WE ARE HERE TO MAKE THE WORLD A BETTER, SAFER AND MORE SUSTAINABLE PLACE
Through our work at Intertek, we provide Total Quality Assurance to companies to help mitigate the quality and safety challenges they face in an increasingly complex world. Importantly, we also enable them to progress their sustainability agendas, giving them the tools to be a stronger force for good and act responsibly for the wider benefit of society and our planet.

By bringing quality, safety and sustainability to life, we have a hugely positive impact on the world, helping to safeguard the legacy that we will all leave to the next generation who will make it possible to shape a brighter future and truly believe they are ‘Born to make the world Ever Better’.

WATCH OUR ‘BORN TO MAKE THE WORLD EVER BETTER’ FILM
There is no doubt that sustainability is the movement of our time. People around the world are speaking up and younger generations in particular are making their voices heard, demanding urgent action to ensure the future of our planet.

The expectations of all stakeholders including customers, people, investors, suppliers, communities and society, governments and regulators – continue to rise, demanding that companies demonstrate their commitment to sustainability throughout their businesses with clear goals, precise action plans and transparent reporting.

A tipping point has been reached in the world of sustainability, yet the profusion of Environmental, Social and Governance (‘ESG’) reporting standards, definitions and terms has made it difficult for corporations to build clear, measurable and authenticated sustainability objectives into their business models.
Imagine 46,000 colleagues in 100 countries working with 300,000 clients, talking to millions of other colleagues and friends and family, inspiring the world to take sustainability seriously.

Intertek research1 shows that there is a growing demand for end-to-end solutions, covering both the operational and corporate aspects of sustainability. 74% of C-suite level respondents agree that customers and other stakeholders are demanding that companies do more in relation to sustainability, with 92% acknowledging that some elements of their supply chain would receive a poor report if it was fully audited. Indeed, companies want clarity and guidance on how to position themselves as a sustainable organisation.

At Intertek, we have a very clear purpose – to bring quality, safety and sustainability to life, now and for future generations. It shapes everything we do and how we do it. This is imperative to our own business activities and operations, and our continuing research and innovation to help our clients become Ever Better. A key aspect is supporting them to understand, achieve and validate their sustainability goals; giving them tools to manage and mitigate risk and act responsibly for the benefit of society.

Given the higher expectations of all stakeholders, corporations recognise that their commitment to sustainability must be end-to-end and that focusing simply on ESG is not enough.

Sustainability has to start at the heart of a company’s operations, where quality, safety and sustainability are seen as the foundations to driving long-term sustainable growth, and has to take a holistic approach to cover all aspects of corporate sustainability, including a company’s supply chain.

True to Intertek’s heritage of making the world a better, safer and more sustainable place, in 2019 we launched Total Sustainability Assurance, a pioneering solution that provides an end-to-end, independent, systemic sustainability programme from both an operational and corporate perspective.

Sustainability is not new to Intertek, we have been supporting the needs of our clients over the years with a real depth and breadth of innovative operational solutions in the areas covering environment, products, processes, facilities, assets and systems.

To offer Total Sustainability, we have built upon our operational solutions with a ground-breaking Assurance innovation: the Intertek Corporate Sustainability Certification. The holistic programme provides independent assurance on ten comprehensive sustainability standards that address the entire value chain of a business. It helps companies take an end-to-end approach to delivering sustainable activities throughout their operations and has been very well-received by our customers since its launch in September 2019.

This new solution is central to everything we strive for: listening and innovating to care for our customers, while helping them make a positive difference, building stakeholder trust and corporate value.

With the worldwide awakening that action is needed to address the huge challenges facing our planet to ensure a sustainable future, all of us at Intertek are passionate about supporting the needs of our clients. Intertek has always been a force for good and we believe we are born to make the world Ever Better. We are committed to help corporations address their complex sustainability challenges of today, tomorrow and in the future.

Total Sustainability at Intertek

As a world-leader in sustainability services, and a purpose-led organisation, it is important for us to ensure that our own standards are as high as those we provide for our clients. That’s why from 2019 our own sustainability reporting will follow the ten standards from the Intertek Corporate Sustainability Certification programme with which we audit our clients.

We know that Intertek is ideally positioned globally to have a positive impact on the challenges facing the world. What we do influences every aspect of modern life, from the services we provide to our customers, to the way we grow as individuals, to how we thrive as a society. This will be our legacy and our future.

1. Intertek’s research with UK companies was conducted online by FTI Consulting from 30 August to 3 September 2019 with n=550 business leaders.
Read about our strategic progress and 2019 Financial Results in our Annual Report at investors.intertek.com

"In 2020 and beyond, we look forward to delivering more progress on our own sustainability agenda and to help our clients progress on theirs."

Highlights from an Ever Better year
Sustainability is truly important to Intertek colleagues around the world and in 2019 we have made excellent progress across all areas of our sustainability agenda. We are deeply committed to supporting our customers, having a positive impact on our people and communities, minimising our environmental impacts, operating with integrity by ‘Doing Business the Right Way’, and pursuing our socially responsible activities through living our strong values every day, everywhere.

In line with our Ever Better approach to reporting, in 2019 we conducted an independent materiality assessment to identify the topics most important to our stakeholders. These topics are listed on page 49 and are addressed throughout this report.

Each of our countries and business lines define their own sustainability agendas, which are tied to the Group priorities, aligned to the UN Sustainable Development Goals and focused on their local operations and communities. We have continued to broaden our Group-wide network of Sustainability Champions across the Group.

We have also trained over 85% of our colleagues on cybersecurity, and 100% of our colleagues are required to complete our Code of Ethics training. We are committed to the continuous review and improvement of our Health and Safety performance and working towards achieving zero incidents. We have seen excellent progress with a reduction in medical treatment incidents by 16% in 2019. Progress has also been made on improving our Group gender diversity (see more on page 36). During my visits around the Group, I continue to draw inspiration from the quality of, and engagement with, activities that benefit our local communities.

2019 was also a year for improvements in our environmental reporting, and we refined and added to our set of non-financial KPIs, including launching our first Group-wide employee commuting survey. These reporting insights continue to improve our Investor Relations engagement activities with institutions that pursue sustainable investment strategies. We were delighted to be included in the FTSE4Good Index for a third year and continue to develop our CDP climate change disclosures.

I am proud of the progress we have made in 2019 and would like to thank all of our colleagues for their expertise, commitment and energy during the year. I know that our approach to reporting in line with our ten Corporate Sustainability Certification Standards will further embed sustainable practice into our global business, end-to-end. At Intertek we strongly believe that making the world better and safer, by bringing quality, safety and sustainability to life, is the true meaning of what we stand for, and we look forward to contributing to an Ever Better future for all.

Looking ahead
We will continue to improve how we operationalise sustainability in all parts of the organisation. Building on the materiality assessment to understand those topics which are most pertinent to our stakeholders, we will continue to assess our own performance in more detail against each of the ten Corporate Certification Sustainability Standards.

André Lacroix
Chief Executive Officer
UN SDGs
Through our vast reach across our 300,000 customers and the industries which they occupy, our services help contribute to progress across all of the UN Sustainable Development Goals.

11%
Increase in women across the Intertek family since 2017 with

6%
Increase in the past year

16%
Reduction in Medical Treatment Incidents since 2018

46,000
Number of employees

85%
of employees globally completed cybersecurity training

14,200
Employees responded to Group-wide employee commuting survey

ERNST & YOUNG
For the second consecutive year, Ernst & Young have independently assured our GHG data

READ MORE ON PAGE 27

FTSE4Good
We were included in the FTSE4Good Index for the third year running

TOTAL SUSTAINABILITY IN PROGRESS PODCAST
Listen to our Total Sustainability in Progress podcasts at: intertek.com/sustainability/podcast

CDP
Disclosure Insight Action

CLIMATE CHANGE PROGRAMME
Intertek participates annually in CDP’s Climate Change Programme

LIVING WAGE
We are an accredited living wage employer in the UK

FTSE4GOOD

We are included in the FTSE4Good Index for the third year running

Living Wage Employer

We are an accredited living wage employer in the UK
Companies are increasingly facing challenges driven by growing complexities in their operations, sourcing, manufacturing and distribution. As stakeholders’ expectations of corporate responsibility evolve, demand is growing for Total Quality Assurance solutions that enable organisations across a wide range of sectors to keep ahead of emerging requirements.

67% of companies face significant pressure to improve sustainability performance

74% of C-suite respondents agree stakeholders are demanding companies do more on sustainability

92% acknowledge part of their supply chain would receive a poor sustainability report if fully audited

78% of businesses believe improving their sustainability would give a key competitive advantage

**Total Sustainability. Assured.**

Sustainability services have been core to our global business for more than 100 years.

Through our global network of 46,000 employees, local knowledge and subject matter expertise, we provide end-to-end assurance by addressing sustainability challenges across our customers’ organisations entire value chain.

Sustainability is now a driving force in society, and our research has shown that 67% of companies are seeing significant pressure to improve their performance in this area. They are increasingly facing challenges driven by more complex global operations and rapidly evolving consumer expectations of corporate responsibility.

Through our wide range of operational and corporate services, we are supporting our clients to meet these challenges and meaningfully demonstrate their commitment to sustainability – ultimately helping to protect their brands and to gain competitive advantage.

We offer Total Sustainability Assurance through a range of operational and corporate services:

**Corporate Sustainability Certification**

Our Corporate Sustainability Certification programme helps companies to authentically demonstrate and independently verify their commitment to sustainability across the entire value chain, building stakeholder trust and corporate value. The Corporate Sustainability Certification programme is made up of ten comprehensive standards that provide holistic quality, safety and sustainability assurance of operations, services and products.

**Operational Sustainability Solutions**

We help companies understand, achieve and validate their existing and emerging sustainability goals for their products, assets, facilities, systems, processes and environment.

