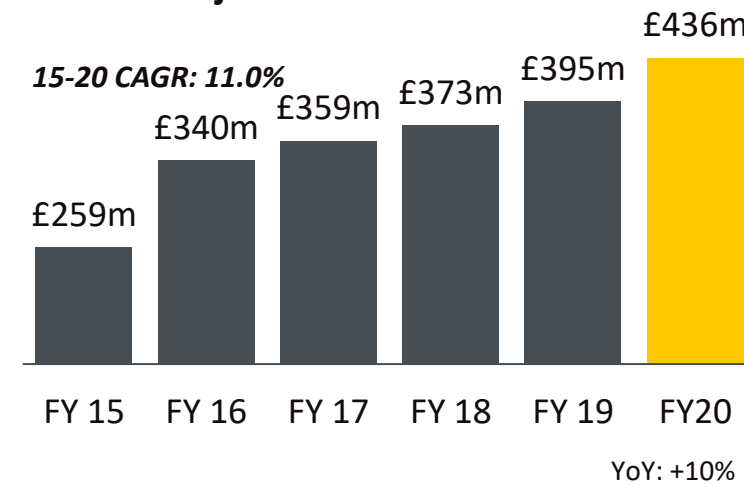
Adjusted EBITDA¹



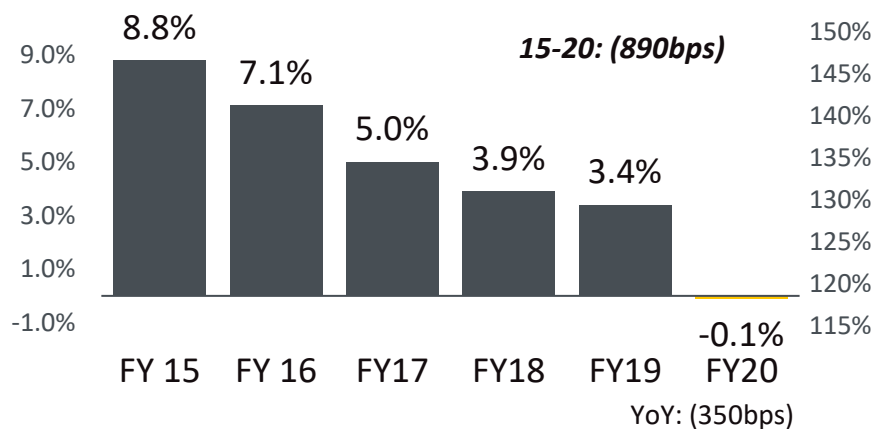
Adjusted Cash Generated from Operations¹



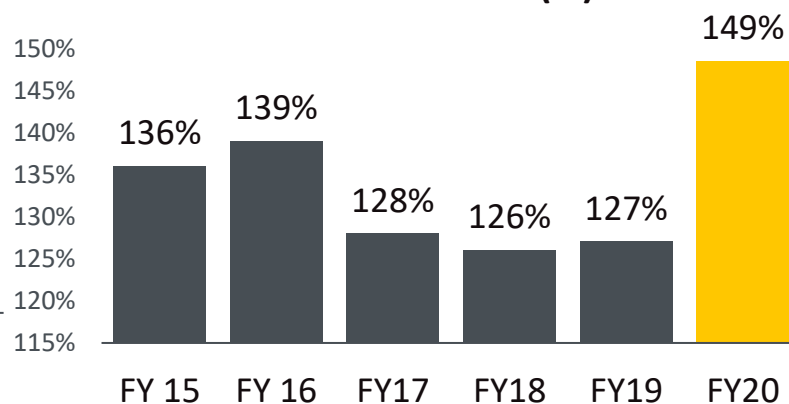
Adjusted Free Cash Flow¹



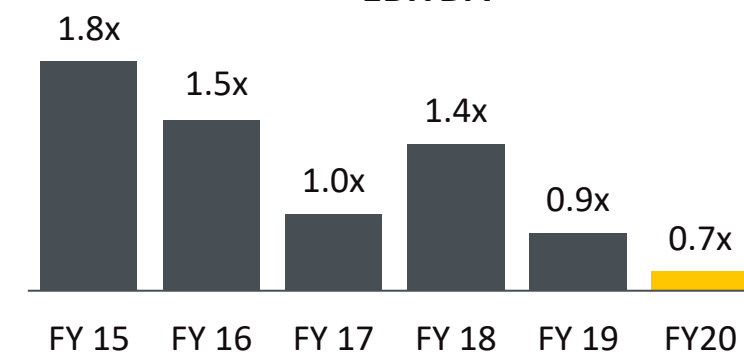
Working Capital as % of Revenue¹



Cash Conversion (%)



Financial Net Debt / Adjusted EBITDA



Note: (1) IFRS 16 was adopted on 1 Jan 19 and as such results prior to 2019 are on an IAS 17 basis



