

EVER BETTER... EVER STRONGER

Bernstein Conference
September 2018

André Lacroix
CEO



AGENDA

1

Intertek 5x5 growth strategy

2

ATIC Innovations to accelerate growth

3

Ever Better financial performance

4

Ever Better execution of our 5x5 growth strategy

5

Sustainable shareholder value creation



EVER BETTER...EVER STRONGER

- Leadership position in a growing global \$250bn ATIC market with presence in 100+ countries
- Scale positions in attractive end-markets with a high margin and strongly cash generative earnings model
- Differentiated Total Quality Assurance value proposition offering superior customer service
- Track record of shareholder value creation in the last 15 years with double-digit earnings growth and third highest progressive dividend in FTSE100
- Ever growing corporate complexity is a growth accelerator for Intertek, leveraging our innovative ATIC solutions



1

INTERTEK 5X5 GROWTH STRATEGY



A PURPOSE-LED VISION TO MAKE THE WORLD A BETTER AND SAFER PLACE

OUR PURPOSE

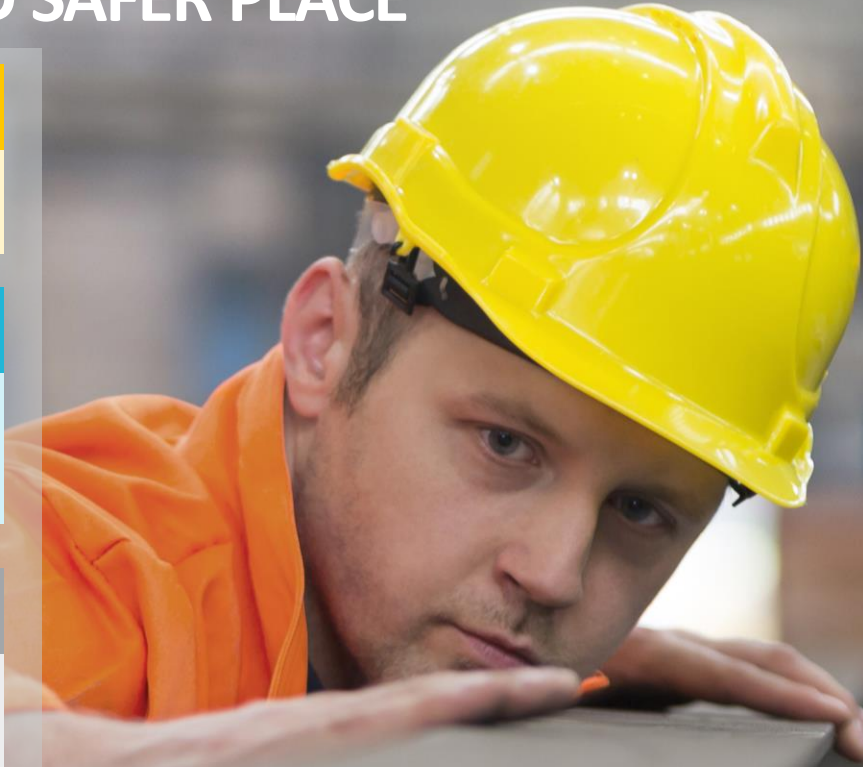
Bringing Quality and Safety to Life

OUR VISION

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

OUR VALUES

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



INTERTEK TQA SERVICES ARE MISSION CRITICAL FOR OUR CLIENTS TO OPERATE SAFELY



Growing corporate complexity

Higher quality expectations

Vocal consumers on social media

Increased regulatory demands

Greater focus on sustainability

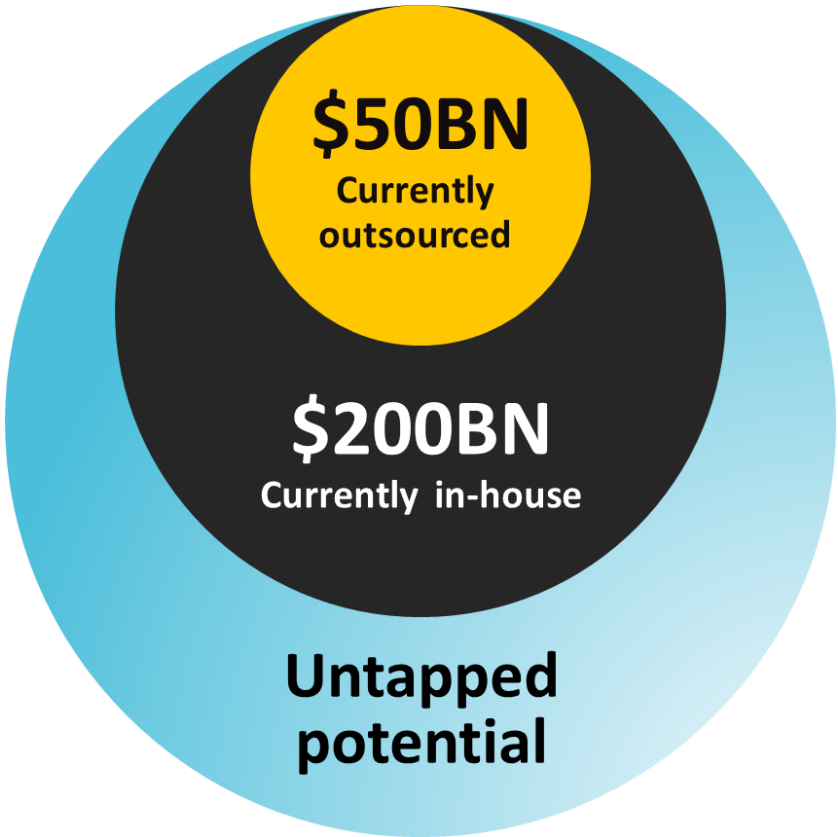


TQA = ASSURANCE + TESTING + INSPECTION + CERTIFICATION

EXCITING GLOBAL ATIC GROWTH OPPORTUNITIES



GLOBAL ATIC MARKET



GROWTH OPPORTUNITY

- 01 CUSTOMER RETENTION
- 02 CUSTOMER PENETRATION
- 03 ATIC CROSS-SELLING
- 04 NEW CUSTOMER WINS
- 05 CUSTOMER OUTSOURCING