The research with UK companies was conducted online by FTI Consulting from 30 August to 3 September 2019 with n=550 business leaders. Respondents were profiled by size (SME and large companies), industry and type of company (private or publicly listed).
QUALITY & SAFETY
Provides assurance through management systems certification, risk assessment, internal audits and continual improvement of processes.

RISK MANAGEMENT
Verifies an organisation’s insurance coverage, risk processes, controls and reporting, in addition to verifying a plan for business continuity and disaster recovery.

ENVIRONMENT
Guides and contributes toward efforts against climate change, management of resources, proactive protection and restoration of ecosystems, waste reduction and compliance with current environmental regulations.

ASSETS
Helps to ensure the resilience, durability, safety and protection of an organisation’s assets.

PRODUCTS
Provides validation that a product has been made with sustainability in mind through their entire lifecycle, starting from raw materials and components, to transportation and finished products use, disposal, recovery and reuse.

SYSTEMS
Ensures that sustainability policies and strategies are supported by effective IT systems and platforms designed for achieving and demonstrating measurable sustainability performance.

FINANCIAL
Helps organisations to create long-term plans, forecasts and strategic management of finances while still managing monthly reporting and budgetary control.

COMMUNICATIONS & DISCLOSURES
Defines metrics, internal and external communications procedures for maintaining external transparency.

PROCESSES
Ensures that operating procedures are functioning properly enabling organisations to identify and mitigate the intrinsic risk in operations, supply chain and business processes.

RISK MANAGEMENT
Verifies an organisation’s insurance coverage, risk processes, controls and reporting, in addition to verifying a plan for business continuity and disaster recovery.

COMMUNITIES
Monitors commitment to making a positive impact on local communities as well as global activities.

GOVERNANCE
Looks to build an accountable and diverse governance structure, in addition to more transparent stakeholder engagement.

ENVIRONMENT
The protection of the environment through the reduction of carbon and other emissions, preventing pollution and reducing waste and conserving natural resources.

SYSTEMS
Ensures that sustainability policies and strategies are supported by effective IT systems and platforms designed for achieving and demonstrating measurable sustainability performance.

FINANCIAL
Helps organisations to create long-term plans, forecasts and strategic management of finances while still managing monthly reporting and budgetary control.

COMMUNICATIONS & DISCLOSURES
Defines metrics, internal and external communications procedures for maintaining external transparency.

INTERTEK SUSTAINABILITY REPORT 2019
HELPING OUR CUSTOMERS BECOME Ever Better

Through our global network of subject matter experts and integrated Assurance, Testing, Inspection and Certification ‘ATIC’ solutions, we are uniquely placed to help organisations understand, achieve and validate their existing and emerging sustainability goals.

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

In this section we provide highlights of operational sustainability solutions Intertek offers to address the needs of our clients.

Sustainability Certification Directory

EMPOWERING CONSUMERS TO PURCHASE SUSTAINABLY

The new Intertek Sustainability Certification Directory (sustainabilitydirectory.intertek.com/home) not only enables our clients to showcase their sustainable business certifications but also provides the power of sustainably informed buying decisions across multiple markets. It is actively promoting and enabling sustainable purchasing for clients, consumers, architects and designers.

Newly launched, our directory already contains over 1,500 individual products and collections and is growing daily.
Food Safety

Chemical Safety in the Textiles Industry and Reducing Air Pollution

Several of Intertek China’s recent initiatives are helping to support efforts made by the country’s government to protect the natural environment.

For example, the very large Chinese textiles industry and associated sectors are heavy users of chemicals during manufacturing. Across the industry, there is a shared intention to make sure all such chemicals are safe, with no toxic discharges or other environmental impacts. Intertek China’s Softlines business has developed and released a restricted substances testing service to ensure product safety. It has also launched screening and certification services to assure the safe use of chemicals.

Meanwhile, to help reduce air pollution, Intertek’s Air-Cleaner Testing Laboratory and the Guangdong Indoor Environmental Health Association have come together to create and deliver a certification programme for portable air cleaners.

Cyber Assurance

Providing Safety and Security for Today’s Cyber Challenges

Cybersecurity is a new risk category for consumer products. In the age of the Internet of Things, as soon as a product is connected directly, or indirectly, to the Internet, privacy and safety risks arise. To counter this, in November 2019, Intertek launched its Cyber Assured Certification Programme, providing enhanced solutions for manufacturers and brands for the Internet of Things and connected products. This certification programme provides comprehensive, risk-appropriate, cybersecurity testing for connected consumer products, continuous vulnerability monitoring, a certification mark and an external website.

End-to-End Assessment Targeting Social and Environmental Risk

Organisations in multiple industries around the world increasingly recognise that their global supply chains contain growing and often invisible risks to their reputation and ethical ambitions.

When DEOLEO, the world’s largest producer of olive oil, wanted to ensure it had the right systems and processes to implement best practice across the organisation, it asked Intertek to carry out a 360° assessment of eight key operations.

At the top of the list were ‘Organisation & People’ and ‘Food Safety’, together addressing the most important potential human impacts of the business’s activities. Environmental factors, from water management and energy efficiency to biodiversity, waste and soil management were assessed, giving DEOLEO the clear end-to-end perspective its leaders need to manage and reduce endemic risk.

Chemical Safety in the Textiles Industry and Reducing Air Pollution

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For example, the very large Chinese textiles industry and associated sectors are heavy users of chemicals during manufacturing. Across the industry, there is a shared intention to make sure all such chemicals are safe, with no toxic discharges or other environmental impacts. Intertek China’s Softlines business has developed and released a restricted substances testing service to ensure product safety. It has also launched screening and certification services to assure the safe use of chemicals.

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Responsible Sourcing in Construction

Responsible Sourcing Certification Drives Competitive Advantage

The focus on responsible sourcing continues to gain momentum in the UK construction sector.

To help them achieve differentiation within the marketplace, the UK’s three largest steel reinforcement fabricators and suppliers of reinforced steel engaged Intertek so they could gain extra certifications that complement their existing quality systems. BRC Ltd, Express Reinforcements and ROM Group wished to attain the sector-specific Eco-Reinforcement certification and the BES 6001 Framework Standard for Responsible Sourcing. The task facing Intertek was challenging. It included delivering an analysis of the companies’ existing approach to eco-reinforcement, a pre-assessment gap analysis relating to BES 6001, detailed site audits, a final report and rationale as well as independent advice throughout the process.

As well as receiving their certification, the three companies received guidance on continuous improvement, new benchmarking opportunities and widespread recognition for their achievement. Critically, they have achieved the competitive advantage that they sought.
NEW VERIFICATION PROGRAMME PROVIDES CONFIDENCE AROUND SAFE OZONE-EMISSION LEVELS

Launched in 2019, Intertek’s Zero Ozone Verification Programme is designed to ensure a safe level of ozone emissions from air-cleaner products across North America. Testing against the most stringent standard for indoor ozone emissions, the verification is attractive to companies wishing to provide evidence of their commitment to consumer health and safety.

The first to receive the verification was RGF Environmental Group, where Executive Vice President Walter Ellis commented:

“Consumers will see the Intertek Sustainability certification mark and feel confident our product has met the relevant safety standards and will perform as promised.”

SUPPORTING REDUCTIONS IN HARMFUL EMISSIONS AND IMPROVING WATER QUALITY IN MEXICO

We helped our client in Mexico to precisely measure the emissions of the variety of gases from its energy production. This data, which was required by the licensing authority for a waste permit, was a complex process and has also helped the client to achieve significant reductions in its NOx and CO2 emissions, as well as reducing its reliance on fossil fuels.

In Atotonilco, Hidalgo, we perform daily water sampling and analysis of the largest wastewater treatment plant in Latin America, and the fourth largest in the world. Our technical ability is of vital importance to this project, with the result of saving water and ensuring the treated water is of such a high quality, it can be reused in irrigation of agricultural areas.

We have also worked with the government of Mexico City on a pilot programme to collect rainwater in homes, for reuse in domestic activities where the resource is scarce. We sample and analyse the water quality throughout the collection systems to assure its consumption is safe. If optimal results are achieved in this pilot phase, the programme will be rolled out to all areas of Mexico City. So far, the results of the pilot programme include reduced flooding, less energy being used to pump and transport water to homes and reducing demand on the aquifer.
Improving Ocean Sustainability and Fishery Supply Chains in Peru

Intertek has been working with the government in Peru since 2015 on a project dedicated to sustainable fishing in the Pacific Ocean. The project involved surveillance of fishing establishments, fishing vessels—to control those that do not have fishing permits—and discharge sites, as well as monitoring and controlling the proper functioning of the weighing equipment and instruments.

New Certification Services

Verifying Eco-Claims

With growing concern from consumers about the environmental impact of plastic and the resulting demand for verified eco-claims on products, in 2019, Intertek’s Sustainability Services team launched two new certification programmes to support brands, manufacturers and suppliers. Sitting under our Operational Sustainability Solutions, our new Recycled Content and Reduced Resources certifications have rapidly increased in popularity. These certification programmes support resource management and the challenges of a rapidly transforming regulatory landscape, and form part of a growing suite of sustainability services, with other certification programmes around carbon footprinting and biodegradability in progress and planned for 2020.

Life Cycle Assessment

Supporting the Circular Economy

Intertek supports organisations to thrive in a circular economy through rethinking supplier engagement and value chain management, from material sourcing to implementing strategies for resilience. Building on our extensive expertise in Life Cycle Assessment (LCA), Intertek is extending the use of LCA tools to support customers to rethink their impact on the environment and design pollution out of the life of their products. As the concepts of circular economy become popularised, clients are increasingly interested in supporting research and development with holistic evaluative tools and quantified results, and Intertek’s experts look forward in 2020 to escalating success of these advisory services.

