1. INTRODUCTION

This is Intertek’s third Modern Slavery Statement. As the largest social compliance audit company globally, we are committed to eradicating modern slavery. In addition to the work we are doing in our own operations and supply chains, we are proud that our network of specialist ethical and compliance auditors in 65 countries helps our clients to combat their own risks of modern slavery and to create a safe and fair environment for all those working in and for their businesses. We carry out modern slavery and working condition audits and surveillance (including on recruitment agencies and other service providers), provide training and education, carry out due diligence on company processes and collaborate with industry associations to drive the modern slavery agenda.

In the past year, we have continued to build on the work we do to combat the risks of modern slavery - in both our own and our clients’ operations and supply chains.

In 2018 our key focus areas have included:

- further understanding our supply chains, including sub-contractors and service providers;
- increasing our partnerships with industry associations and NGOs which are helping businesses to combat the risks of modern slavery;
- developing our own corporate assurance programme for modern slavery – a continuous improvement programme of education, processes, tools and audits which we can use at every level of our organisation to identify, mitigate and remediate modern slavery risks in our operations and supply chain.

2. BUSINESS OVERVIEW

2.1 Our operations

Intertek has more than 44,000 employees in 1,000 laboratory and office locations in over 100 countries.

The services we provide include assurance, testing, inspection and certification, and our businesses and operations fall under three global divisions: Products, Trade and Resources. The majority of our services are carried out in our laboratories and offices, though our inspectors and auditors carry out field work at client sites or other sites in our clients’ supply chains.

Although the Intertek group is managed through a divisional structure of global businesses, our most material geographic footprint is in China (including Hong Kong), the United Kingdom and the United States.

2.2 Our supply chains

As a provider of professional services, our own supply chain is primarily associated with the goods and services delivered to our laboratories and offices. These include security, maintenance, cleaning and catering services and the supply of office and laboratory equipment. We selectively ask for the operational support of contractors and sub-contractors to perform certain types of activities and/or in certain jurisdictions or geographies.

One of our key focus areas in 2018 has been to increase our understanding of our modern slavery risks by deepening our understanding of our own supply chains. Our Procurement and Finance functions have worked to map all of our suppliers by category, spend and geography. Having achieved that transparency, we are now in a position to seek increased engagement with our suppliers: we will be able to carry out more informed risk assessments, perform more targeted due diligence and encourage our suppliers to commit to our modern slavery agenda, including by signing our Code of Ethics and requiring their own suppliers to commit to the same or equivalent policies to prevent modern slavery. We believe we are now much more strongly positioned to assess and address the modern slavery risks in our supply chains, which we will do following our risk-based approach (described below).

2.3 Our partnerships and collaborations

In 2018, we continued our work with Sedex to carry out audits around the world under their Members Ethical Trade Audits (SMETA) programme, and have helped clients to prevent modern slavery using our own, industry-leading Working Conditions Assessment (WCA) programme. We work closely with social compliance organisations, trade bodies and industry groups (such as the Mekong Club, an association of global brands whose vision is to end modern slavery in Asia) to share expertise and best practice, and help them define a targeted modern slavery strategy. In 2018, we hosted our first Ethical Sourcing Forum roundtable events in which we, our clients, regulators and other industry experts shared insights and best practices – and we intend to continue this programme in 2019.
3. OUR GOVERNANCE STRUCTURE AND STRATEGY FOR MODERN SLAVERY

3.1 Our governance structure for modern slavery

Our governance structure is core to our strategy for modern slavery and is based upon three pillars: our sustainability agenda, which includes our commitment to fair labour and human rights both in our own operations and in the communities in which we operate; our modern slavery risk assessment process (which include our processes for due diligence and audit of suppliers); and processes for ensuring we comply with our policies and controls, with remediation actions taken as required.