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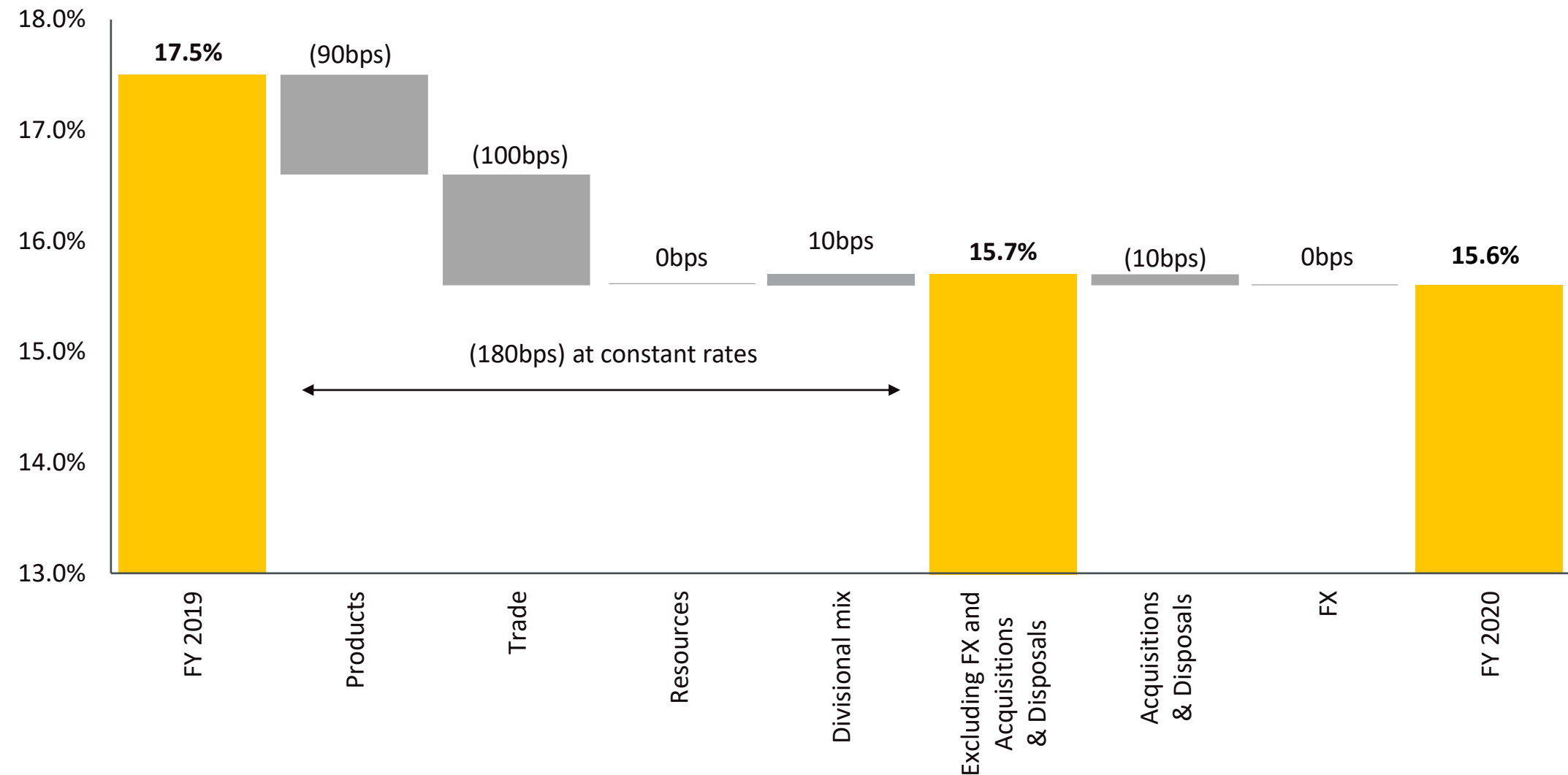
KEY P&L FINANCIALS



		YoY %	
	2020	Actual Rates	Constant Rates
Revenue	£2,741.7m	(8.2%)	(6.7%)
Like-for-like revenue ¹	£2,735.9m	(8.3%)	(6.8%)
Operating profit ²	£427.7m	(18.4%)	(17.0%)
Operating profit margin ²	15.6%	(190bps)	(190bps)
Diluted earnings per share ²	170.9p	(19.6%)	(18.1%)

Notes: (1) Like-for-like revenue includes acquisitions following their 12-month anniversary of ownership and removes the historical contribution of any business disposals/closures; (2) Before separately disclosed items

OPERATING MARGIN BRIDGE



Note: Like-for-like revenue includes acquisitions following their 12-month anniversary of ownership and removes the historical contribution of any business disposals/closures



CASH FLOW & NET DEBT

£m @ actual exchange rates	2020	2019	
Adjusted operating profit ¹	427.7	524.2	
Depreciation/amortisation	174.0	171.5	
Change in working capital	88.6	15.9	
Other ²	14.8	19.0	
Adjusted cash flow from operations	705.1	730.6	
Net capex	(72.2)	(114.3)	
Other ³	(197.3)	(221.0)	
Adjusted free cash flow	435.6	395.3	+10.2% YoY
Cash conversion % ⁴	149%	126%	
Acquisitions	-	(16.9)	
Financial net debt	419.9	629.4	
Financial net debt/Adjusted EBITDA (rolling 12 months)	0.7x	0.9x	

Notes:

(1) Before separately disclosed items; (2) Comprises: special pension payments, add back equity settled transactions and other non-cash items; (3) Comprises: interest paid/received and tax, lease liability repayment;

(4) Adjusted operating cash flow as % of adjusted operating profit. Adjusted operating cash flow comprises: adjusted cash flow from operations less the lease liability repayment and after adding back the special pension payments

FINANCIAL GUIDANCE



	FY 2021 Guidance
Net finance cost (pre-fx)	£29-33m
Effective tax rate	26.5-27.0%
Minority interest	£17-19m
Diluted shares (as at 31 December 2020)	162.3m
Capex	£110-120m
Financial Net Debt	£350-400m

Note: Net debt guidance before any material change in FX rates and any additional M&A



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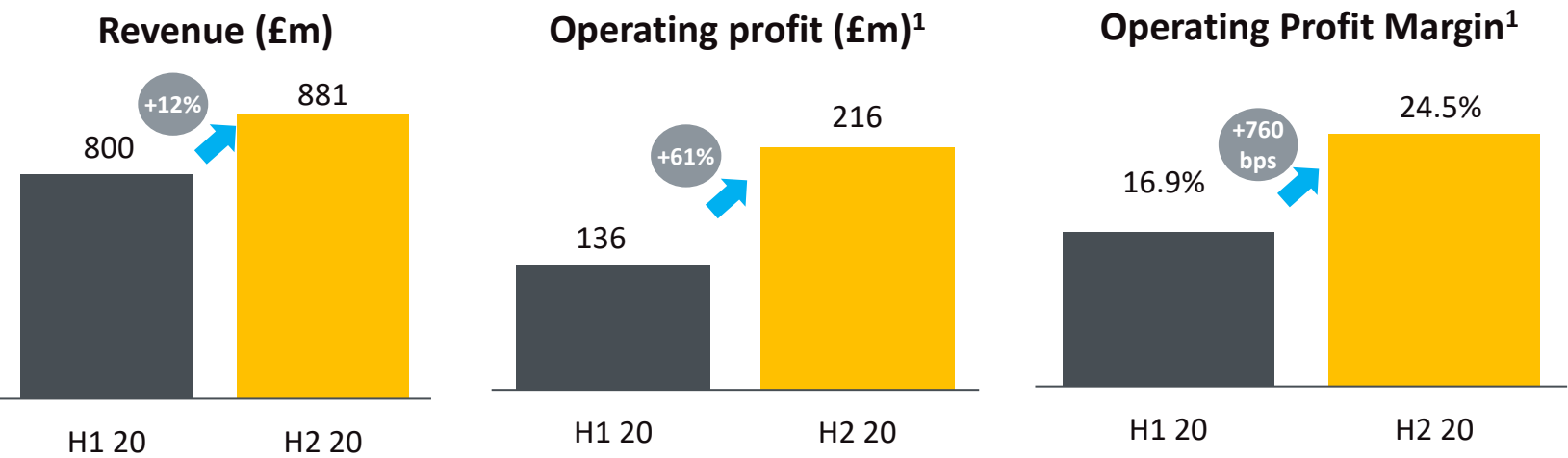
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PRODUCTS BENEFITTED FROM A STRONG REBOUND IN H2