A GOOD TO GREAT 5X5 STRATEGY FOR GROWTH



5x5 Strategic Goals

1

Fully engaged employees working in a safe environment

2

Superior customer service in Assurance, Testing, Inspection and Certification

3

Margin accretive revenue growth based on GDP+ organic growth

4

Strong cash conversion from operations

5

Accretive, disciplined capital allocation policy

5 Strategic Priorities



Differentiated TQA Brand Proposition



Superior Customer Service



Effective Sales Strategy



Growth and Margin Accretive Portfolio



Operational Excellence

5 Enablers



Living Our Customer Centric Culture



Disciplined Performance Management



Superior Technology



Energising Our People

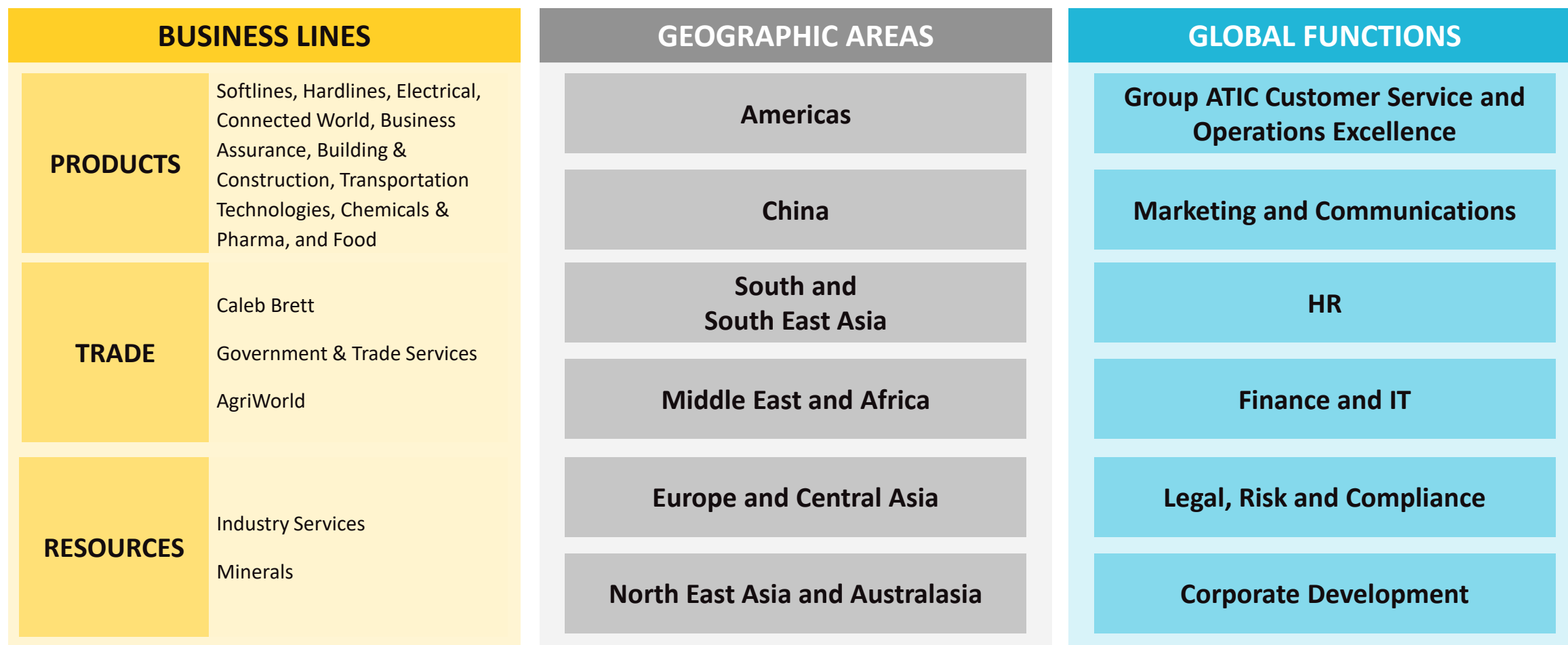


Delivering Sustainable Results

WE OPERATE A DECENTRALISED CUSTOMER CENTRIC ORGANISATION



INTERTEK ORGANISATIONAL STRUCTURE



DOING BUSINESS THE RIGHT WAY

DELIVERING SUSTAINABLE GROWTH FOR ALL STAKEHOLDERS

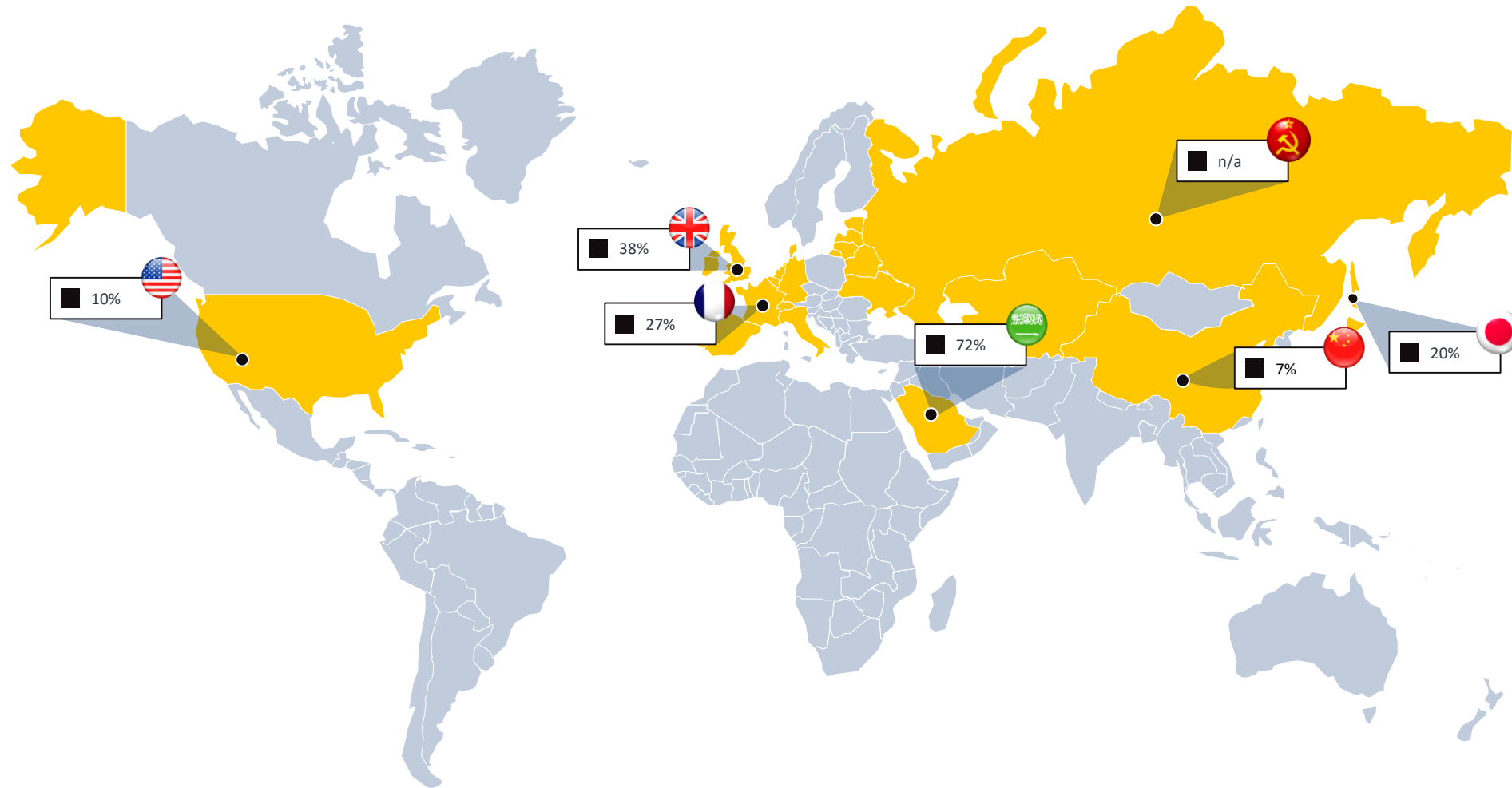


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**ATIC INNOVATIONS TO
ACCELERATE GROWTH**

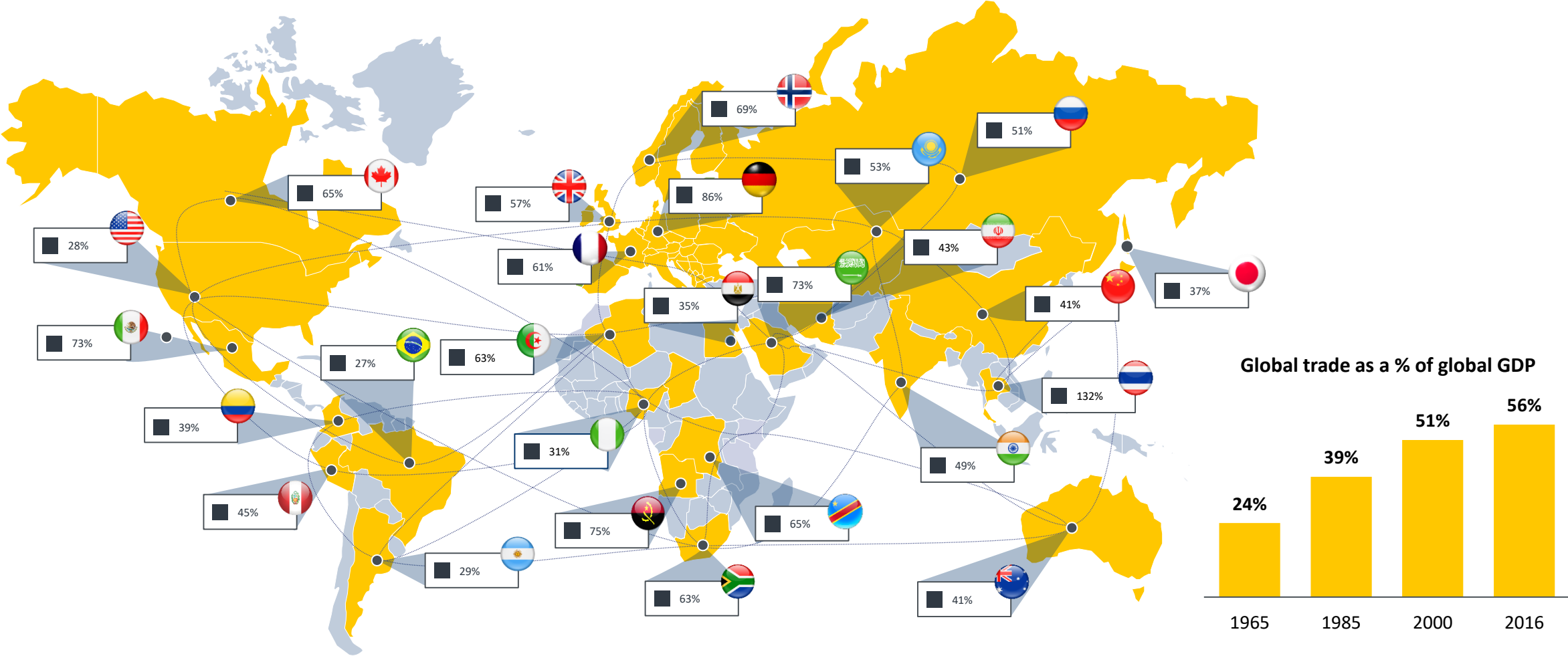


GLOBAL TRADING LANDSCAPE SIGNIFICANTLY DIFFERENT 50 YEARS AGO



Companies produced locally and were focussed on their domestic markets
Global Trade represented 25% of Global GDP in the 1960s

THE 21ST CENTURY HAS CREATED A TRULY GLOBAL MARKET

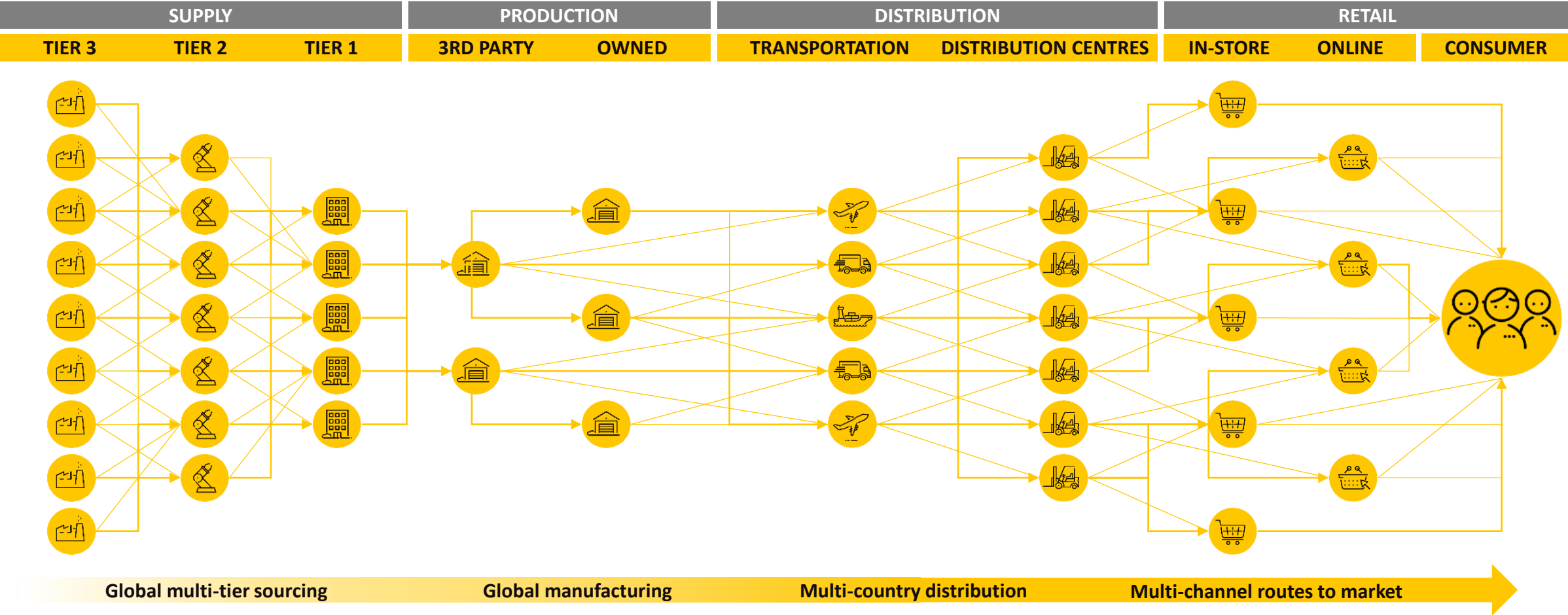


**Demand has become truly global, reflected in global supply
Today Global Trade represents 56% of Global GDP**

■ Trade as % of GDP
Source: World Bank. Trade is the sum of exports and imports of goods and services measured as a share of gross domestic product.