Knoll Joins Intertek Clean Air Programme

Knoll, one of the most iconic and recognisable brands in the furnishings industry, joined the Intertek Clean Air programme in 2019. Included in the programme are the Knoll Office, KnollStudio, and KnollTextiles brands, amounting to over 800 products certified to the Clean Air Programme. Since joining, Knoll has consolidated product certifications, making these programmes run more efficiently, and extended testing to their subsidiaries to certify additional products and leverage testing data. Intertek has also been engaged for testing to support their Research and Development process, supplier programme, and compliance with Proposition 65. During 2019, Intertek conducted multiple sales trainings to educate the Knoll team on our Clean Air programme, the certification and how it is beneficial to their brand.
Our value proposition to our customers through the Total Sustainability Assurance solution is not only for them; it comes from our own commitment to sustainability.
Our approach to sustainability is integral to our business model and strategy; it is important for us to ensure that our own standards are as high as those we provide for our clients. That’s why from 2019 our sustainability reporting will follow our ten Corporate Sustainability Certification Standards.

The following pages introduce and provide highlights of our progress against each of the ten Standards and demonstrate how we are addressing the topics most material to our stakeholders.

READ MORE ABOUT OUR MATERIAL TOPICS ON PAGE 49
QUALITY & SAFETY

END-TO-END ASSURANCE OF OPERATIONS AND PRODUCTS

The Quality & Safety standard brings quality, safety and sustainability together, driving the incorporation of sustainability objectives at every phase of business operations and service realisation, to evaluate operational impacts, including those of supply chain partners.

The principles of quality and safety, part of Intertek’s purpose and operations, are cornerstones of sustainability and sit at the heart of what Intertek has been supporting clients with for over 100 years.

We understand the importance of incorporating sustainability principles into our quality and safety management policies and systems: how we capture data to drive operational excellence; consistently improving our services to our customers; adopting the Intertek Sustainable Procurement policy; and ensuring the health and safety of our people.

Capturing the right data to optimise operations

Identifying and managing risks that can impact our service quality is key to ensuring customer satisfaction. Our 5x5 metrics tool and processes enable the collection and review of performance metrics across the areas of sales, customers, people, finance and operational excellence that are fundamental to disciplined performance management. The 5x5 metrics provide every Intertek site and team leader with 360º insight into their business to guide their decision making and ultimately lead to superior business performance.

Listening to our customers

Since 2015, we have used the Net Promoter Score (‘NPS’) process to listen to our customers. With 7,000+ customer interviews conducted every month, it keeps us laser-focused on delivering an Ever Better service. Across all touchpoints this is a positive reinforcement that we are delivering on our Total Quality Assurance (‘TQA’) customer promise.

Material topics

- Employee care
- Customer and product responsibility
- Working with customers

"If we have a safety conscious work place and leadership that actively demonstrates its commitment to worker safety, it contributes to a positive culture making it a place where people want to work."

JULIE PRESS
PROGRAM MANAGER, INNOVATION BUSINESS ASSURANCE

0.61
Total Recordable Incident Rate (‘TRIR’) in 2019 (0.65 in 2018)
**Continued focus on suppliers**
We are deeply committed to operating with integrity by ‘Doing Business the Right Way’ and to pursuing our corporate social responsibility activities through living our strong values. Our suppliers have an important part to play in contributing to our sustainability. In 2019 we adopted the Intertek Sustainable Procurement policy which sets out principles of how our own employees should act when managing supplier relationships, and our expectations of our suppliers as it relates to factors such as labour practices and standards, environmental and sustainability policies and practices, ethics and anti-corruption.

**Ensuring the Health and Safety of our employees**
Intertek considers the health, safety and welfare of its employees, clients and third parties connected with its business to be of paramount importance. Our aim is to encourage a culture of proactive Health and Safety (H&S) awareness, industry best practice and continuous improvement so as to increase H&S performance globally.

Our Group-wide ‘General Safe Working Guidelines’ provide the basis for a common and aligned H&S standard for all Intertek sites globally. We aim to achieve zero lost time incidents and are committed to the continuous review and improvement of our H&S performance.

There is a dedicated fire warden, first aider and H&S representative at each Intertek location. These representatives are empowered not only to investigate incidents and implement preventative and corrective actions, but also to disseminate safety information through training and targeting continuous improvement.

During 2019 we made several improvements to the systemic embedding of H&S awareness and processes within the Group. Helping to set the right tone from the top, H&S reviews and reminders were implemented as the first agenda item for every Group leadership meeting. The approach has been replicated throughout many parts of the Group and sends a very powerful message on its critical importance.

In addition, the global network of H&S ‘Champions’ has continued to be enhanced and expanded in 2019 to support continuous improvement. We have a Safety Representative for each of our locations globally as well as a Health & Safety ‘Champion’ for each of our global business lines. By improving our H&S communication network we not only have a known contact person in each country and location but also a means of channeling and disseminating information and programmes globally.

The Intertek H&S agenda is underpinned by the rigorous approach taken to reporting and analysis, with dedicated reporting each month for country and business lines supplemented by inclusion in the 5x5 analysis for every site.

Building on the progress in 2018, we continue to believe that the increases seen in First Aid reporting and Lost Time Incidents are linked to greater awareness and reporting overall.

The growth in H&S engagement in 2019 is encouraging and this progress drives the Total Recordable Incident Rate (‘TRIR’) down 4bps on 2018.

### Health and Safety Data

<table>
<thead>
<tr>
<th>Group</th>
<th>2019</th>
<th>2018</th>
<th>% change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hazard Observation</td>
<td>14,610</td>
<td>9,155</td>
<td>60%</td>
</tr>
<tr>
<td>Near Miss</td>
<td>2,491</td>
<td>2,207</td>
<td>13%</td>
</tr>
<tr>
<td>First Aid</td>
<td>1,347</td>
<td>1,094</td>
<td>23%</td>
</tr>
<tr>
<td>Lost Time Incidents</td>
<td>155</td>
<td>137</td>
<td>13%</td>
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<tr>
<td>Medical Treatment Incidents</td>
<td>125</td>
<td>149</td>
<td>(16)%</td>
</tr>
<tr>
<td>Fatalities</td>
<td>-</td>
<td>1</td>
<td>(1)</td>
</tr>
</tbody>
</table>
| Total Recordable Incident Rate (‘TRIR’)
  | 0.61   | 0.65   | (4)bps   |

1. Rate refers to the number of lost time incidents, medical treatment incidents and fatalities occurring per 200,000 hours worked.

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**H&S Moments**

**RAISING AWARENESS OF HEALTH AND SAFETY AROUND THE GROUP**

At Intertek we encourage a culture of proactive Health and Safety. During his visits around the world, our Group CEO André Lacroix includes a ‘H&S Moment’ at the beginning of every employee Townhall meeting. This approach has been replicated throughout many parts of the Group sending a very powerful message on the critical importance of Health and Safety.
LEADING THE WAY IN WORKPLACE HEALTH & SAFETY

For the sixth consecutive year, Intertek Spain has been awarded for keeping its occupational accident rate below the industry average.

Our business has invested in initiatives to promote a safe working environment and provide employees with the information and resources to perform their duties safely, minimising work accidents across the country. Activities aimed at protecting our people include training on safe driving practices, adequate use of personal protective equipment at work, occupational risk prevention measures, purchase of new personal protective equipment for Potentially Explosive Atmospheres (ATEX), implementation of new safety instrumentation such as oxygen meters and ergonomic sampling devices, and more.

The award was granted by Fraternidad-Muprespa, a social security collaborative entity that supports Intertek in the prevention of accidents at work and compliance with current legislation.

“We are proud to be among the top companies supported by Fraternidad-Muprespa that have obtained this recognition every year since the programme was introduced. We will continue with our 10X mission of ‘Doing Business the Right Way’ by promoting more efficient activities to reduce workplace accident rates to zero.”

JOSÉ ANTONIO IZAGUIRRE
HR Manager, Spain and Portugal
Managing risk is key to our organisation being sustainable. Being able to identify and prioritise both opportunities and threats impacting our business, we are able to achieve our objectives over the long term in order to sustain success.

Intertek has implemented an end-to-end integrated approach to risk, control and compliance which embeds risk management throughout our business; allows us to dynamically adapt our controls, policies and assurance activities as our risk environment changes; and creates responsibility and oversight of our risk identification and risk mitigation actions to ensure they are effective, relevant and robust.

Our integrated risk management framework
Risk management is embedded throughout our organisation using a framework of divisional, regional and functional risk committees. These committees meet quarterly to identify, monitor and assess the risks within their area of responsibility using tools which include a dashboard of leading and lagging risk indicators and risk mitigation action plans.

It is the responsibility of each committee to assess whether its risk environment is changing, whether it has the right mitigation action plans and whether new or different mitigation action plans are required in response to new or changing risks.

The risk committees report to our Group Risk Committee which in turn provides a report on risk and mitigation actions to the Board at each board meeting.
Our integrated approach to identifying and mitigating risks
At Intertek, we view our risk environment as consisting of emerging risks (risks that are potential or future-looking) and systemic risks (risks which are concrete and actually present or inherent in our operations). Emerging risks are assessed by perceived likelihood and impact and addressed using mitigation action plans on a ‘three lines of defence’ model. Systemic risks are addressed using our internal controls, policies and procedures.

Our risk identification and mitigation approach is integrated and dynamic as our risk committees continually review their emerging risks and, to the extent those risks start to become systemic (or ‘real’ rather than ‘potential’ risks), identify new controls, policies or procedures so that we can put new systemic mitigations in place.

Our integrated approach to risk assurance
We have an integrated approach to getting assurance that our risks are being appropriately and effectively identified and addressed. We use an integrated assurance map, which takes each of our emerging and systemic risks and maps an assurance framework onto them by identifying the roles or functions which are responsible for the management, control and oversight of those risks.

Evidence that this assurance is robust is primarily validated by our Internal Audit function (which audits our financial controls and risks), by our Compliance function (which audits our non-financial, operational controls and risks), and by our cybersecurity team (which audits our IT controls and risks).

