Our business model
Continued

3

Our sectors

By focusing on the three sectors of Products, Trade and Resources, we concentrate the full power of our innovation capabilities into these attractive growth and high-margin sectors.

Products

Ensuring the quality and safety of physical components and products, and risk assessment of operating processes and quality management systems.

£1,755m
Revenue
(63% of Group) 4.4% at actual rates 9.1% at constant rates

£400m
Adjusted Operating Profit
(84% of Group)

Structural growth drivers
– Growth in brands, SKUs and e-commerce
– Faster innovation cycle
– Higher demand for healthy and sustainably sourced products
– Increased focus on safety, performance and quality
– Increased demand for smart products
– Emerging markets growing middle class

Trade

Protecting the value and quality of products during custody-transfer, storage and transportation, via analytical assessment, inspection and technical services.

£575m
Revenue
(21% of Group) (2.9%) at actual rates 2.8% at constant rates

£52m
Adjusted Operating Profit
(11% of Group)

Structural growth drivers
– Population growth and social mobility
– GDP growth
– Development of regional trade
– Improvements in transport infrastructure
– Increased need for end-to-end traceability
– Increased focus on Operational Sustainability

Resources

Optimising the use of assets in oil, gas, nuclear and power industries and minimising risk in their supply chains through technical inspection, asset integrity management, analytical testing and ongoing training services.

£456m
Revenue
(16% of Group) (2.5%) at actual rates 1.6% at constant rates

£23m
Adjusted Operating Profit
(5% of Group)

Structural growth drivers
– Population growth and social mobility
– Investment in E&P, storage and transportation
– Total Energy with diversified portfolio
– Accelerated transition to renewable energies
– Increased focus on Operational Sustainability
– Digital supply chain management