CORPORATIONS ARE INCREASING THEIR FOCUS ON SYSTEMIC OPERATIONAL RISK





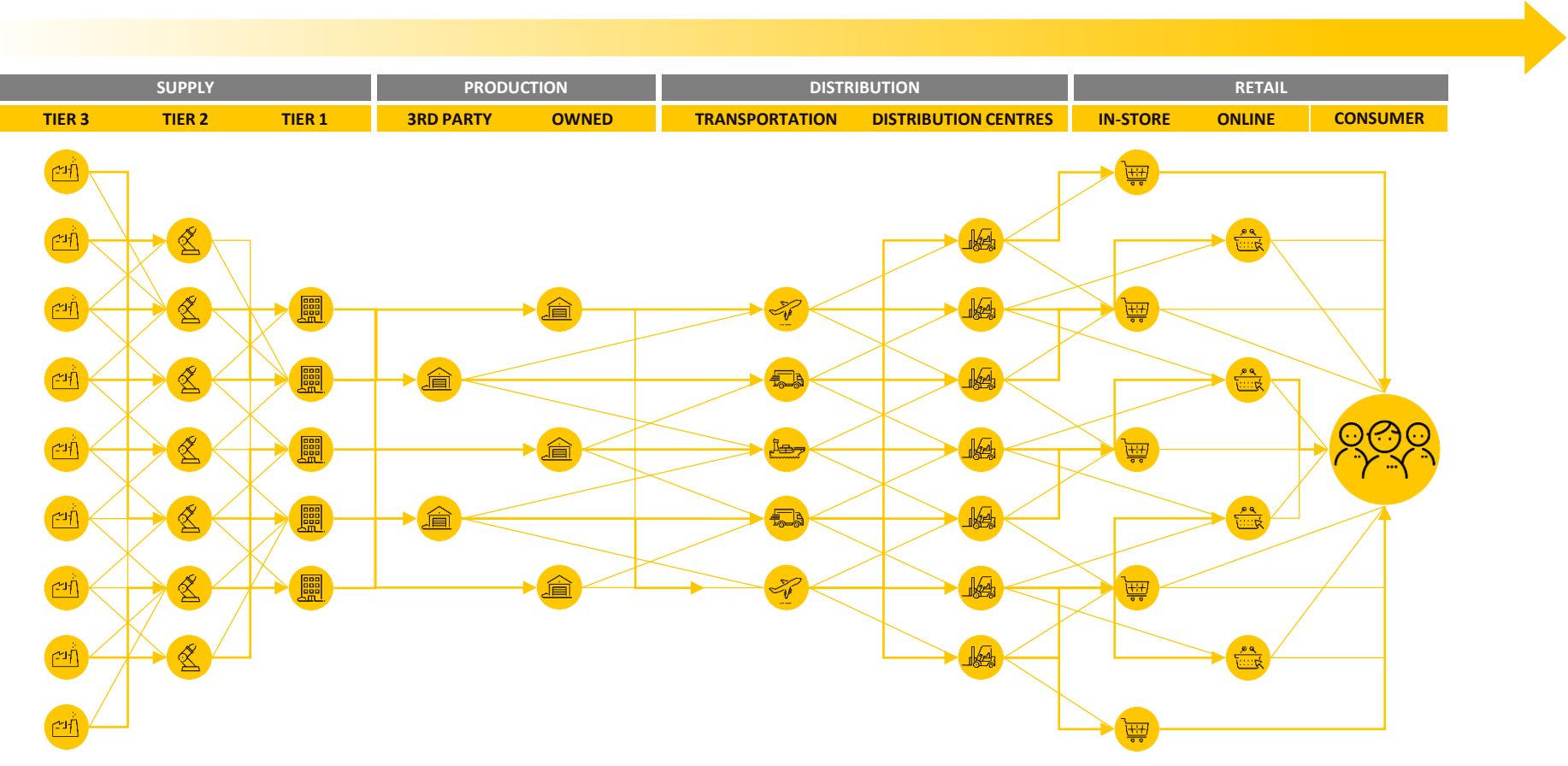
GROWING COMPLEXITY DRIVING DEMAND FOR END-TO-END SYSTEMIC QUALITY ASSURANCE

REDEFINING THE INDUSTRY FROM TIC TO ATIC TO HELP OUR CLIENTS MANAGE GREATER COMPLEXITY



TIC PROVIDES QUALITY & SAFETY CONTROLS IN HIGH RISK AREAS

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

OFFERING A SUPERIOR CUSTOMER SERVICE WITH OUR TQA DIFFERENTIATED VALUE PROPOSITION



Assurance



Assurance ensures our customers identify and mitigate the intrinsic risk in their operations, supply chain and quality management systems

Testing



Testing is evaluating how products and services meet and exceed quality, safety, sustainability and performance standards

Inspection



Inspection is validating the specifications, value and safety of raw materials, products and assets

Certification



Certification is certifying that products and services meet trusted standards

THE PACE OF CHANGE IS ACCELERATING IN MULTIPLE DIRECTIONS



"AI forecasted to increase USA economic growth by 35% by 2035"

"The global blockchain market is expected to be worth US\$20bn in 2024"

"Global solar power capacity to increase 590% by 2040"

"Growth in Emerging Markets to drive an increase in the world's middle class to 5bn people by 2030"

"By 2025, the car market for partially autonomous vehicles is expected to be at US\$36bn"

"The rise of cyber crime continues to accelerate: UK business cyber crime rose 63% in 2017"

"By 2050, 70% of the world's population will live in cities"



"Ecommerce, online food and traceability are rewriting the retail rulebook"

"22% of American adults have sold in the Sharing Economy"

"Sales of Electric Vehicles will increase 1,000% in the next 8 years"

"Between 2009 and 2015 the number of internationally recognised trademarks grew 50% to 24m"

"87% of millennials would be more loyal to a company that supports environmental issues"

"IoT will change the way we live and work"

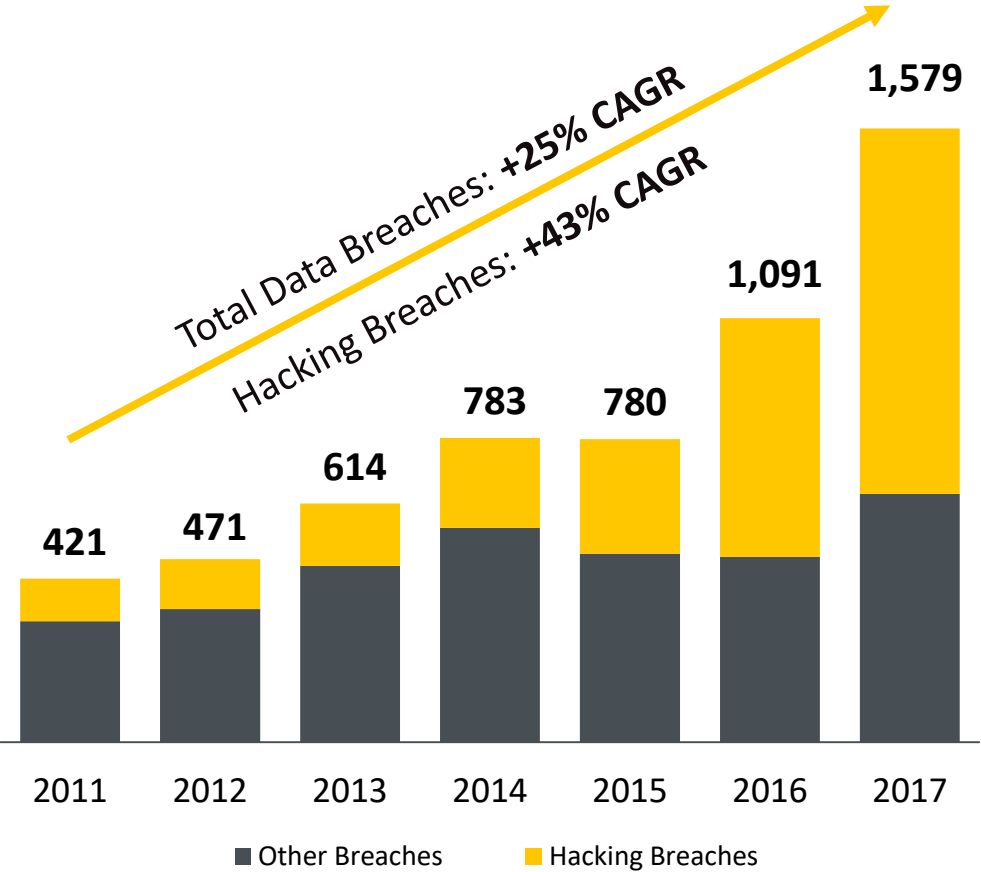
"By 2050 there will be 2bn people aged over 60"

A MORE COMPLEX CORPORATE WORLD MEANS MORE GROWTH OPPORTUNITIES FOR INTERTEK

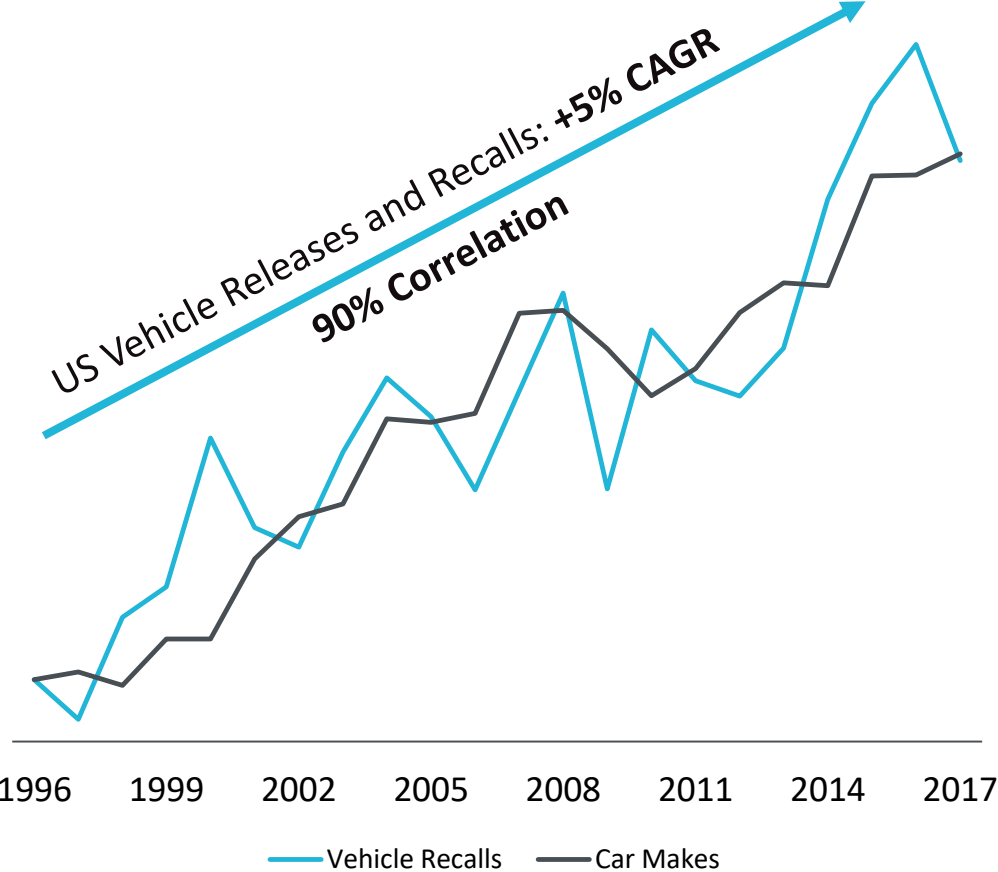
EVER GROWING COMPLEXITY MEANS EVER GREATER LEVELS OF RISK



Hacking is Driving Increases in Data Breaches



Growth of New Products Drive Quality Risks



INCREASED SAFETY CONCERNS IN THE FOOD INDUSTRY



Frequent Food and Drink Product Recalls

“Chicken salad recalls over fears it might cause food poisoning”

Independent, July 2017

“Canada recalls gin over too strong alcohol content”

ABC News, May 2017

“Crackers recalled over potential salmonella risk”

Independent, July 2018

“Chocolate recalls over salmonella fears”

Independent, June 2017

“Macadamia nuts recalls due to listeria contamination”

ABC News, June 2017

“Retailers stop selling chicken wings in safety scare”

Chronical Live, July 2017

“Edamame recalled over listeria fears”

CNN, March 2017

“Needles in strawberries fear prompts New Zealand to halt Australian imports”