3.2 Our strategy for modern slavery

- **Combating modern slavery through our sustainability agenda:** in 2017 we established a network of Sustainability Champions across our major countries and business lines to develop global connectivity across our sustainability activities. Their specific goals include maintaining best-in-class internal labour and human rights practices and liaising with HR colleagues regarding social sustainability metrics improvements. This gives us a network of dedicated colleagues with localised knowledge, language skills and contacts who can both assess our modern slavery risk and promote our zero-tolerance agenda internally, or externally through the work we do in the communities in which we operate. The Sustainability Champions meet on a monthly basis to discuss progress against our group priorities and share best practice. The work done by our Sustainability Champions is reviewed within our Sustainability Operating Committee which reports on a monthly basis to the Group CEO and annually to the Board.

- **Assessing our modern slavery risk:** we assess risks and identify mitigation plans across our operations and supply chains using a framework of regional, divisional and functional risk committees which report to the Group Risk Committee. These risk committees review the risks arising in their area of operations on a quarterly basis: any modern slavery risk which is identified, together with any applicable risk mitigation plan, will be reported to the Board as part of the quarterly report by the Group Risk Committee. Where our Compliance function carries out due diligence on or an audit of a supplier, and concludes that there is a significant potential modern slavery risk, Group Risk Committee approval is required in order to proceed (and such approval will be contingent on a proper mitigation of the potential risk, such as increased contractual protections, site visits, interviews, etc.).

- **Ensuring compliance with our policies and controls on modern slavery, and taking remediation action:** our Group Ethics, Compliance & Risk Committee has oversight of any breach of our policies or controls (including our Modern Slavery Policy, Labour and Human Rights Policy and our controls around suppliers). Any breach which is reported - using our third-party whistleblowing Hotline or any other communication channel – is escalated (subject to any perceived conflicts of interest) immediately to the Group Ethics, Compliance & Risk Committee, which therefore provides oversight of modern slavery issues, demonstrates a robust anti-slavery stance at the highest level, and sets a “tone from the top” zero-tolerance approach to modern slavery in our business and supply chains. Any reported modern slavery allegation is investigated by our Compliance function. This function is independent of our operational business and reports directly to our Group General Counsel. Any issue which is reported and found to be substantiated would be followed by appropriate sanctions in line with our zero-tolerance approach (including disciplinary measures, termination of contract and reporting to the authorities, as relevant).

4. OUR MODERN SLAVERY POLICIES, CONTROLS AND ASSURANCE/AUDIT

To create a control environment which can be effective in addressing the risk of modern slavery in our operations and in our supply chain, we have a three-tiered approach:

- We set out the behaviours we expect of ourselves, our suppliers and our business partners.
- We set out how our policies must be complied with, and who in our organisation is responsible for controlling, monitoring and overseeing compliance with them.
- We verify that our controls are being followed and our policies are effective in addressing the risks of modern slavery.
### 4.1 Our policies

<table>
<thead>
<tr>
<th>Policy</th>
<th>Explanation</th>
<th>Day-to-day responsibility</th>
<th>Governance &amp; oversight</th>
<th>Policy approval</th>
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<tr>
<td>Modern Slavery Policy</td>
<td>This policy requires us to communicate our expectations relating to preventing modern slavery to our suppliers, and to take actions including termination of contracts if those expectations are not met.</td>
<td>The Group General Counsel has overall responsibility for ensuring this policy complies with our legal and ethical obligations, and that all those under our control comply with it. Our Compliance function has primary and day-to-day responsibility for implementing this policy, monitoring its use and effectiveness, dealing with any queries about it, and reviewing internal control systems and procedures to ensure they are effective in countering modern slavery.</td>
<td>Group Ethics, Compliance &amp; Risk Committee</td>
<td>Board of Directors</td>
</tr>
<tr>
<td>Labour and Human Rights Policy (including our policy on forced labour and child labour)</td>
<td>In this policy, we confirm our commitment to the United Nation’s Convention on Human Rights and the International Labour Organisation’s eight core conventions on fundamental human rights (non-discrimination; forced labour; child labour; freedom of association and collective bargaining; harassment; working hours; benefits and wages; leave; and employee contracts and letters).</td>
<td>Day-to-day responsibility for this policy is shared between the Group EVP – HR and the Group General Counsel. The responsibility for monitoring compliance with this policy is shared between our Compliance, HR and Internal Audit functions.</td>
<td>Group People Risk Committee; Group Ethics, Compliance &amp; Risk Committee</td>
<td>Board of Directors</td>
</tr>
<tr>
<td>Code of Ethics</td>
<td>Our Code of Ethics (which also includes our Labour and Human Rights Policy) sets out the principles and rules that govern our business conduct. It helps anyone representing Intertek to understand what is expected of them and ensures that we always act responsibly and with integrity. The rules govern how we treat our employees and behave in the workplace, and our social and corporate responsibilities.</td>
<td>As with our Modern Slavery Policy, the Group General Counsel has overall responsibility for ensuring that all those under our control comply with this policy and our Compliance function has primary and day-to-day responsibility for implementing this policy, monitoring its use and effectiveness, dealing with any queries about it, and reviewing internal control systems and procedures to ensure they are effective in supporting the highest standards of ethical conduct.</td>
<td>Group Ethics, Compliance &amp; Risk Committee</td>
<td>Board of Directors</td>
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### 4.2 Our controls

