

We are pleased to share our Annual Report & Accounts in a unique, three-book format:

Book one: Strategic Report

Where we discuss our growth opportunities and strategic performance.

Book two: Sustainability Report

Where we discuss our environmental, social and governance progress.

Book three: Financial Report

Where we record our financial activities, performance and position.

These separate, but connected books, with their interconnected themes and narratives, allow us to present what we achieved in 2023 in a systemic, end-to-end framework. They have been designed to make it easier for our stakeholders to fully understand our business, how we bring quality, safety and sustainability to life, what we offer our clients and society, and the opportunities ahead of us.



Visit: intertek.com/investors

Book one: Strategic Report

Contents

- 01 Let's make the world amazing together
- 06 Chief Executive Officer's letter
- 11 Our strategy
- 16 Our business model
 - 17 Who we are
 - 18 What we do
 - 20 Where we operate
 - 22 How we do it
 - 24 How we create value
- 26 Key performance indicators
- 30 Financial review
- 36 Operating review
 - 36 Consumer Products
 - 40 Corporate Assurance
 - 43 Health and Safety
 - 46 Industry and Infrastructure
 - 49 World of Energy
- 52 Principal risks and uncertainties
- 58 TCFD statement
- 67 Non-financial and sustainability information statement

let's make the world amazing together and deliver sustainable growth and value for all



As a purpose-led organisation, we are energised about making the world a better place through the partnerships we have built over the years with all our stakeholders: our people, customers, communities and shareholders.

We are purpose-led and have a strong track record of value creation for all stakeholders. We believe that working in partnership and understanding the needs of each stakeholder is what it takes to create sustainable growth and value for all. We are proud of the progress we have made over the years and equally there is so much more we can do to make the world a much better place.

We are truly energised about the future growth opportunities to give our clients an Amazing ATIC Advantage, bringing quality, safety and sustainability to life in all parts of the global economy. Our people look forward to capitalising on the strong partnerships we have with our customers, suppliers, shareholders and communities to do so.

Let's make the world amazing together.



Colleagues

Creating amazing opportunities for our 44,000 people to thrive, always striving to offer the best customer service to our clients

We believe in the power of diversity, equity and inclusion. Our success is based on a well-established culture of trust among colleagues who bring passion and energy together with their highly skilled technical expertise to exceed the expectations of their

customers. We deeply value the rights of our people across all our operations and throughout our business relationships. We want everyone to feel safe and engaged, with access to limitless personal growth opportunities.

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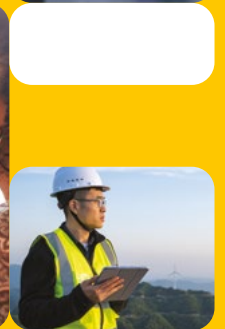
(2022: 80)
ATIC Engagement Index score

To know that what we're doing is making a real difference – that's pretty empowering.

Vinu Abraham
Building & Construction, US

To find out more about how we create a supportive and inclusive culture for all of our colleagues

[Read pages 10-17 in Book two](#)



Customers

Supporting 400,000+ clients with innovative solutions that enable them to operate with higher standards on quality, safety and sustainability in each part of their value chain

We provide our customers with our industry leading ATIC solutions to ensure their products meet rigorous quality, safety, regulatory, brand and sustainability standards. With our expertise, they are able to power ahead safely, to navigate complex regulatory landscapes, gain access to new global markets, and demonstrate systemic and end-to-end assurance on all aspects of

their sustainability operations. Our clients are increasing their focus on Risk-based Quality Assurance to operate with higher standards on quality, safety and sustainability in each part of their value chain, triggering a higher demand for our ATIC solutions, which are powered by our Science-based Customer Excellence ATIC Advantage.

To find out more about the amazing work we are doing for our customers

[Read the operating review on pages 36-51](#)



Communities

Supporting and enhancing our communities and the environment across our global network of state-of-the-art operations in more than 100 countries

Intertek people are always working to enrich the communities in which we operate by actively engaging in relevant initiatives such as community programmes, volunteer activities, partnerships with charities and social development projects. Through these

efforts and making use of our Science-based expertise, we are able to address specific local social and environmental needs, contributing to community wellbeing and supporting sustainable practices that will help build an ever better world.

Solar-powered street lights for rural Gurugram, India

In partnership with local charity Deep Welfare Organisation, we installed solar-powered street lights in five villages in Gurugram, benefitting around 36,000 people.

[Read more on page 35 of Book two](#)



To find out more about how we are making the world amazing for our communities

[Read more on pages 33-39 of Book two](#)

Shareholders

Operating a high-quality earnings model with a proven track record of sustainable value creation over the long term

As a purpose-led business focused on growth, Intertek delivers sustainable long-term value for our stakeholders. We operate a differentiated, high-quality growth business with excellent fundamentals and intrinsic defensive characteristics, giving our customers the Intertek Science-based ATIC Advantage to strengthen their businesses. Our approach to value creation is based on the compounding effect, year after year,

of margin accretive revenue growth, strong cash generation and disciplined investments in high-growth and high-margin sectors. With our high-quality compounder earnings model, we are focused on delivering sustainable growth and value, harnessing the attractive structural growth drivers present across our global markets and unlocking the significant value growth opportunity ahead.

9% CAGR

2015-2023 total shareholder return

To find out more about how we create long-term value for our shareholders

[Read our financial highlights on page 8](#)



Chief Executive Officer's letter

let's make the world amazing for all stakeholders



I would like to recognise the contribution of our truly amazing people, who have delivered a strong performance in 2023 for our company, our clients, our shareholders and society as a whole.



André Lacroix
Chief Executive Officer

At Intertek, our purpose-led approach is making the world ever better, delivering sustainable growth and value for every stakeholder as an amazing force for good - from our people to our clients, our communities and our shareholders - all the time.

The Science-based Customer Excellence of our talented colleagues around the world gives us a unique competitive advantage, enabling our clients everywhere to power ahead safely and sustainably.

During the year we invested further in our industry-leading ATIC (Assurance, Testing, Inspection and Certification) customer value proposition that we pioneered in 2016, creating the concept of Risk-based Total Quality Assurance ('TQA') that redefined our industry. It's an approach that was ahead of its time then and that has underpinned our success in bringing quality, safety and sustainability to life, making us mission critical to our clients and society.

[Read more about ATIC on page 18](#)

In doing so, we have continued to provide our many hundred thousand clients the comprehensive ATIC solutions they need, making us their most trusted and valued partner in meeting their Risk-based TQA needs. With our constant focus on improving our reach, our insight and our capabilities, we continued to deepen existing relationships and attract new ones.

We launched our AAA differentiated growth strategy in 2023, taking an evolutionary approach, building on our strengths to accelerate growth for all, benefitting from the increased investments of our clients in Total Quality Assurance. We will capitalise on our proven high-quality earnings model to unlock the significant value growth opportunity ahead, while reinventing and improving ourselves in those areas where we can make an even greater difference than we are achieving today.



High-quality earnings model

Our proven, cash-generative earnings model is at the core of what makes us successful. It is based on the delivery of our unique TQA value proposition. The profitable delivery of ATIC services to customers operating in the structurally attractive Consumer Products, Corporate Assurance, Health and Safety, Industry and Infrastructure, and World of Energy sectors is dependent on our capital-light business model, and entrepreneurial and Customer 1st culture, which also enables us to respond quickly to new growth opportunities.

To maximise returns, we continue to invest in high-growth, high-margin areas and maintain a disciplined approach to capital allocation.



As we move through 2024, our good to great journey continues as we consistently add to our core areas of excellence and expertise. During 2023, we made progress embedding recent acquisitions, making new ones, and launching new innovations and centres of excellence throughout the business.

We are well positioned to help the world operate with ever-higher quality, safety and sustainability standards. We are working harder than ever before to ensure that everybody, everywhere has the opportunity to benefit from the quality excellence that our TQA solutions deliver, enabling clients to resolve the complex operating challenges they face.

Results in 2023

I would like to recognise all my colleagues for their unwavering support enabling us to deliver a strong 2023 performance in revenue growth, margin, EPS, cash and ROIC. Our revenue grew by 7.1% at constant currency driven by a LFL revenue growth of 6.2%, the highest in the last 10 years, and the contribution of our acquisitions. Our systemic performance management drove strong profit conversion with margins rising 60bps at constant currency, driving EPS growth of 11.0% at constant currency. Cash conversion at 122% was excellent. We have delivered our highest ever cash from operations of £749m resulting in our net debt declining by £127m to £611m. We have a strong balance sheet giving us the ability to invest in growth. ROIC increased by 250bps to 20.5%.

Our clients are increasing their focus on Risk-based Quality Assurance to operate with higher standards on quality, safety and sustainability in each part of their value chain, triggering a higher demand for our ATIC solutions which are powered by our Science-based Customer

Excellence ATIC Advantage. Over the last nine years, from 2014-2023, we have delivered a CAGR of 5.3%, 6.1% and 6.0% for revenue, operating profit and EPS, notwithstanding the impact of Covid. In May 2023, we unveiled our Intertek AAA differentiated growth strategy to capitalise on the best-in-class operating platform we have built and target the areas where we have opportunities to get better. Our highly engaged, customer-centric organisation is laser-focused to take Intertek to greater heights putting our AAA strategy in action and continuing to deliver sustainable growth and value for all stakeholders.

Based on our positive momentum, we expect the Group will deliver a robust performance in 2024 with mid-single digit LFL revenue growth at constant currency, margin progression and a strong cash flow performance. We are on track to get back to our peak margin of 17.5% and beyond in the medium-term, capitalising on the revenue growth acceleration we are seeing for our ATIC solutions, our disciplined performance management and our investments in high growth and high margin segments.

We believe in the value of accretive disciplined capital allocation. In recognition of our highly cash generative earnings model, our strong financial position, the Board's confidence in the attractive long-term growth prospects for the Group and its ability to fund continued growth investments, we are increasing our targeted dividend payout ratio to circa 65% of earnings from 2024.



Financial highlights

- Revenue of £3,328.7m, +7.1% at constant currency and +4.3% at actual rates
- Highest LFL revenue growth in the last 10 years with 6.2% LFL revenue growth at constant currency
- LFL of 8.2% in Corporate Assurance, Health and Safety, Industry and Infrastructure, and World of Energy combined; Consumer Products LFL of 1.3%
- JLA, SAI and CEA acquisitions performing well, and Controle Analitico and PlayerLync integrations on track
- Adjusted operating profit of £551.1m, +10.9% at constant currency and +6.0% at actual rates
- Adjusted operating margin of 16.6%, +60bps at constant currency and +30bps at actual rates
- Adjusted diluted EPS of 223.0p, +11.0% at constant currency and +5.6% at actual rates
- Daily cash discipline delivers an all-time high operating cash flow of £749.0m with cash conversion of 122%
- Strong balance sheet; net debt reduced by £127m to £611m, and leverage ratio improved to 0.8x
- ROIC of 20.5%, +250bps year-on-year at constant currency and at actual rates
- Cost reduction programme delivered savings of £13m in 2023 and £10m expected in 2024
- Proven high quality compounding model; On track to deliver our medium-term margin target of 17.5%+
- Robust 2024 outlook: Mid-single digit LFL at constant currency, margin progression and strong cash flow
- Full Year dividend of 111.7p up 5.6% year-on-year; increasing targeted dividend payout to circa 65% from 2024

Revenue

£3,329m

(2022: £3,193m)

Adjusted free cash flow^{1, 2}

£378m

(2022: £386m)

Statutory operating profit

£486m

(2022: £452m)

Adjusted operating margin^{1, 2}

16.6%

(2022: 16.3%)

Dividend per share³

111.7p

(2022: 105.8p)

Statutory diluted EPS

183.4p

(2022: 178.4p)

Like-for-like revenue¹

£3,301m

(2022: £3,193m)

Adjusted operating profit^{1, 2}

£551m

(2022: £520m)

Return on Invested Capital¹

20.5%

(2022: 18.0%)

Statutory operating margin

14.6%

(2022: 14.2%)

Adjusted diluted EPS^{1, 2}

223.0p

(2022: 211.1p)

1. Definitions of the alternative performance measures, metrics and constant rates can be found in Book three, page 64.
2. Adjusted operating profit, adjusted operating profit margin, adjusted diluted earnings per share ('EPS') and adjusted free cash flow are non-GAAP measures. Adjusted measures are stated before Separately Disclosed Items, which are described in note 3 to the financial statements in Book three, page 11. Reconciliations between statutory and adjusted measures, as well as return on invested capital and cash conversion, are shown in the Financial Review.
3. Dividend per share for 2023 is based on the interim dividend paid of 37.7p (2022: 34.2p) plus the proposed final dividend of 74.0p (2022: 71.6p).

Strategic highlights

- As a purpose-led organisation, we are energised about making the world a better place through the partnerships we have built over the years with all our stakeholders.
- The Science-based Customer Excellence of our talented colleagues gives us a unique competitive advantage, enabling organisations to power ahead safely and sustainably.
- Our clients are increasing their focus on Risk-based Quality Assurance to operate with higher standards across their value chain, triggering a higher demand for our ATIC solutions.
- We launched our AAA differentiated growth strategy to accelerate growth for all, benefitting from the increased investments of our clients in Total Quality Assurance.
- We will capitalise on our proven high-quality earnings model to unlock the significant value growth opportunity ahead, while improving ourselves in those areas where we can make an even greater difference.
- We are well positioned to continue to deliver sustainable growth and value for all our stakeholders.

Sustainability highlights

- Levels of Hazard Observations increased, reflecting greater levels of activity across our sites as well as greater awareness and reporting of health & safety overall.
- Since 2015, we have used the Net Promoter Score ('NPS') process to listen to our customers, enabling us to improve our customer service over the years consistently.
- We are driving environmental performance across our operations through science-based reduction targets to 2030. Our rigorous monthly performance management of climate-related action plans delivered operational market-based emissions reductions of 10.8% against 2022 and 36.7% against our base year 2019.
- In 2023, our greenhouse gas ('GHG') emissions reduction targets were validated by the Science Based Targets initiative ('SBTi').
- We recognise the importance of employee engagement in driving sustainable performance for all stakeholders, and we measure employee engagement against our Intertek ATIC Engagement Index. Our 2023 score was 87 (2022: 80).
- Our voluntary permanent employee turnover improved to a low rate of 12.3% (2022: 14.0%).

In Action

Delivering best in class digital experience on intertek.com

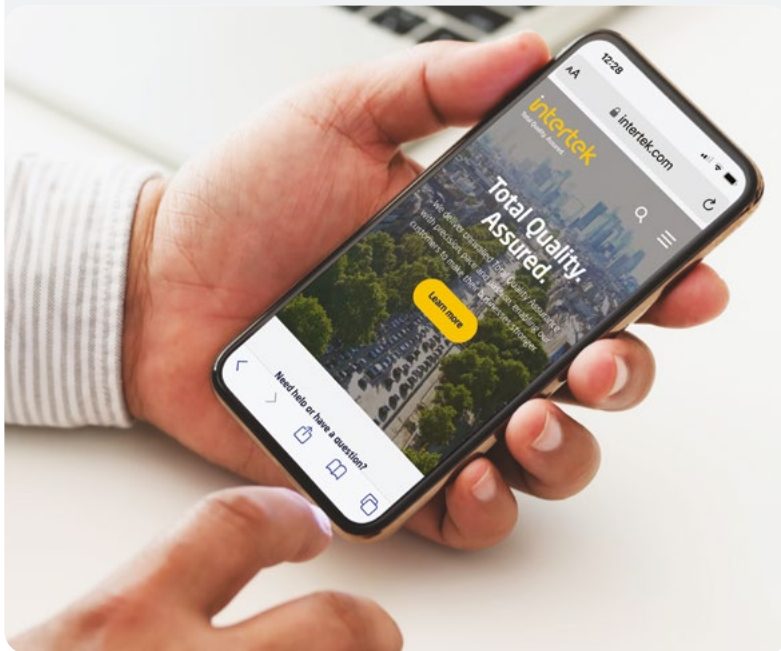
At the end of 2023, we proudly launched our redesigned website intertek.com, a higher energy and more immersive platform for a best in class customer experience.

Built on cutting-edge technology, the website is more user-friendly, with easier and faster navigation, and hosts a range of rich content, giving visitors increased insight into the Science-based Expertise behind our unique, industry-leading ATIC solutions.

The new design has been tailored to a range of different audiences, meaning that customers, investors, analysts, employees and even casual visitors can all come away with a greater appreciation of how Intertek is helping to bring quality, safety and sustainability to life, every day.

To stay up-to-date with our latest news and developments, visitors can sign up for online alerts.

[Visit: intertek.com](https://www.intertek.com)



Building a safer and more sustainable world by harnessing the increased demand for our ATIC solutions

In a post-Covid world, corporations are investing more in quality, safety and sustainability, accelerating the demand for our ATIC industry-leading solutions.

We operate in an industry with compelling structural growth drivers. As the global population grows, regulation becomes more complex and consumers focus more than ever before on safety, performance and quality. As a result, the need for end-to-end traceability continues to become more urgent and the transition to renewable energy increasingly important and rapid.

Based on our customer research, these attractive structural growth drivers are being augmented by the following set of emerging trends.

Higher investments in safer supply

Covid-19 has proved to be a catalyst for many corporations to improve the resilience of their supply chains. We are seeing a significant change of focus from our clients when it comes to managing their value chains, as they recognise the need for better data throughout their supply chains, tighter risk management with razor-sharp business continuity planning, and a more diversified portfolio strategy. All this means they are more prepared to invest in their processes, technology, training and independent assurance.

Higher investments in innovation

Our clients have also realised that they need to invest more in product and service innovation. That's the only way they can meet the changing needs of their customers. In a 2023 survey by Capterra, 67% of Research & Development leaders expect to increase their investments in R&D. For us, these investments in innovation add up to a higher number of Stock Keeping Units, or SKUs, and tests per SKU. SKUs are vital tools for retailers and wholesalers, allowing them to identify products and monitor stock levels across systems and channels.

A step change in sustainability

Sustainability is the movement of our time, and the demand for clear and transparent sustainability-related information is growing with every government regulation. Consumers are looking for companies they can trust, and ones that align with their own values. Meanwhile investors are seeking more transparency, and stakeholder expectations are rising. With our industry-leading Total Sustainability Assurance solutions, we provide a unique end-to-end solution that includes our wide variety of sustainability services and independent certifications to meaningfully demonstrate commitment to sustainability.

Higher growth in the world of energy

The growth opportunities in the world of energy are truly exciting, as the demand for energy grows and the transition to greener energy accelerates. Having seen the recent concerns over energy security and given the under-investments in traditional oil and gas exploration and production in the last decade, along with the lack of scale for renewables, investments for production in both sectors are set to increase. This is a significant opportunity for Intertek, and we're working to lead the way with our science-based fuels innovation and sustainability solutions.

Increase in new clients

There is also significant growth in the number of companies globally, largely due to the lower barriers to entry in many sectors for any brand with e-commerce capabilities. So many of these young companies have one key thing in common – a lack of Quality Assurance expertise. This makes them perfect clients for our Global Market Access solutions and, as a decentralised customer-focused organisation, we have an amazing track record of winning new clients and maintaining long-term client relationships.

[Read more about ATIC on page 18](#)

Intertek 'AAA' differentiated growth strategy

We have made strong progress between 2014 and 2023 delivering sustainable growth and value for our stakeholders, and we are very excited about the significant growth value opportunity ahead, capitalising on our Science-based Customer Excellence TQA advantage.

At our Capital Markets Event last year, we unveiled our Intertek AAA differentiated growth strategy to capitalise on the best in class 5x5 operating platform we have built in recent years and to target the areas where we have opportunities to get better.

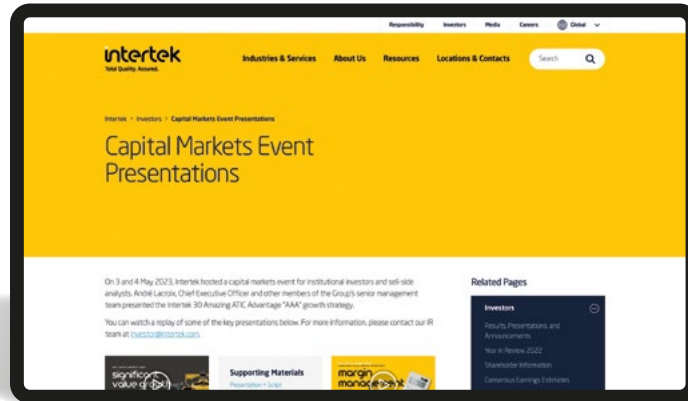
Our Intertek AAA differentiated growth strategy is about continuing our good to great journey and unlocking the significant value growth opportunity ahead by being the best and creating significant value for every stakeholder every day.