	FY20 £m	FY19 £m	Growth CCY
Revenue	1,681.6	1,796.7	(5.7%)
Like-for-like Revenue	1,676.2	1,794.5	(5.9%)
Adjusted Operating Profit	351.6	405.4	(12.4%)
Adjusted Operating Margin	20.9%	22.6%	(160bps)

	H1 20 Actuals	H2 20 Actuals	Growth Drivers			FY20 Actuals
Softlines	Double-digit negative	Mid-single-digit negative	Increased number of Brands & SKUs	Supply chain expansion in new markets	Increased demand in chemical testing	Double-digit negative
Hardlines	Double-digit negative	Low-single-digit negative	Innovation from our customers leveraging wireless technology	Increased demand for chemical testing	Innovative inspection technology	Mid-single-digit negative
Electrical & Connected World	Low-single-digit negative	Robust	Electrical appliance innovations to provide better efficiency and connectivity	Increased demand for IoT Assurance services, including cyber security		Solid

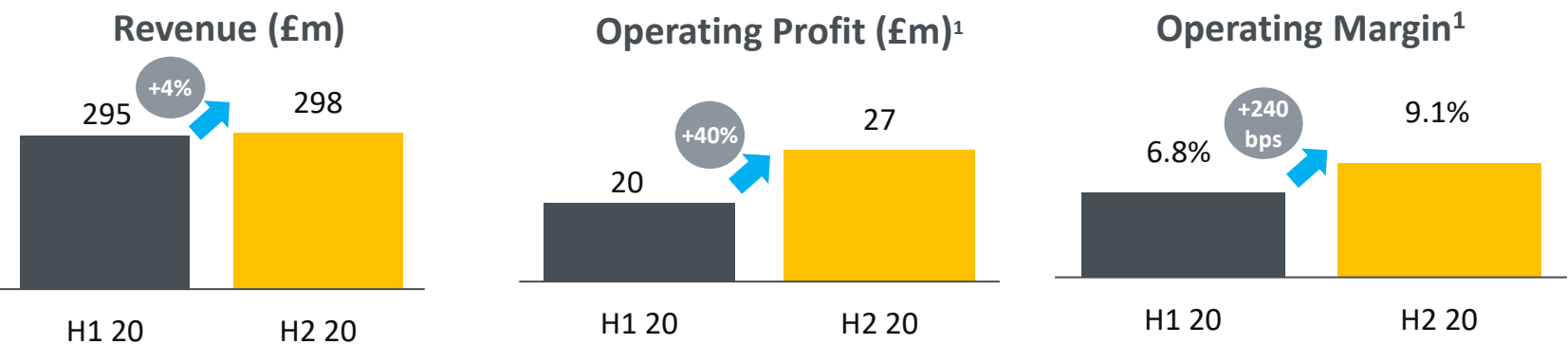
Note: Growth rates and bps movement at constant currency; (1) Adjusted

PRODUCTS BENEFITTED FROM A STRONG REBOUND IN H2



	H1 20 Actuals	H2 20 Actuals	Growth Drivers			FY20 Actuals
Business Assurance	High-single-digit negative	Solid	Increased focus of corporations on supply chain and risk management	ISO standards upgrades	Increased consumer and government focus on ethical and sustainable supply	Mid-single-digit negative
Building & Construction	Stable	Mid-single-digit negative	Growing demand for greener, safer and higher quality commercial buildings	Increased investment in large infrastructure projects		Low-single-digit negative
Transportation Technology	High-single-digit negative	Double-digit negative	Continued investment of our clients in new models and new fuel efficient engines	Growth in the hybrid / electric engine segment	Increased scrutiny on emissions	Double-digit negative
Food	Mid-single-digit negative	Good	Continuous food innovation	Increased focus on the safety of supply chains	Growth in the food service assurance business	Solid
Chemicals and Pharma	Double-digit negative	Mid-single-digit negative	Growth of SKUs	Expansion of the supply base in emerging markets	Increased concerns on product safety and traceability	High-single-digit negative

H2 PERFORMANCE IMPROVEMENT IN TRADE



	FY20 £m	FY19 £m	Growth CCY
Revenue	592.6	679.4	(9.9%)
Like for like Revenue	592.6	679.4	(9.9%)
Adjusted Operating Profit	47.1	86.6	(42.6%)
Adjusted Operating Margin	7.9%	12.7%	(460bps)

	H1 20 Actuals	H2 20 Actuals	Growth Drivers			FY20 Actuals
Caleb Brett	High-single-digit negative	High-single-digit negative	Global and regional trade structural growth drivers		Increased transport infrastructure	High-single-digit negative
Government & Trade Services	Double-digit negative	Double-digit negative	Award of new contracts	GDP growth	Population growth	Double-digit negative
AgriWorld	Stable	Robust	The expansion of our clients' supply chains in fast growing markets		New customer wins	Solid

INNOVATIONS

intertek

fasttek

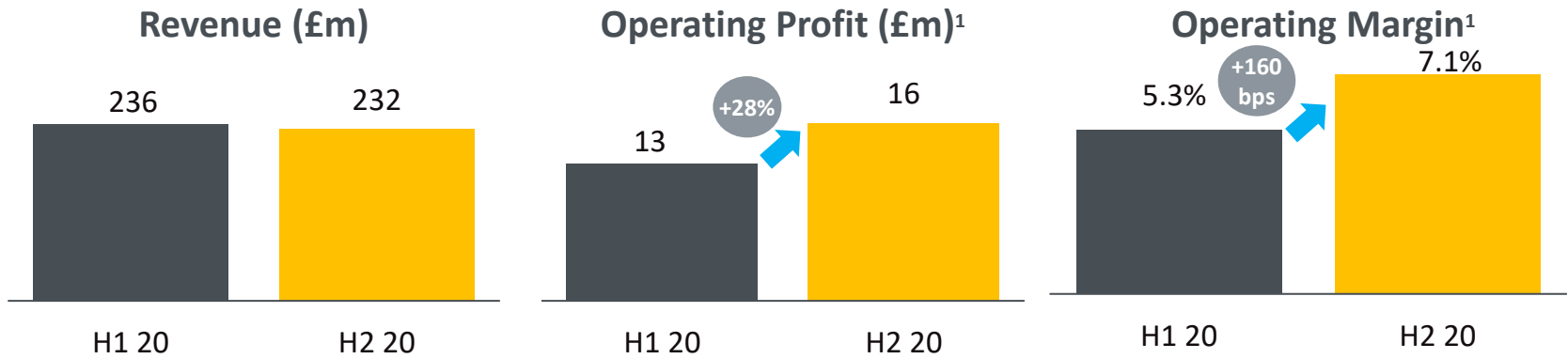
FUEL TESTING TECHNOLOGY:
NEW CETANE RATING UNIT
IN SHANGHAI

BLOCKCHAIN
POWERED POST-TRADE
MANAGEMENT

intertek

inview

H2 PROFIT AND MARGIN PROGRESSION IN RESOURCES



	FY20 £m	FY19 £m	Growth CCY
Revenue	467.5	510.9	(6.3%)
Like for like Revenue	467.1	509.4	(6.1%)
Adjusted Operating Profit	29.0	32.2	(8.2%)
Adjusted Operating Margin	6.2%	6.3%	(10bps)