Sydney Morning Herald, September 2018

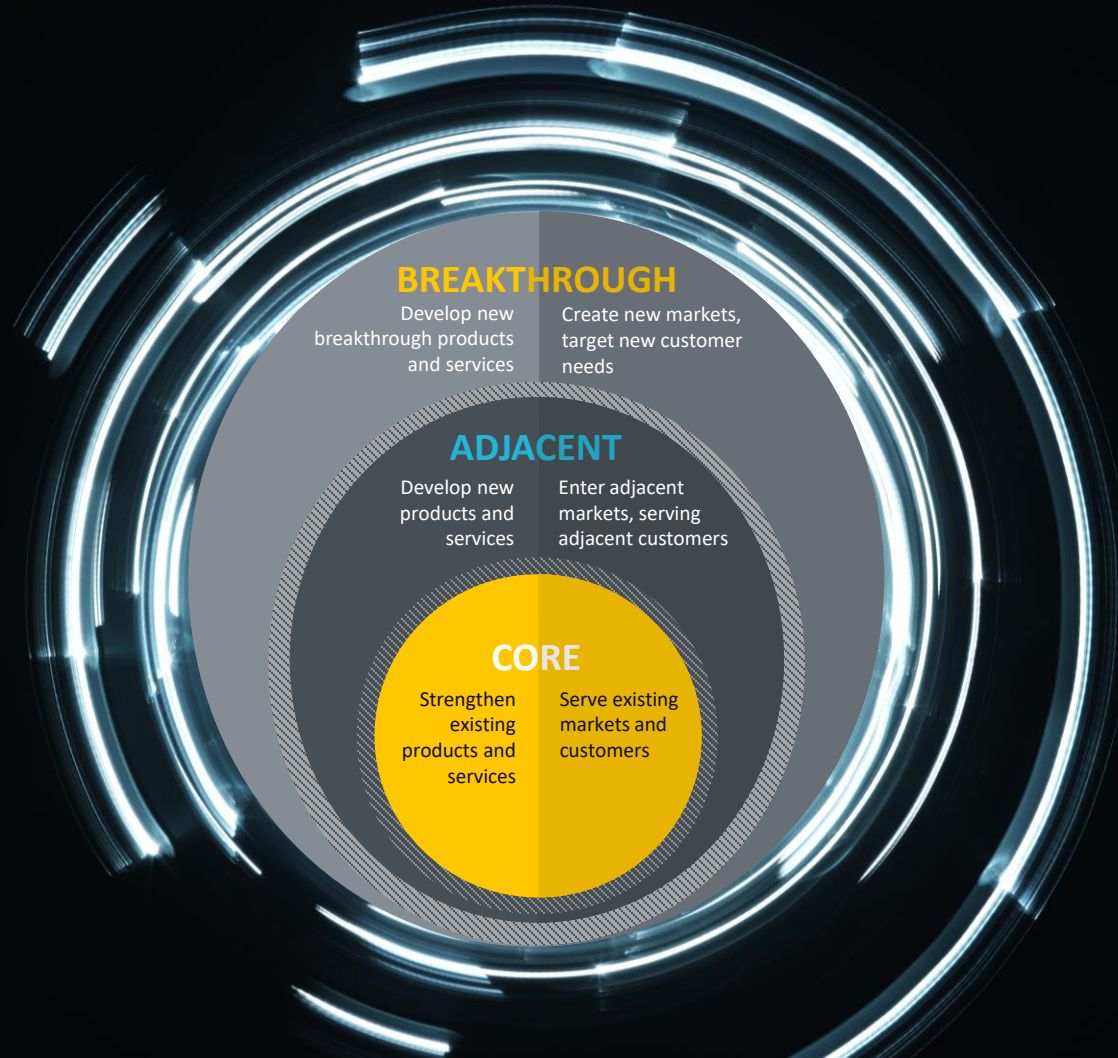
“Belgian White Chocolate Cookies recalls for containing ‘undeclared hazelnut’”

The Sun, July 2017



GROWING DEMAND FOR A TRUSTED FOOD SAFETY PARTNER

INNOVATIVE SOLUTIONS TO ACCELERATE GROWTH



BREAKTHROUGH INNOVATION

Technology that enable solutions to create new markets

INNOVATION IN ADJACENT SEGMENTS

Expanding into fast growing and high margin areas

INNOVATION FROM THE CORE

Building on the strengths of existing products and services

SUPPORTING OUR CUSTOMERS TO THRIVE IN AN INCREASINGLY COMPLEX WORLD

INNOVATION FROM THE CORE TO STRENGTHEN EXISTING SERVICES



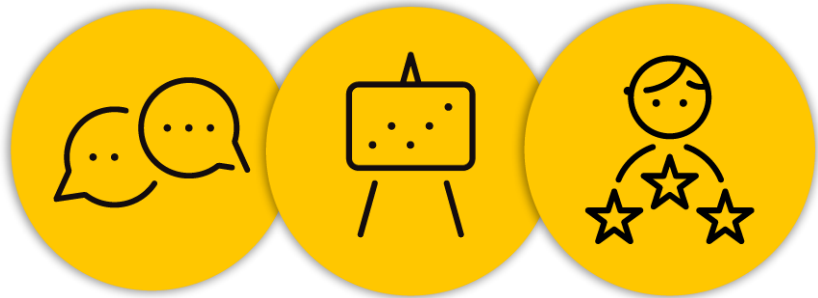
Strengthened our differentiated oil and gas testing offering by leveraging the heritage of our founder **Caleb Brett**



Intertek’s innovative **Mobile Laboratories** gives ExxonMobil the flexibility required to test fuel quality across their fast growing Mexico retail business



Intertek PipeAware™ delivers technology enabled transparency into the pipeline manufacturing and construction process



Voice of the Consumer leverages our customers’ consumer feedback through holistic product assurance plans, addressing safety, quality and perception concerns

INNOVATION IN HIGH GROWTH AND HIGH MARGIN AREAS



With our **Working Conditions Assessments**, we support our customers in their goal of providing a safe and ethical working environment for their employees



Hardlines and Softlines Chemical Testing, safeguarding consumers in an environment of rapidly developing chemical regulations and advanced materials technologies



Intertek KJ Tech offers road testing, allowing auto manufacturers to understand how their vehicles perform in real life situations



Intertek's **Cybersecurity Services** are an integral part of our differentiated TQA service offering, addressing growing cyber threats as part of a systemic risk mitigation approach



With our global network of **Sustainability** experts and ATIC solutions, Intertek is uniquely placed to help customers achieve their existing and emerging sustainability goals

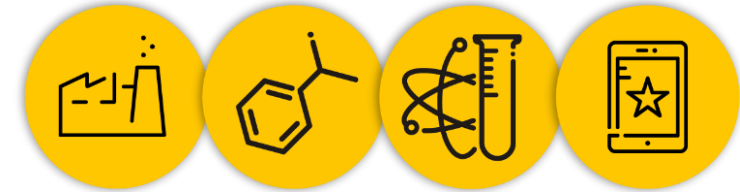
TECHNOLOGY BASED INNOVATION OFFERING BREAKTHROUGH SERVICES



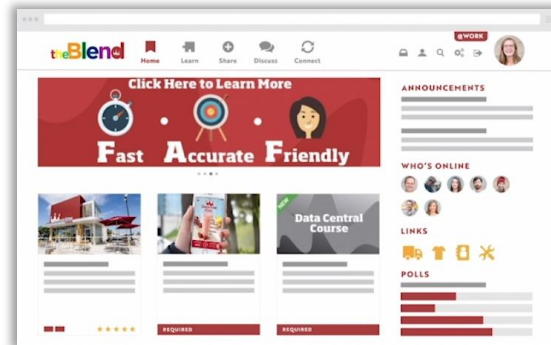
Inlight is a **SaaS** platform delivering the bespoke mapping of risks across the supply chain



Alchemy offers **SaaS** solutions delivering training to ensure employee consistency and compliance in the fast growing food industry



Interpret uses near infrared spectrum analysis to predict the physical properties of crude oil, **reducing the time taken from weeks to minutes**



Wisetail is a leading e-learning platform that helps restaurants and retailers create a brand specific operating culture



On Track enables restaurant brands to benchmark operational performance and efficiently train staff through interactive simulations and gamification

3

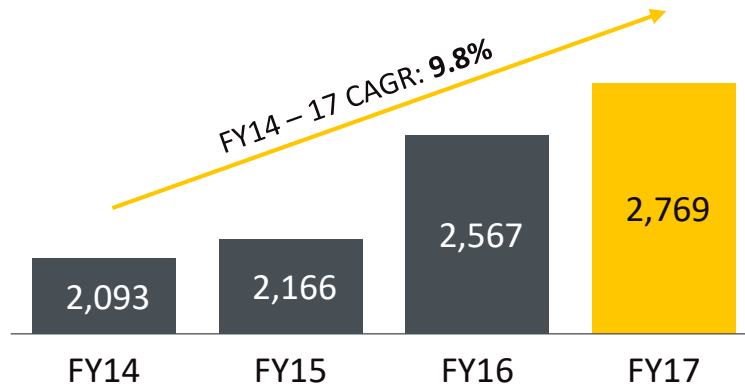
EVER BETTER FINANCIAL PERFORMANCE



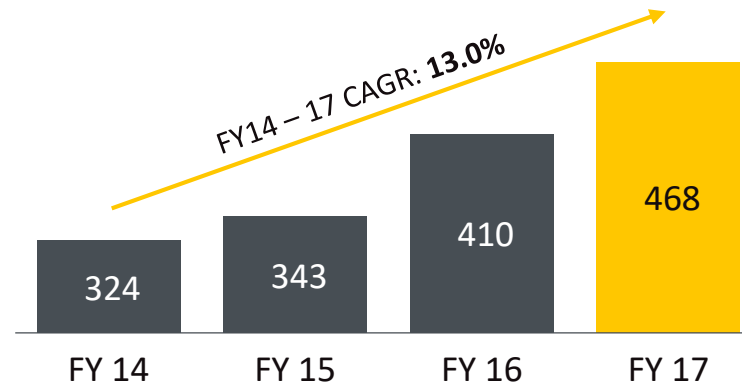
CONSISTENT PROGRESS IN REVENUE, MARGIN AND CASH IN 15, 16 & 17



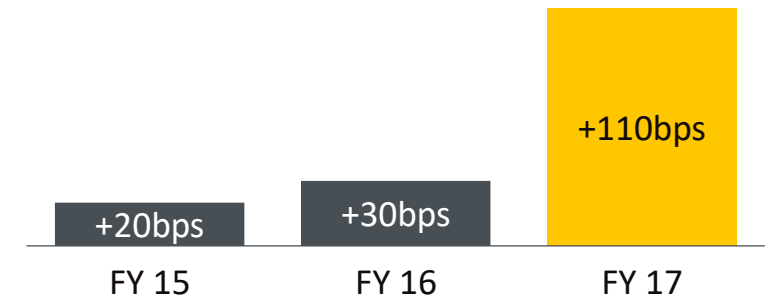
Revenue (£m)



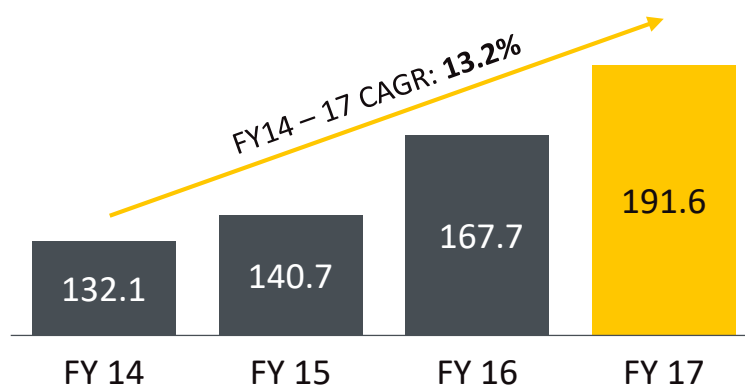
Adjusted Operating Profit (£m)