We want to be the most trusted TQA partner for our customers, the employer of choice with our employees, to demonstrate Sustainability Excellence everywhere in our community and deliver sustainable growth and value for our shareholders.

To seize the significant growth value opportunity ahead we will be laser-focused on three strategic priorities and three strategic enablers. Our strategic priorities are defined as Science-based Customer Excellence TQA, Brand Push & Pull, and Winning Innovations, and our three strategic enablers are based on 10X Purpose-based Engagement, Sustainability Excellence and Margin Accretive Investments. We will both further improve where we are already strong and address the areas where we can get better.

At the Capital Markets Event we set out how our passionate, innovative and customer-centric organisation is energised to take Intertek to greater heights delivering AAA performance for all stakeholders. We are focused on delivering value consistently, targeting mid-single digit LFL revenue growth, margin accretion to return to our 17.5% peak margin and beyond, strong cash generation and a more agile organisation while pursuing disciplined investments in attractive growth and margin sectors.

[See our business model on pages 16-25](#)



[Visit: intertek.com/investors/capital-markets-event-presentations/](https://www.intertek.com/investors/capital-markets-event-presentations/)



Our high-quality portfolio is poised for faster growth:

- The depth and breadth of our ATIC solutions positions us well to seize the increased corporate needs for Risk-based Quality Assurance
- All of our global business lines have plans in place to seize the exciting growth drivers in each of our divisions
- At the local level, our country-business mix is strong, with the majority of our revenues exposed to fast-growth segments
- Geographically, we have the right exposure to the structural growth opportunities across our global markets

Introducing our Amazing ATIC Advantage good to great strategy

AAA means giving our clients an 'Amazing ATIC Advantage' to make their businesses stronger



It's about being the absolute industry champion by providing clients with the best ATIC solutions.

Being the best for every stakeholder all the time

We want to be the most trusted TQA partner for our customers, the employer of choice for our employees, to demonstrate Sustainability Excellence everywhere in our community and deliver significant growth and value for our shareholders.



Our goals

To achieve this ambition, we will focus on three goals:

- 10X purpose-led engagement in every team
- Higher revenue with existing customers
- Step up the acquisition of new clients

Our AAA differentiated growth strategy

We will reach our goals by implementing our AAA differentiated growth strategy to unlock the significant value growth opportunity ahead.

Our strategic priorities

Science-based TQA Customer Excellence

We invest in the skills we need to deliver operational excellence and superior customer service



Brand Push & Pull

We are leveraging the strength of our brand to become a B2B2C brand, a real first in our industry



Winning Innovations

Our innovative solutions help clients resolve their quality, safety and sustainability challenges

Our strategic enablers

10X Purpose-based Engagement

Working with Gallup, we're giving our teams the data they need to unleash their full potential



Sustainability Excellence

Our integrated control and compliance approach ensures we deliver on all aspects of sustainability



Margin Accretive Investments

Our investments help us leverage our scale and ensure our portfolio is poised for faster growth

Leading the industry through innovation and M&A

True to our pioneering spirit, we at Intertek continue to constantly reinvent ourselves, delivering winning ATIC solutions which allow our clients to resolve the complex Quality Assurance challenges they face. That's why we launched Global Market Access ('GMA'), a one-stop digital knowledge platform which helps retailers of soft goods, hard goods and personal protective equipment better understand and comply with regulations across the world, facilitating significant improvements in consumer safety.

Likewise, the launch in Türkiye of our pioneering new platform iCare has made it possible for fashion manufacturers to access real-time information about the status and progress of their submitted samples in just a few clicks, meaning they can effortlessly manage all their testing projects through one centralised platform, accessible 24/7.

We also set up several new centres of expertise, including our state-of-the-art Battery Xcellence Centre in Mestre, near Venice in Italy, and our Electrification Centre of Excellence in Plymouth, Detroit, allowing us to meet rising demand from two of the world's fastest growing sectors for Intertek's Science-based TQA solutions.

Another highlight from 2023 was the introduction of advanced PhotonAssay technology into our Minerals laboratory in Tarkwa, Ghana – a revolutionary new technique that delivers faster results and uses fewer hazardous chemicals than other testing procedures, minimising our impact on the environment.

Finally, we have also seized a number of attractive growth opportunities, strengthening our portfolio in high-growth, high-margin areas through recent acquisitions like SAI Global Assurance, JLA Brasil Laboratório de Análises de Alimentos S.A., Clean Energy Associates LLC and Controle Analítico Análises Técnicas Ltda that have allowed us to further expand our share of the global Quality Assurance market and have been successfully integrated and are performing well and in line with our expectations.

The acquisition of PlayerLync Holdings Inc., a leading provider of training and learning content to frontline workforces at some of the world's leading brands, leaves us exceptionally well-placed to take advantage of fast-growing market demand for software-based, technology-enabled People Assurance services.

These developments reflect the commitment we share at Intertek to drive continuous innovation which powers new growth opportunities and helps to make our world a safer, more sustainable, and amazing place.

We will continue to look at M&A opportunities in attractive high-margin and high-growth areas to broaden our ATIC portfolio of solutions with new services we can offer to our clients and to expand our regional coverage.

[Read more about our innovations in the Operating review on pages 36-51](#)



Sustainability at the heart of everything we do

Nowhere is the growth acceleration we are seeing stronger than in the area of sustainability. This is the movement of our time and is central to everything we do at Intertek – anchored in our Purpose, our Vision, our Values, and now in our AAA differentiated growth strategy as well.

Sustainability is important to all stakeholders in society who are consistently demanding faster progress and greater transparency in sustainability reporting.

Companies everywhere therefore continuously need to upgrade and reinvent how they manage their sustainability agenda, particularly with regard to how they disclose their performance.

This is why, under our global Total Sustainability Assurance ('TSA') programme, we provide our clients with proven independent, systemic and end-to-end assurance on all aspects of their sustainability strategies, activities and operations.

The TSA programme comprises three elements:

- Intertek Operational Sustainability Solutions
- Intertek ESG Assurance
- Intertek Corporate Sustainability Certification

Visit: [intertek.com/sustainability/](https://www.intertek.com/sustainability/)

Total Sustainability Assurance

TSA is a global programme that leverages our footprint in over 100 countries and covers all industries. We have built a team of sustainability experts in every major region, who can help with both a global and local perspective. Read more about how we help our clients meet their sustainability goals in the Sustainability Report, Book two, pages 18-25.



Intertek Operational Sustainability Solutions enable companies to understand, achieve and validate their existing and emerging sustainability goals for their products, assets, facilities, systems, processes and the environment.

Providing independent verification of sustainability disclosures and reporting, Intertek ESG Assurance enables companies to identify areas of risk and impact, define their sustainability strategies and prepare ESG reports.

Intertek Corporate Sustainability Certification covers topics from Quality and Safety to the Environment and Communication & Disclosure, enabling clients to verify their corporate sustainability performance across the ten most essential corporate sustainability subject areas.

Our TSA approach uses the deep scientific, engineering and auditing expertise of our sustainability teams to meet our clients' needs; with industry-agnostic, industry-specific or tailored solutions; with holistic solutions covering everything from consulting and gap assessment, to training, to regulatory reporting and corporate certification; and with actual, real-world improvements in sustainability in their operations and value chains.

At Intertek, we live by the same values that our wide range of sustainability services enable our clients to embrace. We have also committed to ambitious science-based targets to reduce our own operational emissions and attain net zero carbon emissions across our entire footprint by 2050.

I am particularly pleased that during the year we received validation from the Science-Based Targets initiative ('SBTi') for our targets relating to reducing greenhouse gas ('GHG') emissions.

I am delighted that in validating these targets, the SBTi has found that we are in line with the ambition to restrict global temperature increases to 1.5°C above pre-industrial levels by 2050. I am also happy to report that our rigorous monthly performance management of climate-related action plans delivered operational market-based emissions reductions of 10.8% against 2022 and 36.7% against our base year 2019.

Among other key developments during the year, we received AAA accreditation from the MSCI ESG ratings and were included for the seventh consecutive year in the FTSE4Good index. These and many other initiatives, challenges and achievements relating to the environment are described in depth in our Sustainability Report.

We continued to deliver progress on our health & safety performance, with a low Total Recordable Incident Rate. We also recorded an employee-engagement score of 87 against our Intertek ATIC Engagement Index, compared with 80 in 2022. And our voluntary permanent employee turnover during the year stood at the low rate of 12.3% compared to 14.0% in 2022.

[Read more about Sustainability Excellence in Book two](#)

You'll be amazed

As an industry pioneer, on our good to great journey, we have been focused across all of our business lines on making Intertek the global icon for Total Quality Assurance.

It is to bring awareness of the sheer scope of our amazing people's expertise that we have launched the 'You'll be amazed where you find Intertek' campaign, the industry's first ever brand campaign that reaches out directly to consumers, highlighting the mission-critical role that Intertek plays in areas from pioneering cancer research to ensuring the safety of wind turbines and helping to assure that the fuel inside Air Force One is fit for flight before take-off.

By targeting a consumer audience for the first time, the campaign aims to create awareness outside a purely business-to-business environment. This campaign celebrates that Intertek has a positive impact on all aspects of modern life, by shining a light on the incredible work of our colleagues through social media content and stories.

By helping to make our brand a household name for quality, safety and sustainability around the world, it will place us more front-of-mind for new decision makers as we become the B2B2C brand icon for Total Quality Assurance.

Connect with our 'You'll be amazed' campaign



 [intertek.com/amazed](https://twitter.com/intertek/amazed)

 [linkedin.com/company/intertek](https://www.linkedin.com/company/intertek)

Our amazing people

I would like to highlight the contribution of our truly amazing people, who once again have delivered a strong performance for our company, our clients, our shareholders and society as a whole.

Across the organisation, our people are truly engaged about the opportunity we have to deliver on our Purpose of bringing quality, safety and sustainability to life. This genuine commitment and customer-centric passion is at the heart of our culture, and our determination to be the agents of positive change around the world is evident in everything we do.

We have a highly disciplined approach to performance management, which underpins our operational excellence and continuous improvement approach in everything we do. Our commitment to excellence involves the constant measurement of our progress against a range of operational metrics, using data intelligence to meticulously gauge and understand our customer service levels and turnaround times.

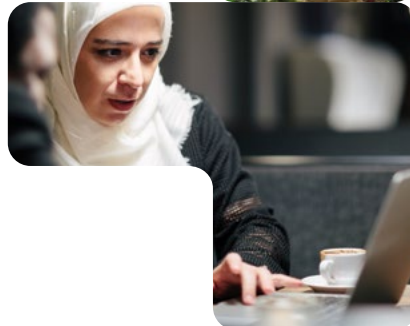
This approach, along with our unwavering focus on quality at every site, is crucial to our ability to deliver constant improvement, with our commitment to operational and health & safety excellence to ensure that our customers always receive a superior service.

Our ability to do this comes down to the incredible energy of our 44,000 people across the world, and I thank each and every one of them for their unwavering support, applying their Science-based Customer Excellence that powers our AAA differentiated growth strategy.

I am truly proud to be working alongside them all to make the world amazing. Read more about our culture and people in the Sustainability Report, Book two pages 10-17.

During the year, we also announced the establishment of a new Group Executive Committee to take advantage of the exciting growth opportunities ahead, in a world where companies are increasing their focus on Risk-based Quality Assurance to make their businesses stronger. Read more about our Group Executive Committee on page 53 in the Directors' Report in Sustainability Report, Book two.

Our goal is to have fully engaged employees working in a safe environment.



Looking ahead: let's make the world amazing together

The world has made tremendous progress in the last 50 years to operate with higher quality, safety and sustainability standards. As I look ahead to 2024 and beyond, I am confident that we will continue to benefit from the acceleration in growth for our ATIC solutions as our clients increase their investments in safer supply chains, innovation and sustainability.

What we do is mission critical for the world's supply chains to operate safely 24/7. We are purpose-led and passionate about bringing quality, safety and sustainability to life, leveraging our differentiated, high-energy, people-centric culture to focus on maintaining our strong track record of delivering sustainable value for all stakeholders. This makes us a force for good, committed to helping the world become amazing now and into the future.

We have been a pioneer for more than 130 years, providing Total Quality Assurance to give our customers the peace of mind they need to operate safely and make their businesses stronger with our ATIC solutions. Our ATIC services are provided to all industries, touching almost every aspect of life from the ordinary to the incredible, with a global network of state-of-the-art operations in more than 100 countries.

As we work with our clients to make the world amazing together, we are energised by the future growth opportunities we can unlock by bringing our clients the benefits of our Science-based Customer Excellence Advantage.

That's how we'll continue to bring quality, safety and sustainability to life in all parts of the global economy, building on the uniquely strong partnerships we have in place – not only with our customers, but also with our people, suppliers, shareholders and communities.

Let's make the world amazing together!

André Lacroix
Chief Executive Officer

Our business model

How we apply
our passionate
culture, science-
based expertise,
and resources
to create sustainable value

Who we are Page 17

We are passionate about our Purpose and committed to being ever better. Our people are guided by science, and sustainability is central to everything we do.

What we do Page 18

Intertek's unrivalled Total Quality Assurance is delivered consistently with precision, pace and passion. Science-based Customer Excellence is what makes us different.

Where we operate Page 20

We report revenue, operating profit and margin in five divisions: Consumer Products, Corporate Assurance, Health and Safety, Industry and Infrastructure, and World of Energy.

How we do it Page 22

The industry-leading solutions we provide are delivered with an unwavering commitment to our customers and by investing in our global network.

How we create value Page 24

We are a force for good in the world, and our solutions create meaningful and sustainable long-term value for a broad range of stakeholders.

Who we are

We are passionate about our Purpose and 'Doing Business the Right Way'. We strive to make the world a better, safer and more sustainable place for all, now and for future generations.

As the world changes, supply chains are rapidly growing in size and complexity, bringing unprecedented levels of risk. As a result, it can become more difficult for businesses to operate safely and sustainably while delivering quality products and services. In these challenging times, companies need a trusted partner, which is why we provide our clients with a unique risk-based approach to Quality Assurance. We call this Total Quality Assurance and only Intertek offers it.

Our Purpose
Bringing quality, safety and sustainability to life.

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

Ever better

As a company we are committed to becoming ever better in everything we do. That means more than simply seeking ways to constantly improve our operations for enhanced efficiency and effectiveness. It means investing in our Science-based Customer Excellence approach to provide superior services, enabling our 400,000+ clients to become ever better too.

Our people, culture and values

We value diversity and our core strength is, and always will be, our people. We are guided by science, and it's the way our colleagues combine passion and innovation with customer commitment that sets us apart.

Our decentralised operating culture is built around strong values. These values are inspirational and help us to drive sustainable growth for all. They guide our behaviours every single day, underpinning the way we work, guiding decision making and connecting colleagues across the world.

Sustainability is central to everything we do and we demonstrate our commitment and passion to help our clients make a difference, as well as bettering ourselves every day.

[Read more about Sustainability Excellence in Book two](#)

Our Values

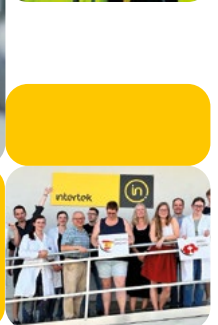
We are a global family that values diversity.

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.



What we do

At Intertek, we bring our clients the benefits of our unique risk-based assurance solution: Total Quality Assurance.

For more than 130 years, we've been a pioneer, innovating to mitigate risk and bring quality and safety to organisations. From our beginnings, certifying grain cargoes and then testing and ensuring the safety of Thomas Edison's products, we have become a global force for good: today, we are an industry leader committed to bringing quality, safety and sustainability to life with precision, pace and passion.

Our work covers everything from testing toys to inspecting power stations, from supporting excellence in electric mobility to promoting circularity in tourism, from certifying vaccines to providing end-to-end Quality Assurance across every aspect of an organisation's operations and supply chain. Our innovation-led, end-to-end value proposition supports our clients 24/7, providing a unique and fully integrated portfolio of Assurance, Testing, Inspection and Certification ('ATIC') services in a way that delivers complete peace of mind across all products, services and operating systems.

But the ATIC solutions we offer go beyond the quality and safety of a corporation's physical components, products and assets. They go to the heart of the reliability of their operating processes and quality management. We call this Total Quality Assurance because it enables our clients to mitigate risk at every stage of their operations.

In short, we help our clients operate in safety and make their businesses stronger, making the world amazing – a better, safer and more sustainable place for everybody.



End-to-end ATIC services



Assurance (21% Group revenue)

Enabling our customers to identify and mitigate intrinsic risk in their operations, their supply and distribution chains and quality management systems.

Assurance goes beyond testing, inspection and certification to look at the underlying elements that make a company and its products successful. Intertek's assurance solutions provide total peace of mind to our clients that their operating procedures, systems and people are functioning properly to provide competitive advantage.

Our extensive auditing, performance benchmarking and supply chain services provide insight into every aspect of a company's operations, right across the value chain, enabling informed business decisions. Our training services ensure workforce competencies are current and relevant. Our experts around the globe bring their knowledge to clients on assessing overall performance, the quality and productivity of laboratories, identifying and mitigating risks, streamlining manufacturing processes and supply chains, and so much more.

Visit: intertek.com/assurance/



Testing (46% Group revenue)

Evaluating how our customers' products and services meet and exceed quality, safety, sustainability and performance standards.

Intertek's testing services support the quality, performance, regulatory compliance, safety, benchmarking, evaluation, validation, analysis, and other requirements for products, components, raw materials, sites, and facilities.

Our field and in-house laboratory testing services provide the data our clients need to optimise the production process and get products to market quickly and economically.

Our experts and global resources are equipped to meet testing, timelines and product needs. As regulations change and technology is created or innovated, our knowledge and industry expertise ensure products and businesses are prepared to meet evolving demands.

Visit: intertek.com/testing/



Inspection (25% Group revenue)

Validating the specifications, value and safety of our customers' raw materials, products and assets.

Independent third-party inspections help our clients around the world protect their financial, branding and legal interests throughout the entire supply chain. We offer inspection services to manufacturers, retailers, traders, plant operators, governments and other buyers and sellers of materials and products.

Inspections help minimise the risk of defective products by ensuring they meet customer standards as well as industry and government regulations. This serves to protect business interests, manage risk and ensure quality products are manufactured and delivered to their final destination at the correct specifications.

Our experienced inspectors help identify products and shipments which may contain non-standard or non-compliant components and materials. We also support the end-to-end life management of facilities such as power plants and oil refineries.

Visit: intertek.com/inspection/



Certification (8% Group revenue)

Formally confirming that our customers' products and services meet all trusted external and internal standards.

Intertek maintains extensive global accreditations, and we are recognised for our testing and certification services.

With both international and local proficiency, Intertek brings the qualifications customers need to get products in front of the right eyes. We offer certification programmes that achieve market entry into a variety of global destinations, programmes for a more eco-friendly environment, and programmes to verify social accountability compliance for companies and their suppliers.

We help clients showcase and maintain products' safety and performance. Our leadership and expertise in regulatory standards and certifications keep clients ahead of changes and challenges, and our knowledge of the process from sourcing to market position creates efficient, cost-effective solutions that meet best industry practices.

Visit: intertek.com/certification/

Most trusted partner for Quality Assurance

Our leading ATIC solutions are mission critical for the world to operate safely. To become the most trusted partner for Quality Assurance, our Science-based TQA Experts always work to deliver end-to-end quality, safety and sustainability solutions that exceed customer expectations. This clearly sets us apart, meaning our clients can rely on us to always deliver rapid and accurate insight feedback.

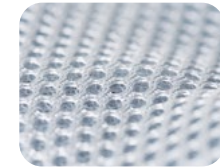
Customer promise

Total Quality Assurance expertise delivered consistently with precision, pace and passion, enabling our customers to power ahead safely.

We underpin this commitment with thousands of customer interviews every month, ensuring we understand their priorities and continuously invest in the mission-critical innovation they need.

Our TQA value proposition

Intertek's innovation-led, end-to-end value proposition helps organisations to mitigate risk at every stage and operate safely, effectively and with complete peace of mind in a complex world.



Where we operate

Five divisions, one focus – to drive amazing growth in high-margin sectors

To reflect the value creation drivers identified in the Intertek AAA differentiated growth strategy, we have enhanced our segmental disclosures and are reporting our revenue, operating profit and margin in five divisions.