	H1 20 Actuals	H2 20 Actuals	Growth Drivers			FY20 Actuals
Capex Inspection	Good	High-single-digit negative	Demand for energy	Asset productivity	Technological innovation	Low-single-digit negative
Opex Inspection	Double-digit negative	Double-digit negative	Capacity utilisation	Ageing of equipment	Asset productivity	Double-digit negative
Minerals	Robust	Good	Minerals demand	Technological innovation	Outsourcing	Robust

INNOVATIONS

intertek

carbonclear™

intertek

windaware

intertek

riskAware

XRD BATCH
FOR IRON
ORES



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INTERTEK IS A FORCE FOR GOOD



OUR PURPOSE

Bringing Quality, Safety and Sustainability to Life

OUR VISION

To be the world's most trusted partner for
Quality Assurance

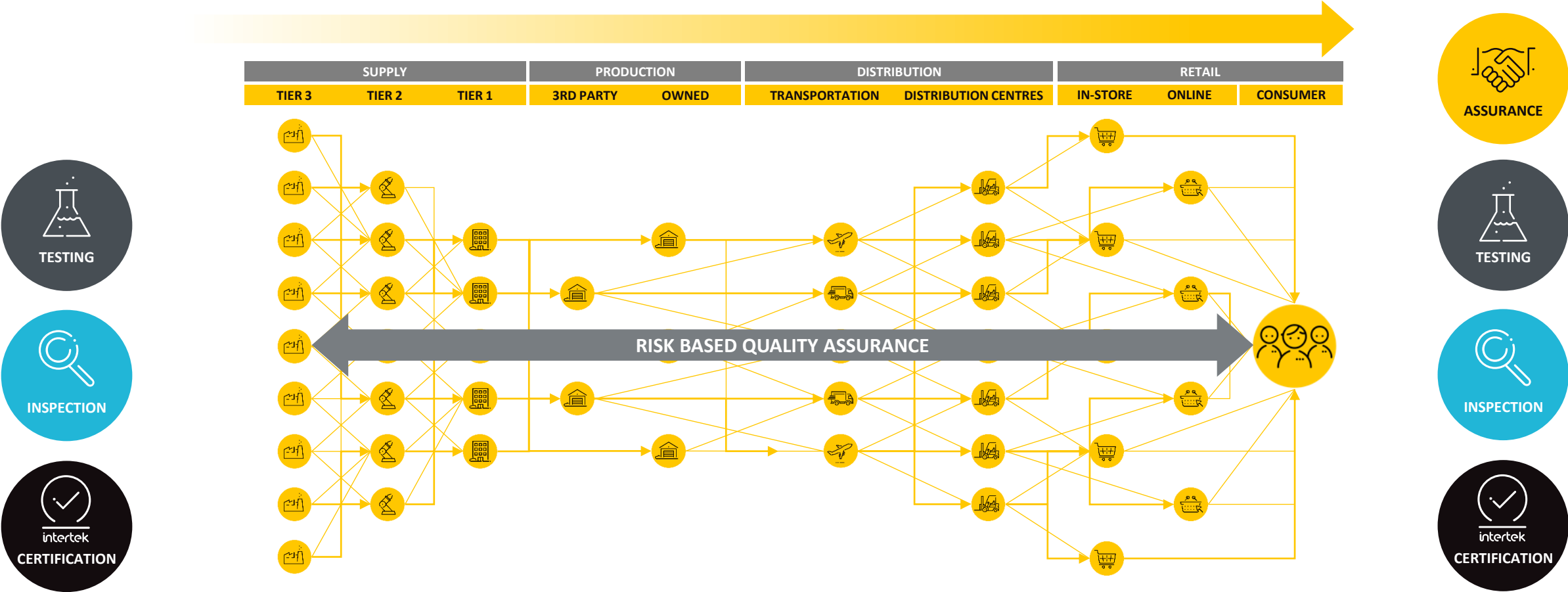
OUR VALUES

- We are a global family that values diversity
- We always do the right thing. With precision, pace and passion
- We trust each other and have fun winning together
- We own and shape our future
- We create sustainable growth. For all



COVID-19 HAS MADE THE CASE FOR TOTAL QUALITY ASSURANCE STRONGER

TESTING, INSPECTION & CERTIFICATION PROVIDES QUALITY & SAFETY CONTROLS



ASSURANCE PROVIDES AN END-TO-END ASSESSMENT OF QUALITY & SAFETY PROCESSES

INCREASED CORPORATE FOCUS ON RISK POST COVID-19

SAFER SUPPLY

- Increased supply resilience
- Faster access to critical supplies
- Improved supply intelligence
- Higher focus on operational sustainability
- End-to-end traceability

LOW CARBON SOCIETY

- Mandatory ESG disclosures
- Carbon emission reductions
- Infrastructure and corporate investments to deliver Net Zero
- E-commerce
- Working remotely

BETTER PERSONAL SAFETY

- Higher health, safety, well-being standards everywhere
- Increased usage of PPE
- Increased investment in health & safety at the workplace and public spaces
- Increased investment in pharma industry
- Better safety risk management locally & globally