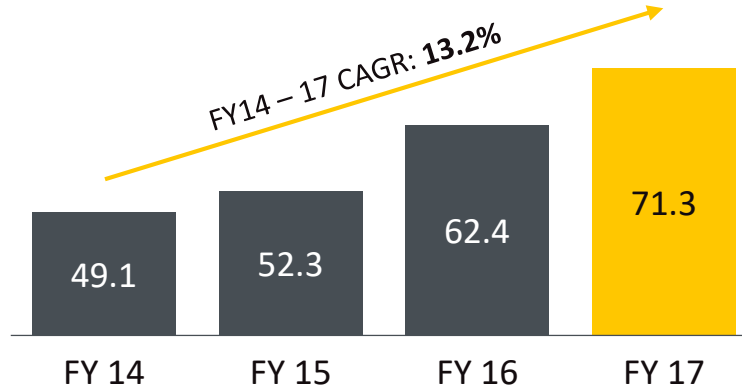
Change in Adjusted Operating Margin @ CCR (bps)



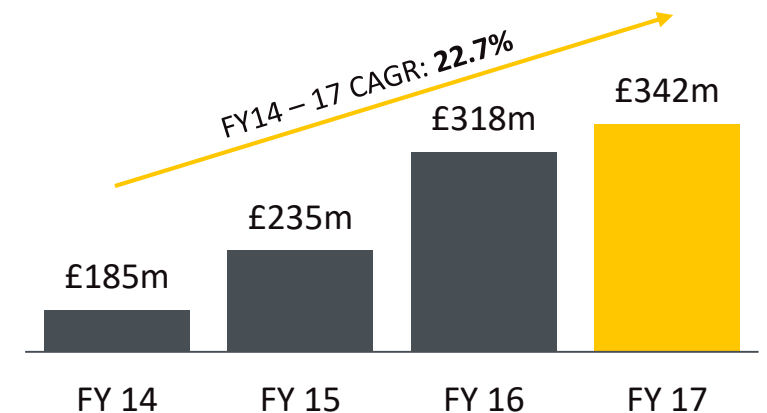
Adjusted EPS (p)



Dividend (p)



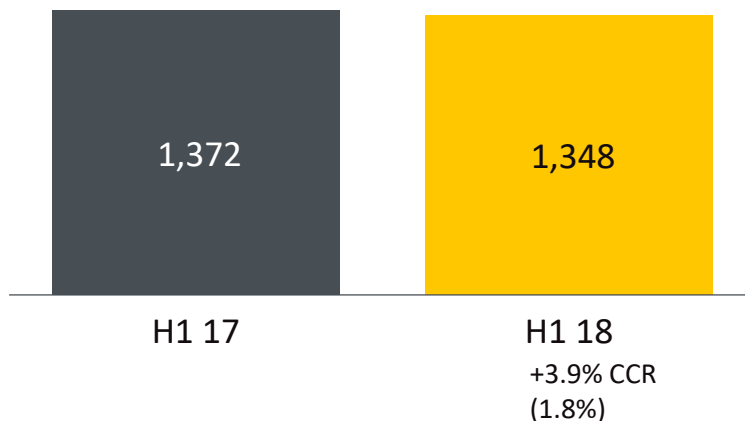
Free Cash Flow



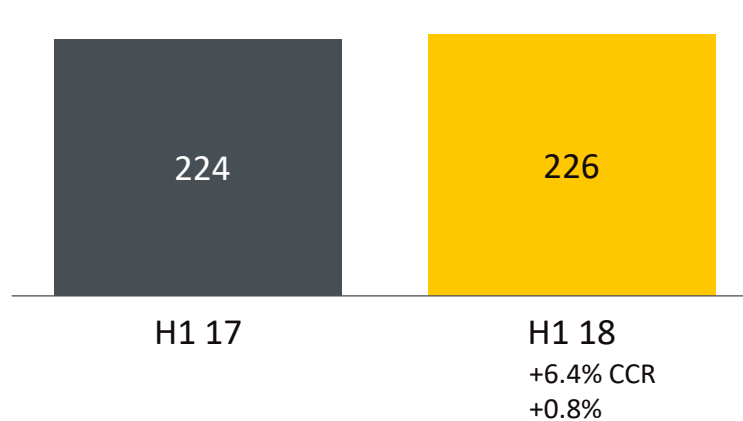
CONTINUOUS PROGRESS ON REVENUE, MARGIN AND CASH IN H1 2018



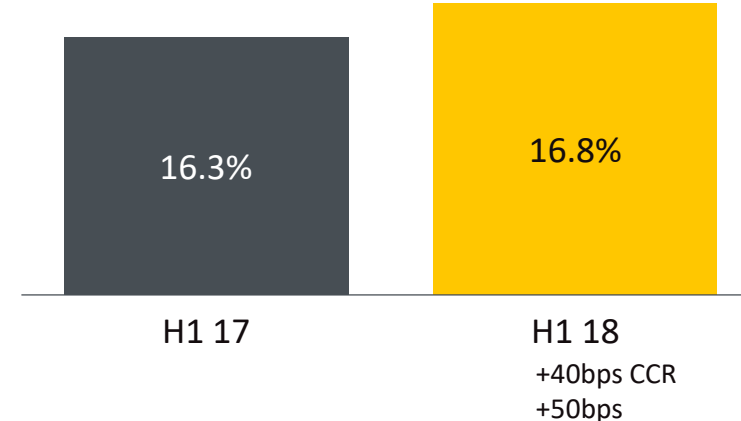
Revenue (£m)



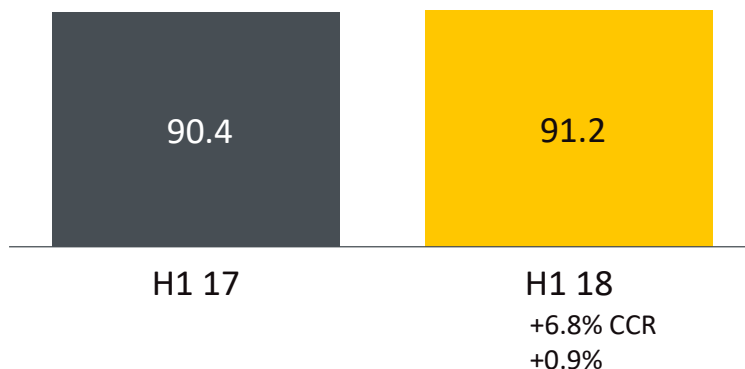
Adjusted Operating Profit (£m)



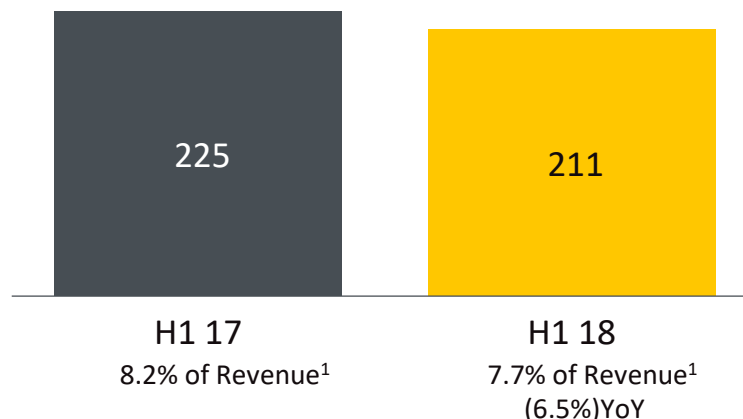
Adjusted Operating margin (%)



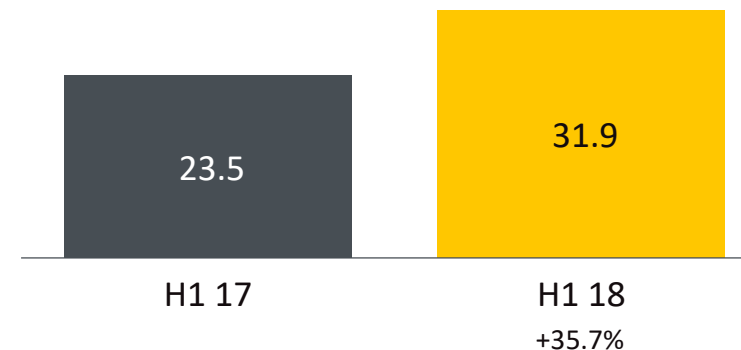
Adjusted EPS (p)



Working Capital (£m)



Interim Dividend (p)