Business continuity and disaster recovery
Considering the spread of our operations, we acknowledge that each business line and each function has its own specific business continuity and disaster recovery needs, including scope of content, information, depth and coverage. Therefore, we provide general guidelines based on both the requirements defined in the Business Continuity Management System (ISO 22301:2012) and our experience and view of good practice.
The importance of ensuring the security of our data and IT systems is paramount, as are the continual actions required in order to protect from ongoing threats. Intertek has robust measures in place to protect people, processes and data.

Enterprise Security at Intertek

On our good-to-great journey we have developed our IT vision and strategy to systematically focus on security and reducing security risks. We proactively invest in advanced protection capabilities that use machine learning techniques to continuously analyse abnormal behaviours in our network and block unwanted activities. We have established effective detection and response capabilities to ensure quick notification, and have robust processes in place to minimise any disruption to the business.

With this programme, we support our operations and customers, facilitating growth and change with scalable, flexible IT solutions and services, as well as streamlining operations and improving processes and productivity to reduce costs of IT infrastructure and applications.

At Intertek we have adopted a risk based security framework, based on international best practice to protect customer, employee and Intertek data. Our framework is based on clear policies, standards and supporting guidelines and we continue to innovate, enhancing service delivery and strengthening internal and external customer relationships.

39,000 of our colleagues completed cybersecurity training in 2019
Data Protection

At Intertek, we believe all our people and all our customers have the right to data privacy, and so we have adopted the best practices and standards set out in the General Data Protection Regulation (‘GDPR’) across all of our markets and operations, and in relation to all individuals whose personal data we obtain and use (not just individuals in the EEA).

Our Group Data Protection Policy is aligned with the GDPR requirements to set out the minimum data protection standards we apply throughout our operations so that we use all personal data transparently, fairly and securely.

To ensure implementation, and to remain uncompromising on Quality and Compliance, our Core Mandatory Controls framework forms the mechanism to define, monitor and achieve consistently high standards.

Cybersecurity Awareness

COLLEAGUE TRAINING DELIVERED

As we continue our good-to-great journey in our IT and organisational cybersecurity, we are always looking for ways to provide ‘Ever Better Tek’ and improve internal user awareness to reduce risk.

In 2019 the Intertek cybersecurity awareness training module was launched to all colleagues globally, via our internal learning platform. This vital online training course was designed to provide useful information and tips to prevent cyber attacks when using Intertek technology at work or at home. The course was well received and completed by over 85% of our colleagues, including our Non-Executive Directors.
**COMPLIANCE**

**DOING BUSINESS THE RIGHT WAY**

The Compliance standard supports the long term health of an organisation, ensuring it operates with the highest standards of compliance and ethical business practices, including those of supply chain partners. It also outlines senior management accountability, compliance monitoring and whistleblower policies.

**Material topics**
- Employee care
- Customer and product responsibility
- Working with customers
- Human and labour rights
- Compliance and legislation
- Governance

> We continue to develop a best practice compliance programme that meets the expectations of all stakeholders.

ED CROWE
DIRECTOR - RISK, COMPLIANCE & ASSURANCE

Our vision to be the world’s most trusted partner for Quality Assurance is at the heart of everything we do at Intertek. We can only deliver that vision if we operate with integrity to maintain the trust and confidence of all of our stakeholders, including our shareholders, customers, people and the communities and environment in which we operate.

**‘Doing Business the Right Way’**

We are committed to maintaining the total confidence of our stakeholders. One of the Group’s primary business objectives is to help our customers meet quality standards for virtually any market in the world and protect them against risk by ensuring compliance with local, national and international laws. The accuracy and validity of reports and certificates that we provide and maintaining the trust and confidence of our customers, their clients and others impacted by our work, are therefore important factors which contribute to our success. Integral to this is ‘Doing Business the Right Way’, our internal risk, control, compliance and quality programme.

This means living our values, having the highest standards of ethics and integrity in how we conduct ourselves every day, everywhere and in every situation.

The programme includes:

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

Internal Audit is responsible for reviewing and assessing Intertek’s business processes and provides an independent and objective assurance and advisory activity designed to add value and improve our internal control systems and operations.
Ethics, integrity and professional conduct

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 (‘Code’). It sets clear expectations that people working for our business must act at all times with integrity and in an open, honest, ethical and socially responsible manner. The Code also covers health and safety, anti-bribery, labour and human rights.

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

To support this policy in action, all people working for, or on behalf of Intertek are required to sign the Code upon joining the Company or before commencing work on our behalf. This confirms their acceptance of the high standards expected of them in all business dealings.

Intertek employees or people acting on Intertek’s behalf are responsible for applying the Code in their own job role, their part of the business and location. Every year, to support the continuing understanding in this area, all of our people are required to complete our comprehensive training course. Over 85% of our workforce can complete their training online. For those without IT access, a process is in place to ensure their access to the information. Regional/Country HR representatives are given updates throughout the training window, and on closure follow up locally to ensure full completion.

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

Whistleblowing hotline

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

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

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

During 2019, 168 reports of non-compliance with the Code were made to our hotline. Of those reports, 40 were substantiated and required remedial action.

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

100% of our colleagues are required to complete our Code of Ethics training
Our environmental mission is to provide a better quality of life today and a more environmentally responsible world tomorrow. We do this by continually improving our business performance in line with our Ever Better discipline to minimise the impact of our operations on the environment.

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

**Operational scope**

We have measured our Scope 1 and 2 GHG emissions as well as certain Scope 3 emissions covering the categories of fuel and energy-related activities and employee commuting.

Scope 3 emissions, while not viewed as mandatory, provide valuable insights on the full emissions picture for a company. There are 15 potential Scope 3 categories, but not all are relevant to every company. Utilising a reputable third party vendor, Intertek determined in 2018 that seven were relevant to our operations, and of these seven categories five were material and should be reported.

For 2019, Intertek is disclosing Scope 3 emissions, including for the first time employee commuting data results. Over 14,200 employees responded to the Group-wide commuting survey, showing their support for our Ever Better philosophy towards sustainability.

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**Material topics**

- Environment

* "Everything we do in business is dependent on the natural world."*

  ERIC SAIGEON
  SENIOR GLOBAL SUSTAINABILITY & ENERGY MANAGER
Our data

Our desire for improved data accuracy and environmental reporting continues with our annual GHG reporting cycle running from 1 October 2018 to 30 September 2019. The corresponding average number of employees for this period was 44,775. Throughout 2019, we have continued to increase attention to detail and diligence across all Intertek sites and we continue to embed policies and procedures in our regional and divisional structures.

Our Global Sustainability Environmental software platform, used to monitor and track our global GHG emissions, allows us to diligently collate the data at site level and roll up reporting packs to both the business line and country levels.

This provides us with intelligence on our emissions performance both through a regional and business line view and enables us to understand where our operations are more impactful, which in turn helps us to understand where to implement our mitigation plans.

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

Full details of our emissions are contained in the table on page 26.

Our activities across the world are diversified, with a mixed spread of both laboratories and offices, with our carbon emissions intensity higher in businesses that are more capital intensive such as our global laboratory network compared to our audit and office-based operations, which have much lower capital intensity.

Additionally, where possible, we also use technology to generate onsite energy from the fuel consumed, thereby ensuring the footprint is minimised. Fleet management and testing efficiency continue to be areas Intertek will innovate for future emissions reductions.

In 2019, we have improved our disclosures by reporting the emissions linked to employee commuting. Our CO2e emissions intensity ratio from operations was 4.5, 3% ahead of 2018 and 180bps below our total revenue growth rate at constant rates.

Our electricity consumption was reported to be 263,576 MWh (5.89 MWh per employee) and natural gas consumption was reported to be 69,871 MWh (1.56 MWh per employee) for 2019.

As a result of the commuting survey, Intertek is heightening the importance of commuting habits and encouraging employees to consider greener alternatives, such as ride sharing, public transport and flexible working practices.

Methodology and approach

The emission factors are sourced from the relevant government department in each country, including UK DEFRA and the US Environmental Protection Agency (‘US EPA’).

Intertek’s reporting complies with the methodologies outlined by the GHG Protocol ‘Corporate Accounting and Reporting Standard’, ISO 14064-1 and the UK Government’s ‘Environmental Reporting Guidelines: including mandatory greenhouse gas emissions reporting guidance’.

At Intertek we take an Ever Better approach to ensure our data is wholly accurate and consistent year-on-year. Data collection continues to improve, with over 130 users adding site level data every month. Where material items are identified, we include these both prospectively and retrospectively to understand our full global carbon footprint.

Targets

Intertek clients depend on our safety, quality and environmental expertise to ensure their products meet global market expectations. Intertek will continue to strive for emissions reductions internally as the world’s leading Total Quality Assurance (‘TQA’) provider.

In line with our prior year reporting our target is maintained and we continue to strive for a reduction in GHG emissions per employee by 5% against our 2018 base year.

As part of our environmental mission, we will continue to make improvements going forward and are committed to reducing the carbon footprint of our direct operations. We will report our progress on this in the coming year.