<table>
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<tr>
<th>Control type</th>
<th>Description of control</th>
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<tr>
<td>Controls on our own business and operations</td>
<td>We have a minimum internal controls framework of financial, operational and compliance controls which apply across all our operations. There are controls which mandate compliance with our policies relating to modern slavery, reporting of any issues, supplier due diligence, on-boarding of contractors and sub-contractors, etc. The controls specify who is responsible for controlling, monitoring and overseeing them (typically at the local/country, regional and group levels, respectively).</td>
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<tr>
<td>Controls on our suppliers of goods and services and other business partners</td>
<td>We ask our suppliers to use our standard agreements for the supply of goods and services. These contain contractual terms which require our suppliers to comply with Intertek’s policies, including our Modern Slavery Policy, Code of Ethics and Labour and Human Rights Policy. Suppliers which breach our policies face appropriate actions, including termination of contracts. Whilst we know that such contractual terms do not guarantee compliance in practice, we believe they are an important way of setting our expectations, defining acceptable practices and using commercial incentives to promote the right behaviours. We reinforce our Code of Ethics with our business partners, who include contractors, sub-contractors and suppliers. Certain business partners, including sub-contractors, are given a copy of our Code of Ethics and required to commit to its principles, including the principles of our Labour and Human Rights Policy, before we contract with them.</td>
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<tr>
<td>Controls on our recruitment processes and people matters</td>
<td>Our minimum internal controls framework includes controls relating to our recruitment processes (including how we use recruitment agencies; how we do due diligence on prospective employees) and our policies on workplace diversity, inclusion, freedom from discrimination and fair labour. These controls are established, monitored and overseen by our Group People Risk Committee. They are key ways in which we prevent the risk of child labour (that is, all our employees are of legal age to work in our global teams) and modern slavery or slavery-like practices in our workforce.</td>
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5. OUR ASSESSMENT AND MANAGEMENT OF MODERN SLAVERY RISK

5.1 How we have assessed and managed the modern slavery risk in our own operations

We assess the modern slavery risk in our own operations primarily as part of the risk identification and mitigation process which is carried out within our framework of divisional, regional and functional risk committees. These committees – and particularly the divisional and regional committees – review and assess the risk environment in their operations as part of their quarterly meetings. They use risk data (including whistleblowing Hotline reports, labour complaints, input and advice from the subject matter experts in our own social compliance business, operational learnings and desktop research from our HR and Risk functions and external information on the prevalence of modern slavery) to assess modern slavery risk throughout the year. Our own work gives us a valuable insight into the modern slavery risk “heat map”, and we work closely with social compliance organisations, trade bodies and industry groups which further broadens our understanding.

Some of the countries in which we operate have a higher modern slavery risk. A consequence of performing social compliance audits for our clients in countries with a higher risk of modern slavery is also that we have operations in those countries. We are aware that Pakistan and Cambodia are among the countries with the highest estimated prevalence of modern slavery by proportion of their population. We also operate in Thailand, Vietnam and Malaysia.