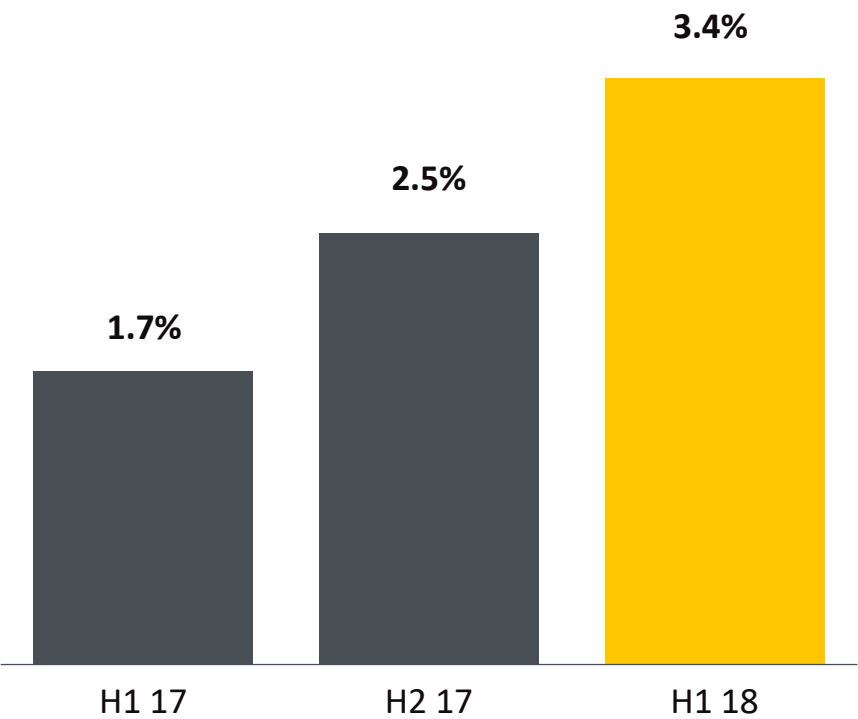


¹ Rolling 12 months revenue

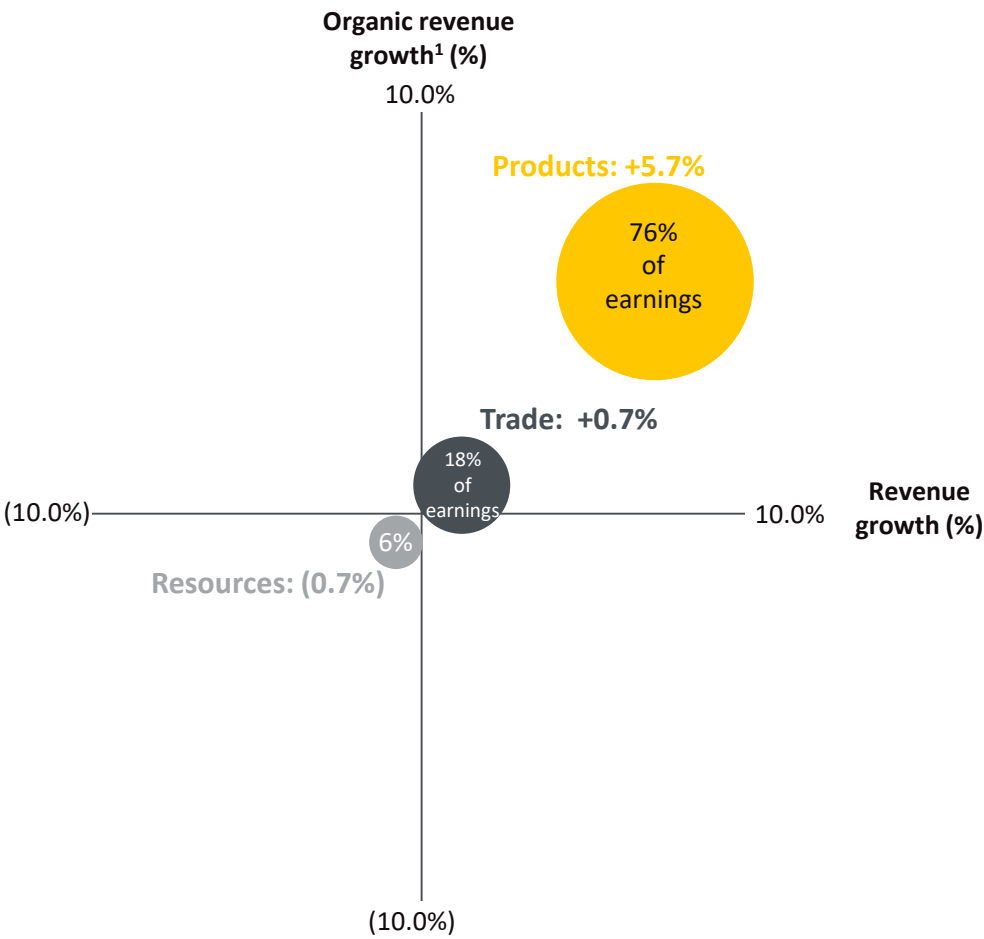
ACCELERATION OF ORGANIC REVENUE GROWTH MOMENTUM



Organic growth at constant currency



H1 organic growth by division

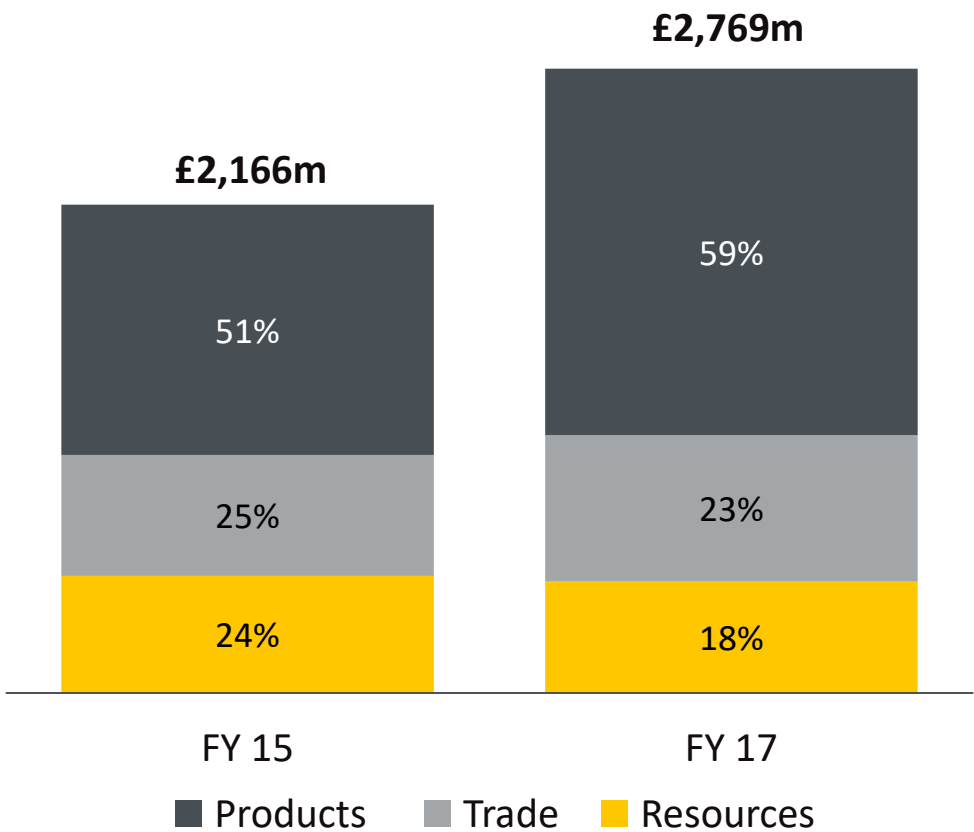


Note: (1) At 2018 constant currency rates

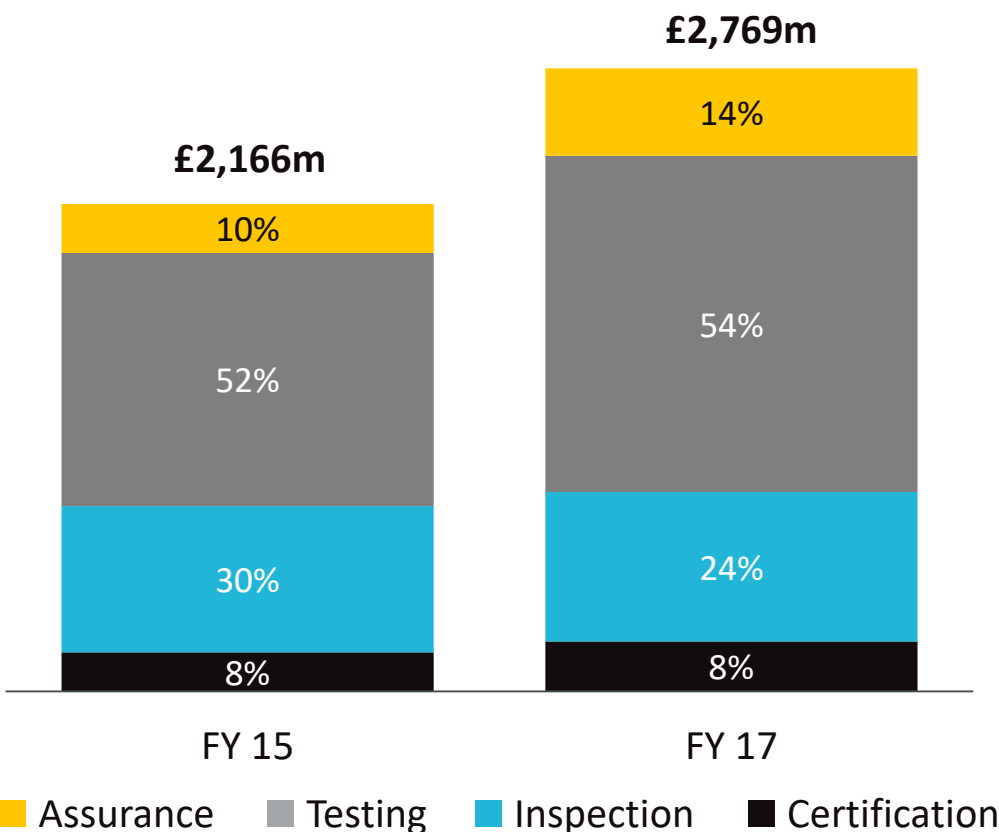
GROUP CENTRE OF GRAVITY MOVING TOWARDS HIGH GROWTH AND HIGH MARGIN SECTORS



Divisional Revenue Split (£m)



ATIC Revenue Split (£m)



4

EVER BETTER EXECUTION OF OUR 5X5 GROWTH STRATEGY



SUPERIOR CUSTOMER SERVICE DELIVERY WITH NPS



GROWTH AND MARGIN ACCRETIVE PORTFOLIO MANAGEMENT

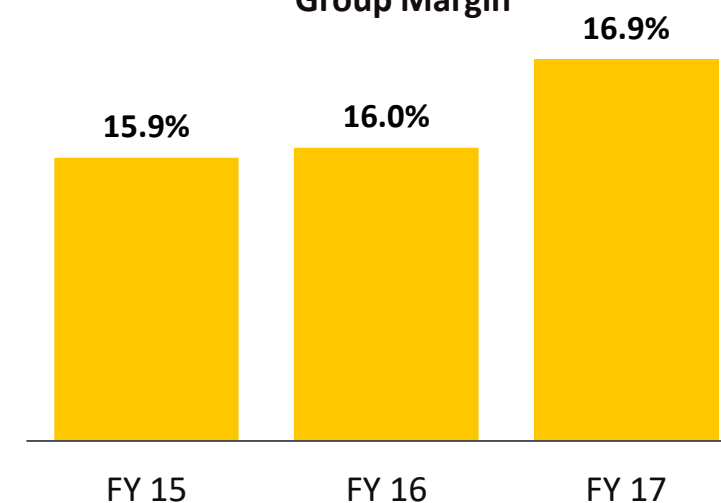
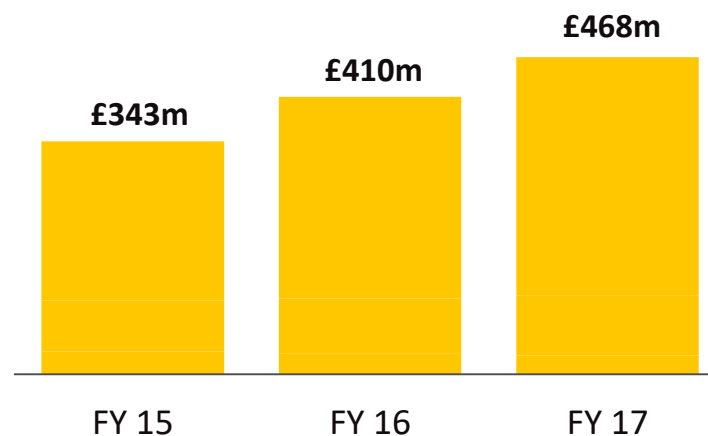
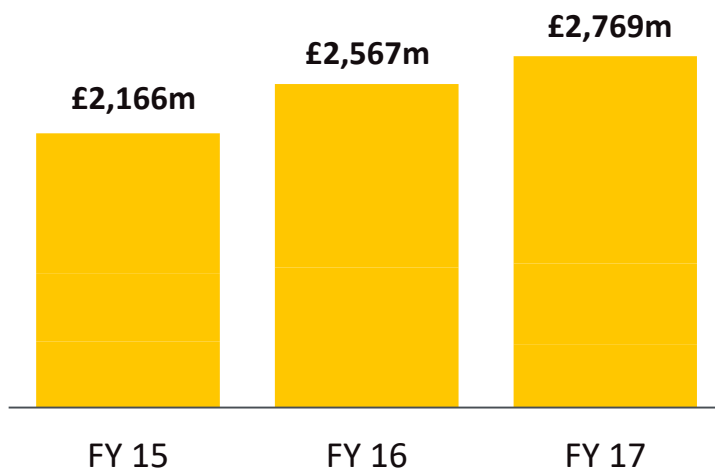


| 1 Grow Scale Businesses | 2 Invest in Fast Growing Businesses | 3 Improve Performance | 4 Portfolio Strategy | 5 M&A |
|--|---|---|--|--|
| <ul style="list-style-type: none"> Softlines Hardlines Electrical Caleb Brett Government & Trade Services | <ul style="list-style-type: none"> Business and People Assurance AgriWorld Building & Construction Transportation Technologies Food Connected World Sustainability | <ul style="list-style-type: none"> Industry Services | <ul style="list-style-type: none"> Growth and margin accretive portfolio strategy Organic and inorganic investments Strategic review of underperforming business units Consolidation of facilities | <ul style="list-style-type: none"> Focused on attractive growth and margin prospects Businesses with strong IP and market leadership positions Highly cash generative business models |