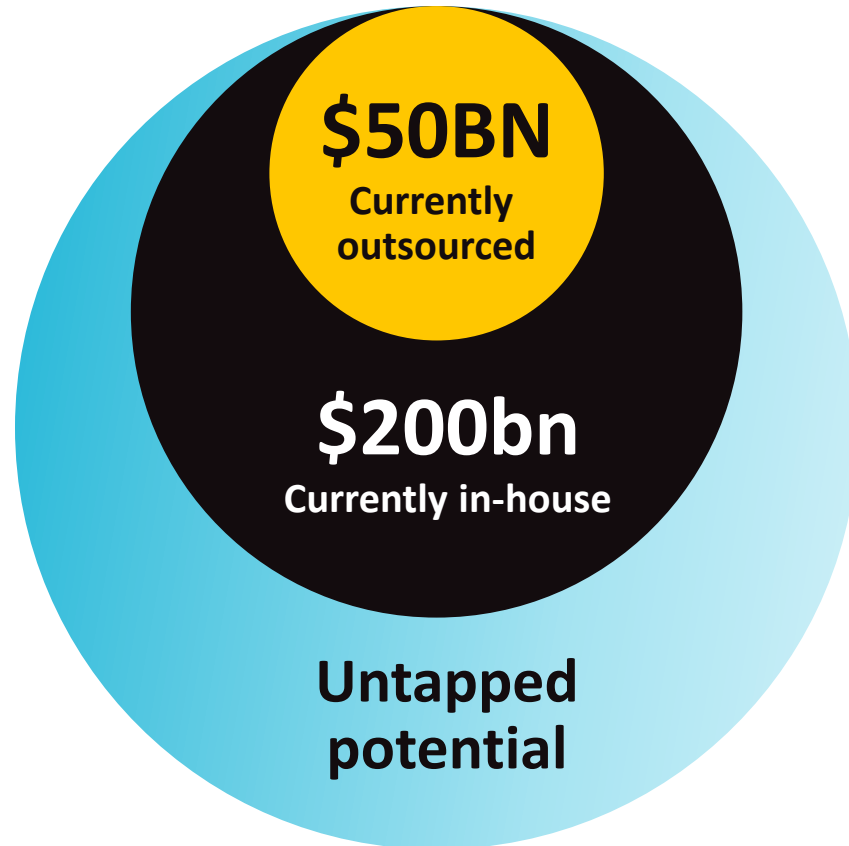
Build Back **Ever Better**

87% of Companies will invest within two years to make their supply chain more resilient

THE ATIC INDUSTRY WILL GROW FASTER POST COVID-19



GLOBAL ATIC MARKET



GROWTH OPPORTUNITY



WELL POSITIONED TO BENEFIT FROM FASTER ATIC GROWTH



43,800 EMPLOYEES

GLOBAL MARKET
LEADER IN ASSURANCE

3,000 AUDITORS

90,000+ AUDITS

100+ COUNTRIES

GLOBAL MARKET
LEADER IN TIC

1,000+ LABS & OFFICES

80+ LANGUAGES

Systemic approach to Quality and Safety



Our Sectors



Products

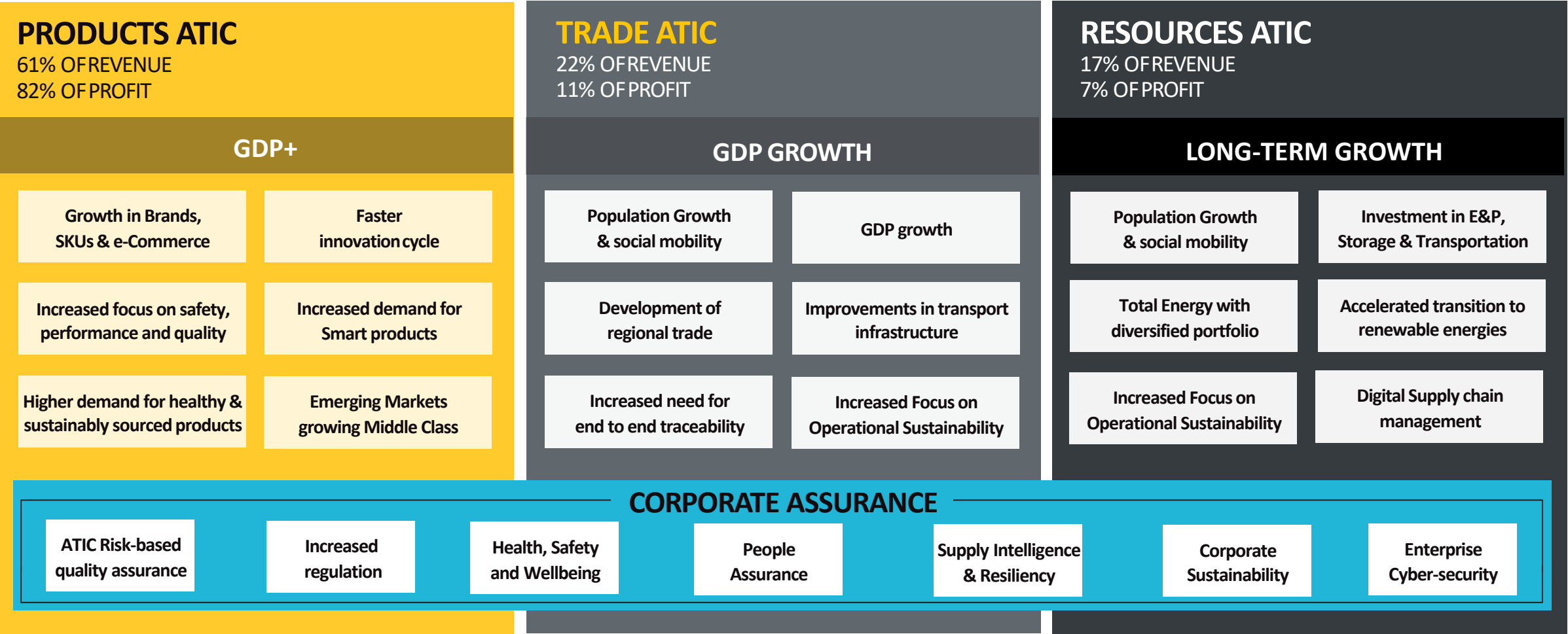


Trade



Resources

GDP+ GROWTH OUTLOOK



GROWTH OUTLOOK: GDP+ LIKE FOR LIKE REVENUE GROWTH IN REAL TERMS

SUSTAINABLE VALUE CREATION FOR ALL STAKEHOLDERS



Intertek high quality earnings model	2020
Revenue	£2.7bn
EBITDA margin ¹	22%
Cash Conversion ²	149%
Capex	£80m
Dividend Payout	105.8p
FCF	£436m
Financial net debt to EBITDA ¹	0.7x
ROIC ¹	21.6%
Co2t / employee	4.3

Notes: (1) Adjusted; (2) Cash flow for cash conversion (includes IFRS 16 repayment of lease liability)

SUPPORTING OUR CLIENTS DELIVER THEIR SUSTAINABILITY AGENDA



Systemic End-to-End Sustainability Solutions

INTERTEK OPERATIONAL SUSTAINABILITY SOLUTIONS

Helping organizations achieve sustainability excellence



**Life Cycle Assessment**

**Value Chain Resilience**

**Product & Packaging Stewardship**

**Sustainability Auditing**

**Circular Economy**

**Substance Disclosure**

**Eco-Claims & Certification**

**Environmental solutions**

**protek**
Safety. Everywhere.
Every day.

Intertek ESG Audit

Independent audit of sustainability disclosures and reporting

Independent verification

Insights Analysis

Risk Assessment

INTERTEK CORPORATE SUSTAINABILITY CERTIFICATION



TOTAL SUSTAINABILITY. ASSURED.