External assurance

2019 marks the second consecutive year that Intertek’s GHG data has been independently assured by Ernst & Young to ensure our internal processes provide the most accurate reporting while also focusing on emissions reductions. Their independent assurance statement can be found on page 27.
**CO₂e** emissions from 2019 activities for which Intertek is responsible include:

<table>
<thead>
<tr>
<th>Operational Emissions</th>
<th>GHG Emissions (tonnes of CO₂e)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2019 (restated)</td>
</tr>
<tr>
<td></td>
<td>2018 (restated)</td>
</tr>
<tr>
<td><strong>Scope 1</strong></td>
<td></td>
</tr>
<tr>
<td>Mobile Combustion – Owned Fleet</td>
<td>2,141</td>
</tr>
<tr>
<td></td>
<td>35,565</td>
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<tr>
<td>Stationary Combustion</td>
<td>27,245</td>
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<tr>
<td></td>
<td>26,678</td>
</tr>
<tr>
<td><strong>Scope 2</strong></td>
<td></td>
</tr>
<tr>
<td>Purchased and Used Electricity (location-based)</td>
<td>126,981</td>
</tr>
<tr>
<td></td>
<td>121,243</td>
</tr>
<tr>
<td>Purchased and Used Electricity (market-based)</td>
<td>132,458</td>
</tr>
<tr>
<td></td>
<td>127,774</td>
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<tr>
<td>Purchased Heat and Steam</td>
<td>1,712</td>
</tr>
<tr>
<td></td>
<td>1,625</td>
</tr>
<tr>
<td><strong>Scope 3</strong></td>
<td></td>
</tr>
<tr>
<td>Energy-Related Activities¹</td>
<td>7,688</td>
</tr>
<tr>
<td></td>
<td>7,611</td>
</tr>
<tr>
<td><strong>Total emissions (location-based)</strong></td>
<td>201,332</td>
</tr>
<tr>
<td></td>
<td>193,402</td>
</tr>
<tr>
<td><strong>Total emissions (market-based)</strong></td>
<td>206,809</td>
</tr>
<tr>
<td></td>
<td>199,933</td>
</tr>
<tr>
<td><strong>Outside of scope</strong></td>
<td></td>
</tr>
<tr>
<td>Biomass</td>
<td>322</td>
</tr>
<tr>
<td></td>
<td>624</td>
</tr>
<tr>
<td>Fugitive Emissions</td>
<td>2,060</td>
</tr>
<tr>
<td></td>
<td>1,444</td>
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<tr>
<td><strong>Total emissions (location-based) including outside of scope</strong></td>
<td>203,714</td>
</tr>
<tr>
<td></td>
<td>195,470</td>
</tr>
<tr>
<td><strong>Total emissions (market-based) including outside of scope</strong></td>
<td>209,191</td>
</tr>
<tr>
<td></td>
<td>202,001</td>
</tr>
</tbody>
</table>

**Intensity ratios – Scope 1, 2, 3 emissions**

**Operational emissions**

- CO₂ per employee (location-based) 4.50 4.37
- CO₂ per employee (market-based) 4.62 4.52
- Average # of employees during reported period 44,775 44,255

**Employee commuting**

- 74,332 -
- 1.66 -

¹ **CO₂e** – Carbon dioxide equivalent.
² The prior year total emissions (location based) was 182,333 (reported) vs. 193,402 (restated). This is a result of increased reporting visibility in a number of locations, as well as the removal of refrigerants used for cooling buildings, as it was considered immaterial. We continue to include refrigerants used in testing.
³ Scope 3 energy-related activities only include Transmission and Distribution losses.
INDEPENDENT ASSURANCE STATEMENT
TO INTERTEK GROUP PLC MANAGEMENT


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

Our responsibility, in accordance with our engagement terms with Intertek Group management, is to carry out a ‘limited level’ assurance engagement on the selected data (“the Subject Matter Information”) outlined in pages 27–29 of the Annual Report and 24–26 of the Sustainability Report:

• Greenhouse gas emissions – scope 1;
• Greenhouse gas emissions – scope 2; and
• Greenhouse gas emissions – scope 3
  – Fuel and energy related activities
  – Employee commuting
• Greenhouse gas emissions – intensity ratio.

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

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

Completeness
• Whether all material data sources have been included and that boundary definitions, (outlined in pages 27–29 of the Annual Report and 24–26 of the Sustainability Report), have been appropriately interpreted and applied.

Consistency
• Whether the Intertek Group scope and definitions, (outlined in pages 27–29 of the Annual Report and 24–26 of the Sustainability Report), for the Subject Matter Information have been consistently applied to the data.

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

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

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

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

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

The scope of our engagement was limited to the reporting period, and therefore 2019 performance only.

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

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

Our independence
Our assurance team has the appropriate expertise to perform the engagement and with the exception of this work we have provided no other services relating to Intertek nor are we a connected person.

In performing this engagement, we have applied International Standard on Quality Control (ISQC) and the independence and other ethical requirements of the International Ethics Standards Board for Accountants (IESBA).1

Ernst & Young LLP
London
3 March 2020

1 Parts A and B of the IESBA Code, and the International Standard on Quality Control 1 (ISQC1)
As we operate a decentralised business model, it’s our local teams who look for ways to become more environmentally efficient and reduce the impact of our operations on the environment.

**Our Commitment to Total Sustainability Continued**

**USA**

**Building a Culture of Environmental Responsibility**

Intertek Alchemy has launched an Environmental Responsibility training programme to help HR and EHS (environment, health and safety) leaders engage their frontline workers with education about sustainable practices. Covering 12 key topics, the Environmental Responsibility Library satisfies regulatory requirements and combines interactive training with reinforcement materials, guides, role plays, objection busters, recognition awards and more.

**Canada**

**Recycling Technology**

As part of their activities to reduce e-waste, our team in Edmonton, Canada, is working with a non-profit organisation that has been helping to recycle electronic devices like phones, tablets and laptops since 2004.

**United Kingdom**

**Employee Sustainability Survey**

In summer 2019, Intertek UK invited all its colleagues to feedback on what was most important to them, to shape an ‘inside out’ sustainability plan for 2020 and beyond. The top three areas that employees want to focus on are waste recycling, renewable energy use, and increasing energy and water saving initiatives.

**USA**

**Retrofitting Sites for Energy Efficiency**

Our Building & Construction (B&C) division began an initiative across multiple sites to swap expensive and maintenance-heavy incandescent/halogen laboratory and office lights with efficient and cost-saving LEDs. The West Palm Beach, Florida laboratory replaced 53 fixtures in 2019. Compared to the older incandescent/halogen units, the new LED fixtures decreased wattage by 60 watts per unit and increased the fixture lifespan by 42,000 hours per unit.

Additionally, Lithia Springs, Georgia and Kent, Washington laboratories also replaced lighting with LEDs. In these sites a collaboration between Intertek, the building owner, and local power utilities made the cost lower and the savings even greater. USA operations plans to develop more opportunities and partnerships in our sites for further LED adoption in 2020.

**Canada**

**Recycling Technology**

As part of their activities to reduce e-waste, our team in Edmonton, Canada, is working with a non-profit organisation that has been helping to recycle electronic devices like phones, tablets and laptops since 2004.
Azerbaijan
REDUCING ENERGY CONSUMPTION
Intertek’s central office and laboratory in Azerbaijan has completed the switch over to LED lighting. The team has also started the process to replace older air conditioning units with new dual inverter air containers which are 70% more energy efficient.

Poland
LAB ELIMINATES SINGLE USE PLASTICS
At Intertek Poland, our Laboratory Management team for Food Services has cut waste by introducing eco water dispensers, and by providing all employees with reusable water bottles made of ecological material.

Sweden
NEW CAR POLICY
Our business in Sweden launched a new employee car policy that caps CO2 emissions for company cars and also incentivises colleagues to select the more environmentally-friendly car options available to them.

Denmark
WATER USAGE REDUCTION
Intertek Denmark has introduced a re-circulation water-cooling system to eliminate the use of potable water at its Kalundborg site to cool its two CFR (co-operative fuel research) engines. The two engines now use the same reservoir, reducing the water temperature via a coil cooled by an external air source pump.

Pakistan
SOLAR PANELS PROVIDE CLEAN ENERGY
Recently installed, the solar panels at Intertek’s new location at Korangi in the Karachi area of Pakistan are powering the office with 12Kva (close to 10kw) of clean electricity.

Bangladesh
HR GOES PAPERLESS
With the successful integration and go-live of the new Bangladesh digital Career Centre, the country HR function has become completely paperless throughout the full employee lifecycle, helping to reduce the carbon footprint. From talent attraction and onboarding to employee selection, the full spectrum of HR touchpoints has now gone digital with the roll out of the cloud-based HRIS and its associated Mobile App.

Taiwan
SHIFTING TO A PAPERLESS FUTURE
In an effort to cut down on deforestation and pollution, Intertek Taiwan is aiming to become a paperless organisation. With the full support of its leadership and employees, and the vast majority of our clients, the business has implemented a series of actions, including using electronic document management systems, and simplified processes to reduce its paper use.

Australia
RECYCLING RESOURCES THAT ARE VITAL TO A GREENER FUTURE
As a crucial component of batteries, Lithium is a strategically vital substance for a sustainable future. But it is also a finite resource and, as a mined commodity, its production has an environmental impact.

This is why Intertek Australia has entered an agreement with a specialist partner to recycle X-ray fluorescence beads (used to determine the elemental composition of materials). This will allow the waste diversion of around ten tonnes of lithium every year, which would otherwise be disposed of through landfill.

Intertek has also entered an agreement for the local recycling of lead waste. This will extract lead oxide, which is mainly used in making lead glass for electronic elements, to eliminate significant transportation costs for treatment or disposal.

Australia
COMBATING INEFFICIENCIES IN WASTE MANAGEMENT
In 2019, Intertek Australia carried out several initiatives based on UN SDG 12 – achieving Responsible Consumption and Production. These included replacing the inefficiencies of multiple waste-management contracts with a single agreement with a specialist partner organisation.

As well as controlling waste streams from collection to disposal, our partner will create awareness of responsibilities and help teams account for waste-stream management through benchmarking and KPIs.

New Zealand
RECYCLING ACROSS ALL SITES
During 2019 our operations in New Zealand have ensured that multiple streams of resources are now being recycled, including the recycling of oil samples, recycling of sample tins and recycling of office wastepaper, cardboard and plastics/glass. All sites have also removed the use of disposable drinking cups.
"Municipal waste is a real concern in Hong Kong and as locals here, we see it as a threat to our natural habitat. However, with Intertek, myself and over 500 other employees have been able to sign up to several initiatives addressing the issues, which really gives me an opportunity to make a positive difference."