The highly-skilled nature of our people (laboratory, office, inspector or auditor) means we do not perceive a systemically high modern slavery risk in our own operations. However, our risk assessment process has raised the following issues:

- we have a number of seasonal workers in higher-risk countries, including a number of migrant workers in Qatar, and we are aware that such workers are at increased risk of abuses (such as excessive working hours and withholding of salaries) with reduced access to legal protections. We believe that our on-boarding, training, monitoring and reporting processes adequately mitigate the increased risk to these workers.
- we deploy inspectors as outsourced manpower to clients in the UAE. These inspectors are commonly Indian nationals, whose right to work and remain in the UAE can be used as leverage by clients to attempt to coerce them into non-compliant behaviours. We believe that our training on our Code of Ethics, plus the availability of our confidential whistleblowing Hotline, together with our management and audit programmes, should address this risk. However, we will build questions on this risk into our process for managing outsourced manpower to seek to mitigate it further.
- we have not included the risk of forced labour linked to forced marriage in our modern slavery risk assessments. We will seek to address this in 2019 – including by exploring what support we might provide to workers who are pushed into forced marriages or which NGOs we could direct them to.

5.2 How we have assessed and managed the modern slavery risk in our supply chain

It has taken us time to map our supply chains in 2018. To prioritise our activities, we have therefore adopted a risk-based approach on the risk assessments of suppliers, focusing as follows:

- on new suppliers or suppliers whose contracts are renewing;
- where estimated spend is at least £100k (or equivalent);
- where suppliers are in higher-risk geographies;
- on supplier categories we believe are higher-risk (for example, recruitment agencies or garment suppliers).

We intend to work in 2019 on broadening our risk-based approach based on our new supply chain mapping and our enhanced procurement processes and strategy. Our strategic procurement aims include: (1) managing our supply risk / de-risking our supply base; and (2) maintaining high ethical standards in the supply chain.

5.3 Our supply chain risk assessment

As a result of the due diligence and risk assessments we carry out on our professional services contractors and sub-contractors to ensure they have the appropriate accreditations, qualifications and expertise to perform the services in our highly technical industry, we believe this part of our supply chain has a relatively low risk. From our review of our procurement categories, we believe that the highest risks in our supply chain will be:

- direct risks relating to laboratory coats, other items of clothing and personal protective equipment;
- indirect risks – that is, risks relating to the manufacturing or sourcing of components and/or raw materials used in our testing equipment (and technology ranging from simple petroleum sampling kits to electromagnetic chambers) and our information technology (ranging from laptops and phones to equipment in our regional data centres); and
Using the work we have done in 2018 to map our supply chain, we intend to get greater transparency and understanding of the risks around the suppliers of support services to our laboratories and offices, such as cleaners, maintenance and security. We will also seek to increase our focus on the risks of forced marriage and child labour in our supply chain, based on feedback from the subject matter experts in our own social compliance business.

6. DUE DILIGENCE OF SUPPLY CHAIN AND SUPPLIERS

Due diligence on our suppliers is required as part of the minimum internal controls framework which applies across all of our operations. We adopt a risk-based and tiered approach to the level of due diligence we perform.

<table>
<thead>
<tr>
<th>Supplier category</th>
<th>Due diligence process</th>
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<tr>
<td>Contractors and sub-contractors</td>
<td>We selectively contract or sub-contract certain of our services to other laboratories, auditors or inspectors. As a professional services company, it is important that we can assure ourselves of the quality management and other processes of any party on whom we rely to provide any part of our professional services. We continue to have a robust process in place to ensure that all contractors and sub-contractors agree to adhere to our Code of Ethics, and background checks and risk assessments are performed on them, before we agree to work with them. Our internal controls require formal commercial agreements with the appropriate legal protections for Intertek, its business ethics and its reputation.</td>
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<tr>
<td>Field-based contractors and sub-contractors</td>
<td>Where our contractors and sub-contractors are auditors or inspectors, those can either be corporate entities with their own workforce, or individuals. As audits and inspections are performed in the field (that is, at client sites or sites in the client’s supply chains) the conditions in which auditors and inspectors work (including working hours, pay and accommodation at sites which can, in certain geographies, be remote) are more difficult for us to monitor and assess. We are aware that a contract with, or audit of, an auditor or inspection company provides only a limited view of the conditions in which its employees work, and we try to ensure we have direct contact with its employees as part of our H&amp;S training or other on-boarding process. The employees of any contractor or sub-contractor have access to our whistleblowing Hotline.</td>
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<tr>
<td>Other suppliers</td>
<td>For our other categories of supplier, our minimum internal controls require that any contract with a supplier of goods or services with a value of £100,000 or more per year must be reviewed by Group Compliance, which must carry out a risk assessment (including of modern slavery risk) and obtain a signed Code of Ethics from the supplier before the contract can be entered into.</td>
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7. MODERN SLAVERY TRAINING