Consumer Products

[Read more on page 36](#)

Revenue

£935.8m

Adjusted operating profit

£246.8m

Adjusted operating margin

26.4%

Percentage of Group revenue

28%

Our Consumer Products division focuses on the ATIC solutions we offer to our clients to develop and sell better, safer, and more sustainable products.

Global Business Units

Softlines

Hardlines

Electrical & Connected World

Government & Trade Services

Structural growth drivers

- Growth in brands, SKUs & e-commerce
- Regulation
- Sustainability
- Technology
- Growing middle classes



Corporate Assurance

[Read more on page 40](#)

Revenue

£477.5m

Adjusted operating profit

£109.4m

Adjusted operating margin

22.9%

Percentage of Group revenue

14%

Our Corporate Assurance division focuses on the industry agnostic Assurance solutions we offer to our clients to make their value chains more sustainable and more resilient.

Global Business Units

Business Assurance

Assuris

Structural growth drivers

- Sustainability
- Supply chain resilience
- Enterprise cyber-security
- People Assurance
- Regulatory Assurance



Health and Safety

[Read more on page 43](#)

Revenue
€326.3m

Adjusted operating profit
€43.2m

Adjusted operating margin
13.2%

Percentage of Group revenue
10%

Our Health and Safety division focuses on the ATIC solutions we offer to our clients to make sure we all enjoy a healthier and safer life.

Global Business Units

AgriWorld

Food

Chemicals & Pharma

Structural growth drivers

- Healthier foods
- Growing populations
- Sustainable food sourcing
- Regulations
- New molecules



Industry and Infrastructure

[Read more on page 46](#)

Revenue
€860.5m

Adjusted operating profit
€86.1m

Adjusted operating margin
10.0%

Percentage of Group revenue
26%

Our Industry and Infrastructure division focuses on the ATIC solutions our clients need to develop and build better, safer and greener infrastructure.

Global Business Units

Industry Services

Minerals

Building & Construction

Structural growth drivers

- Energy consumption
- Energy transition
- Population growth
- Infrastructure investment
- Greener buildings



World of Energy

[Read more on page 49](#)

Revenue
€728.6m

Adjusted operating profit
€65.6m

Adjusted operating margin
9.0%

Percentage of Group revenue
22%

Our World of Energy division focuses on the ATIC solutions we offer to our clients to develop better and greener fuels as well as renewables.

Global Business Units

Caleb Brett

Transportation Technologies

Clean Energy Associates

Structural growth drivers

- Renewable energy
- Energy consumption
- Population growth/social mobility
- EV/Hybrid
- Greener fuels



How we do it

As the world becomes more complex and interconnected, our customers face increased risks to quality, safety and sustainability.

As the global leader in Risk-based Quality Assurance, we are uniquely positioned to help customers gain an advantage by mitigating risk. We enable them to grow by building trusted relationships, listening to their needs, developing insights and using our data-science to create amazing, innovative Total Quality Assurance solutions that make the world better, safer and more sustainable.

But it's not just what we do that makes us unique. The way in which we do it and how we engage with our customers

also have a powerful positive impact. Our expertise is guided by science and delivered with an unwavering commitment to give our clients an Amazing ATIC Advantage. The interviews we carry out every month through our Net Promoter Score programme, measure the percentage of customers likely to recommend our services. This is an invaluable tool in helping us get to know our customers, understand their evolving needs and ensure we deliver an incredible service at every Intertek site.

Every one of our 44,000 employees in our global network, based in more than 100 countries, works hard to understand the challenges our customers face. Then, by working in close partnership with one another, we can collectively focus on making the world amazing, together.



Our global network



1,000+
Laboratories and offices

3,000
Auditors

150,000+
Audits

44,000
Employees

100+
Countries

100+
Languages



Our Science-based TQA experts provide clients with innovative ATIC solutions in our industry-focused Centres of Excellence.

Our Centres of Excellence

Electrification Centre of Excellence in Plymouth, US: Supporting the transition towards electric mobility

What it is: Strategically located near Detroit in the epicentre of the automotive industry, our Electrification Centre of Excellence in Plymouth, Michigan, offers some of the most extensive testing capabilities in North America for electric vehicle batteries and supply equipment. Through science-based Total Quality Assurance solutions, this facility plays a crucial role in supporting manufacturers in the transition to greener transport.

Customer benefit: With sales of electric vehicles growing rapidly, our Electrification Centre of Excellence helps meet the automotive industry's increasing need for regulatory support and safety and validation testing. As electrification technologies continue to advance, the facility will support the safety, performance and functionality of electric vehicles, battery packs, charging systems and their related components.

Visit: intertek.com/automotive/detroit



Battery Xcellence Centre Supporting sustainable energy solutions worldwide



What it is: Our new 'Battery Xcellence Centre' in Mestre, Italy, features the latest technologies for testing battery and energy storage systems, along with unrivalled industry expertise. With equipment including battery cyclers, climatic and salt-spray chambers, anti-fire containers and an altitude test chamber, the centre meets the testing needs for transportation and storage safety, functional safety, and performance for a wide range of cells and battery packs. This state-of-the-art facility in Italy joins our global network of specialist centres strategically located in key markets including the USA, China, Taiwan, India, Hong Kong and Europe.

Customer benefit: On the road to net zero, energy storage is increasingly critical, and this new facility helps customers in Italy and the South Europe region navigate the rapidly evolving regulatory environment for batteries and battery-operated products. Our Italian team will support businesses across a range of sectors - including automotive, transportation, energy and consumer goods - in taking their products from design to compliance evaluation and global market access.

Visit: intertek.com/batteries

Electric Vehicle ('EV') Centre of Excellence in Milton Keynes, UK

Our EV Centre of Excellence testing facility in the UK supports manufacturers to develop next-generation electric propulsion systems, from high-speed motor testing to full vehicle validation capabilities. Our global network of automotive testing facilities can support manufacturers and suppliers with a wide portfolio of bespoke solutions and capabilities, such as engine and hybrid testing, EV fluids, and fuel, additive and lubricant testing.

Maison Centre of Excellence in Florence, Italy

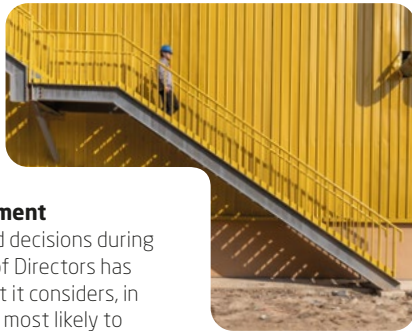
Based in Lastra a Signa, the heart of Italy's garment manufacturing district, Intertek's Maison Centre of Excellence is our innovative experiential space and adjacent world-class lab where science meets luxury. Bringing together - virtually or face to face - our industry experts, forward-thinking luxury and fashion brands, industry leaders, academics and a host of textile industry participants to collaborate and take bold new ideas and turn them into reality.

Minerals Global Centre of Excellence in Perth, Western Australia

A technology and innovation centre with a focus on automation and sustainability to provide our Minerals clients with faster, safer, higher quality, and more efficient analytical solutions. Located in Perth Australia, a key hub for the minerals and mining industry, this state-of-the-art lab gives our customers access to trusted expertise across the minerals supply chain.

How we create value

Our Purpose is to bring quality, safety and sustainability to life. Here, we explain how we do this for our Stakeholders.



Section 172 statement

In its discussions and decisions during the year, the Board of Directors has acted in the way that it considers, in good faith, would be most likely to promote the success of the Group for the benefit of its members as a whole (having regard to stakeholders and the matters set out in sub-sections 172(1) (a)–(f) of the 2006 Companies Act).

Details of how the Board has engaged with stakeholders and how it has had regard to their interests is set out in Book two.

Section 172 is set out on pages 56-61 in Book two

People



We create amazing opportunities for our 44,000 people to thrive, always striving to offer the best customer service to our clients.

Why they are important to us

Our people are our most valuable asset and are critical to our success. Customer-centric and passionate about what they do, they deliver sustainable value through unmatched expertise and quality of work for our customers every day.

How we engage

We create a high-performance, growth-oriented, inclusive and caring culture with clear, transparent communication and regular recognition, in which each colleague has a personal growth plan.

How they have benefitted in 2023

- Launch of Champions engagement programme
- Consistent performance management approach, talent development and growth planning
- '10X Leadership' development events and '10X Coaching' for executives
- Training sessions on diversity, equity and inclusion through our MOSIAC programme
- Enriched extensive learning and development material through Lucie, our global Learning Management System
- Engaging employee communication channels

Customers



We support 400,000+ clients with innovative solutions that enable them to operate with higher standards on quality, safety and sustainability in each part of their value chain.

Why they are important to us

Our customers are at the centre of everything we do, and delivering the highest standards of customer service is a crucial aspect of becoming the world's most trusted TQA partner.

How we engage

We continuously engage and build our relationships with customers, and closely analyse our NPS data.

How they have benefitted in 2023

- Communication, partnership and 24/7 support
- Refreshed intertek.com to provide best-in-class digital customer experience
- Fast development of innovative Risk-based Quality Assurance solutions
- Training and webinars from all business lines, covering all industries
- Digital customer portals for improved efficiency, productivity and visibility
- Digital directories providing our clients' customers with access to product and supply chain information



Investors



We operate a high-quality earnings model with a proven track record of sustainable value creation over the long-term.

Why they are important to us

Delivering for our investors drives our ongoing success, enabling us to deliver for all stakeholders today and tomorrow.

How we engage

We engage with existing and potential investors and sell-side analysts through regular trading updates, investor conferences and roadshows throughout the year.

How they have benefitted in 2023

- Stock exchange announcements, including financial results
- Investor roadshows and participation in investor conferences
- May 2023 Capital Markets Event
- Meetings and calls
- Annual General Meeting
- Annual Report, ESG Reporting Index
- Shareholder information on [intertek.com](https://www.intertek.com)
- Improved Investor section on [intertek.com](https://www.intertek.com)



Communities



We support and enhance our communities and the environment across our global network of state-of-the-art operations in more than 100 countries.

Why they are important to us

Our businesses and people are part of the communities in which we work and are dedicated to supporting organisations and initiatives that improve the environment, and the lives of local people. We are a force for good, close to home, that makes the world amazing for everyone.

How we engage

Our businesses regularly engage with and contribute to our communities, and many colleagues support local and charitable causes that reflect the diversity of our communities and people.

How they have benefitted in 2023

- Support for and partnerships with charities and NGOs
- Focused activities to improve local communities and environments
- BBEB.com platform to share impactful stories and inspire positive change in the world



Governments and regulators



Governments and regulators expect compliance with all global, regional and local regulation, responsible business practices and collaboration on the transition to net zero.

Why they are important to us

'Doing Business the Right Way' is part of who we are. As a responsible business, we are dedicated to engaging positively with governments and regulators to support our communities and comply with global, regional and local regulations.

How we engage

We interact with trade associations and governmental authorities to provide input into industry and regulatory improvements in product safety, quality, sustainability and risk assurance. Interactions with governments, governmental authorities and regulators are reviewed by our Group Legal & Risk functions to ensure we fully comply with all laws and regulations.

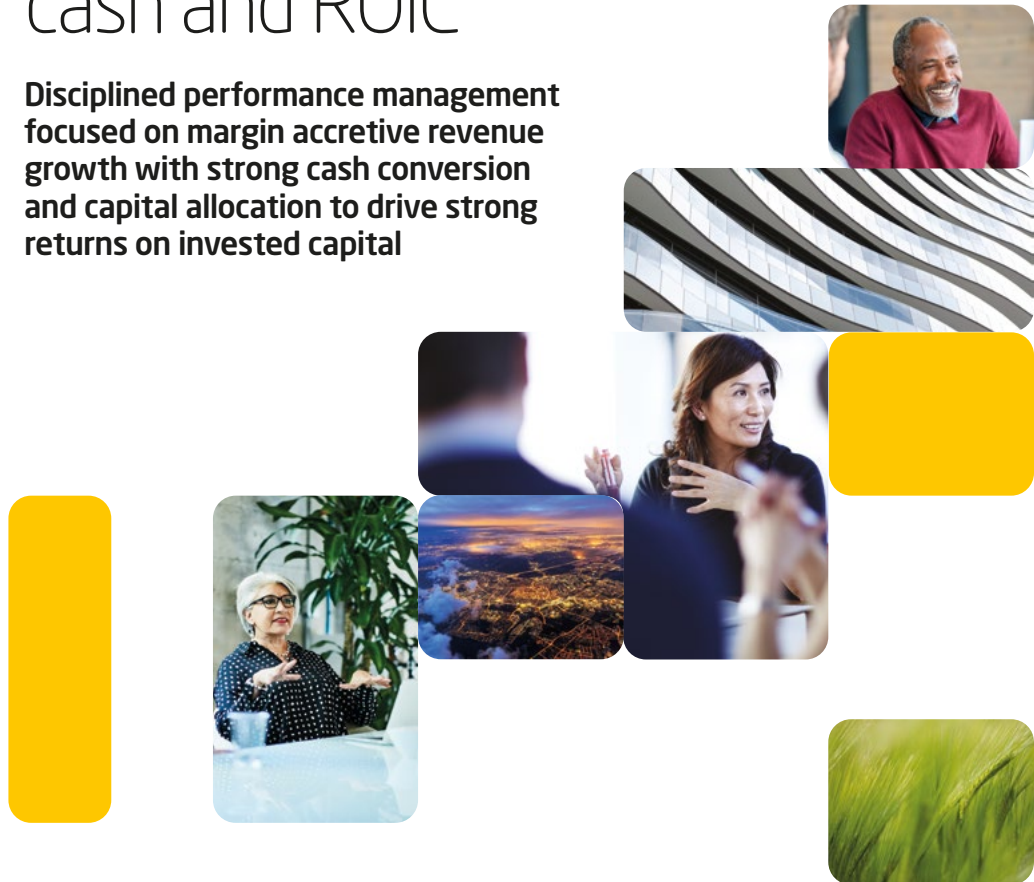
How they have benefitted in 2023

- Our businesses' economic and tax contribution to governments and communities supports the basic infrastructure of society

Key performance indicators

Strong 2023 performance in revenue, margin, EPS, cash and ROIC

Disciplined performance management focused on margin accretive revenue growth with strong cash conversion and capital allocation to drive strong returns on invested capital



Financial

The Group uses a variety of key performance indicators ('KPIs') to monitor performance and measure the financial impact of the Group's strategy. Where applicable, KPIs are based on adjusted measures in order to provide a meaningful and consistent year-on-year comparison. An explanation and reconciliation of statutory to adjusted performance measures is given on page 33. A glossary of performance measures is provided in Book three, page 64.

Key

- Adjusted actual rates
- Adjusted constant rates
- Statutory actual rates
- 2023 Adjusted
- 2022 Adjusted
- | Statutory

1. Revenue, adjusted operating profit and ROIC are recalculated using 2022 exchange rates to form the basis for Executive Director remuneration, as described in more detail in Book two, page 94.
2. Adjusted operating profit, adjusted operating margin, adjusted cash flow from operations, adjusted free cash flow and adjusted diluted earnings per share are stated before Separately Disclosed Items, which are described on page 32. There is no difference between adjusted and statutory revenue.
3. Dividend per share is based on the interim dividend of 37.7p (2022: 34.2p) plus the proposed final dividend of 74.0p (2022: 71.6p).
4. 2022 ROIC has been prepared using 2023 average exchange rates for adjusted operating profit and adjusted tax, and year-end 2023 exchange rates for invested capital. 2022 ROIC at actual rates was 18.0%.

Key performance indicators Continued

Revenue¹ (£m)

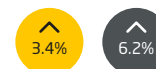
Revenue growth measures how well the Group is expanding its business and includes currency impacts.



2023	3,329
2022	3,193

Like-for-like revenue (£m)

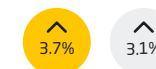
Revenue growth, including acquisitions following their 12-month anniversary of ownership and excluding the historical contribution of any business disposals/closures excluding acquisitions and disposals.



2023	3,301
2022	3,193

Cash flow from operations² (£m)

Shows the ability of the Group to turn profit into cash.



2023	726	749
2022	704	722

Operating profit^{1,2} (£m)

Measures profitability of the Group and includes currency impacts.



2023	486	551
2022	452	520

Operating margin^{1,2} (%)

Measures profitability as a proportion of revenue.



2023	14.6	16.6
2022	14.2	16.3

Return on invested capital at constant rates^{1,4} (%)

Measures how effectively the Group generates profit from its invested capital.



2023	20.5
2022	18.0

Diluted earnings per share² (pence)

A key measure of value creation for the Board and for shareholders.



2023	183.4	223.0
2022	178.4	211.1

Dividend per share³ (pence)

Measures returns provided to shareholders.



2023	111.7
2022	105.8

Adjusted free cash flow² (£m)

Measures the cash available to shareholders.



2023	378.4
2022	386.3

Non-financial

We measure our success by tracking both non-financial and financial key performance indicators that reflect our strategic priorities. We continue to review the sustainability areas that are most material and relevant to our stakeholders and have set ourselves targets in those areas that are aligned to our corporate strategy.



1. Eligible employees include those with access to the LUCIE training platform and those receiving compliance training face to face. New joiners complete training throughout the year as part of their induction.

Health & safety

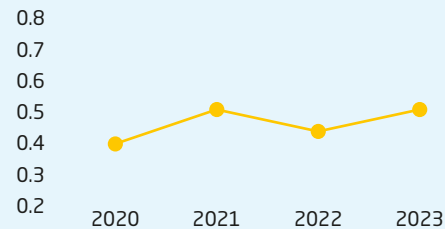
Total Recordable Incident Rate ('TRIR')

Recordable incidents include medical treatment incidents, lost time incidents and fatalities per 200,000 hours worked.

Why we measure it

A reduction in incidents is an important measure of the effectiveness of our safety culture. It also lowers rates of absenteeism and costs associated with work-related injuries and illnesses.

Total Recordable Incident Rate



Target

TRIR of less than 0.5 per 200,000 hours worked.

Customer satisfaction

Customer focus

Average number of Net Promoter Score ('NPS') interviews carried out each month.

Why we measure it

Customers are our priority. Since 2015, we have used the NPS process to listen to our customers. These insights give us a deep understanding of what our customers need and want, fuelling our innovations.

Average NPS interviews per month

2023	5,700
2022	5,400
2021	6,000
2020	6,000

Target

We will continue to aim to conduct at least 6,000 NPS interviews per month.

Environment

Operational emissions

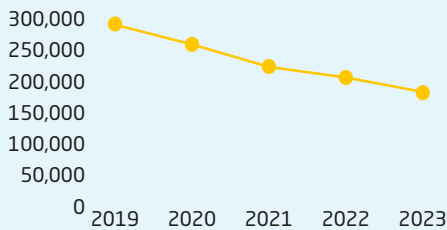
With the adoption of our new near-term absolute emissions reduction targets, we now measure our environmental performance against this. Operational emissions comprise our scope 1, scope 2 and scope 3 (business travel and employee commuting).

[More from page 26 in Book two](#)

Why we measure it

We measure our carbon emissions to reduce our impact on the environment and increase operational efficiency. We track both location-based and marked-based scope 2 emissions.

Operational emissions (in tCO₂e)



Target

2030: Reduce absolute scope 1, scope 2 and scope 3 (business travel and employee commuting) by 50% vs 2019 base line.

Employees

Voluntary permanent employee turnover and employee engagement

Voluntary permanent leavers are employees who choose to leave the Group themselves. This does not include employees on a fixed-term contract.

Intertek ATIC Engagement Index – based on the key drivers of sustainable value creation and which measures engagement on a monthly basis in every operation with the following metrics: Net Promoter Score, Customer Retention, Quality, Voluntary Permanent Employee Turnover and Total Recordable Incident Rate.

Why we measure it

Ensuring employees are engaged is essential to talent retention and we measure and monitor this closely at a global and local level through our voluntary turnover rate.

Employee voluntary turnover and Intertek ATIC Engagement index

Key financials	2020	2021	2022	2023
Employee voluntary turnover (% of permanent employees)	9%	13%	14%	12.3%
Intertek ATIC Engagement index score	89	80	80	87

Target

We aim to keep our voluntary permanent turnover rate below 15% and increase our Intertek ATIC Engagement Index to 90.

Diversity, equity and inclusion

Gender balance

Percentage of women in senior management roles (Group Executive Committee and their direct reports).

[More from page 10 in Book two](#)

Why we measure it

We promote diversity in all its forms, including gender, age, sexual orientation and disability, as well as having an ethnic and social make-up that reflects broader society. Achieving better gender balance is a driver of progress.

Women in senior management (%)

2023	76.4	23.6
2022	79.2	20.8
2021	77.0	23.0
2020	76.7	23.3

● Male ● Female

Target

2025: We aim to increase the proportion of women in senior leadership roles to 30%.