Certify corporate sustainability programmes

Quality & Safety
People & Culture
Communities
Governance
Risk Management

Compliance
Financial
Environment
Enterprise Security
Communication & Disclosures

DELIVERING SUSTAINABILITY EXCELLENCE ACROSS ALL OPERATIONS



SUSTAINABILITY CENTRAL TO OUR 5X5 STRATEGY

5 Strategic Priorities

- Differentiated TQA Brand Proposition
- Superior Customer Service
- Effective Sales Strategy
- Growth and Margin Accretive Portfolio
- Operational Excellence

5 Enablers

- Living Our Customer Centric Culture
- Disciplined Performance Management
- Superior Technology
- Energising Our People
- Delivering Sustainable Results

END-TO-END SYSTEMIC SUSTAINABILITY APPROACH



PURPOSE-LED ORGANISATION

- Force for Good for over 130 years
- Bringing Quality, Safety and Sustainability to Life is our purpose
- Sustainability central to everything we do
- Tremendous community support
- Local team empowerment and accountability

LOWER CO2 EMISSIONS

- Continuous progress on carbon intensity reductions
- Carbon intensity scorecard for every operation
- 2020 first carbon neutral year
- Targeting Net Zero emissions by 2050
- Joining the UN Race to Zero campaign

BEYOND NET ZERO TARGETS

- 6,000 NPS interviews per month
- Women in senior management 30% by 2025
- Total Recordable Incidents <0.5 per 200,000 hours worked
- Compliance training attendance 100%
- Voluntary permanent turnover rate < 15%
- Group Engagement Index 90%



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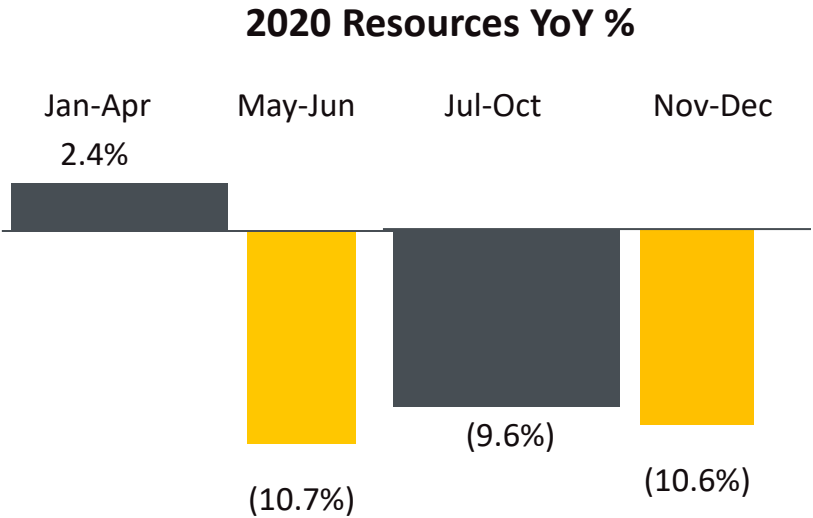
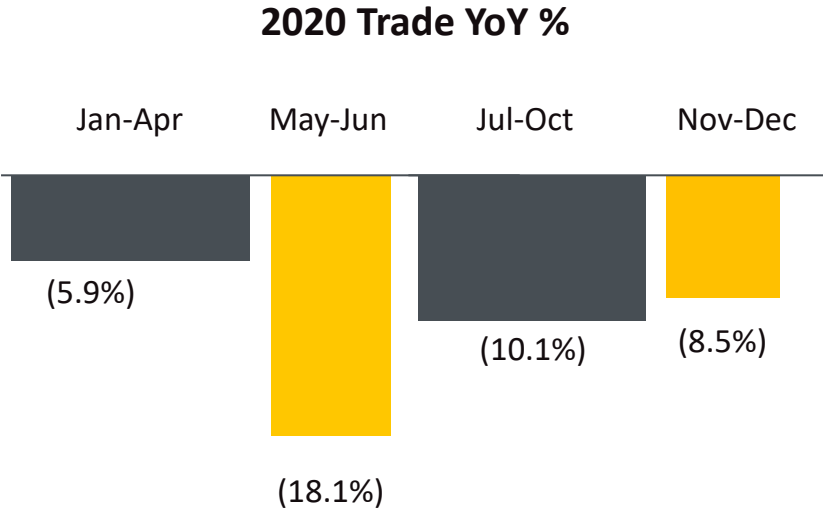
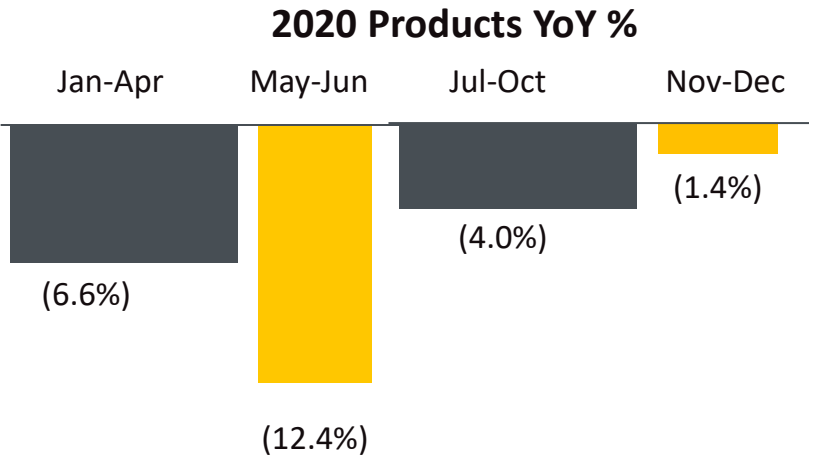
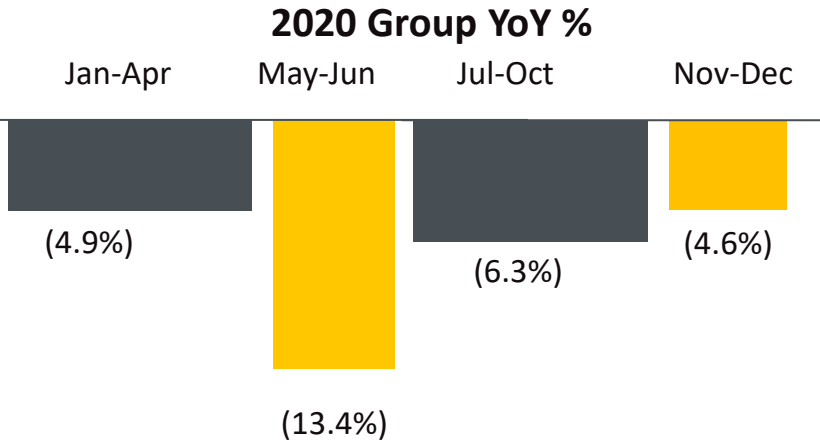
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LIKE-FOR-LIKE REVENUE TRAJECTORY