PATRICK S LEE
Joint CEO Greater China
Hong Kong has an exceptional degree of biodiversity, with one of the world’s best country-park systems on the city’s doorstep.

But with more than 10,000 tonnes of municipal waste produced every day - 20% of which is non-biodegradable plastic - Hong Kong’s natural habitat is under growing threat.

More than 500 Intertek employees have signed up to a series of ongoing initiatives with the aim of addressing many of the issues involved.

For example, the company has joined the V Cycle 10 Tonne Challenge, a programme that recycles PET bottles into useful textile products. It is also promoting Biz-Green Dress Day, in which people are encouraged to wear light yet professional clothing to work so that air-conditioning systems can be turned down.

Intertek Hong Kong is also an active participant in the World Wildlife Fund’s Earth Hour, promoting awareness of environmental issues and reducing the use of lighting to save energy.
PEOPLE & CULTURE
BUILDING A SUSTAINABLE WORKFORCE

In order to build a sustainable workforce, organisations must ensure they have qualified people in a positive work environment. The People & Culture standard verifies that the systems and processes are in place to attract, train and retain the right employees by demonstrating a supportive, transparent and fair company culture.

Material topics
• Employee care
• Human and labour rights

Intertek’s first corporate goal is to have fully engaged employees working in a safe environment.

Employee engagement, human rights and worker health and wellness is core to the long-term success of our business. We strive for a sustainable workforce that is stable, engaged and committed to the organisation, our goals and objectives. We respect and protect the rights of our people across operations and throughout our business relationships.

Our People Strategy is all about energising our colleagues to take our business to new heights.

Our Values
Our values aim to drive how we live every day, supplementing our purpose, how we conduct our business, and underpinning our desire to make the world Ever Better.

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

Employee safety and wellbeing
True to our first corporate goal, we have made a lot of progress in the way in which we manage employee health and safety, and initiatives have been created around the world in every country and business line. In 2019 we undertook a survey to benchmark ourselves against best-in-class, which is shaping our thinking and our vision for our employees safety and wellbeing. To further elevate this vital agenda, we appointed a VP Global Employee Health and Safety during the year.
Ever Better Programmes in the UK

The safety of our people is of paramount importance and we will continue to develop our approach, building on our policies and processes to ensure these provide more tailored support for colleagues across different roles and responsibilities.

**READ MORE ABOUT HOW WE ENSURE THE HEALTH AND SAFETY OF OUR EMPLOYEES ON PAGE 15**

**Talent attraction, development and retention**

We reach out to prospective employees in a variety of ways, depending on location and role, in compliance with local regulations for fair recruitment practices and equal opportunities. We post vacancies on our website (intertek.com/careers) and employ various ways of sourcing talented people. These include recruitment agencies, social media, printed advertisements, employee referrals, professional bodies and associations, schools, colleges and universities. To offer people career growth and progression within the Group, we seek wherever possible to fill vacancies from within the business first.

To seize the exciting growth opportunities arising from our Total Quality Assurance (‘TQA’) value proposition, we continually invest in the growth of our people. We aim to hire, inspire, engage and retain the best people to power our 5x5 strategy, providing the skills to grow our business.

With an Ever Better mindset we encourage our people to continuously learn new skills that help advance their careers and deliver our TQA Customer Promise. Our talent-planning process is critical to our future success in delivering our strategy and fostering our culture and values throughout Intertek.

We believe in personal growth for every employee and we know that when each of us is growing and developing, we move faster along our good-to-great journey. Over the years we have made great progress with our Leadership Development agenda.

Today we have in place many Group-wide programmes to support this agenda including talent planning processes, the 10X journey that provides structure for individual growth planning, our 10X Energies that help define winning behaviours and 10X Way! training to help address key development and training needs. There are many more programmes across the business, providing in-house and external learning opportunities.

**FOCUS ON LEADERSHIP DEVELOPMENT AND WELLNESS**

Intertek in the UK launched several new leadership development and employee wellness initiatives during 2019.

Our ‘Leadership Learning Labs’ were launched in May, and attended by 250 managers and leaders. The labs were designed to provide coaching techniques to promote a culture that supports innovation and engages our people through collaborative quality conversations.

‘Skills for Success’ was significantly extended during 2019 with the launch of the ‘Ever Better Management’ and ‘Ever Better Leadership’ programmes. September saw the first group of 27 colleagues enter the 13-month Management programme, with a further 38 people joining in November. These programmes provide leaders with the experience and expertise they need to deliver our strategy for growth.

The brand new ‘Total Wellness Package’ was launched in 2019 to help support the wellbeing of all UK employees. This is now an important part of the established ‘Ever Better Me’ programme, which gives every employee access to a range of services that enable them to care effectively for their own mental and physical health.

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"By spending time on my own personal development, I have learnt how to develop my team and encourage them to be the very best they can be.”

CORINNE, COMMERCIAL DIRECTOR CHEMICALS & PHARMA UK

"The leadership learning lab was an energetic and safe environment to reflect on and challenge my understanding of leadership, and provided effective coaching techniques.”

TIM, SOLUTIONS ARCHITECT GROUP IT
As we operate across a wide range of sectors, different types of technical training, education and support are required, including apprenticeships and internship programmes, as well as college degrees and professional qualifications.

At Intertek our leaders strive to be of the highest quality in the industry and we believe in the spirit of Ever Better and know that the ability our leaders have to develop and grow employees in their teams is one of the biggest factors that will influence the exciting growth journey we have ahead of us.

During the year we appointed a VP Group Leadership Development to further advance our global leadership development agenda.

**Learning Innovation in India and Bangladesh**

**MICRO-LEARNING FOR RAPID PROGRESS**

Two micro-learning initiatives in India and Bangladesh are successfully improving the soft skills of Intertek people without time-consuming classroom sessions. ‘Learning Bites’ is a weekly email that distributes videos, PowerPoints and more to give employees tips and information in a cut-down, easy-to-digest format. And ‘Knowledge Beans’ is a bimonthly email that focuses on the finer aspects of human behaviour that support career success.

**Employee Engagement in Singapore and Malaysia**

**TEAM BUILDING MEETINGS**

Team ‘Kickoff Meetings’ are organised twice a year in Singapore and Malaysia. Our Regional Managing Director and Leaders share key notes on business direction and strategy, performance, financials, policies and take the opportunity to present the 10X Energy awards to colleagues. It is a great platform for team building and bonding where colleagues from the different sites and locations can come together.

**Latin America Newsletter**

**EMPLOYEE COMMUNICATION SUSTAINS UNDERSTANDING AND TEAMWORK**

Intertek believes that people are likely to contribute more and feel committed if there is a culture of open communication.

It is in this spirit that Intertek’s operation covering Latin America publishes Interkonectados, a region-wide quarterly newsletter designed to promote belonging and collaboration, emphasising our people’s responsibilities to one another, clients and society as a whole.
For the first time in Saudi Arabia, female inspectors are working with Intertek, providing quality assurance services on various projects.

Intertek is currently the only third-party inspection company in Saudi Arabia that operates with female inspectors. With this unique employment initiative, Intertek has set a blueprint for diversity in the Saudi workforce which reflects our dedication to exceeding our commitment for local community development and work-force diversity.

“WE HOPE THIS STORY INSPIRES OTHER WOMEN ABOUT WHAT CAN BE ACHIEVED”

KAFA AL-GUNAID
Senior HR Business Partner
OUR COMMITMENT TO TOTAL SUSTAINABILITY CONTINUED

Employee Wellbeing

FITNESS CHALLENGE AT INTERTEK ALCHEMY

The Intertek Alchemy Annual Fitness Challenge is a regular three-month programme which encourages employees to use diet and exercise as a way of improving their health, career and community well-being. Culminating in the annual Cap10k run in Austin Texas, the Challenge has seen over 170 people pound out more than 4,500 hours of fitness activities over the last five years.

Protecting human rights

We are committed to ensuring that our employees are subject to fair working practices and are treated with respect. Within our business, the rights of our employees are respected by the implementation of our Labour and Human Rights policy and Code of Ethics. Both are aligned to the principles of the United Nation’s (‘UN’) Convention on Human Rights and the International Labour Organisation’s (‘ILO’) eight core conventions on fundamental human rights, those being: non-discrimination; forced labour; child labour; freedom of association and collective bargaining; harassment; working hours; benefits and wages; leave; and employee contracts and letters.

In 2019, we published our third Modern Slavery Act Statement to outline the steps we are taking internally, in our supply chain and through partnerships and advocacy to avert modern slavery and human trafficking.

Inclusion, diversity and gender equality

We are an inclusive global family that values diversity by applying all employment policies and practices in a way that is informed, fair and objective. This covers all policies relating to recruitment, promotion, reward, working conditions and performance management.

Our Inclusion and Diversity policy facilitates a culture of inclusiveness where people are able to perform at their best, where their views, opinions and talents are respected, harnessed and not discriminated against. We are committed to maintaining the highest standards of fairness, respect and safety.

As a business we want to ensure that we have the right capabilities to deliver our strategy. We recognise the value that individuals of different backgrounds and capabilities bring to the business. Our diverse workforce helps us to understand, communicate and trade with our vast client base through their understanding of local issues and cultures, adding value in assuring our services are tailored to our customer needs, and underpins sales growth, customer retention and satisfaction.