Compliance

Compliance training

Completion of annual compliance training by eligible employees¹ (online or face to face, when available) during the training window.

[More from page 40 in Book two](#)

Why we measure it

Our commitment to the highest standards of integrity and professional ethics is embedded in the Group's culture through the integrity principles set out in our Code of Ethics. Every year, to support continuing understanding in this area, our people are required to complete our comprehensive training course.

Training completion by eligible employees¹ (%)

2023	97.6
2022	96.8
2021	94.2
2020	95.6

Target

We aim to achieve 100% completion of our annual compliance training by eligible employees.

Financial review

Intertek's AAA differentiated growth strategy is delivering earnings growth and strong cash flow

Our proven high-quality earnings model and daily cash discipline have delivered earnings growth and an all-time high adjusted operating cash flow, driving a reduction in net debt, negative working capital and a strong balance sheet.

Colm Deasy
Chief Financial Officer



Financial highlights

€3,329m

Revenue up
4.3% 7.1%

€486m

Statutory operating profit up
7.5% 13.0%

€551m

Adjusted operating profit up
6.0% 10.9%

14.6%

Statutory operating margin up
40bps 80bps

16.6%

Adjusted operating margin up
30bps 60bps

183.4p

Statutory diluted EPS up
2.8% 9.2%

111.7p

Dividend per share up
5.6%

Negative

Working capital

€378m

Adjusted free cash flow down
(2.0%)

20.5%

Return on Invested Capital up
250bps 250bps

- Actual rates
- Constant rates

Consolidated income statement commentary

Total reported Group revenue increased by 4.3%, with 0.9% growth contributed by acquisitions, a like-for-like ('LFL') revenue increase of 6.2% and a decrease of 280bps from foreign exchange, reflecting sterling appreciation against most of the Group's trading currencies.

The Group's LFL revenue at constant rates consisted of an increase of 1.3% in Consumer Products, 9.0% in Corporate Assurance, 7.0% in Health and Safety, 7.9% in Industry and Infrastructure, and 8.7% in World of Energy.

We delivered an adjusted operating profit performance of £551.1m (2022: £520.1m), up 10.9% at constant rates and 6.0% at actual rates.

The Group's adjusted operating margin was 16.6% (2022: 16.3%), an increase of 60bps from the prior year at constant exchange rates and 30bps at actual rates.

The Group's statutory operating profit after Separately Disclosed Items ('SDIs') for the period was £486.2m (2022: £452.4m), up 13.0% at constant rates. The statutory margin was 14.6% (2022: 14.2%). The Group's statutory profit for the year after tax was £318.1m (2022: £306.8m).

Net financing costs

Adjusted net financing costs were £43.9m, an increase of £12.0m on 2022 resulting from a combination of higher interest expense and the impact of foreign exchange rates. This comprised £3.8m (2022: £2.2m) of finance income and £47.7m (2022: £34.1m) of finance expense. Statutory net financing costs of £63.9m (2022: £32.6m) included £20.0m of costs (2022: £0.7m) relating to SDIs, predominantly driven by changes in the fair value of contingent consideration related to acquisitions.

Tax

The adjusted effective tax rate was 24.6%, a decrease of 1.7% on the prior year (2022: 26.3%). The tax charge, including the impact of SDIs, of £104.2m (2022: £113.0m), equates to an effective rate of 24.7% (2022: 26.9%), the decrease mainly driven by the geographical mix of profits. The cash tax on adjusted profit before tax was 23.5% (2022: 21.9%).

Earnings per share

Adjusted diluted earnings per share ('EPS') at actual exchange rates was 5.6% higher at 223.0p (2022: 211.1p). Diluted EPS after SDIs was 183.4p (2022: 178.4p) per share and basic EPS after SDIs was 184.4p (2022: 179.2p).

Results for the year

Key financials	2023 £m	2022 £m
Adjusted		
Revenue	3,328.7	3,192.9
Operating profit	551.1	520.1
Diluted EPS	223.0p	211.1p
Profit after tax	382.4	359.8
Cash flow from operations	749.0	722.0
Statutory		
Revenue	3,328.7	3,192.9
Operating profit	486.2	452.4
Diluted EPS	183.4p	178.4p
Profit after tax	318.1	306.8
Cash flow from operations	725.9	704.1
Dividend per share	111.7p	105.8p
Dividends paid in the year	176.3	170.6

Dividend

Reflecting the Group's strong cash generation in 2023, the Board recommends a full year dividend of 111.7p per share, a year-on-year increase of 5.6%.

The full year dividend of 111.7p represents a total cost of £181.2m, or 50% of adjusted profit attributable to shareholders of the Group for 2023 (2022: £170.6m and 50%). The dividend is covered 2.0 times by earnings (2022: 2.0 times), based on adjusted diluted earnings per share divided by dividend per share.



Five-year performance - adjusted diluted EPS¹ (pence)

+2.4% CAGR³

Dividend per share² (pence)

+2.4% CAGR³

2023	223.0	2023	111.7
2022	211.1	2022	105.8
2021	190.8	2021	105.8
2020	170.9	2020	105.8
2019	212.5	2019	105.8
2018	198.3	2018	99.1

1. Presentation of results: To provide readers with a clear and consistent presentation of the underlying operating performance of the Group's business, some figures discussed in this review are presented as adjusted, before SDIs (see note 3 to the financial statements in Book three, page 11). A reconciliation between adjusted and statutory performance measures is set out on the overleaf. Figures before 1 January 2019 (when IFRS 16 was adopted) are on an IAS 17 basis.
2. Dividend per share for 2023 is based on the interim dividend paid of 37.7p (2022: 34.2p) plus the proposed final dividend of 74.0p (2022: 71.6p).
3. CAGR represents the compound annual growth rate from 2018 to 2023.

The underlying performance of the business, by division, is shown in the table below:

	Notes	Revenue			Adjusted operating profit		
		2023 £m	Change at 2023 actual rates %	Change at constant rates %	2023 £m	Change at 2023 actual rates %	Change at constant rates %
Consumer Products	2	935.8	(2.9)	1.3	246.8	(8.1)	(2.6)
Corporate Assurance	2	477.5	6.1	9.5	109.4	14.6	19.2
Health and Safety	2	326.3	7.9	9.1	43.2	6.1	9.4
Industry and Infrastructure	2	860.5	5.7	7.9	86.1	19.7	22.0
World of Energy	2	728.6	10.1	11.7	65.6	50.8	57.3
Group total		3,328.7	4.3	7.1	551.1	6.0	10.9
Net financing costs	14				(43.9)		
Adjusted profit before income tax					507.2	3.9	9.2
Adjusted income tax expense	6				(124.8)		
Adjusted profit for the year					382.4	6.3	11.7
Adjusted diluted EPS (pence)	7				223.0p	5.6	11.0

Acquisitions and investment

One of the key corporate goals of the Group's strategy is delivering an accretive, disciplined capital allocation policy.

As a result, the Group invests both organically and by acquiring or investing in complementary businesses to strengthen our portfolio in the locations demanded by clients. This approach enables the Group to focus on those existing business lines or countries with good growth and margin prospects where we have market-leading positions or to enter exciting new growth areas offering the latest technologies and Quality Assurance services.

Acquisitions

The Group completed two acquisitions in the year (2022: one) with cash consideration paid of £40.5m (2022: £65.9m), net of cash acquired of £3.1m (2022: £13.4m), and a further contingent consideration payable of £3.7m.

In March 2023, the Group acquired Controle Analítico Análises Técnicas Ltda ('Controle Analítico'), a leading provider of environmental analysis, with a focus on water testing, based in Brazil.

In August 2023, the Group acquired PlayerLync Holdings, Inc. ('PlayerLync'), a leading SaaS-based platform, based in the USA.

In 2023, £2.7m (2022: £nil) was spent in relation to consideration for prior year acquisitions.

Organic investment

The Group invested £116.9m (2022: £116.5m) organically in laboratory expansions, new technologies (including software) and equipment and other facilities. This investment represented 3.5% of revenue (2022: 3.6%).

Pensions

The Group's pension moved to a net surplus of £17.0m (2022: £19.1m surplus) driven by periodic updates to our actuarial assumptions.

Separately Disclosed Items ('SDIs')

A number of items are separately disclosed in the financial statements as exclusion of these items provides readers with a clear and consistent presentation of the underlying operating performance of the Group's business. Reconciliations of the statutory to adjusted measures are given overleaf.

When applicable, these SDIs include amortisation of acquisition intangibles; impairment of goodwill and other assets; the profit or loss on disposals of businesses or other significant fixed assets; costs related to acquisition activity; the cost of any fundamental restructuring; the costs of any significant strategic projects; material claims and settlements; and unrealised market or fair value gains or losses on financial assets or liabilities, including contingent consideration.

Adjusted operating profit excludes the amortisation of acquired intangible assets, primarily customer relationships, as we do not believe that the amortisation charge in the income statement provides useful information about the cash costs of running our business as these assets will be supported and maintained by ongoing marketing and promotional expenditure, which is already reflected in operating costs. Amortisation of software, however, is included in adjusted operating profit as it is similar in nature to other capital expenditure.

The costs associated with our cost reduction programme are excluded from adjusted operating profit where they represent changes associated with operational streamlining, technology upgrades and related asset write-offs and are costs that are not expected to reoccur. The restructuring programme, which began in 2022, is expected to last up to five years. The treatment as SDI is consistent with the disclosure of costs for similar restructuring and strategic programmes previously undertaken.

The impairment of goodwill and other assets that by their nature or size are not expected to recur, the profit and loss on disposals of businesses or other significant assets, and the costs associated with successful, active or aborted acquisitions are excluded from adjusted operating profit in order to provide useful information regarding the underlying performance of the Group's operations.

The SDIs charge for 2023 comprises amortisation of acquisition intangibles of £34.2m (2022: £34.8m); acquisition and integration costs relating to successful, active or aborted acquisitions of £8.3m (2022: £5.5m); and restructuring costs of £22.4m (2022: £27.4m).

Further information on SDIs is given in note 3 to the financial statements in Book three, page 11.

2023 reconciliation of statutory to adjusted performance measures

£m	Statutory	SDIs	Adjusted
Revenue	3,328.7	-	3,328.7
Operating profit	486.2	64.9	551.1
Operating margin (%)	14.6%	2.0%	16.6%
Net financing costs	(63.9)	20.0	(43.9)
Income tax expense	(104.2)	(20.6)	(124.8)
Profit for the year	318.1	64.3	382.4
Cash flow from operations	725.9	23.1	749.0
Basic EPS (pence)	184.4p	39.8p	224.2p
Diluted EPS (pence)	183.4p	39.6p	223.0p

2022 reconciliation of statutory to adjusted performance measures

£m	Statutory	SDIs	Adjusted
Revenue	3,192.9	-	3,192.9
Operating profit	452.4	67.7	520.1
Operating margin (%)	14.2%	2.1%	16.3%
Net financing costs	(32.6)	0.7	(31.9)
Income tax expense	(113.0)	(15.4)	(128.4)
Profit for the year	306.8	53.0	359.8
Cash flow from operations	704.1	17.9	722.0
Basic EPS (pence)	179.2p	32.8p	212.0p
Diluted EPS (pence)	178.4p	32.7p	211.1p

Key performance indicators

The Group uses a variety of key performance indicators ('KPIs') to monitor the financial performance of the Group and its operating divisions. The specific metrics and associated definitions are disclosed on pages 26 and 27.

LFL revenue at constant currency is presented to show the Group's revenue excluding the effects of the change in the scope of the consolidation (acquisitions following their 12-month anniversary of ownership, and removes the historical contribution of any business disposals/closures) and removing the impact of currency translation from the Group's growth figures.

Like-for-like revenue at constant currency

	2023 £m	2022 £m	Change %
Reported revenue	3,328.7	3,192.9	4.3
less: Acquisitions/disposals revenue	(27.8)	-	
LFL revenue	3,300.9	3,192.9	3.4
Impact of foreign exchange movements	-	(83.9)	
LFL revenue at constant currency	3,300.9	3,109.0	6.2

The rate of Return On Invested Capital ('ROIC'), defined as adjusted operating profit less adjusted taxes divided by invested capital, measures the efficiency of Group investments. This is a key measure to assess the efficiency of investment decisions and is also an important criterion in the decision-making process.

ROIC in 2023 of 20.5% compares to 18.0% in the prior year at constant exchange rates (2022: 18.0% at actual exchange rates).

Return On Invested Capital at constant currency			
	2023 £m	2022 £m	Change %
Adjusted operating profit	551.1	497.0	10.9
less: Adjusted tax ¹	(135.6)	(130.7)	3.7
Adjusted profit after tax	415.5	366.3	13.4
Invested capital ²	2,023.1	2,032.5	(0.5)
ROIC %	20.5%	18.0%	250bps

1. Calculated by applying the adjusted effective tax rate (2023: 24.6%, 2022: 26.3%) to adjusted operating profit.
2. Net assets excluding tax balances, net financial debt and net pension liabilities.

Cash flow and net debt

Cash flow

The Group relies on a combination of debt and internal cash resources to fund its investment plans. One of the key metrics for measuring the ability of the business to generate cash is cash flow from operations. Due to the cash payments associated with the SDIs, and to provide a complete picture of the underlying performance of the Group, adjusted cash flow from operations is shown below to illustrate the cash generated by the Group:

Cash conversion			
	2023 £m	2022 £m	Change %
Cash flow from operations	725.9	704.1	3.1
add back: Cash flow relating to SDIs	23.1	17.9	
Adjusted cash flow from operations	749.0	722.0	3.7
add back: Special contributions to pension schemes	-	2.0	-
Repayment of lease liability	(77.8)	(81.4)	(4.4)
Cash flow for cash conversion	671.2	642.6	4.5
Cash conversion %	121.8%	123.6%	(180bps)

Free cash flow reconciliation		
	2023 £m	2022 £m
Cash flow from operations	725.9	704.1
less: Net capital expenditure	(105.4)	(112.3)
add back: Interest received	3.5	2.2
less: Interest paid	(71.9)	(37.5)
less: Income tax paid	(119.0)	(106.7)
less: Lease liabilities paid	(77.8)	(81.4)
Free cash flow	355.3	368.4
add back: SDI cash outflow	23.1	17.9
Adjusted free cash flow	378.4	386.3

Net debt

The Group ended the period in a strong financial position. Financial net debt was £610.6m, a decrease of £127.3m on 31 December 2022. The undrawn headroom on the Group's existing committed borrowing facilities at 31 December 2023 was £664.3m (2022: £707.3m) and cash and cash equivalents were £298.6m (2022: £320.7m), representing significant total liquidity.

Total net debt, including the impact of the IFRS 16 lease liability, was £918.4m (2022: £1,060.1m).

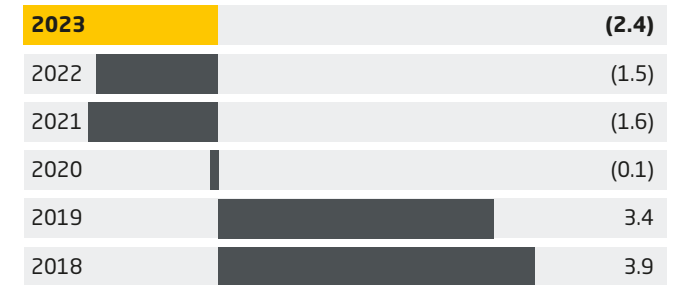
The Group has a well-balanced loan portfolio to enable the funding of future growth opportunities with a maturity profile as shown overleaf.

Working capital

During 2023, we have continued our working capital focus and, through disciplined performance management, we have increased our negative working capital position to negative £78.8m (2022: negative £47.8m). Working capital has moved to (2.4%) of revenue, reflecting 90bps improvement compared to 2022.

Five year trend – working capital¹ as % of revenue

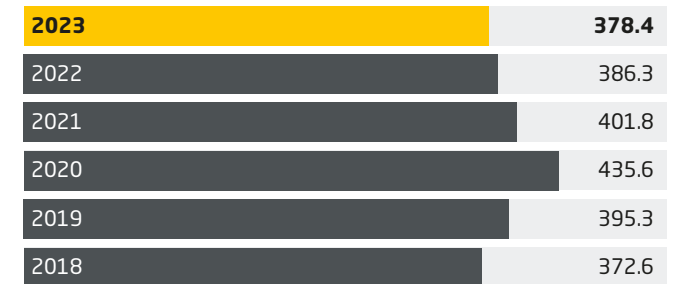
(630bps)



1. Working capital is defined under the consolidated statement of financial position within the financial statements in Book three, page 3.
2. Figures before 1 January 2019 (when IFRS 16 was adopted) are on an IAS 17 basis.

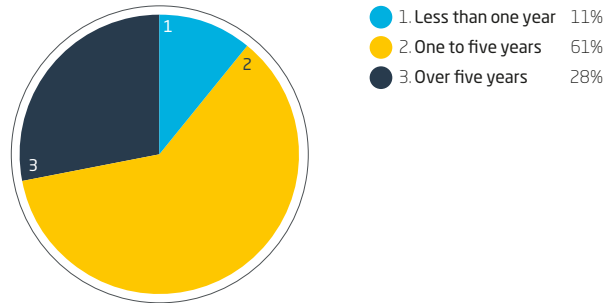
Adjusted free cash flow (£m)

0.3% CAGR¹



1. CAGR represents the compound annual growth rate from 2018 to 2023.

Borrowings by maturity profile
(At 31 December 2023)



Under existing facilities, the Group has available debt headroom of £664.3m at 31 December 2023 (2022: £707.3m). The components of net debt at 31 December 2023 are outlined below:

	1 January 2023 £m	Cash and non-cash movements £m	Exchange adjustments £m	31 December 2023 £m
Cash ¹	320.7	13.7	(35.8)	298.6
Borrowings ²	(1,058.6)	87.5	61.9	(909.2)
Financial net debt	(737.9)	101.2	26.1	(610.6)
Lease liabilities ²	(322.2)	(0.5)	14.9	(307.8)
Net debt	(1,060.1)	100.7	41.0	(918.4)

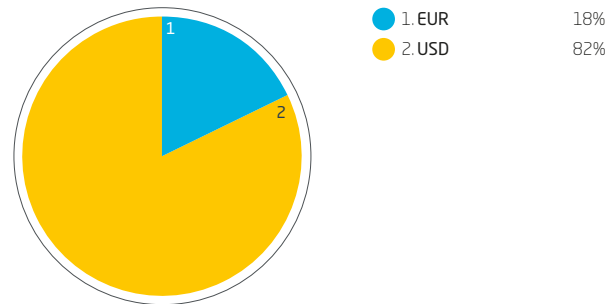
1. As disclosed in note 14 of the financial statements in Book three, page 27.
2. Borrowings include £1.6m of non-cash movements related to amortisation of facility fees (see note 14 of the financial statements in Book three, page 27). Lease liabilities include £78.3m of non-cash movements.

To ensure the Group is not exposed to income statement volatility in relation to foreign currency translation on its debt, the Group ensures that any foreign currency borrowings are matched to the value of its overseas assets in that currency (an 'effective' hedge).

The Group borrows primarily in US dollars, and any currency translation exposures on the borrowings are offset by the currency translation on the US dollar and US dollar-related overseas assets of the Group.

The composition of the Group's gross borrowings in 2023, analysed by currency, is as follows:

Borrowings by currency
(At 31 December 2023)



Foreign currency movements

The Group transacts in over 80 currencies across more than 100 countries, and revenue and profit are impacted by currency fluctuations. However, the diversification of the Group's revenue base provides a partial dilution to this exposure.

At constant rates, revenue grew 7.1% (actual rates 4.3%) and adjusted operating profit grew 10.9% (actual rates 6.0%).

The exchange rates used to translate the statement of financial position and the income statement into the Group's functional currency, sterling, for the five most material currencies used in the Group are shown as follows:

Value of £1	Statement of financial position rates		Income statement rates	
	2023	2022	2023	2022
US dollar	1.28	1.20	1.24	1.24
Euro	1.15	1.13	1.15	1.17
Chinese renminbi	9.14	8.45	8.81	8.31
Hong Kong dollar	10.0	9.37	9.71	9.68
Australian dollar	1.87	1.78	1.87	1.78

Significant accounting policies

The consolidated financial statements in Book three are prepared in accordance with IFRS as adopted by the UK. Details of the Group's significant accounting policies are shown in note 1 to the financial statements in Book three, page 7.