Group Revenue

Group Operating Profit

Group Margin



SYSTEMIC PERFORMANCE MANAGEMENT

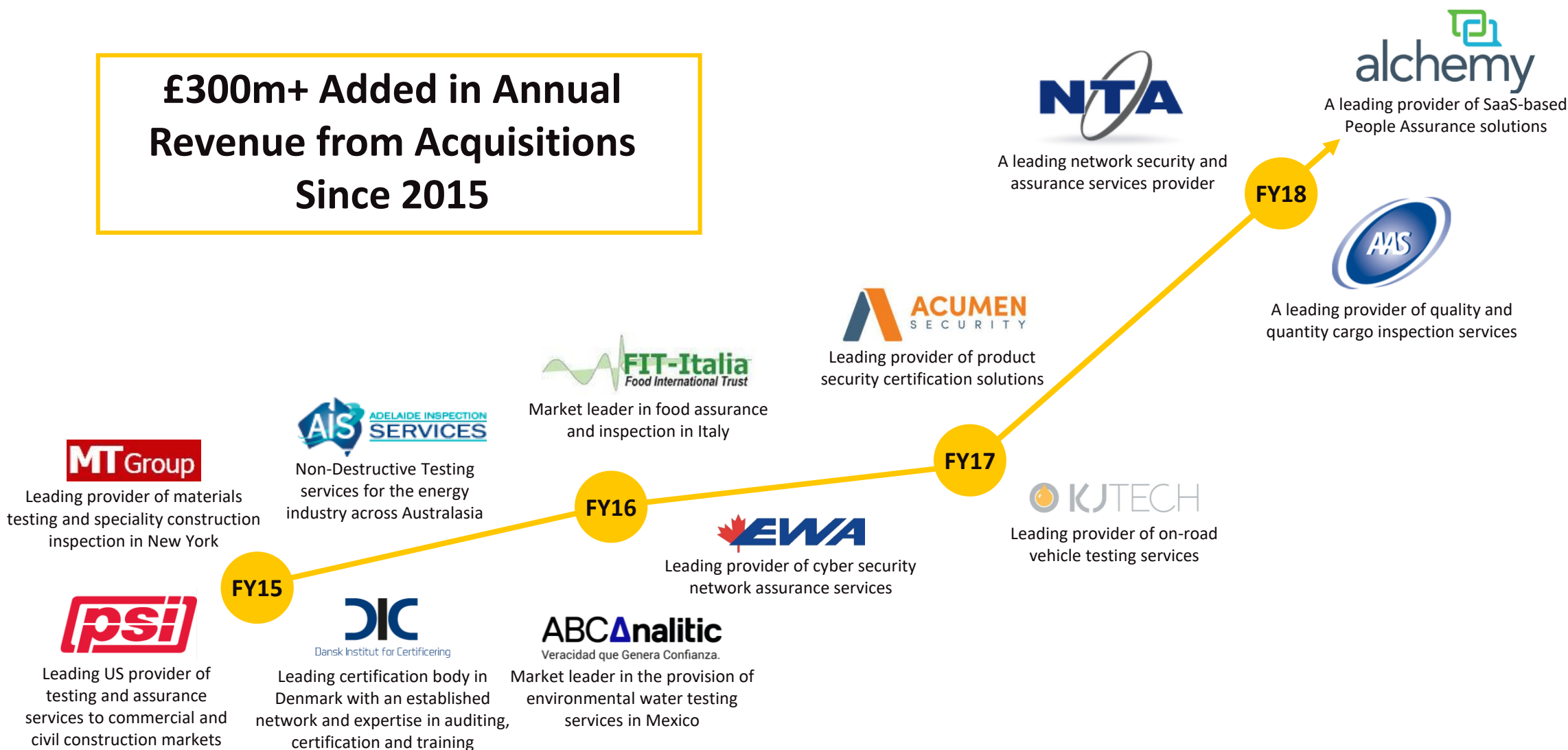


| Disciplined Performance Management Calendar | | | | |
|---|-----------------------|------------------------|---------------------------|-------------|
| Weekly | Monthly | Quarterly | Yearly | 5 Year Plan |
| Financial Metrics | | Operational Metrics | | |
| Revenue Growth | Pricing Power | Marketing Leads | Health and Safety | |
| Margin | Working Capital | Customer Retention | Sales Funnel | |
| ROCE | Capital Allocation | Customer Acquisitions | Back Log Management | |
| Cash Conversion | Cost | Employee Turnover | Net Promoter Score | |
| Customer Profitability | Investments in Growth | Operational Excellence | Site Capacity Utilisation | |