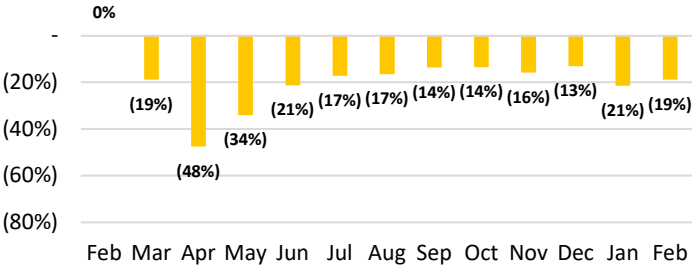


Note: At constant currency rates

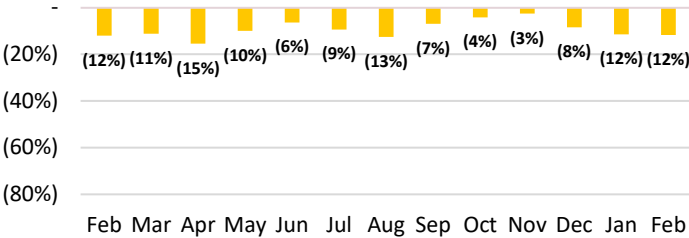
GLOBAL MOBILITY SLOWED AS A THIRD WAVE EMERGED



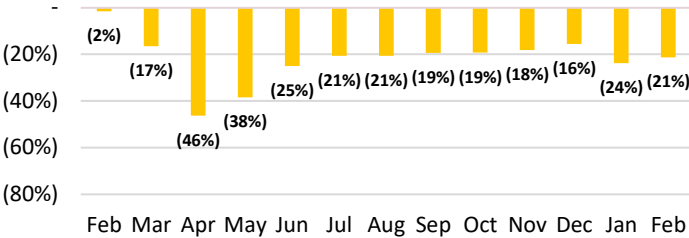
Global



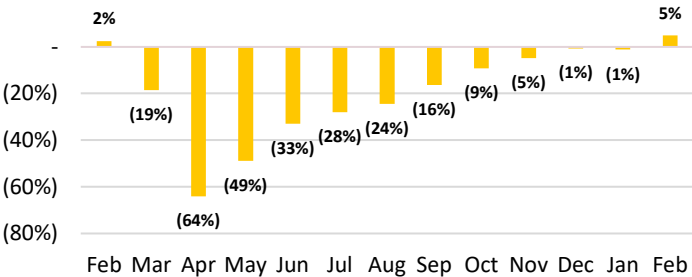
Greater China



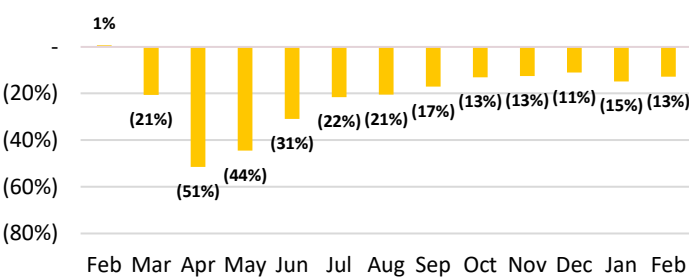
Asia Pacific



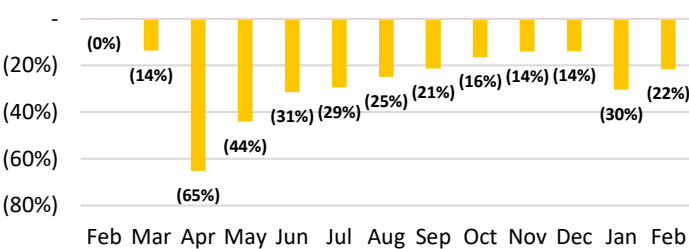
South Asia



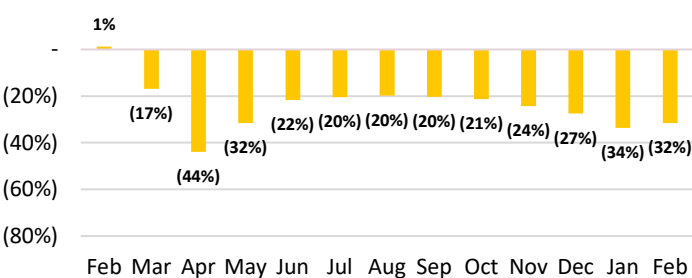
MENAP



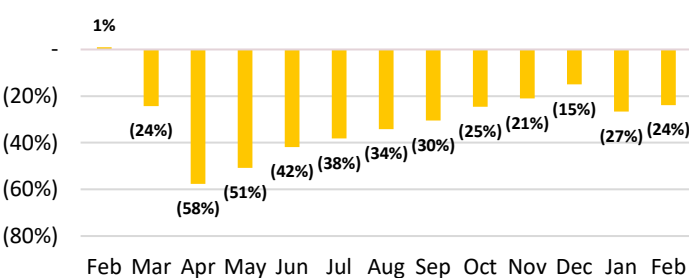
Sub-Saharan Africa



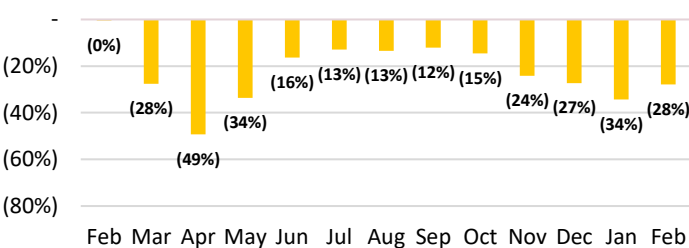
North America



Latin America



Europe and Central Asia



GROUP OUTLOOK 2021

- Good like-for-like revenue growth at constant currency
- Margin progression year-on-year
- Strong free cash flow performance
- Capex: £110-120m
- Financial net debt: £350-400m



INTERTEK IS A FORCE FOR GOOD DELIVERING VALUE FOR ALL



- The agility and energy of our customer centric organisation has made a huge difference to deliver a resilient 2020 performance with Earnings and Cash ahead of expectations.
- We have benefited from a broad-based recovery in H2 with a record operating margin and cash conversion delivering double digit free cashflow growth.
- We are well positioned to benefit from exciting growth opportunity driven by the Covid-19 recovery, increased corporate needs for TQA and M&A growth opportunities.
- We will capitalise on our High-Quality Earnings model to seize these exciting growth opportunities and deliver sustainable value creation for all.
- Intertek is a Force for Good in society helping our clients to deliver their sustainability agendas and leading by example focussed internally on sustainability excellence.