Colm Deasy
Chief Financial Officer

Operating review



Consumer Products

Low-single digit LFL revenue growth

Revenue
£935.8m
 Adjusted operating profit
£246.8m
 Adjusted operating margin
26.4%

 Percentage of Group revenue
28%

Intertek value proposition
 Our Consumer Products division focuses on the ATIC solutions we offer to our clients to develop and sell better, safer, and more sustainable products to their own clients. This division was 28% of our revenue in 2023 and includes the following business lines: Softlines, Hardlines, Electrical & Connected World and Government & Trade Services.

As a trusted partner to the world's leading retailers, manufacturers and distributors, the division supports a wide range of industries including textiles, footwear, toys, hardlines, home appliances, consumer electronics, information and communication technology, automotive, aerospace, lighting, building products, industrial and renewable energy products, and healthcare.

Strategy
 Our TQA value proposition provides a systemic approach to support the Quality Assurance efforts of our Consumer Products-related customers in each of the areas of their operations. To do this we leverage our global network of accredited facilities and world leading technical experts to help our clients meet high quality safety, regulatory and brand standards, develop new

products, materials and technologies, as well as the import of goods in their markets, based on acceptable quality and safety standards. Ultimately, we assist them in getting their products to market quickly and safely, to continually meet evolving consumer demands.

2023 performance
 In 2023, our Consumer Products-related business reported revenue of £935.8m, up year-on-year by 1.3% at constant rates but down 2.9% at actual rates. We delivered operating profit of £246.8m, 2.6% lower year-on-year at constant currency and down 8.1% year-on-year at actual rates. Margin was 26.4%, down 100bps year-on-year at constant currency, the decrease attributable to the revenue decline in GTS, and the low-single digit LFL performance in Softlines and Hardlines.



Business lines

Softlines

Providing a range of solutions for textiles, garments, footwear and personal protective equipment.

Our role: Our solutions enable fashion retailers, brands and manufacturers to gatekeep regulatory compliance, while continuously improving their product performance in terms of quality, safety and sustainability.

Hardlines

Comprehensive solutions for a wide variety of toys and hardgoods.

Our role: Solutions for toys, children's and juvenile products, household products, furniture, and office supplies. We help our customers meet regulatory and retailer-specific requirements, improve product performance and differentiation through benchmarking, and facilitate global market access.

Electrical & Connected World

Helping clients meet safety, performance, environmental and quality requirements and delivering best in class networking and cyber security solutions for today's wireless and connected devices.

Our role: We bring more than 100 years of product testing and certification expertise to a wide range of industries, such as Medical, Lighting, Energy, Appliances & Electronics, Industrial Equipment, and IT & Telecom Equipment. We also provide comprehensive hardware, software, and cyber security solutions to help clients rapidly launch secure and reliable products in each industry and sector around the world.

Government & Trade Services

Providing conformity assessment services to governments, regulatory bodies, exporters and importers to support trade compliance.

Our role: We support governments, customs authorities, exporters and importers by ensuring imported goods comply with international safety and quality standards. Our worldwide network of offices delivers rapid inspection and certification.

- Our Softlines business delivered low-single digit LFL revenue growth benefitting from growth in e-commerce, growth in Risk-based Quality Assurance and increased investments in end-to-end sustainability.
- Hardlines reported stable LFL revenue benefitting from the growth in e-commerce, the increased consumer demand for home furniture and toys as well as the investments of our clients in sustainability.
- With increased ATIC activities driven by greater regulatory standards in energy efficiency, higher demand for medical devices and 5G investments, our Electrical & Connected World business delivered mid-single digit LFL revenue growth.
- Our GTS business provides certification services to governments in the Middle East and Africa to facilitate the import of goods in their markets, based on acceptable quality and safety standards. We saw double-digit negative LFL revenue growth globally as the expansion in the supply chain activities of our clients in the Middle East and Africa was offset by the impact of the non-renewal of two contracts in 2022.

2024 growth outlook

In 2024, we expect our Consumer Products division to deliver low- to mid-single digit LFL revenue growth at constant currency.

Mid- to long-term growth outlook

Our Consumer Products division will benefit from growth in new brands, SKUs & e-commerce, increased regulation, a greater focus on sustainability, technology, as well as a growing middle class. We expect low- to mid-single LFL revenue growth in the medium term at constant currency.



Financial highlights 2023

	2023 £m	2022 £m	Change at actual rates	Change at constant rates
Revenue	935.8	964.2	(2.9%)	1.3%
Like-for-like revenue	935.8	964.2	(2.9%)	1.3%
Adjusted operating profit	246.8	268.5	(8.1%)	(2.6%)
Adjusted operating margin	26.4%	27.8%	(140bps)	(100bps)

Intertek in Action

Inview - Advanced remote auditing and inspection services



What it is: Inview is our state-of-the-art remote audit and inspection solution, enabling our experts to conduct thorough inspections or audit via live video. The tool also has augmented reality features, optical character recognition data capture features and several other features to facilitate inspection. This innovative approach utilises handheld mobile devices and glass-based devices,

allowing our team to adhere to the same stringent quality procedures as traditional on-site inspections. It is particularly effective for pre-shipment and commercial inspections of goods.

Customer benefit: This modern solution offers more comprehensive insights into both the inspection process and its results. Recently upgraded, Inview now gathers even more detailed

information from each audit and inspection. This enhanced data collection not only benefits companies by providing deeper insights but also contributes to reducing their carbon footprint.

intertek.com/inview/



Intertek in Action

Hydrogen Assurance - Expert advisory and assurance solutions for hydrogen-based projects



What it is: Our Hydrogen Assurance platform provides quality, safety and sustainability assurance across the entire hydrogen value chain, from the early stages of project feasibility and product design, through hydrogen production, delivery and storage, to end-use product compliance and certification. This includes comprehensive testing and certification of hydrogen refuelling stations and dispensing and compression systems.

Customer benefit: The platform gives our customers access to leading hydrogen expertise and engineering resources. Its design services help bring products to market, while electrolyser bankability services ensure projects are financially viable and sustainable. Combining these with guidance on regulatory and compliance requirements, Hydrogen Assurance supports the safe and successful development and execution of hydrogen-based projects.

intertek.com/hydrogen/



Intertek in Action



Global Market Access - 24/7 access to curated and up-to-date compliance information



What it is: Global Market Access is a one-stop digital knowledge portal, developed to increase regulatory compliance for improved consumer safety and to protect corporate reputations. Covering more than 180 consumer product types for 40 different markets – from soft goods such as apparel and textiles, to hard goods such as cookware and furniture – it helps retailers and manufacturers comply with the regulations in force in different markets across the world.

Customer benefit: This self-help portal enables compliance and quality managers to obtain up-to-date regulatory, testing and recall information tailored to their needs – all in one place, with just a few clicks, instantly. Currently, we offer four e-services on the portal, including Regulatory Sheet, Test Plan, Recall Summary and Gap Analysis, all helping our customers bring their products to global markets more quickly.

intertek.com/electrical/global-market-access/



Corporate Assurance

High-single digit LFL revenue growth

Revenue

£477.5m

Adjusted operating profit

£109.4m

Adjusted operating margin

22.9%

Percentage of Group revenue

14%

Intertek value proposition

Our Corporate Assurance division focuses on the industry agnostic Assurance solutions we offer to our clients to make their value chains more sustainable and more resilient end-to-end. This division was 14% of our revenue in 2023 and includes Business Assurance and Assuris.

Strategy

Business Assurance and Assuris are central to our ATIC offering and are some of the most exciting businesses within Intertek, given the increased focus on operational risk management within the value chain of every company. Intertek Business Assurance provides a full range of business process audit and support services, including accredited third-party management systems auditing and certification, second-party supplier auditing and supply chain solutions, sustainability data verification, process performance analysis and training. Assuris' global network of experts provides a global network of scientists, engineers, and regulatory specialists to provide support to navigate complex scientific, regulatory, environmental, health, safety, and quality challenges throughout the value chain of our clients.

2023 performance

In 2023, our Corporate Assurance-related business delivered revenue of £477.5m, up year-on-year by 9.5% at constant currency and 6.1% at actual rates. LFL revenue growth was 9.0% at constant currency. Operating profit was £109.4m, up 19.2% year-on-year at constant currency and up 14.6% at actual rates with a margin of 22.9%, 190bps higher year-on-year at constant currency, as we benefitted from operating leverage and productivity gains.

Business lines

Business Assurance

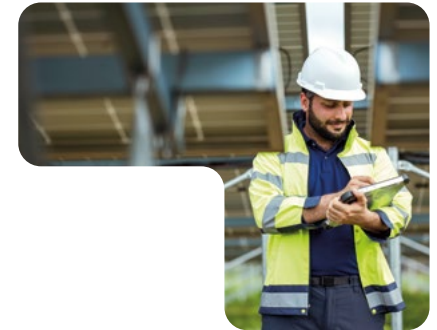
Providing a full range of business process audit and support solutions.

Our role: We enable our clients to improve their operations, meet regulatory requirements, mitigate business risks, reduce their environmental impact, qualify their suppliers, and help them achieve their business objectives.

Intertek Assuris

Helping clients reduce risk, access global markets, promote health and safety, and protect the environment.

Our role: Intertek Assuris provides global regulatory support and scientific substantiation to enable market access, implements quality management systems, assesses essential safety concerns and provides clients with a pathway to decarbonisation.



- Business Assurance delivered double-digit LFL revenue growth as the business saw increased investments by our clients to improve the resilience of their supply chains, the continuous focus on ethical supply and the increased need for sustainability assurance.
- The Assuris business delivered stable LFL revenue as we benefitted from improved demand for our regulatory assurance solutions and from increased corporate investments in ESG.

2024 growth outlook

In 2024, we expect our Corporate Assurance division to deliver high-single digit LFL revenue growth at constant currency.

Mid- to long-term growth outlook

Our Corporate Assurance division will benefit from a greater corporate focus on sustainability, the need for increased supply chain resilience, enterprise cyber security, People Assurance services and regulatory assurance. We expect high-single to double digit LFL revenue growth in the medium term at constant currency.

Financial highlights 2023

	2023 £m	2022 £m	Change at actual rates	Change at constant rates
Revenue	477.5	450.0	6.1%	9.5%
Like-for-like revenue	475.5	450.0	5.7%	9.0%
Adjusted operating profit	109.4	95.5	14.6%	19.2%
Adjusted operating margin	22.9%	21.2%	170bps	190bps

Intertek in Action



Intertek Inlight - Enhancing supply chain risk management and brand protection



What it is: Intertek Inlight is a comprehensive platform designed to help organisations gain a deeper understanding of their supply chain risks and sustainability. Leveraging Intertek's status as having the largest network of compliance auditors worldwide, Inlight offers a customisable assurance platform. It utilises data from over 100,000 annual audits and integrates Intertek's real-time risk analysis capabilities.

intertek.com/inlight/

Customer benefit: The platform provides reliable information about suppliers' capabilities and compliance levels, coupled with tools for the early detection of potential risks. This functionality enables companies to develop a clear visibility and transparency of their supply chains, create detailed risk profiles for their suppliers, and make more informed decisions.

Inlight is an invaluable tool for businesses aiming to protect their brand integrity, ensuring that they are working with compliant and sustainable suppliers. By offering insights into supply chain dynamics, Inlight empowers companies to navigate complex global supply networks with confidence and foresight.



Intertek in Action

Green R&D - Balancing sustainability, safety and quality



What it is: Green R&D is a science-driven solution that offers comprehensive insights into product development, focusing on safety, quality and sustainability. It encompasses detailed performance testing, analysis, regulatory compliance and environmental assessments, providing a holistic view of a product's journey.

intertek.com/assuris/sustainability/green-product-development-assurance/

Customer benefit: The key benefit for customers lies in the growing demand for eco-friendly products. Today's consumers are increasingly conscious about the environmental impact of their purchases.

Green R&D services enable companies to respond to this shift by ensuring their products are developed with minimal environmental impact. This approach helps companies mitigate risks and protect their brand reputation by achieving an optimal balance between product quality, safety and performance, while adhering to environmental standards. It offers a strategic advantage in a marketplace where ecological considerations are becoming increasingly pivotal.



Intertek in Action

PlayerLync - Enhancing our People Assurance offering



What it is: PlayerLync is a leading SaaS-based platform which combines mobile content management, operational and compliance support in a single native app. In 2023, the platform became part of Intertek's People Assurance business, building on our earlier pioneering acquisition of Alchemy/Wisetail by adding robust mobile content management, communication and offline synchronisation capabilities.

Customer benefit: With approximately 80% of the global workforce operating in deskless roles today, the demand for bespoke People Assurance solutions and mobile-based learning delivered at the point of need continues to grow, driven by increasing regulation and heightened end-customer expectations. Software-based technology solutions that offer mobile training, learning and development content are therefore becoming ever more important, and the combination of Wisetail and PlayerLync is exceptionally well-placed to meet those needs.



Health and Safety

High-single digit LFL revenue growth

Revenue

£326.3m

Adjusted operating profit

£43.2m

Adjusted operating margin

13.2%

Percentage of Group revenue

10%

Intertek value proposition

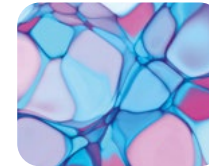
Our Health and Safety division focuses on the ATIC solutions we offer to our clients to make sure we all enjoy a healthier and safer life. This division was 10% of our revenue in 2023 and includes our AgriWorld, Food, and Chemicals & Pharma business lines.

Strategy

Our TQA value proposition provides our Health and Safety-related customers with a systemic, end-to-end ATIC offering at every stage of the supply chain. In an industry with significant structural growth drivers, our science-based approach supports clients as the sustained demand for food safety testing activities increases along with higher demand for hygiene and safety audits in factories. Our longstanding experience and expertise in the Chemicals & Pharma industries enables clients to mitigate risks associated with product quality and safety and processes, supporting them with their product development, regulatory authorisation, chemical testing and production.

2023 performance

In 2023, our Health and Safety-related business reported revenue of £326.3m, up year-on-year by 9.1% at constant currency and by 7.9% at actual rates. LFL revenue growth was 7.0% at constant currency. Operating profit of £43.2m was up 9.4% year-on-year at constant currency and 6.1% at actual rates. Due to country-mix effect in AgriWorld and investments in capability in Chemicals & Pharma, margin of 13.2% was flat year-on-year at constant currency.



Business lines

AgriWorld

Providing assurance, testing, inspection and certification services across the entire agricultural supply chain.

Our role: We offer an extensive array of services including inspection services, monitoring the quality and quantity of cargo from source to destination; and high-quality analysis for the Agri-biotech and breeding industries and assurance services supporting sustainable farming practices. Our global experts offer seamless support, and provide traceability throughout the entire supply chain.

Chemicals & Pharma

Enabling clients' product development, regulatory authorisation and production.

Our role: Our analytical and assurance solutions accelerate product development and mitigate risks associated with product quality and safety, processes, and supply chains for the pharmaceutical, chemical, polymer, packaging, medical device, and cosmetic sectors.

Food

Providing testing, inspection, auditing, certification and advisory services to food companies.

Our role: We help major global brands to launch new food products, support food health initiatives, ensure safety and quality across the supply chain, help reduce food-borne diseases, and enable developing nations to increase their global food exports.

- AgriWorld provides inspection activities to ensure that the global food supply chain operates fully and safely. The business reported mid-single digit LFL revenue growth. We continue to see an increase in demand for inspection activities driven by sustained growth in the global food industry.
- Our Food business registered high-single digit LFL revenue growth globally resulting from increased demand for food safety testing activities and hygiene and safety audits in factories.
- In Chemicals & Pharma we saw high-single digit LFL revenue growth globally reflecting improved demand for regulatory assurance and chemical testing and from the increased R&D investments of the pharma industry.

2024 growth outlook

In 2024, we expect our Health and Safety division to deliver mid-single digit LFL revenue growth.

Mid- to long-term growth outlook

Our Health and Safety division will benefit from the demand for healthier and more sustainable food to support a growing global population, increased regulation, and new R&D investments in the pharma industry. We expect mid- to high-single digit LFL revenue growth in the medium term at constant currency.

Intertek in Action



Intertek and World Coffee Research - Enhancing Arabica coffee research through collaborative partnership

What it is: Our AgriTech team is collaborating with World Coffee Research ('WCR'), a leading non-profit organisation focused on improving the future of the coffee industry. We are contributing to WCR's innovative open-access database, which contains crucial genetic information on Arabica coffee. Our role involves providing specialised training in sampling techniques, performing DNA extraction, offering genotyping services and delivering comprehensive technical support.

Customer benefit: This collaboration offers significant benefits to the coffee community, including researchers, farmers and industry professionals. The availability of a centralised and accessible genetic database is set to transform the field of coffee research. It simplifies the process of identifying and authenticating coffee varieties, leading to substantial cost reductions.

Our partnership with WCR not only aids in advancing agricultural technology but also helps in lowering quality control expenses, thereby contributing to the cultivation of higher-quality coffee plants. This initiative represents a major step forward in ensuring the sustainability and quality of the coffee industry.

Financial highlights 2023

	2023 £m	2022 £m	Change at actual rates	Change at constant rates
Revenue	326.3	302.3	7.9%	9.1%
Like-for-like revenue	319.9	302.3	5.8%	7.0%
Adjusted operating profit	43.2	40.7	6.1%	9.4%
Adjusted operating margin	13.2%	13.5%	(30bps)	-

Intertek in Action

Controle Analítico - Intertek enhances presence in attractive environmental testing market



What it is: Controle Analítico is a leading provider of environmental analysis, with a focus on drinking and waste water, soil, and waste testing, based in Brazil. With heightened societal awareness around environmental health and sustainability, and population growth placing greater demand on critical infrastructure, broadening access to sanitation and clean water services has become increasingly important for stakeholders around the world.

Customer benefit: In Brazil, legislation aimed at providing at least 99% of the population with safe drinking water and 90% of all in-country households with sanitation services by the year 2033 is expected to require approximately US\$128 billion of investment this decade. The acquisition of Controle Analítico in April 2023 complemented Intertek's leading Food and Agri Total Quality Assurance solutions in Brazil, expanding our presence and providing a wider and much-needed service offering in the Environmental testing market.



Intertek in Action

Crystek - Innovating to predict and prevent honey crystallisation

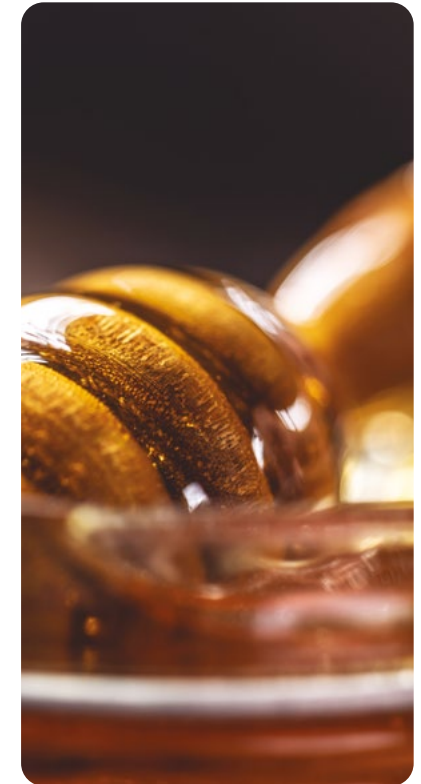


What it is: Crystek, developed by Intertek, provides services to evaluate and estimate a honey sample's tendency to crystallise, as well as to advise on and improve the quality of the honey and its production.

Customer benefit: Honey crystallisation is a natural phenomenon where honey turns from liquid to a semi-solid state. The start of this natural process depends on the honey's characteristics and the production process. Intertek has developed a physical instrument that can be used to understand which part – characteristics or production – has the biggest impact on crystallisation, with experts available to support on-site or remotely.

Intertek is one of the world-leading experts in the analysis of honey and hive products. The combination of Crystek and our unique expertise allows us to help manufacturers develop the best process to prevent crystallisation from taking place.

intertek.com/food/crystek/





Industry and Infrastructure

High-single digit LFL revenue growth

Revenue

£860.5m

Adjusted operating profit

£86.1m

Adjusted operating margin

10.0%

Percentage of Group revenue

26%

Intertek value proposition

Our Industry and Infrastructure division focuses on the ATIC solutions our clients need to develop and build better, safer and greener infrastructure. This division was 26% of our revenue in 2023 and includes Industry Services, Minerals and Building & Construction.

Strategy

Our TQA value proposition helps our customers to mitigate the risks associated with technical failure or delay, ensuring that their projects proceed on time and meet the highest quality standards as demand for more environmentally friendly buildings and infrastructure grows. By helping to improve safety conditions and reduce commercial risk, our broad range of assurance, testing, inspection, certification and engineering services allows us to assist clients in protecting both the quantity and quality of their mined and drilled products.