Modern slavery training is provided to all our employees as part of our annual and new-joiner training on our Code of Ethics (including our Labour and Human Rights policy). Understanding of the training is tested using an online training system and completion of the test is certified and recorded. We have also used training on our Code of Ethics given by our Group Compliance function to key agents, intermediaries, consultants, contractors and sub-contractors to upskill those parties, increase their awareness of modern slavery issues and support them to implement similar policies with their own suppliers.

When completing the training, all employees are required to confirm their understanding that any breaches of the Group’s Code of Ethics (including our Labour and Human Rights Policy) will result in disciplinary action that may include summary dismissal of the employee concerned.

8. REPORTING A BREACH OF OUR POLICIES; INVESTIGATION & REMEDIATION

We provide an independent, third-party whistleblowing Hotline, which is aimed primarily at our employees but is also open to any person who works within our supply chain. The Hotline can be used to report any ethical, integrity or compliance issue – which includes human rights violations such as modern slavery.

All reports received through our Hotline are fully investigated by our Compliance function, which is independent of our operational businesses. Unless there is a conflict of interest, all reports are also notified immediately to our Group Ethics, Compliance & Risk Committee which includes our Group CEO, Group EVP for HR and Group General Counsel, and which provides monitoring, oversight and support in ensuring that appropriate remediation actions are taken. We take any allegations that human rights are not being respected within any part of our business or supply chain extremely seriously, with a zero tolerance approach. All of our employees are expected to report any modern slavery concerns, using the appropriate reporting channels, and management are expected to act upon those concerns immediately.

Our processes require that any report of modern slavery, however communicated to us: would be escalated immediately to our Group CEO and to the Group Ethics, Compliance & Risk Committee; would be investigated by our Compliance function; and would typically result in an investigation being concluded and (if substantiated) remediation actions being proposed and implemented within 7 – 14 days.

9. EFFECTIVENESS / KPIS

Like many companies, we track KPIs relating to modern slavery including: completion of our Code of Ethics training by our employees; investigations undertaken into reports of modern slavery and remediation actions taken in response; and our progress towards the UN Sustainable Development Goals. However, we are an industry leader in modern slavery risk assessment for our clients. We know that tracking the above KPIs is not sufficient to prevent modern slavery.

We welcome the great efforts being made to establish KPIs (including the indicators of concern proposed by the UK Government’s Gangmasters & Labour Abuse Authority to help to tackle labour exploitation in the UK supply chain), but we are aware that these KPIs are more targeted at supplier factories than larger organisations. Although we provide modern slavery risk assessments to our clients – and we believe our WCA programme and supply chain risk management tools are among the most effective ways of identifying and mitigating modern slavery risk at all points of the supply chain – we are aware that these are more targeted at larger organisations than at smaller companies.
and distribution chains – our work has also been focused on the risks of modern slavery at operational sites rather than on helping our corporate clients to assess and measure the effectiveness of their modern slavery risk management approach.

In our 2017 Modern Slavery Statement, we said that we would expand our WCA programme to become a holistic corporate risk assurance programme, which we would first test on our own operations and supply chain as a proof of concept to establish robust KPIs and effectiveness measures which can be used by any corporation. We have worked on this in 2018 and we will report on our findings.

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes the Intertek Group’s slavery and human trafficking statement for the financial year ending 31 December 2018 and was approved by the Board of Intertek Group plc on 28 February 2019.

André Lacroix
Group Chief Executive Officer
Intertek Group plc

5 March 2019