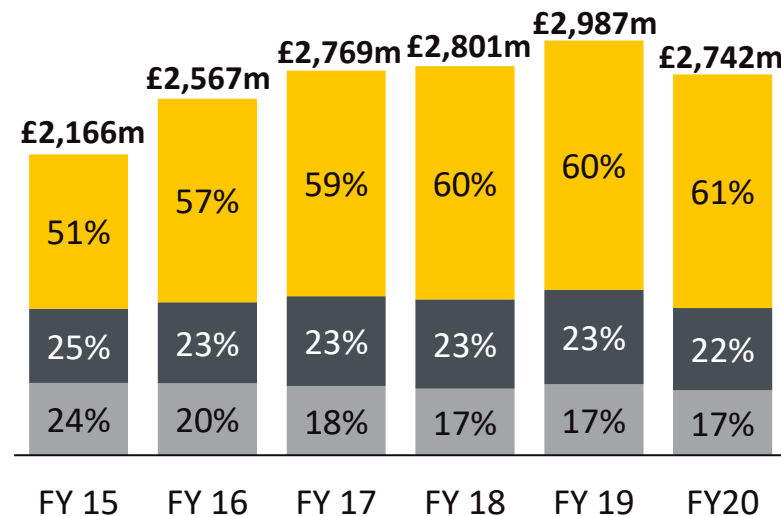
intertek

Total Quality. Assured.

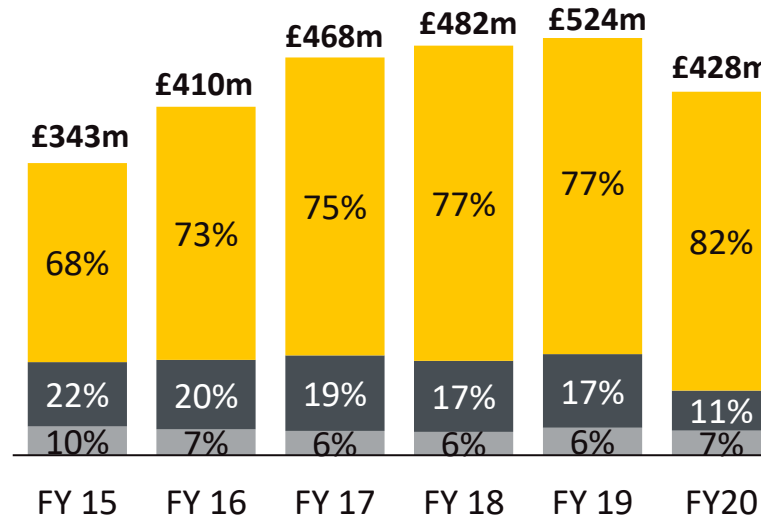
GROUP PERFORMANCE (2015 – 2020)



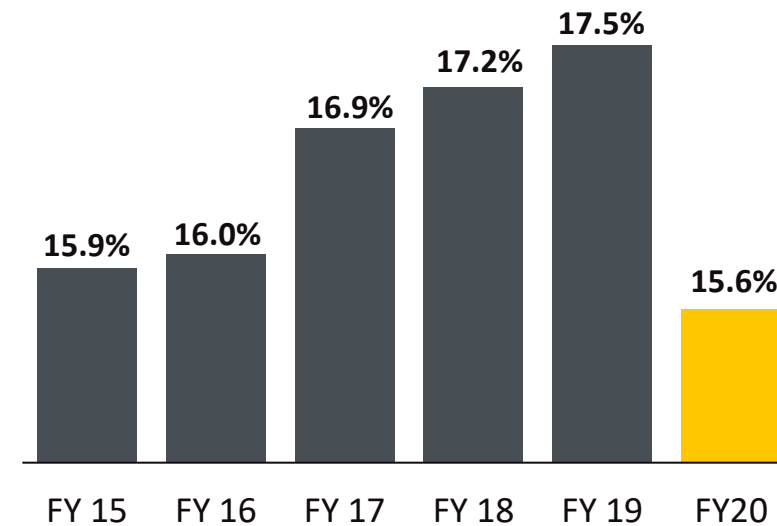
Revenue (£m)



Adjusted Operating Profit (£m)¹



Adjusted Operating Margin (%)¹



■ Products ■ Trade ■ Resources

Adjusted Operating Margin

	FY 15	FY 16	FY 17	FY 18	FY 19	FY20
Products	21.1%	20.3%	21.6%	22.1%	22.6%	20.9%
Trade	14.1%	14.0%	13.7%	13.0%	12.7%	7.9%
Resources	6.5%	5.8%	5.7%	5.7%	6.3%	6.2%
Group	15.9%	16.0%	16.9%	17.2%	17.5%	15.6%

Key Metrics 2020

% Group Revenue	% Group Profit	Like-for-like Revenue Growth ²
61%	82%	(5.9%)
22%	11%	(9.9%)
17%	7%	(6.1%)
100%	100%	(6.8%)

Notes: (1) IFRS 16 was adopted on 1 Jan 19 and as such results prior to 2019 are on an IAS 17 basis; (2) At 2020 constant currency rates

ADJUSTED EPS



£m @ actual exchange rates	FY 20	FY 19	
Adjusted operating profit	427.7	524.2	(18.4%)
Net interest expense	(34.9)	(39.4)	
Profit before tax	392.8	484.8	
Tax	(100.2)	(118.8)	
Profit after tax	292.6	366.0	
Minority interest	(15.3)	(20.5)	
Net profit	277.3	345.5	
Fully diluted shares (m)	162.3	162.6	
Earnings per share (p)	170.9	212.5	(19.6%)
Dividend (p)	105.8	105.8	-