2023 performance

In 2023, our Industry and Infrastructure-related business delivered revenue of £860.5m, up 7.9% at constant currency and up 5.7% at actual rates. Operating profit of £86.1m was up 22.0% year-on-year at constant currency and up 19.7% year-on-year at actual rates. Margin improved by 110bps year-on-year at constant currency to 10.0% as we benefitted from operating leverage and productivity gains.



Business lines

Industry Services

Ensuring the safe and optimised use of customers' assets and minimising quality risks in their supply chains.

Our role: Our Industry Services business line uses its in-depth knowledge of industries such as renewable energy, oil and gas, and petrochemicals to provide customers with a diverse and technologically advanced range of TQA solutions. The services we offer include technical inspection, non-destructive and materials testing, and asset performance management.

Building & Construction

Providing testing, inspection, certification and engineering services to the construction industry.

Our role: We offer a full suite of product-related testing and certification capabilities, plus project-related assurance, testing, inspection, and consulting services that are unparalleled in the building and construction market.

Minerals

Providing a wide range of services to the mining and minerals exploration industry.

Our role: Located in key mining locations across the globe, and operating an extensive network of mineral laboratories, Intertek Minerals offers expert inspection, analytical testing and advisory services to the Minerals, Exploration, Ore and Mining industries. We cover each step of the supply chain from exploration, production, sampling and inspection, to commercial trade settlement analysis.

- Industry Services includes our Capex Inspection services and Opex Maintenance services and delivered double-digit LFL revenue growth as we benefitted from increased capex investment in traditional Oil and Gas exploration and production as well as in renewables.
- The continuing high demand for testing and inspection activities drove high-single digit LFL revenue growth in our Minerals business.
- Growing demand for more environmentally friendly buildings and the increased number of infrastructure projects in North America produced mid-single digit LFL revenue growth for our Building & Construction business.

2024 growth outlook

In 2024, we expect our Industry and Infrastructure division to deliver high-single digit LFL revenue growth at constant currency.

Mid- to long-term growth outlook

The Industry and Infrastructure division will benefit from increased investment from energy companies to meet growing demand and consumption of energy from the growing global population, the scaling up of Renewables, increase R&D investments that OEMs are making in EV/Hybrid vehicles and from the development of greener fuels. We expect mid- to high-single digit LFL revenue growth in the medium term at constant currency.

Intertek in Action

Intertek Aware - Improving the safety, efficiency and performance of complex equipment

What it is: Developed through Intertek Industry Services, Intertek Aware is a Digital Twin offering which integrates data from IoT sensors, robotic feedback and powerful software, fuelled by analytics, to create an accurate visual replica of your industrial world. The software empowers energy asset owners and operators to improve reliability, increase safety, estimate remaining useful life and manage inspection data, as well as helps to reduce costs.

Customer benefit: Aware harnesses online and offline data to fuel smarter decisions on operations, maintenance, outages and inspections. The software helps to avoid forced outages, visualises problem areas and tracks risk-based inspections, failures and repairs. It also helps to meet code compliance requirements with faster, standardised documentation.

intertek.com/asset-integrity-management/asset-performance-management-software/

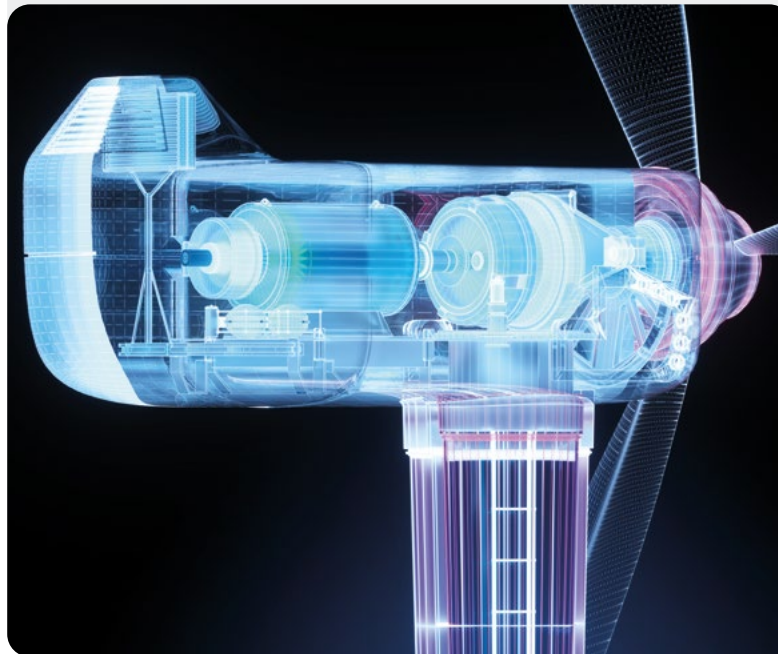
Intertek in Action

MiQ - Helping energy producers minimise methane emissions

What it is: MiQ is a leading certification standard for methane emissions. As an accredited MiQ auditor, Intertek independently certifies natural gas extraction and production facilities (onshore and offshore), using data-led grading to identify gas with higher or lower emissions. To provide a grade for a producer or facility, we evaluate methane intensity, company practices and monitoring technology.

Customer benefit: While reducing greenhouse gas emissions focuses on CO₂, there is increasing awareness that methane is 80 times more potent in its first 20 years, so reducing it can have a much greater immediate effect on managing climate change. By providing grades that enable producers to differentiate their natural gas, MiQ certification promotes incentives for cutting methane emissions.

intertek.com/oil-gas/methane-emissions-verification/



Financial highlights 2023

	2023 £m	2022 £m	Change at actual rates	Change at constant rates
Revenue	860.5	814.4	5.7%	7.9%
Like-for-like revenue	860.5	814.4	5.7%	7.9%
Adjusted operating profit	86.1	71.9	19.7%	22.0%
Adjusted operating margin	10.0%	8.8%	120bps	110bps



Intertek in Action

PhotonAssay - Enhancing efficiency and sustainability in West African gold testing

What it is: PhotonAssay is a revolutionary analytical technique, heralding a new era of speed, accuracy and safety in gold analysis. We have introduced the technology at our minerals laboratory in Tarkwa, Ghana, which is central to our decades-long support for the West African mining industry. Unlike traditional methods, PhotonAssay employs high-intensity X-rays to excite gold atoms, producing unique gamma-ray signatures, which are then measured to determine gold content.

Customer benefit: The innovative technology delivers accurate results in a fraction of the time taken by conventional methods. It also significantly reduces the use of hazardous chemicals, minimising the environmental impact of testing procedures. The PhotonAssay unit's ability to deliver rapid, accurate and environmentally conscious results will assist to improve the sustainability of our clients' operations and contribute to the region's overall economic growth.

intertek.com/minerals/photon-assay/

Intertek in Action

Intertek Moody - Leveraging a legacy of engineering-based excellence



What it is: The Moody legacy is synonymous with engineering-based technical assurance. Building on a more than 100-year history, that foundational heritage of experience and expertise was reignited with the return of the Intertek Moody brand. Bringing back the brand not only harnesses its industry-leading recognition and honours one of Intertek's founding pioneers, but also reinforces the strength and stability forged by the storied Moody legacy that still drives our global expertise, pioneering industry innovations and local presence.

Customer benefit: As industries strive to meet growing global energy and infrastructure demands, the need for quality, safety and reliability is paramount. Delivering in-depth expertise and local knowledge on a global scale, Intertek Moody has a history of being where our customers need us, across the entire supply chain and all stages of a project's life cycle. Our first-class proactive and valued solutions, such as inspection, expediting and project management assistance help reduce risks, increase quality, optimise efficiency and improve safety.

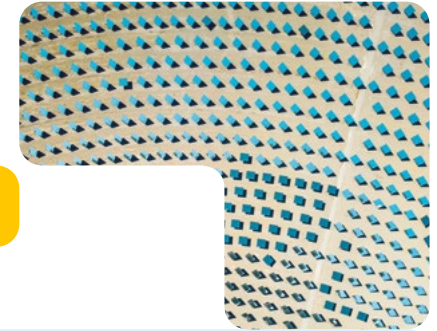
intertek.com/moody/





World of Energy

High-single digit LFL revenue growth



Revenue
£728.6m

Adjusted operating profit
£65.6m

Adjusted operating margin
9.0%

Percentage of Group revenue
22%

Intertek value proposition

Our World of Energy division focuses on the ATIC solutions we offer to our clients to develop renewables as well as better and greener fuels. This division was 22% of our revenue in 2023 and includes Caleb Brett, Transportation Technologies and Clean Energy Associates ('CEA').

Strategy

Our TQA value proposition provides world-leading expertise to enable our clients to benefit from the significant opportunities in the World of Energy. We do this by providing specialist cargo inspection, analytical assessment, calibration and related research and technical services to the world's petroleum and biofuels industries.

We provide rapid testing and validation services to the transportation industry, leveraging our Transportation Technologies subject matter expertise that is recognised by leading manufacturers worldwide. We evaluate everything from automobiles and energy storage to airplanes, and deliver top-tier testing for emerging technologies, such as autonomous and electric/hybrid vehicles.

Our partner firm CEA is a market-leading provider of Quality Assurance, supply-chain traceability and technical services to the fast-growing solar energy sector. Its leading assurance service offering includes in-line monitoring that allows clients to oversee the management and traceability of their supply chains, offering a comprehensive, end-to-end service to support customers on their decarbonisation and energy sustainability journeys.

2023 performance

In 2023, our World of Energy-related business delivered revenue of £728.6m, up year-on-year by 11.7% at constant currency and 10.1% at actual rates. LFL revenue growth was 8.7% at constant currency. Operating profit of £65.6m was up 57.3% at constant currency and 50.8% at actual rates with margin improving by 260bps at constant currency to 9.0%, as we benefitted from operating leverage, productivity gains and portfolio mix.

Business lines

Caleb Brett

Specialised cargo inspection and analytical assessment services to the oil and gas, chemical and other commodities markets.

Our role: We offer global 24/7/365 services covering cargo and inventory inspection services, analytical assessment, calibration and related research and technical services to the world's petroleum and biofuels industries.

Clean Energy Associates ('CEA')

Provides quality assurance, supply chain and technical services to the fast-growing solar energy, energy storage and green hydrogen sectors.

Our role: CEA helps maximise the quality, safety and performance of clients' operational assets, manages global solar PV, green hydrogen and energy storage supply chains, and provides a complete quality assurance solution through data, analysis and oversight.

Transportation Technologies

Providing diverse, rapid testing and validation services to the transportation industry.

Our role: Our Transportation Technologies expertise is recognised by leading manufacturers worldwide. We evaluate everything from automobiles and energy storage to airplanes, and deliver top-tier testing for emerging markets, such as autonomous and electric/hybrid vehicles.



- Caleb Brett, the global leader in the Crude Oil and Refined products global trading markets, benefitted from improved momentum driven by increased global mobility and higher testing activities for biofuels with high-single digit LFL revenue growth.
- Transportation Technologies delivered mid-single digit LFL revenue growth globally driven by increased investment in new powertrains to lower CO₂/NO_x emissions and in traditional combustion engines to improve fuel efficiency.
- Our CEA business delivered double digit LFL revenue growth, benefitting from the increased investments in solar panels which is the fastest growing form of renewable energy.

2024 growth outlook

In 2024, we expect our World of Energy division to deliver mid-single digit LFL revenue growth at constant currency.

Mid- to long-term growth outlook

The World of Energy division will benefit from increased investment from energy companies to meet growing demand and consumption of energy from the growing global population, the scaling up of renewables, increased R&D investments that OEMs are making in EV/Hybrid vehicles and from the development of greener fuels. We expect low- to mid-single digit LFL revenue growth in the medium term at constant currency.

Financial highlights 2023

	2023 £m	2022 £m	Change at actual rates	Change at constant rates
Revenue	728.6	662.0	10.1%	11.7%
Like-for-like revenue	709.2	662.0	7.1%	8.7%
Adjusted operating profit	65.6	43.5	50.8%	57.3%
Adjusted operating margin	9.0%	6.6%	240bps	260bps

Intertek in Action

Electrification Centre of Excellence, Plymouth, Michigan - Supporting the move towards electric mobility

What it is: Strategically located near Detroit in the epicentre of the automotive industry, our Electrification Centre of Excellence in Plymouth, Michigan, offers some of the most extensive testing capabilities in North America for electric vehicle batteries and supply equipment. Through science-based Total Quality Assurance solutions, this facility plays a crucial role in supporting manufacturers in the transition to greener transport.

Customer benefit: With sales of electric vehicles growing rapidly, our Electrification Centre of Excellence helps meet the automotive industry's increasing need for regulatory support and safety and validation testing. As electrification technologies continue to advance, the facility will support the safety, performance and functionality of electric vehicles, battery packs, charging systems and their related components.



Intertek in Action

Intertek and Zero Petroleum - Pioneering the future of synthetic, carbon-neutral fuels



What it is: Intertek is collaborating with Zero Petroleum, an innovative energy company at the forefront of developing synthetic, carbon-neutral alternatives to traditional fossil fuels. Our role is vital in this partnership, as we are responsible for thoroughly assessing the composition and emissions of these synthetic fuels and verifying their compliance with stringent industry standards and regulatory requirements.

Customer benefit: The overall benefits of Zero synthetic fuels are substantial in the context of the global energy transition. These efuels, uniquely created from air and water, offer potentially unlimited scale and represent a significant advancement in moving towards cleaner, more sustainable energy sources. Designed to directly replace conventional petroleum-based fuels, they are applicable across various sectors, including transportation, aviation and agriculture.

A key advantage of Zero synthetic fuels is their compatibility with existing engines, allowing for seamless integration without the necessity for any modifications or adaptations. This compatibility underscores the potential of Zero synthetic fuels to significantly contribute to reducing carbon emissions and advancing environmental sustainability.



Principal risks and uncertainties

Assessing and managing our risks

This section sets out a description of the principal risks and uncertainties that could have a material adverse effect on the Group's strategy, performance, results, financial condition and reputation.

Risk framework

The Board has overall responsibility for the establishment and oversight of the Group's risk management framework. This work is complemented by the Group Risk Committee, whose purpose is to manage, assess and promote the continuous improvement of the Group's risk management, controls and assurance systems.

This risk governance framework is described in more detail in the Directors' report in Book two, on pages 46 and 65.

The Group Audit Director and the Group General Counsel, who report to the Chief Financial Officer and Chief Executive Officer, respectively, have accountability for reporting the key risks that the Group faces, the controls and assurance processes in place and any mitigating actions or controls. Both roles report to the Audit Committee, attend its meetings and meet with individual members each year as required.

Risks are formally identified and recorded in a risk register which is owned by each of the Group's divisional, regional and functional risk committees. Risk registers are updated throughout the year by these risk committees and are used to plan the Group's internal audit and risk strategy.

In addition to the risk registers, relevant operational and functional leaders for each site are required to complete a year-end compliance certification to confirm that management controls have been effectively applied during the year. The return covers Sales, Operations, IT, Finance, Sustainability and People.

Principal risks

The Group is affected by a number of risk factors, some of which, including macroeconomic and industry-specific cyclical risks, are largely outside the Group's control. Some risks are particular to Intertek's operations. The principal risks of which the Group is aware are detailed on the following pages, including a commentary on how the Group mitigates these risks. These risks and uncertainties do not appear in any particular order of potential materiality or probability of occurrence.

There may be other risks that are currently unknown or regarded as immaterial which could turn out to be material. Any of these risks could have the potential to impact the performance of the Group, its assets, liquidity, capital resources and its reputation.

Changes to principal risks

Our principal risks continue to evolve in response to our changing risk environment. We have removed Covid-19 as a principal risk for 2023; this follows the decision by the World Health Organisation on 5 May 2023 to declare that the pandemic was no longer a Public Health Emergency of International Concern.

Long-term viability statement

In accordance with provision 31 of the UK Corporate Governance Code, the Directors have assessed the viability of the Group over a five-year period to 31 December 2028, by

carrying out a robust assessment of the potential impact of the principal risks and uncertainties on the Group's current position, including those that would threaten the Group's business model, future performance, solvency or liquidity. This is documented on the following pages.

The Directors have determined that a five-year period is an appropriate period over which to provide the viability statement of the Group, as the Group's strategic review covers a five-year period.

Furthermore, the Directors believe the five-year period appropriately reflects the average business cycles of the business lines in which the Group operates, particularly in relation to capital expenditure investment horizons. In modelling the viability scenario, we have made the assumption that we will be able to refinance external debt and renew committed facilities as they become due.

In addition to the bottom-up strategic review process where the prospects of each business line are reviewed, an assessment has been made of the potential operational and financial impacts on the Group of the principal risks and uncertainties outlined in the following pages. The Directors have also assessed certain combinations of these principal risks and uncertainties in a number of severe, but plausible, scenarios, as well as the effectiveness of any mitigating actions as set out in the table on page 53. The Directors

have assessed climate change will not have a meaningful impact on the viability of the Group over the five-year period to 31 December 2028.

The Group has a broad customer base across its multiple business lines and in its different geographic regions, and is supported by a robust balance sheet and strong operational cash flows. The Board considers that the diverse nature of business lines and geographies in which the Group operates significantly mitigates the impact that any of these scenarios might have on the Group's viability.

Based on this assessment, the Directors confirm that they have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the period to 31 December 2028. The statement on going concern is in the Directors' report in Book two, on page 73.

Scenario	Associated principal risks	Description
Regulatory environment change	<ul style="list-style-type: none"> • Industry and competitive landscape • Customer service • Regulatory and political landscape • People retention • Reputation • Macroeconomic 	Failure to identify, understand and respond to regulatory or political changes results in loss of revenue, profitability, market share and/or adversely changes the competitive landscape.
Customer service issue	<ul style="list-style-type: none"> • Industry and competitive landscape • Customer service • Business ethics • People retention • Reputation • Macroeconomic 	Failure to respond/adapt to a customer service issue leads to a loss of key customers and detrimentally impacts reputation.
Ethical and/or quality breach	<ul style="list-style-type: none"> • Business ethics • People retention • Financial risk • Health, safety and wellbeing • Reputation • Macroeconomic 	An ethical and/or quality breach leads to litigation (including significant fines and debarment from certain territories/activities), reputational damage, loss of accreditation and erosion of customer confidence.
IT systems breach	<ul style="list-style-type: none"> • Customer service • People retention • IT systems and data security • Reputation • Macroeconomic 	A serious data security/IT systems breach results in a significant financial penalty and a loss of reputation among customers.



Operational

1 Reputation

Reputation is key to the Group maintaining and growing its business. Reputation risk can occur in a number of ways: directly as the result of the actions of the Group or a Group company itself; indirectly due to the actions of an employee or employees; or through the actions of other parties, such as joint venture partners, suppliers, customers or other industry participants.

Possible impact

- Failure to meet financial performance expectations.
- Exposure to material legal claims, associated costs and wasted management time.
- Destruction of shareholder value.
- Loss of existing or new business.
- Loss of key staff.

Mitigation

- Quality Management Systems; adherence to these is regularly audited and reviewed by external parties, including accreditation bodies.
- Risk Management Framework and associated controls and assurance processes, including contractual review and liability caps where appropriate.
- Code of Ethics, which is communicated to all staff, who undergo regular training.
- Zero-tolerance approach with regard to any inappropriate behaviour by any individual employed by the Group, or acting on the Group's behalf.
- Whistleblowing programme, monitored by the Group Risk Committee, where staff are encouraged to report, without risk, any fraudulent or other activity likely to adversely affect the reputation of the Group.
- Relationship management and communication with external stakeholders.

2023 update

This risk remains stable compared with 2022. The Group continues to invest in staff development, quality systems and standard processes to prevent operational failures.

2 Customer service

A failure to focus on customer needs, to provide customer innovation or to deliver our services in accordance with our customers' expectations and our customer promise.

Possible impact

- Customer dissatisfaction and customer loss.
- Gradual erosion of market share and reputation if competitors are perceived to have better, more responsive or more consistent service offerings.

Mitigation

- Net Promoter Score ('NPS') customer satisfaction, customer sales trends and turnaround time tracking.
- Global and Local Key Account Management ('GKAM'/'LKAM') initiatives in place.
- Customer feedback meetings.
- Customer claims/complaints reporting.

2023 update

This risk remains stable compared with 2022.

3 People retention

The Group operates in specialised sectors and needs to attract and retain employees with relevant experience and knowledge in order to take advantage of all growth opportunities.

Possible impact

- Poor management succession.
- Lack of continuity.
- Failure to optimise growth.
- Impact on quality, reputation and customer confidence.
- Loss of talent to competitors and lost market share.