11% increase in female employees since 2017 and
6% increase in the past year

Employee Wellbeing

REVENUE AND HEADCOUNT

INTERTEK TQA EXPERTS BY REGION

INTEK TQA EXPERTS BY GENDER

36 INTERTEK SUSTAINABILITY REPORT 2019
We recognise the importance of gender diversity, in management and across all levels of our business. In line with the Hampton-Alexander Review, as well as supporting gender diversity on our Board, in June 2019 we contributed our data on the gender balance across our senior executive team and their direct reports:

<table>
<thead>
<tr>
<th></th>
<th>2018 Male</th>
<th>2018 Female</th>
<th>2019 Male</th>
<th>2019 Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>Board</td>
<td>7</td>
<td>3</td>
<td>7</td>
<td>3</td>
</tr>
<tr>
<td>Executive Management Team* (Exec)</td>
<td>11</td>
<td>3</td>
<td>10</td>
<td>4</td>
</tr>
<tr>
<td>Direct reports (DR)</td>
<td>95</td>
<td>24</td>
<td>97</td>
<td>24</td>
</tr>
<tr>
<td>Combined: Exec + DR</td>
<td>106</td>
<td>27</td>
<td>107</td>
<td>28</td>
</tr>
</tbody>
</table>

Data submitted as at 30 June 2019.
* Executive Management Team: comprised the Group Executive Committee for 2018 and 2019. Since June 2019 we have combined the Group Executive Committee and Group Operational Excellence Committee into the Intertek Leadership Team.

We will continue to promote and endorse fair, consistent and thoughtful working practices that are in accordance with our values. At Intertek we are proud to be an equal opportunities employer. We consider all qualified applicants for employment regardless of gender, ethnicity, religion, age, disabilities and other protected characteristics. At Intertek, men and women are paid equally for doing equivalent roles and we are committed to a number of measures to ensure we provide an energising workplace, free of any gender bias, where employees can flourish based on their talent and effort. To strengthen this, we ensure that our shortlists of external hire candidates have a balance of gender diversity. We also provide flexible working where possible and provide mentorship to women to address the gap in gender numbers at senior levels.

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Ensuring Gender Diversity and Equality in Europe

INSPIRING STEM JOBS AMONG FEMALE STUDENTS

2019 was the third year Intertek was involved with INSPIRA, an award-winning pioneering project in Spain whose aim is to bring more females into careers in science, technology, engineering and mathematics (STEM). The project provides school-age girls with informative talks by women in these fields.

Izaskun Mentxaka, Quality Manager for Intertek Spain, volunteered her time to present six sessions to 22 school-age girls about opportunities and realities of careers in STEM. Intertek Spain has embraced the INSPIRA Manifest which is committed to work actively for gender equality in the scientific and technological fields.

ENCOURAGING MORE WOMEN INTO THE WORKPLACE

Intertek’s businesses around the world continue to strengthen their efforts to ensure diversity and gender equality in the workplace.

In 2019, our team in Sweden partnered with ‘Introduce a Girl to Engineering’ (IGE), an organisation focused on reaching a specific goal – that by 2030 50% of graduates from technical studies are women. To support this goal and encourage more females to study engineering subjects, Intertek invited ten girls aged between 13 and 17 to visit our offices to discover more about engineering careers.

This is an on-going programme that has continued to build popularity with students, but also with our colleagues who want to take part in the initiative.
Talent Recognition in China

In 2019, Intertek in China increased activities to recognise its valued employees, teams and team leaders. Outstanding performance, implementation of innovative ideas that improve operational excellence or customers experience, new business wins and new market entry are all regularly celebrated, with the local HR team organising quarterly and annual ‘10X!’ recognition activities and events. Through these, star employees are awarded for their efforts and success by the senior management team, and has resulted in improving staff engagement levels.

Intertek’s China Star Employee Programme, a graduate training initiative, has been running six years and is a highly successful means of retaining the best talent. New graduates receive ongoing training and a quarterly formal review, enabling Intertek to identify the best candidates for career development and promotion.
International Women’s Day in Asia

CREATING A BETTER-BALANCED WORLD

In 2019, International Women’s Day saw Intertek colleagues of both genders mark the day. In keeping with the global theme, #BalanceforBetter, in Bangladesh female colleagues produced a special documentary in which they talk about their careers with Intertek. In India, male colleagues in Delhi talked about the strength of the women in their lives. And in Cambodia, all female employees received a gift recognising their contributions to Intertek, their families and society.
COMMUNITIES

GIVING BACK TO SOCIETY

The Communities standard monitors how the organisation is using its influence as a leader around the world and the contribution and positive impacts it has on community development, through education, volunteering and economic productivity efforts.

Material topics

• Environment
• Societal impact

Our global business spans more than 100 countries and, as such, we understand the huge opportunity and responsibility we have to make a positive and lasting impact on our local communities where we work. As a business we contribute by creating employment opportunities and our 46,000 people are passionate about volunteering, funding education programmes and supporting charities to benefit their local communities and neighbourhoods.

Each of our countries and business lines define their own sustainability agendas, which are tied to the Group priorities, aligned to the UN Sustainable Development Goals and focus on their local operations and communities.

In this section we provide a small selection of highlights from the many community activities that our colleagues are taking part in around the world.

Singapore

SUPPORTING SENIORS IN SINGAPORE

2019 was the third year Intertek colleagues in Singapore supported the ‘Lions Befrienders Service Association’ (LBSA). The charity helps older members of the community continue to lead meaningful and enriching lives. In September, 26 of our colleagues donated their time to accompanying 40 senior citizens on a sight-seeing visit in Jewel Changi, buying them lunch and presenting gift vouchers to help them buy everyday necessities.
USA

TECH MENTORING THROUGH CREATIVITY AND COLLABORATION

In the years ahead, expertise in STEM (science, technology, engineering and mathematics) subjects will be increasingly fundamental to career success as businesses and society seek new solutions to emerging challenges.

Volunteers from Intertek Wisetail are helping all students at Hyalite Elementary School learn the basics of coding by building LEGO robots and programming Sphero robotic toys. By using creativity and collaboration to make problem-solving through coding fun, the programme is giving kids everything they need to succeed in their STEM curriculum challenges.

A FOCUS ON PROMOTING STEM SUCCESS

During 2019, Intertek Hong Kong took responsibility for ensuring STEM education is available to children from all walks of life. The work particularly focused on areas where it is not compulsorily embedded in local systems and parents need to pay extra for STEM courses.

Following a highly successful launch, this is now an ongoing programme.

During the year, Intertek identified employees who are keen to work with children, then trained these individuals in STEM education and the Intertek STEM Mark Scheme. The team also worked with a range of educational institutions and schools, hosting lab tours for pupils and introducing teachers to high-quality, Intertek-verified STEM toys. In addition, Intertek hosted a STEM toy fair in Hong Kong’s Olympics City shopping mall, enabling parents to choose the products that will have the best impact on their children’s STEM education.

The Netherlands

COLLEAGUES IN THE NETHERLANDS DONATE THEIR HOLIDAY TIME TO CHILDREN’S CHARITIES

During 2019, Intertek colleagues in Geleen, the Netherlands raised €6,900 for charitable foundations that are close to their hearts: ‘Global Exploration – Mama Alice Peru’, KIKA and ‘Spieren voor Spieren’. The charity donation was raised primarily by colleagues donating their holiday time - Dutch law allows employees to donate their paid leave days or hours.

Providing disaster relief in Bangladesh

Every year, the Intertek Bangladesh team provides support to communities of people in the country who have been affected by flooding and other weather-related disasters. Working with local government and voluntary organisations, in 2019 Intertek colleagues distributed blankets to people in need in Mymensingh (165 km from Dhaka) and relief materials to flood victims in Jamalpur (200km from Dhaka).

Bangladesh

Intertek Alchemy has sponsored the Flatwater Foundation’s ‘Dam That Cancer’ initiative for five years, helping its mission to meet the mental-health needs of families affected by cancer. This ongoing charitable initiative includes fundraising for an event - a gruelling 21-mile paddle-boarding challenge down the Colorado River, for which participants need to train for three months. Over the years, our 38 paddlers have raised more than US$100,000 for the Foundation.

US$100,000 raised by Intertek Alchemy for those affected by cancer
OUR COMMITMENT TO TOTAL SUSTAINABILITY CONTINUED

Taiwan

Supporting Association for the Visually Impaired

During 2019, Intertek Taiwan invited a number of visually impaired licensed massage therapists to provide our local colleagues with free treatments. The initiative not only provides the therapists with valuable work, but also improves the wellbeing of our colleagues through stress relief, thus creating benefits for the business, employees and society.

Hong Kong

Continued Action to Reduce Plastic Waste

During 2019 Intertek Hong Kong staff took part in a city-wide recycling initiative to reduce waste. They collected and recycled 98kg of single-use bottles, which will be made into 538 metres of fabric to make 538 reusable tote bags. This is an excellent example of promoting environmental protection, giving a second life to plastic waste, and providing work opportunities to the local community.

New Zealand

Supporting Drought-Affected Farmers

Intertek colleagues in New Zealand were happy to make a significant donation to aid drought-affected farmers in the region. They raised $10,400 for the Drought Angels, a charity that supports farmers and rural communities with food hampers, care packs, prepaid visas and local store vouchers. This initiative was a joint effort and included several other Intertek contractors and a major Intertek client.
2019 was the 12th year in which Intertek China campaigned to raise funds for the student aid programme in Chongming, China. Over the last decade, the programme has helped 30 young people from challenging backgrounds to achieve their potential.

One of the students that has benefited from the aid, Zhou Chuchu, is now a 24-year-old PE teacher. She had considered leaving school, but as she says, “people from Intertek gave me not only financial support but also spiritual encouragement.”

Another beneficiary, Li Genbao, was supported through junior high school by Intertek. A gifted student, he eventually was accepted into the Jilin Changchun University of Technology, an excellent springboard for his future career.

“Providing support for this student aid programme is very close to our hearts and we feel very proud to have been able to contribute to the success of so many young people. At Intertek we really are born to make the world Ever Better.”

FRED BAI
Joint CEO, Intertek Greater China
Our governance practices demonstrate our values and our progress against policies and sustainability objectives to both internal and external stakeholders.

The focus on corporate governance in the UK and around the world had continued to evolve with increased emphasis on corporate culture, company purpose and the values which are critical to ensuring long-term sustainable success.