SELECTIVE M&A IN ATTRACTIVE GROWTH AND MARGIN SECTORS



£300m+ Added in Annual Revenue from Acquisitions Since 2015



DISCIPLINED CAPITAL ALLOCATION IN ATTRACTIVE GROWTH AND MARGIN SECTORS

5

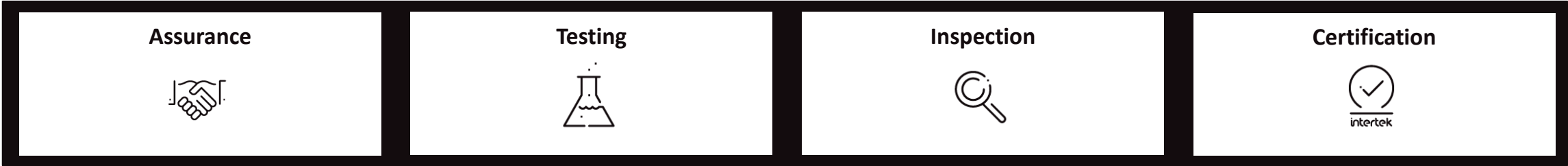
SUSTAINABLE SHAREHOLDER VALUE CREATION



INTERTEK HIGH QUALITY EARNINGS MODEL



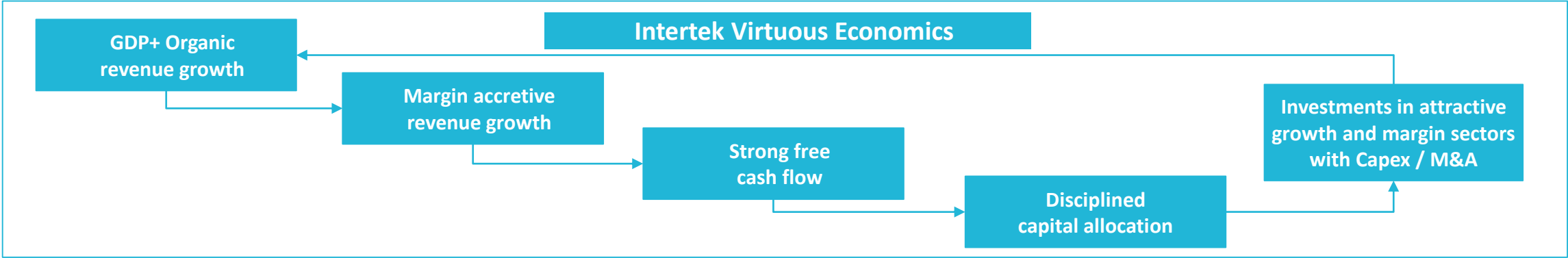
Our Services



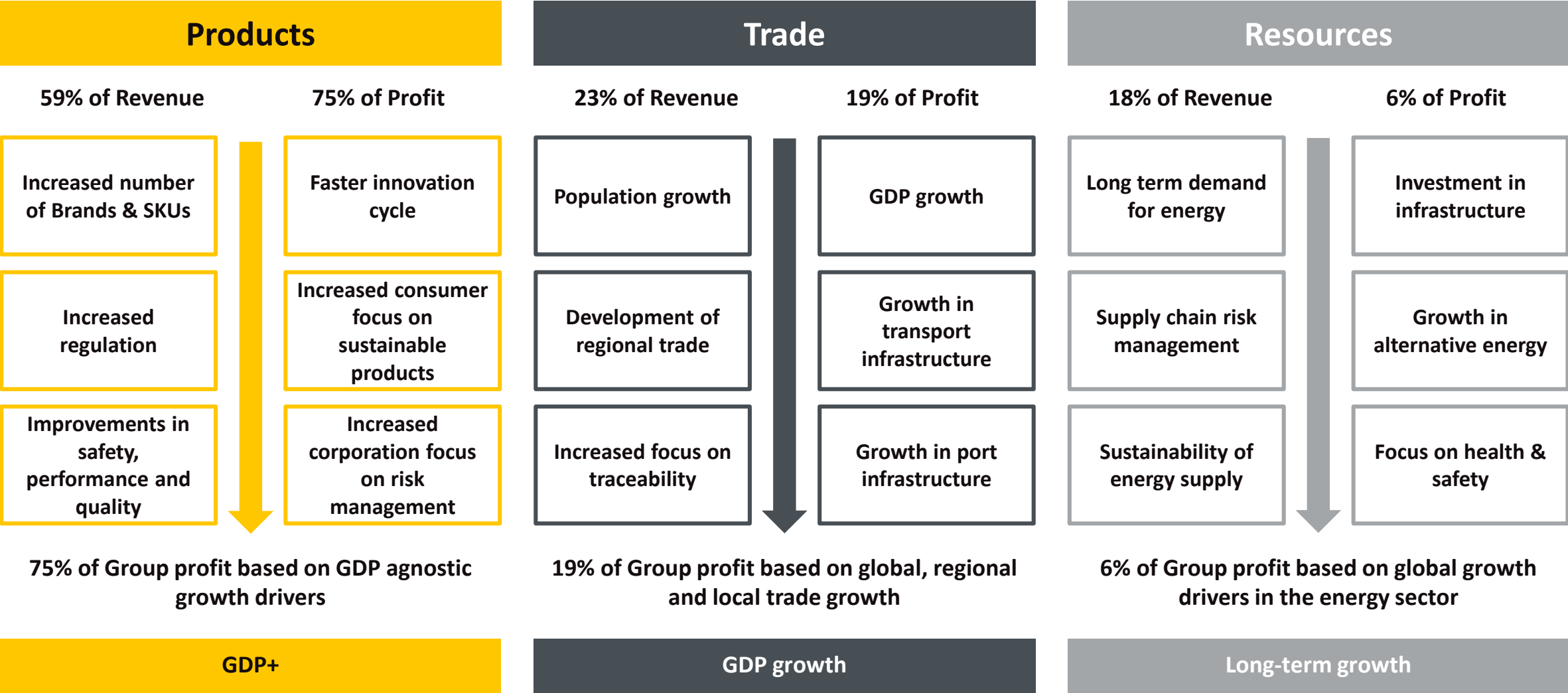
Our Sectors



Our Mid- to Long-Term Value Creation

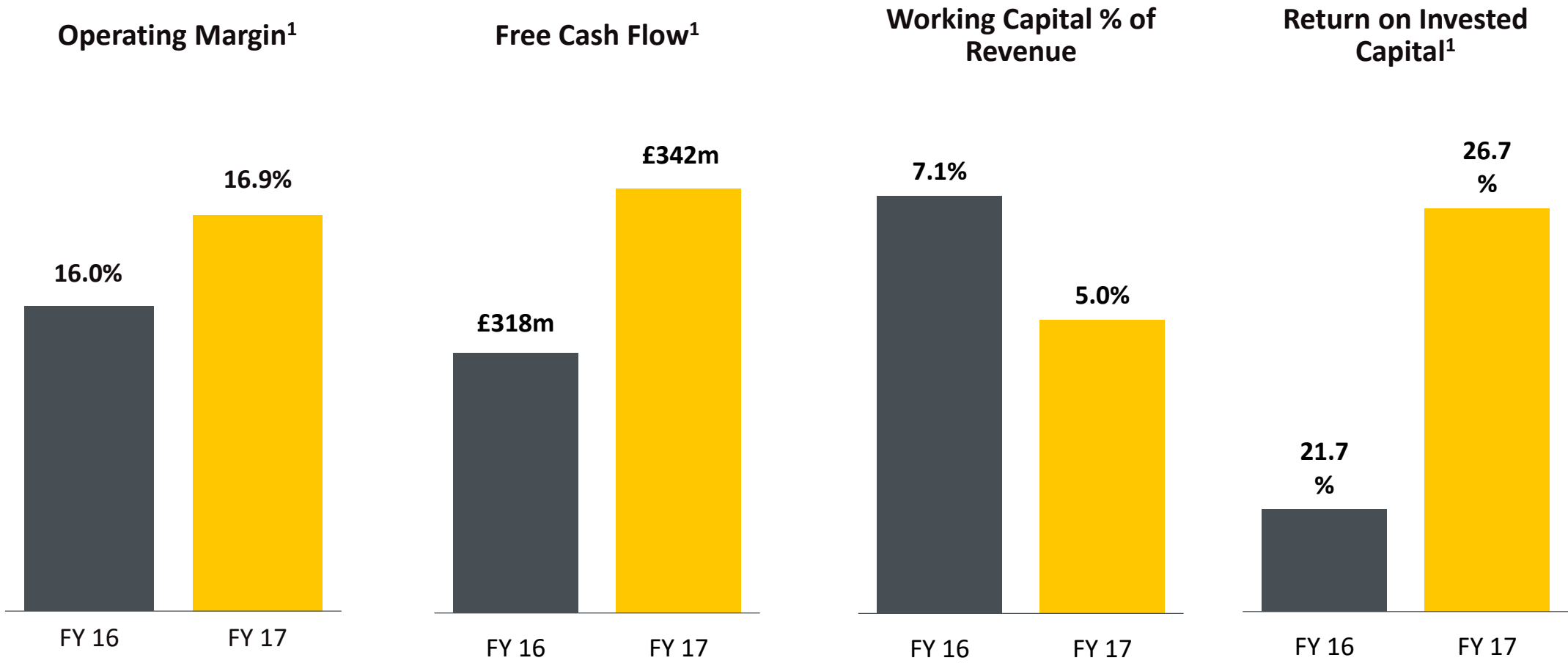


ATTRACTIVE STRUCTURAL GROWTH DRIVERS



GROWTH OUTLOOK: GDP+ ORGANIC REVENUE GROWTH IN REAL TERMS

CAPITAL LIGHT BUSINESS MODEL



Note: (1) Adjusted

DISCIPLINED CAPITAL ALLOCATION



01 Capex and working capital investment to support organic growth (target c.5% of revenue in capex)

Sustainable shareholder returns through payment of progressive dividends based on a target payout ratio of c.50%

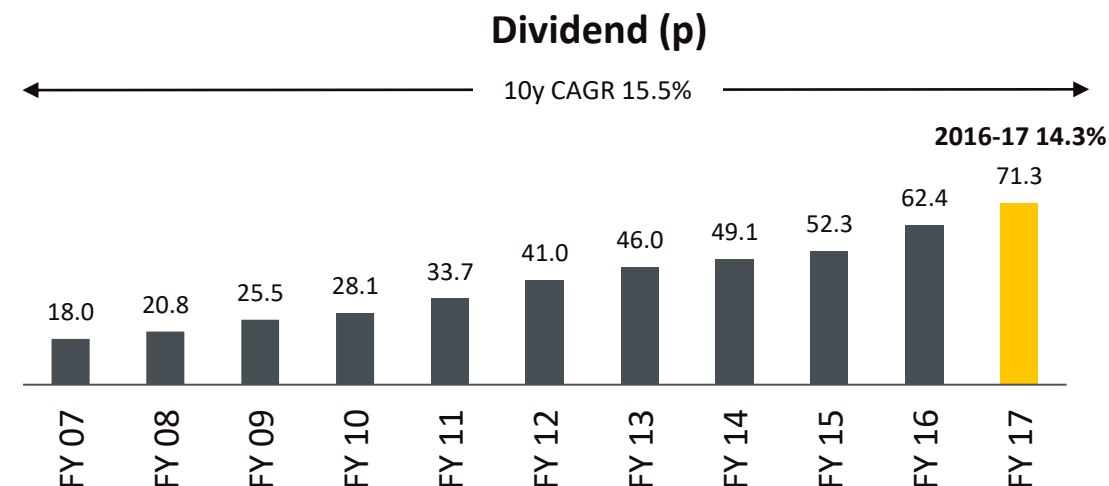
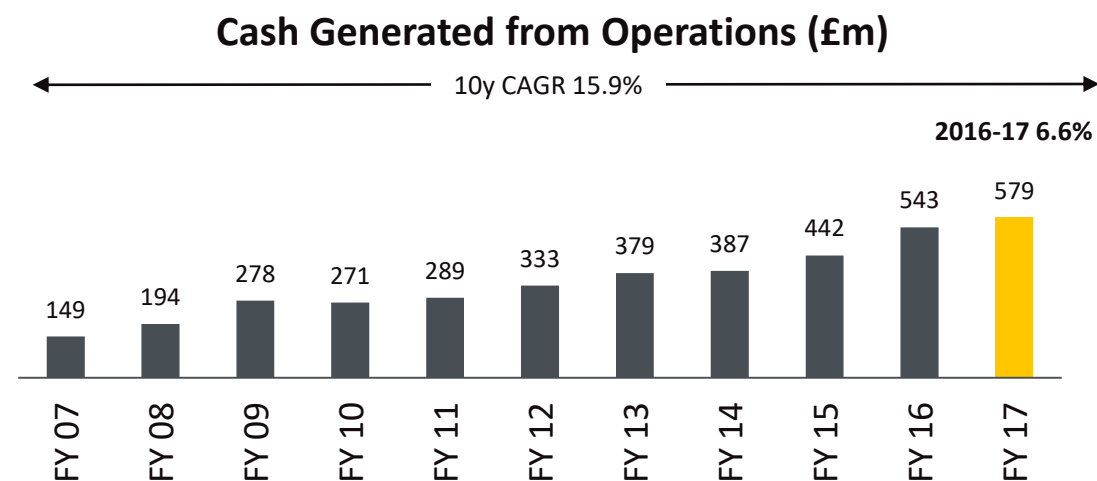
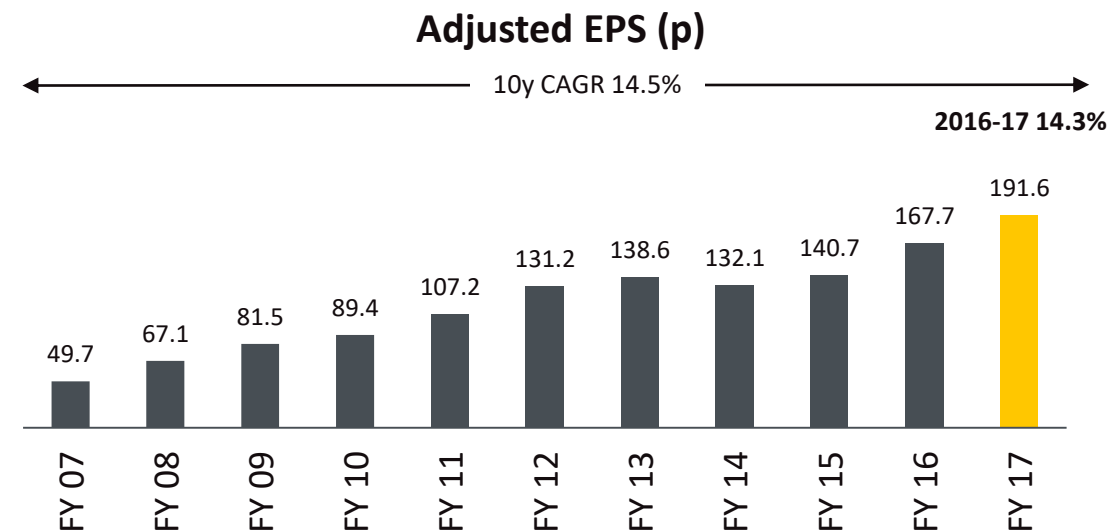
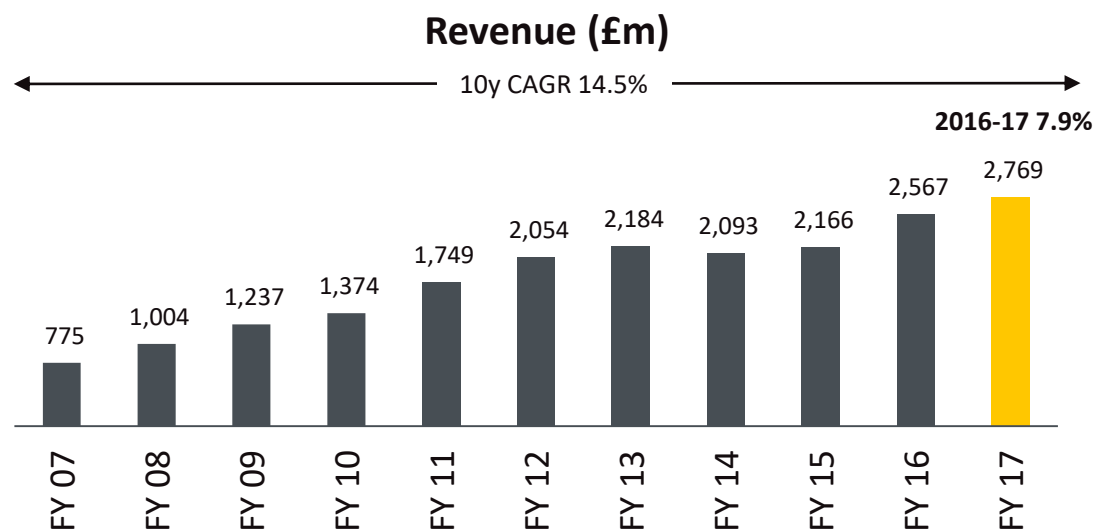
02

03 M&A focused on strong growth and margin prospects in businesses with leading market positions or in new attractive growth areas, geographies or services

Efficient balance sheet with flexibility to invest in growth with Net Debt / EBITDA target of circa 1.5x - 2.0x

04

TRACK RECORD OF SHAREHOLDER VALUE CREATION



INTERTEK RANKS 3RD HIGHEST IN THE FTSE100 IN DIVIDEND PROGRESSION SINCE THE IPO IN 2002

CONCLUSION



- 5x5 Good to Great journey on track
- High margin, highly cash generative earnings model delivering shareholder value
- Exciting growth, margin and cash opportunities
- On track to deliver 2018 targets
 - Good Organic Revenue Growth Momentum*
 - Moderate Group Margin Expansion*
 - Strong Cash Conversion
- Making Intertek Ever Better... Ever Stronger

(*) at Constant Currency