Mitigation

- HR strategy policies and systems.
- Development and reward programme to retain and motivate employees.
- Succession planning to ensure effective continuation of leadership and expertise.

2023 update

This risk remains stable compared with 2022.

4 Macroeconomic

Macroeconomic factors such as a global/market downturn, inflation, supply chain and logistics restrictions, materials shortages, and contraction/changing requirements in certain sectors.

Possible impact

- Impact on revenue.
- Falling market share.
- Shrinking customer base.
- Impact on share price.

Mitigation

- We continue to focus on developing business in new markets and for new customers.
- We continue to focus on innovations in our service offerings.
- We continue to monitor trends and customer pipelines.
- We conduct regular strategic and business line reviews, including budget forecasting.
- We continue to monitor the impacts of external risk factors and have access to data and analysis from our external advisers.

2023 update

This risk remains stable compared with 2022.

5 Health, safety and wellbeing

Any health and safety incident arising from our activities. This could result in injury to Intertek’s employees, subcontractors, customers and/or any other stakeholders affected. Wellbeing impacts on our people resulting from pandemics and other similar events.

Possible impact

- Individual or multiple injuries to employees and others.
- Litigation or legal/regulatory enforcement action (including prosecution) leading to reputational damage.
- Loss of accreditation.
- Erosion of customer confidence.
- Wellbeing – individual or multiple instances of stress-related issues and/or illnesses, absenteeism, and related impacts on morale.

Mitigation

- Quality management and associated controls, including safety training, appropriate PPE (Personal Protective Equipment), Health and Safety policies (including due diligence on sub-contractors), meetings and communication.
- Avoiding fatalities, accidents and hazardous situations is paramount. It is expected that Intertek employees will operate to the highest standards of health and safety at all times and there are controls in place to reduce incidents.
- Business continuity planning.
- Employee wellbeing programme.

2023 update

This risk remains stable compared with 2022.

6 Industry and competitive landscape

A failure to identify, manage and take advantage of emerging and future risks.

Examples include the opportunities provided by new markets and customers, a failure to innovate in terms of service offering and delivery, the challenge of radically new and different business models; the failure to foresee the impact of, or adequately respond to and comply with, changing or new laws and regulations; a failure to anticipate and address the operational, strategic, regulatory and reputational impact of climate change and environmental factors; and a failure to identify and take advantage of the impact of changes to our clients’ operations and supply chains.

Possible impact

- Failure to maximise revenue opportunities.
- Failure to take advantage of new opportunities.
- Lack of ability to respond flexibly.
- Erosion of market share.
- Impact on share price.
- Sanctions and fines for non-compliance with new laws, etc.

Mitigation

- GKAM and LKAM initiatives in place.
- Diversification of customer base.
- Focus on new services and acquisitions.
- Tracking new laws and regulations.
- Regular strategic and business line reviews.
- Development of ATIC-selling initiatives.
- NPS customer research to understand customer satisfaction.
- Continuing to drive innovation at the core.

2023 update

This risk remains stable compared with 2022.

Operational (continued)

7 IT systems and data security

Systems integrity: major IT systems integrity issue, or data security breach, either due to internal or external factors such as deliberate interference or power shortages/cuts, etc.

Systems functionality: a failure to define the right IT strategies, maintain existing IT systems or implement new IT systems with the required functionality and which are fit for purpose, in each case to support the Group's growth, innovation and competitive customer offering.

Data security: a failure to adequately protect the Group's confidential information, customer confidential information or the personal data of the Group's employees, customers or other stakeholders.

Possible impact

- Loss of revenue due to down time.
- Potential loss of sensitive data with associated legal implications, including regulatory sanctions and potential fines.
- Potential costs of IT systems' replacement and repair.
- Loss of customer confidence.
- Damage to reputation.
- Loss of revenue/profitability if we fail to adopt an IT investment strategy which supports the Group's growth, innovation and customer offering.

Mitigation

- Information systems policy and governance structure.
- Regular system maintenance.
- Backup systems in place.
- Disaster recovery plans that are constantly tested and improved to minimise the impact if a failure does occur.
- Global Information Security policies in place (IT, Data Protection, CyberSecurity).
- Adherence to IT finance systems controls (part of Core Mandatory Controls ('CMCs')).
- Adherence to IT general controls.
- Internal and external audit testing.
- Processes to ensure compliance with GDPR.

2023 update

This risk remains stable compared with 2022.

8 Contracting

Agreeing unfavourable terms with customers and/or suppliers as a result of not following agreed contract review processes, and/or failing to negotiate appropriate terms.

Possible impact

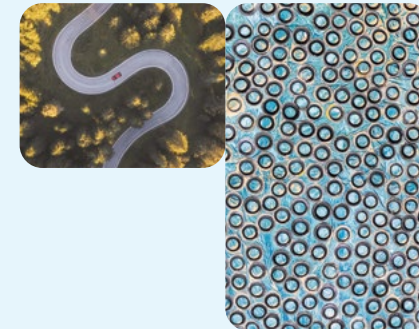
- Margin-decreptive work.
- Onerous liabilities and exposures.
- Non-optimised pricing.
- Financial exposures due to claims and litigation.

Mitigation

- Any deviations from our standard contract terms are subject to legal review and approval, and all contracts must be approved in line with our Authorities Grid (which sets out approval limits based on contract values and other relevant factors).
- We continue to operate our claims notification procedure, including claims management and insurer liaison where needed.
- Both our contracting and claims processes are supported by training programmes for relevant staff, and the use of relevant systems and databases.

2023 update

This risk remains stable compared with 2022.



Legal and Regulatory

9 Regulatory and political landscape

A failure to identify and respond appropriately to a change in law and/or regulation, or to a political decision, event or condition which could impact demand for the Group's services or the Group's ability to grow, innovate and/or provide a competitive customer offering in any existing or new industry sector or market.

Possible impact

- Loss of revenue, profitability and/or market share.
- Increase to costs of operations, reduction in profitability.
- Reduction in the attractiveness of investment in specific businesses, sectors or markets and/or adverse change in the competitive landscape.

Mitigation

- Monitoring of regulatory environment and political developments.
- Analysis of impact of regulatory and political changes on operational Standard Operating Procedures ('SOPs') and Group policies.
- Membership of relevant associations, e.g. TIC Council with related advocacy and liaison activities, including in relation to developing climate-related or environmental regulations.

2023 update

This risk remains stable compared with 2022.

10 Business ethics

Non-compliance with Intertek's Code of Ethics ('the Code') and/or related laws such as anti-bribery, anti-money laundering, and fair competition legislation. Non-compliance could be either accidental or deliberate, and committed either by our people or sub-contractors who must also abide by the Code.

Possible impact

- Litigation, including significant fines and debarment from certain territories/activities.
- Reputational damage.
- Loss of accreditation.
- Erosion of customer confidence.
- Impact on share price.

Mitigation

- Annual Code of Ethics training and sign-off requirement.
- Whistleblowing programme, monitored by the Group Risk Committee, where staff are encouraged to report, without risk, any fraudulent or other activity likely to adversely affect the reputation of the Group.
- Enhanced processes for engagement with suppliers and third parties.
- Zero-tolerance approach with regard to any inappropriate behaviour by any individual employed by the Group or acting on the Group's behalf.
- The Group employs local people in each country who are aware of local legal and regulatory requirements. There are also extensive internal compliance and audit systems to facilitate compliance. Expert advice is taken in areas where regulations are uncertain.
- The Group continues to dedicate resources to ensure compliance with the UK Bribery Act and all other anti-bribery legislation, and internal policy.

2023 update

This risk remains stable compared with 2022.

Ongoing annual confirmations ensure that staff verify compliance with the Code.

During 2023, 106 (2022: 91) non-compliance issues were reported through the whistleblowing hotline and other routes. All were investigated, with 39 (2022: 24) substantiated and appropriate corrective and disciplinary action taken.

Financial

11 Financial risk

Risk of theft, fraud or financial misstatement by employees. On acquisitions or investments, the financial risk or exposure arising from due diligence, integration or performance delivery failures.

Possible impact

- Financial losses with a direct impact on the bottom line.
- Large-scale losses can affect financial results.
- Potential legal proceedings leading to costs and/or management time.
- Corresponding loss of value and reputation could result in funding being withdrawn or provided at higher interest rates.
- Possible adverse publicity.

Mitigation

- The Group has financial, management and systems controls in place to ensure that the Group's assets are protected from major financial risks.
- Adherence to Authorities Grid (which sets approval limits for financial transactions).
- Stringent controls on working capital and cash collection.
- Legal, financial and other due diligence on M&A and other investments.
- Monitoring adherence to our CMCs and tracking of remediations by our compliance and finance controls teams and using our framework of risk committees.
- A detailed system of financial reporting is in place to ensure that monthly financial results are thoroughly reviewed. The Group also operates a rigorous programme of internal audits and there are also management reviews. Independent external auditors review the Group's half-year results and audit the Group's annual financial statements.

2023 update

This risk remains stable compared with 2022.

We continue to review and update the CMCs on an annual basis and use them for year-end compliance certification.

TCFD statement

Our TCFD journey

We believe that, as a sustainable business and a leading provider of sustainability solutions to more than 400,000 companies, Intertek has an important role to play in taking action on climate change and supporting the transition to a low-carbon economy – both for our clients and in our own value chain.

We are also committed to total transparency on the effect of climate change and the risks and opportunities of decarbonisation on our operations, strategy and financial planning – including by implementing the recommendations of the Task Force on Climate-related Financial Disclosures ('TCFD') in full.

We have set ambitious targets to get to net zero emissions by 2050, with interim targets to 2030, which have been validated by the SBTi. In 2023, our rigorous monthly performance management of climate-related action plans delivered operational market-based emissions reductions of 10.8% against 2022.



Putting climate change and decarbonisation in context

Climate change policies, disclosure requirements, and public, consumer and investor pressure have led to a “race to net zero” by governments and corporations – with the aim being decarbonisation of the global economy in line with Paris Agreement goals to limit global warming.

Decarbonisation to a point of net zero carbon emissions will involve economic, political and societal changes. The key to achieving it lies in the energy transition – a shift from reliance on fossil fuels to renewables and green energy sources, with the significant changes in energy infrastructure that involves. It will require a reduction in the carbon footprint of global activities: transport and travel; facilities and construction; supplies

consumed; and goods and services produced. The likelihood – based on the current rate of progress – is that achieving net zero within the Paris Agreement timeframe will require the scale development and use of new carbon capture and storage technologies, together with breakthrough innovations to accelerate the reduction of carbon emissions linked to manufacturing, transportation and consumption.

Conversely, if decarbonisation goals are not met, the effects of climate change will increase and extreme weather events will be more likely. Governments and corporations will need to consider mitigating the risks of this outcome by ensuring that their energy, manufacturing and supply networks are resilient and secure.



Our TCFD journey



Our TCFD compliance statement

The TCFD requires the disclosure of information aligned to its core elements – governance, strategy, risk management, and metrics and targets. The TCFD aims to improve the disclosure of climate-related risks and opportunities and provide stakeholders with the necessary information to undertake robust and consistent analyses of the potential financial impacts of climate change. We recognise the value that the recommendations bring and continue to align and enhance our climate-related disclosures.

We set out below our climate-related financial disclosures which are consistent with all TCFD recommendations and recommended disclosures¹.

Our TCFD disclosures are set out in five sections:

Section 1: our governance of climate-related risks and opportunities

Section 2: how we consider climate change in our strategy

Section 3: our climate-related risk management approach

Section 4: our climate-related metrics and targets

Section 5: our climate change methodology and approach

We have integrated climate-related disclosures throughout our Annual Report. These are included through cross-references to other sections containing further relevant information.

1. Figure 4 of Section C of the report entitled "Recommendations of the Task Force on Climate-related Financial Disclosures" published in June 2017 by the TCFD.

Section 1: Governance

TCFD recommended disclosures	Further information
a) Describe the Board’s oversight of climate-related risks and opportunities	<ul style="list-style-type: none"> Our Governance structure (Book two, pages 46-47)
b) Describe management’s role in assessing and managing climate-related risks and opportunities	<ul style="list-style-type: none"> Internal control and risk management (Book two, page 65)

1 a) Our Board’s oversight of climate-related risks and opportunities

Our Board of Directors is responsible for the oversight of climate-related risks and opportunities. Climate-related risks are integrated into every Board agenda as part of the Board’s review of risks and our integrated risk, control and compliance approach. Climate-related issues are considered as part of the Board’s strategic review sessions and reflected in the Board’s strategic review and guidance.

The Board takes emerging and systemic climate-related risks and opportunities into account:

1. when considering the Group Risk footprint and our internal controls/risk management policies at each Board meeting; and
2. in reviewing the Group’s principal risks and in the risk modelling that feeds into the longer-term viability statement.

During the year the Board was able to draw on the climate-related expertise of Gill Rider, who is also a member of Pennon Group plc’s ESG committee and President of the Marine Biological Association, and Tamara Ingram, who is chair of the ESG committee for Marks and Spencer Group plc.

The Group’s Head of Sustainability and EVP – Sustainability report to the Board on our climate-related risks and opportunities, respectively, from an internal and external perspective, as part of an annual in-depth Intertek Total Sustainability review. In addition, the Board receives specific updates on our TCFD approach and progress during the year. The Board monitors and oversees our progress against our science-based targets and our climate-related action plans.

1 b) Management’s role in identifying, assessing and managing climate-related risks and opportunities

We believe that assessing and managing climate-related risks and opportunities is an integral part of our overall integrated risk management approach. Our framework of regional, divisional and functional risk committees, considers climate-related risks and opportunities and identifies and implements appropriate action plans. This creates an awareness and ownership of climate-related risks and opportunities within our operational, HR, compliance, finance and insurance leadership.

In addition, climate-related risks and opportunities are identified, managed and tracked by:

- our Net Zero Steering Committee (whose members include our Group CEO, Group CFO, Group Company Secretary, EVP – Sustainability, Head of Finance – Sustainability and Group Head of Risk) focuses on the implementation and performance of our net zero roadmap and our science-based emission reduction targets to meet our ambition to get us to net zero by 2050;

- our Beyond Net Zero Steering Committee (whose members include our Group CEO, Group Company Secretary, Group Head of Sustainability, EVP – Sustainability, SVP – Corporate Development and Group Chief Marketing & Communications Officer), which has oversight of our Total Sustainability agenda including internal and external climate-related actions over and above our GHG and net zero commitments; and
- our specific CEO-led working group on TCFD / climate-related risks and opportunities.

Our approach means that we can apply the management expertise we have from providing TCFD and other climate-related ESG Assurance solutions to our clients in the assessment and management of our own risks and opportunities.

Section 2: Strategy

TCFD recommended disclosures	Further information
a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term	<ul style="list-style-type: none"> Principal risks and uncertainties (pages 52-57)
b) Describe the impact of climate-related risks and opportunities on the organisation’s businesses, strategy, and financial planning	<ul style="list-style-type: none"> Strategic Report; Our business model (pages 16-25) Sustainability Report (Book two) Financial Report (Book three)
c) Describe the resilience of the organisation’s strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	<ul style="list-style-type: none"> Strategic Report; Our business model] Sustainability Report (Book two) Financial Report (Book three)

At the high level, our ambition is to become a net zero emissions business by 2050 while mitigating the physical impact of climate change on our operations and supporting our clients with sustainability solutions.

Innovative sustainability services have been at the core of our business and strategy for over 100 years. Today’s “race to net zero” by governments and corporations is beneficial to Intertek given our investments in sustainability – including our operational sustainability solutions; our carbon emissions certification, CarbonClear™; our ESG disclosures verification; and our corporate sustainability certification, TSA. Ongoing dependency on traditional oil and gas, and the significant investments required to scale up renewable energy, will mean our Industry Services businesses should benefit from traditional energy investment and the parallel developments in the renewables space – and our differentiated World of Energy value proposition and our total energy expertise position us strongly to take advantage of the global energy transition required to get to net zero.

The world will face difficulties in meeting Paris Agreement targets and addressing climate change unless: all companies, public and private, commit to reduce carbon emissions to net zero; significantly increased investments are made in renewables; and there is breakthrough innovation to accelerate carbon emission reductions and facilitate carbon storage and capture. This negative outcome should lead to increased demand for our services as it will lead to an increased focus on developing low-carbon products and other innovations and technologies that will reduce emissions, including increased investment in carbon capture and storage.

2 a) Our climate-related risks and opportunities

Based on our supply and demand model and decarbonisation scenarios (details of which are set out in section 5), our view of Intertek's climate-related risks and opportunities is as follows.

Climate-related opportunities

Opportunity area	Description of opportunities
Energy transition	<p>The key question for our energy-related businesses is what the risks and opportunities of a transition to lower carbon / renewable energy will look like, and over what timeframe.</p> <p>The world will be dependent on traditional oil and gas for longer than people think: there has been under-investment in oil and gas exploration since 2015; there is structural under-investment in alternative energy sources; renewables will take time to scale, creating risks for governments and economies in moving away too quickly from traditional energy sources.</p> <p>This will require our clients to make incremental investments in traditional oil and gas infrastructure and E&P. Our Industry Services businesses should therefore benefit over the next 20 to 25 years both from traditional energy investment and the parallel developments in the renewables space.</p> <p>Our Caleb Brett business should benefit from the increasing global demand for oil and gas in the short-term, and in the medium- to long-term continue to benefit from an increase in the production and consumption of oil-related products as well as the development / growth of greener fuels – biofuels and synthetic. Our clients will need to make significant investments in traditional oil and gas if they are to continue to meet the growing global energy demand.</p> <p>The carbon capture and carbon removal technologies which will be required to achieve net zero targets are currently at an early stage of development and it is likely that increased investments will be required to accelerate their production and availability; this should benefit our engineering-based inspection businesses within Industry Services.</p> <p>The energy transition that certain of our traditional oil and gas clients face as they move to being total energy providers underlines the importance of our differentiated World of Energy value proposition. Intertek's range of energy expertise is able to support our clients across the full World of Energy spectrum: from traditional oil and gas, petroleum refining and distribution, petrochemicals and power generation to nuclear power, solar, biofuels, tidal, wave and wind power. This gives Intertek a high-level, cross-sectional view of energy industry topics and trends that we believe will position us strongly to take advantage of current and future business development linked to energy transition.</p>

Opportunity area	Description of opportunities
Carbon footprint transition	<p>For our Consumer Products businesses, the risks and opportunities of decarbonisation will be linked to our clients' transition to lower-carbon logistics, manufacturing/production and supply chain networks.</p> <p>We expect consumer spending on products to continue to increase and the number of SKUs produced to also increase. An increasing consumer and regulatory focus on sustainability will lead to changes in demand for products with lower carbon footprints. Equally, manufacturers' own sustainability goals will lead them to seek raw materials with lower carbon footprints and to develop lower carbon footprint products.</p> <p>We believe that corporations will face difficulties in achieving their net zero targets given the financial, organisational and practical complexities of transitioning to low-carbon footprint operations. We therefore expect the demand for existing products to stay high for longer. Given the difficulties in getting to net zero without R&D and investments in logistics and supply chains, our Consumer Products businesses will benefit from higher corporate investments in R&D to design low-carbon products at the start of the value chain and from investments in supply chain relocations closer to home markets to reduce carbon footprints and increase resilience.</p>

Policy	<p>Climate-related laws and regulations will increase over time.</p> <p>In the short term, governments are likely to limit policies which require mandatory behavioural changes to the industry sectors which are the most critical to decarbonisation: energy; infrastructure; and transportation. It is likely that corporates in other industry sectors will be encouraged to decarbonise by increasing disclosure and transparency requirements.</p> <p>The regulatory approach over the medium to longer-term will change depending on companies' / countries' success in meeting Paris Agreement targets and regulation will become less voluntary and more mandatory over time if those targets are likely to be missed based on existing behaviours.</p> <p>We expect to benefit from increased regulation to drive investment and product development by our clients in the energy, infrastructure and transportation sectors.</p> <p>We expect our Business Assurance businesses to benefit from an increase in supplier audit and management solutions as corporations seek to address their scope 3 / supply chain carbon emissions.</p> <p>ESG disclosure requirements are likely to increase in response both to new regulations and disclosure standards and to increasing investor and stakeholder expectations. We expect this to lead to increased demand for our ESG disclosure / verification services.</p>
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Climate-related risks

Risk area	Description of risk
Physical impacts	<p>We consider that there are three types of possible physical impacts:</p> <ol style="list-style-type: none"> 1. Direct physical impacts, where the increased frequency and/or severity of extreme weather events causes an increased incidence of disruption to our own operations / supply chain / transportation networks; 2. Client physical impacts, where the extreme weather events cause disruption to our clients' operations and therefore changes to client demand – or the geographic location of client demand – for our services; and 3. Economic physical impacts, where temperature increase and extreme weather events reduce economic activity, leading to a fall in demand for our services in line with fall in consumer demand / client production. <p>Based on our natural catastrophe experience and modelling, and because of the capital-light nature of our operations and our ability to redirect work within our own network, we believe that the impacts of extreme weather events to Intertek are likely to be local and not material at the Group level.</p>

2 b) The impact of climate-related risks and opportunities on our businesses, strategy and financial planning

Intertek has been a global thought and innovation leader in sustainability services for decades, and sustainability services are core to our global business. We help customers across all aspects of sustainability, covering all major industries, with end-to-end sustainability solutions.