In embedding responsibility throughout Intertek, we focus on the areas we are deeply committed to supporting our customers and having a positive impact on our people and communities, minimising our environmental impacts, operating with integrity by ‘Doing Business the Right Way’, and pursuing our socially responsible activities through living our strong values every day, everywhere. These areas are linked to and support our 5x5 strategy for growth.

We continue to develop these and the supporting network. The process is led by the Sustainability Operating Committee, whose purpose is to advance our initiatives, both internally and in our external sustainability services for our clients.

**Transparent stakeholder engagement**

We support the changes to the UK Corporate Governance Code requiring companies to better understand the views of key stakeholders. This move to increase transparency fully aligns with our standard and we continue to develop strong relationships with our full range of stakeholders. We engage with our stakeholders to understand their needs and priorities, which in turn shapes our strategy and purpose.

*Read more in the Annual Report on Pages 56, 57 and 59*

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**Material topics**

- Governance
- Compliance and legislation

“**Sustainability is at the heart of our purpose and the Board has given its unreserved support to sustainable value creation.**”

**SIR DAVID REID**

**CHAIRMAN**

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In order to create a sustainable business, responsibility must be embedded across the entire organisation. The Governance standard helps build an accountable and diverse governance structure, in addition to more transparent stakeholder engagement.
The purpose of the Sustainability Operating Committee is to advance our initiatives, for our clients, our external sustainability service offering, and internally progress our own activities including tracking and reporting on our environmental footprint, GHG emissions and contributions to the UN SDGs.

The Board has ultimate responsibility in promoting the long-term sustainable success of the Company.

Cross-functional contributors across our countries carry out sustainability related initiatives both for our client and on internal programmes which are aligned to the UN SDGs.

In 2019, we established two Regional Sustainability Committees, in the Gulf and the UK. Governments in these regions are announcing new and bold sustainability goals and this is complemented with increased interest from clients and consumers in sustainability practices. This was the driving force for us to create these committees, to contribute to making the world Ever Better, for people, community, environment and customers.
Going out into the business, the Directors are able to meet with a diverse group of colleagues on a more informal basis which greatly assists not only in employee engagement but also in the succession planning process. These visits provide an opportunity to: assess local management performance and potential, to gain further insight into how the business works on a day-to-day basis and speak first hand to local management and listen to their views.

The format of these visits often comprises a tour of our facilities and presentations on the macroeconomic environment of the country; its social and political systems; challenges and opportunities; a review of the competitive landscape; and a detailed review of the relevant business lines and our people.

In October 2019, the Board travelled to China where they visited two customer sites, one of which was Midea Group in Guangzhou and Shun De, Fo Shan, for a deeper insight into their operations. Visits were also made to our laboratories in Guangzhou and Shenzhen where the Board were able to see the broad range of local products we are able to test and inspect on behalf of our customers at each facility. We were also able to meet with employees at the laboratories and receive presentations from key local management.
We have a holistic approach to financial planning and execution, supported by our internal policies and procedures which are reviewed and updated regularly. Our global process documents are applicable to all finance functions across the Group.

Our five-year strategic plan, as outlined in the Annual Report and Accounts, is underpinned by a bottom-up budgeting and planning process. During the year, forecast financial performance is monitored on a weekly basis and actual performance is reported and reviewed on a monthly basis. This regular reporting and monitoring cycle is critical to delivery of disciplined performance management.

The Intertek Core Mandatory Controls ('CMCs') are an integral element in our Group compliance framework, providing the mechanism by which we define, monitor and achieve consistently high standards in our control environment throughout the whole organisation. 34% of the framework is dedicated to financial controls.

Since the first launch of the CMC framework in 2016, we have reflected on the development of our control environment each year and have refined and enhanced existing controls to ensure they remain appropriate and up to date.

All new Finance colleagues receive training on the CMCs and are required to complete all Finance modules. Existing Finance staff are required to undertake a module on any changes year on year. The CMC framework provides the bedrock against which our Internal Audit function assesses the business for control compliance.

**Sustainable Finance**

In January 2020, we refinanced our Revolving Credit Facility. The new facility includes a Sustainability Linked Margin Adjustment whereby the margin varies depending on our progress on certain ESG metrics.
COMMUNICATIONS & DISCLOSURES

DELIVERING TRANSPARENCY TO ALL OUR STAKEHOLDERS

The standard evaluates how the organisation communicates to internal and external stakeholders its sustainability impacts and how they relate to its long-term strategy, risks, opportunities and goals, including its value chain.

Engagement with our shareholders and wider stakeholder groups plays a key role throughout our global business, including at Board level. It helps us to get a better understanding of the impact of our decisions on stakeholder interests as well as gain an insight into their needs and concerns. It underpins good governance, which is embedded throughout our business.

The following list of stakeholders represents the key resources and relationships that support the generation and preservation of value in the Group, as well as our unique culture.

**Customers**
We aim to always deliver a superior and continuously improving customer service.

**People**
We want all our people to pursue their ambitions, deliver with purpose and have a rewarding career, supported and enabled by great leaders.

**Investors**
We aim to deliver robust returns and long-term sustainable value for our investors.

**Suppliers**
We recognise the importance of our supply chains and invest in our relationships with them.

**Communities and society**
We strive to operate as a sustainable and environmentally responsible company, driving prosperity through our core business, and collaborating with local partners to promote social and economic development.

**Governments and regulators**
‘Doing business the Right Way’, complying with global, regional and local regulations is who we are.

Details of how we have engaged with, and taken into consideration, the interests of those stakeholders who are material to the long-term success of our business can be found in the section 172 statement on pages 56 and 57 in the 2019 Annual Report and on pages 58 to 102 respectively.

“Providing transparency to all stakeholders is a key focus on the journey to Total Sustainability.”

IDA WOODGER
HEAD OF SUSTAINABILITY
**Our approach to materiality**

We recognise the importance of determining and prioritising the key sustainability topics relevant to the business and our stakeholders. For this reason, in 2019 we conducted an independent materiality assessment which ensured that current views and emerging trends are being addressed by Intertek.

The materiality assessment specifically considered topics that are consistent with areas typically under the umbrella of sustainability, corporate responsibility and ESG, and the assessment analysed data and information from a variety of internal and external sources to ensure that all potential topics were considered and captured.

The methodology was aligned to AccountAbility’s AA1000 Principles, the GRI Standards, IIRC, CDP, UN SDGs, DJSI and SASB guidelines. The process ensured that all relevant topics have been considered appropriately within the scope of the study.

**Employee care**

We continually promote fair, consistent and thoughtful working practices that are in accordance with our values. This ensures that our strategy and culture gives our people the right platform to grow and develop their careers and be involved in socially responsible activities that support our purpose to make the world Ever Better, by bringing quality, safety and sustainability to life.

**Diversity and inclusion**

It is important that we provide a work environment where employees feel valued and able to be themselves. Intertek’s Inclusion and Diversity policy eliminates discrimination to ensure that employees are treated fairly and feel respected and included in the workplace.

**Environment**

We are committed to minimising our environmental impact, which includes managing our waste, resources, water and energy consumption, and raising awareness of environmental issues amongst our stakeholders.

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**Societal impact**

We support social and economic development and local community engagement activities.

**Human and labour rights**

We are committed to ‘Doing business the Right Way’, and that includes eradicating modern slavery.

**Customer and product responsibility**

We offer the highest quality of service to our customers so that they are able to have a positive impact through their own products.

**Working with customers**

We listen to our customers to continually improve our service and ensure customer satisfaction.

**Compliance and legislation**

As an industry leader, we understand the interrelationship between compliance requirements and the sustainability of the business. This means living our values, having the highest standards of ethics and integrity in how we conduct ourselves every day, everywhere and in every situation.

**Privacy and security**

We adhere to all privacy and data security legislation and commitments and ensure that business assets, confidential information and stakeholders are protected.

**Governance**

The principles of quality and safety, part of Intertek’s purpose and operations, are cornerstones of sustainability and sit at the heart of what Intertek has been supporting clients with for over a hundred years.

**Communication guidance and policies**

Our Corporate Communications & Public Relations (PR) team look after the Group’s communications to the Group’s corporate stakeholders. This includes communications to the Group’s investors, the London Stock Exchange, financial media and the financial analysts which track and analyse the Group’s financial performance. Internally the team helps to support local country marketing teams with corporate data and advice where communications to local stakeholders, such as financial media or government partners, from a corporate angle are needed.

The media plays an important role in defining the way Intertek is perceived by its stakeholders. Our media policy sets forth policies with respect to the public release of information by employees to the media, and how these requests are managed.

**Internal communications**

As part of the HR network’s efforts to continually improve our development and retention of the best people, our focus is to share the mission, values and success of the Company with our people and develop a supportive and inspiring workplace culture worldwide. An important part of this is regular and consistent engagement with our people through employee communications.

The Intertek Group intranet is the internal communication hub of Intertek. It enables Intertek employees to stay connected and to gain and share knowledge across the Group in more than 100 countries.
Creating a Positive ‘Ripple’ Across Global Supply Chains

A Sustainable Forum hosted by Intertek for the textile industry in Hong Kong during October 2019 is believed to have had an impact extending far beyond the 100 industry leaders who attended on the day. This is because Hong Kong’s unique position as a hub for global commerce means that the ideas shared there have been passed on through multiple supply chains around the world.

Sustainability Forum

Ethical Sourcing Forum

Supporting Our Clients with Ethical Sourcing

In November, Intertek UK hosted the Ethical Sourcing Forum in London for customers and prospects from the retail and FMCG sector. The purpose of the event was the increasing focus on supply chain and plastic ‘circularity’ in corporations. By hosting and facilitating the event, Intertek was able to share its expertise with key stakeholders, and provide insights and examples as to how corporations can tackle the plastic dilemma.
We are born to make the world **Ever Better**

In 2020 and beyond, we look forward to delivering more progress on our own sustainability agenda and to helping our customers progress theirs.

*Total Quality. Assured.*