Climate-related opportunities are one part of our overall sustainability strategy. At the high level, we believe that the actions which companies and corporations will need to take to transition to a low-carbon economy will be an opportunity for us and will accelerate the demand for our ATIC solutions, including:

- our climate-related operational sustainability services (such as energy efficiency, carbon footprint or zero waste to landfill certifications);
- our corporate sustainability solutions (where we help corporations to establish and validate the effectiveness of their own sustainability programmes); and
- our Intertek ESG Solutions (where we independently verify our clients' sustainability reporting and disclosures).

We continue to develop innovative ATIC service offerings to support our clients' low-carbon transition aims and to enable them to comply with the increasing regulatory requirements relating to sustainability and ESG.

Our World of Energy businesses continue to scale up investments in strategic growth areas driven by climate-related factors, such as:

- An increase in total energy demand driven by GDP and population growth.
- The need to address structural underinvestment in traditional oil & gas as renewables lack scale.
- Technology and infrastructure investments needed to build scale renewable infrastructure.
- The significant investments and innovations required to meet net zero pathways, including developments in hydrogen, synthetic fuels, carbon capture and carbon storage.

Our strategy includes M&A investments such as our acquisition of Clean Energy Associates which has enabled us to expand our sustainability service offering in the fast-growing quality assurance market for solar energy and energy storage. It also includes organic innovations such as Intertek Hydrogen, Intertek CarbonClear™ and CarbonZero, and Intertek Green R&D.

Our climate-related risks and opportunities assessment also feeds directly into our wider strategy, portfolio and financial planning, including our planning on:

- climate-change mitigation activities and our net zero action plans; and
- the location of our facilities.

We believe the impact of climate-related risks and opportunities is as follows:

Climate-related opportunities	Timeframe			Scenario		Financial impact
	Short	Medium	Long	RCP4.5	RCP8.5	
Transition impacts						See note 1
• Energy transition	◊	◊◊	◊◊◊	*		
• Carbon footprint transition	◊	◊◊	◊◊◊	*		
Policy impacts	◊	◊◊	◊◊◊	*		
Climate-related risks						
Physical impacts		◊	◊◊		*	See note 2

Key: ◊ – ◊◊◊ = low – high impact
* Scenario sensitivity

Note 1: Our pre-Covid (2014 – 2019) organic revenue CAGR was c.3%. Sustainability / ESG services were a driver of that revenue growth. We expect the Group revenue growth from Sustainability / ESG services to accelerate.

Note 2: In order to assess our physical impact risk, we have worked with Willis Towers Watson ("WTW") to carry out a portfolio exposure assessment based on scenario modelling supported by WTW's Climate Diagnostic technology platform. For this purpose, our portfolio includes 943 sites (2022: 985 sites) and associated assets and revenues.

The result is an assessment of the percentage of our portfolio that is exposed to a material level of climate-related risk over four time periods (today; 2030; 2050; 2100) and under two scenarios (RCP4.5 and RCP8.5).

Figure 1:
Physical risk exposure
under an RCP4.5 scenario:

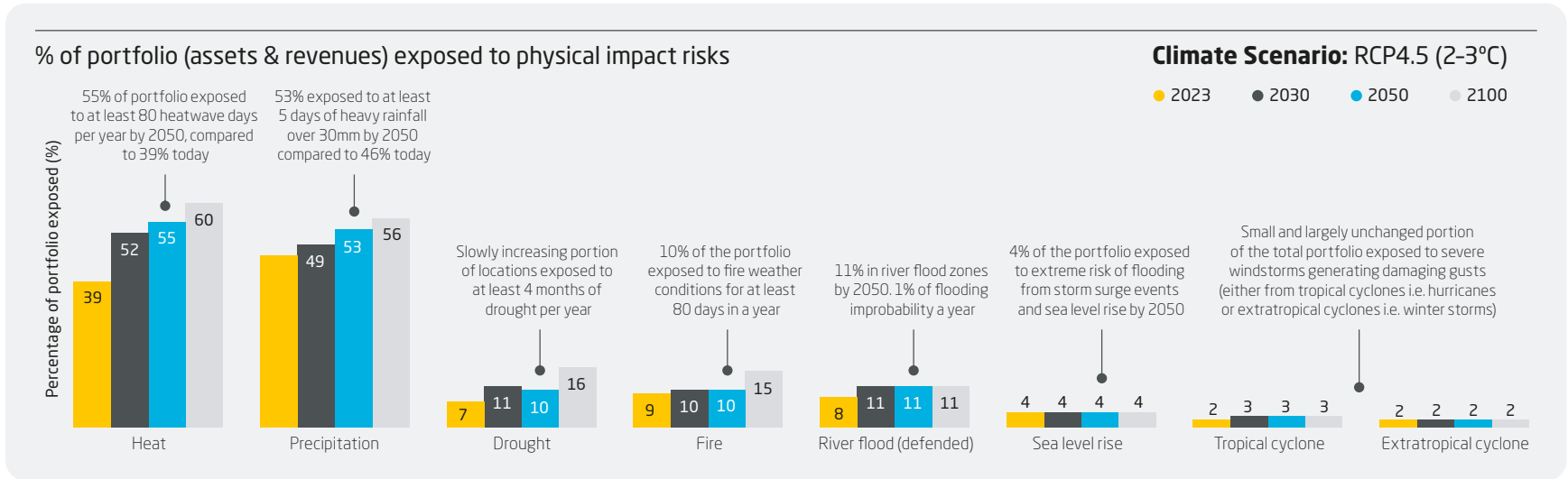
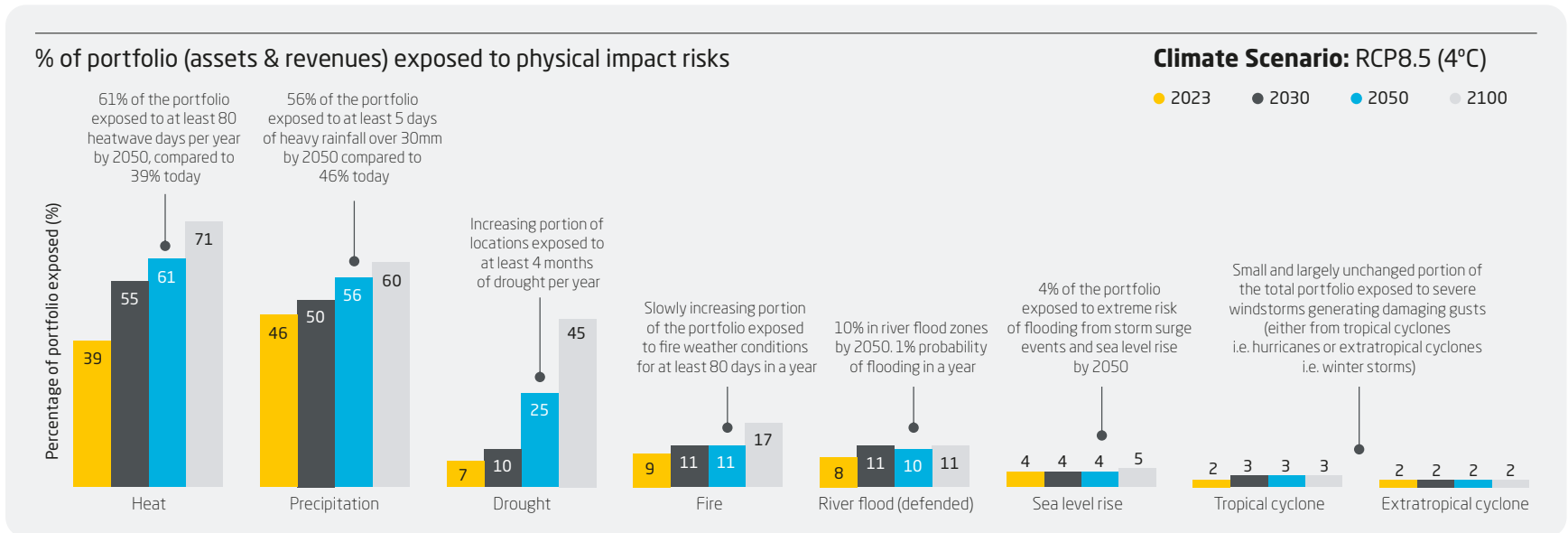


Figure 2:
Physical risk exposure
under an RCP8.5 scenario:



The assessment shows that our broad geographic footprint and proven high-quality cash generative earnings model (covered in more detail in 2 c) below) is an advantage for long-term climate resilience. Nevertheless, it does indicate an increased physical impact exposure to our portfolio, varying by type of climate-related extreme weather event, under both the RCP4.5 and RCP8.5 scenarios:

- a **low to medium increase** by 2050 in exposure to chronic (extended, non-localised) weather events – heat, precipitation, drought, sea level rise; and
- a **low increase** by 2050 in exposure to acute (localised, one-off) weather events – river floods, fire, tropical and non-tropical storms

Assessing the impact of chronic weather events

It is difficult to assess the physical impact of chronic weather events as these are likely to be regional or global in nature but can be largely or fully addressed with systemic risk mitigation actions at the Intertek site / operational level:

Physical risk (chronic weather events)	Impact on business	Mitigations
Precipitation	<ul style="list-style-type: none"> • Property damage and business disruption 	<ul style="list-style-type: none"> • Insurance cover • Add identified climate-related risk into our business continuity planning for sites with predicted exposure • Physical / structural protections for sites with predicted exposure
Heat	<ul style="list-style-type: none"> • Productivity changes as severe heat affects people and/or equipment • Cost increases linked to an increased requirement for air conditioning / cooling 	<ul style="list-style-type: none"> • Add identified climate-related risk into our business continuity planning for sites with predicted exposure • Increase energy efficiency / use of solar / renewable energy
Drought	<ul style="list-style-type: none"> • Operational impact from water scarcity • Changes to demand for our services linked to changing consumption patterns, population migration or conflict 	<ul style="list-style-type: none"> • Add identified climate-related risk into our business continuity planning for sites with predicted exposure • Focus on reducing water usage / efficiency
Sea level rise	<ul style="list-style-type: none"> • Property damage and business disruption 	<ul style="list-style-type: none"> • Insurance cover • Add identified climate-related risk into our business continuity planning for sites with predicted exposure • Physical / structural protections for sites with predicted exposure

Assessing the impact of acute weather events

The likely impact of an acute weather event is a loss of revenue due to a shutdown of our facilities. It is difficult to provide a precise estimate of the financial impact, which depends on factors including the severity of the event, the geography affected and our ability to redistribute work, and the duration of the shutdown.

Our assessment reveals a minimal increase in expected portfolio exposure to acute weather events, and we therefore expect the incidence and financial impact of such acute events to be similar to today. Based on recent experience, in FY17 hurricanes Harvey and Irma impacted the operations of our clients in southern regions of the USA during a three-month period, in turn impacting our business. These two operational disruptions reduced our revenue performance by £5m at constant currency over the period August to October 2017, negatively impacting our divisions. Over the five-year period to date, our operations have been impacted by about ten extreme weather events.

2 c) Our organisational resilience to the risks of climate change and decarbonisation scenarios

We believe our operations and strategy have a high degree of resilience to the risks of climate change under both an RCP 4.5 and RCP 8.5 scenario:

- Our extensive network – over 1,000 labs in over 100 countries – means that we are well positioned to take advantage of any climate-related changes in supply chains (either changes to suppliers, to the raw materials being supplied or to the geographic location of supply chains).
- Our products inspection and assurance businesses are flexible as they use field-based inspectors and auditors and we can deploy personnel / sub-contractors as required.
- Our client-base of over 400,000 clients is diverse, with no material dependencies, which also de-risks geographic changes in our points of service delivery.
- Our capital-light earnings model de-risks us from climate-related changes to our clients' supply chains and physical impacts of climate change as we have a low cost of market entry and exit.
- We are able to redirect work within our own network in order to mitigate the impact of climate-related disruptions.
- We do not anticipate a material impact of climate-related policies directly on our business. As a professional services provider, we do not operate in a sector which is likely to be a key focus for mandatory decarbonisation behavioural changes. Our broad geographic footprint de-risks us from the impact of national regulations. Our capital-light model mitigates our exposure to climate-related policies.



Section 3: Risk management

TCFD recommended disclosures	Further information
a) Describe the organisation's processes for identifying and assessing climate-related risks.	<ul style="list-style-type: none"> Principal risks and uncertainties (page 52)
b) Describe the organisation's processes for managing climate-related risks.	<ul style="list-style-type: none"> Principal risks and uncertainties (page 52)
c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.	<ul style="list-style-type: none"> Principal risks and uncertainties (pages 52-53)

3 a) Our process for identifying and assessing climate-related risks

Our processes for identifying and assessing climate-related risks take place within our risk committees, and separately using the supply-and-demand model we have built for our World of Energy businesses, and our work with WTW to model the exposure of our portfolio to the physical impacts of climate change. The most significant insight from our work with WTW was that the exposure of our portfolio to acute weather events was expected to increase only very marginally in the period to 2050, with any financial impact falling well below the threshold for materiality.

In 2023, we have continued to review the exposure of our portfolio to physical climate change impacts using the live model we have built with WTW and with ongoing review as part of our integrated risk management process.

3 b) How we manage climate-related risks

Climate-related risks, and the related mitigation action plans, are reviewed at least quarterly by the Board and are also considered by our framework of regional, divisional and functional risk committees and our Group Risk Committee. The risk of physical impacts of climate change on our sites are also considered by a cross-functional group including members of our finance, insurance, risk and sustainability teams. The portfolio exposure modelling we have done with WTW allows us to assess – on a site-by-site basis – the changing likelihood and impact of specific climate events (such as drought, precipitation, flooding and fire) under both the RCP 4.5 and RCP 8.5 scenario in the short, medium and long term. We use the output of this model in our opportunity and risk mitigation planning, and in local site business continuity planning.

3 c) Integration into our overall risk management

Our climate-related opportunities are reviewed as part of our overall budget, innovation, M&A, customer insight and other processes. At the strategic level, the supply and demand model we have developed to look at how the needs of our customers across our different businesses are likely to be affected by decarbonisation allows us to assess how that is likely to affect their need for our end-to-end Total Quality Assurance services across all points of their logistics, manufacturing/production and supply chain networks.

Section 4: Metrics and targets

TCFD recommended disclosures	Further information
a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	<ul style="list-style-type: none"> Environment section (Book two, page 29)
b) Disclose scope 1, scope 2, and, if appropriate, scope 3 GHG emissions, and the related risks.	<ul style="list-style-type: none"> Environment section (Book two, page 29)
c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets	<ul style="list-style-type: none"> Environment section (Book two, pages 27-29)

We publicly report on our scope 1, scope 2 and relevant scope 3 GHG emissions and the carbon intensity of operational emissions by revenue. Environmental performance is disclosed in Book two of this Report. Our measurement and reporting is aligned to the GHG Protocol Corporate Accounting and Reporting Standard (2015) and the recommendations of the TCFD. As required, we report under the Companies Act 2006 (Strategic Report and Directors' Reports) Regulations and we apply the 2019 UK Government Environmental Reporting Guidelines, including the Streamlined Energy and Carbon Reporting Guidance ('SECR'). Further details can be found on page 29.

We have made several climate-related public commitments, on our own and with other organisations. We have joined the global movement of 'Business Ambition for 1.5°C' and the UN Race to Zero campaign. In 2023, the Science Based Target initiative ('SBTi'), who defines and promotes global best practice in science-based target setting, validated our near-term targets:

"Intertek Group plc commits to reduce absolute scope 1 and 2 GHG emissions 50% by 2030 from a 2019 base year. Intertek Group plc also commits to reduce absolute scope 3 GHG emissions from business travel and employee commuting 50% within the same timeframe. Intertek Group plc further commits that 70% of its suppliers by spend covering purchased goods and services, capital goods and upstream transportation and distribution, will have science-based targets by 2027."

We have rolled out country- and site-level specific targets which are reported monthly in our environmental dashboards. Our rigorous GHG emissions performance management programme empowers our regional teams to identify emissions sources, track progress against targets and KPIs, and implement concrete and measurable climate-related action plans.

Our annual incentive plan continues to have an ESG element (with a 15% weighting) based on performance against a GHG emissions reduction target.

Section 5: Our climate change methodology and approach

The demand for our services depends on the supply of, and demand for, our clients' products and services and their need for our Total Quality Assurance services at specific risk points in their logistics, manufacturing and supply chains.

To assess the impact of global decarbonisation on Intertek and our potential climate-related risks and opportunities we have built a bottom-up supply and demand model for our World of Energy (Caleb Brett and Moody) businesses which considers how the supply and demand of our clients' products and services, and therefore their need for Intertek's services, is likely to change in line with two decarbonisation scenarios that are aligned to the Intergovernmental Panel on Climate Change ('IPCC') Representative Concentration Pathways (RCPs):

- **Intermediate (RCP 4.5):** Characterised by slowly declining emissions, this pathway assumes climate policies will be invoked to limit emissions, resulting in likely global temperature rise of 2-3°C by 2100.
- **High (RCP 8.5):** Characterised by rising emissions, this pathway adheres to the current trajectory and assumes no additional efforts are made to constrain emissions, leading to likely global temperature rise of >4°C by 2100.

We have also used these two scenarios to evaluate Intertek's climate-related physical risks.

We have considered impacts over the short term (0-2 years), medium term (2 years – 2030); and long term (2030 – 2050).

In assessing materiality, we have considered both financial impacts on us and other considerations such as the importance of key climate-related topics to our clients and other stakeholders. For financial impacts, we have applied a materiality threshold of £20.8m, aligned with the materiality threshold in our financial statements. We have considered the materiality of risks on a "net risk" basis i.e. taking into account relevant risk mitigations and opportunities that may be linked to those risks.

Based on our view of global decarbonisation and the nature of our businesses and services, we have divided the impacts of climate-related risks and opportunities on Intertek's operations, activities and earnings model into three categories:

- **Transition impacts:** the impact of transitioning to low-carbon economies and societies. We further divide these into: **energy transition** impacts (the impact of transitioning to renewables and green energy sources); and **carbon footprint transition** impacts (the impact of reducing the carbon footprint of global activities including logistics, manufacturing/production and supply chains);
- **Policy impacts:** the impact of climate-related laws or regulations, or policies intended to drive a decarbonisation agenda; and
- **Physical impacts:** the impact of extreme weather events on our and/or our clients' facilities and operations.



Non-financial and sustainability information statement

The table below is intended to help our stakeholders understand our position on key non-financial matters and climate-related financial disclosures in line with the reporting requirements contained in sections 414CA and 414CB of the Companies Act 2006. Our reporting on these topics and key performance indicators is contained within this Strategic Report and also in the Sustainability Report, Book two.

Reporting requirement	Description, implementation, due diligence, outcomes and additional information	
Environment	Environment	More in Book two, pages 26-32
Employees	Nomination Committee report	More in Book two, pages 66-69
	Risk management	More in Book two, page 69
	People and Culture	More in Book two, pages 10-17
Social matters	Communities	More in Book two, pages 33-39
Human rights	Responsible Business	More in Book two, pages 40
Anti-corruption and anti-bribery	Principal risks and uncertainties	More on pages 52-57
	Responsible Business	More in Book two, pages 40-41
	Compliance, whistleblowing and fraud	More in Book two, pages 42 and 76
Description of principal risks and impact of business activity	Principal risks and uncertainties	More on pages 52-57
	TCFD statement	More on pages 58-66
	Section 172 statement	More in Book two, page 56
Description of the business model	Our business model	More on pages 16-25
Key performance indicators	Financial KPIs	More on pages 26-27
	Non-financial KPIs	More on pages 28-29
Climate-related financial disclosures	TCFD statement	More on pages 58-66

The Strategic Report was approved by the Board on 4 March 2024.

On behalf of the Board

André Lacroix
Chief Executive Officer

Notes



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