



## TRADING STATEMENT 23 November 2023

### ROBUST DEMAND FOR INTERTEK ATIC SOLUTIONS - ON TRACK TO DELIVER 2023 TARGETS

- **YTD revenue of £2.77bn, growth of 7.3% at CCY** with broad-based LFL revenue growth of 6.3%
- **5.2% LFL revenue growth at CCY in July-Oct:** LFL of 6.9% in Corporate Assurance, Health and Safety, Industry and Infrastructure, and World of Energy combined; Consumer Products LFL of 1%
- **Recent acquisitions in high growth, high margin segments performing well;** YTD revenue contribution of £26m
- **Margin progression** driven by pricing initiatives, good operating leverage and disciplined cost controls
- **Disciplined performance management delivering strong cash flow and a robust balance sheet**
- **Investing** in organic and inorganic growth opportunities with an accretive capital allocation policy
- **Confirming 2023 outlook:** Mid-single digit LFL revenue growth at CCY, margin progression and strong free cash flow
- **Intertek AAA differentiated growth strategy** in place to unlock the significant value growth opportunity ahead

	Revenue Growth		LFL Revenue Growth	
	YTD 23	YTD 23	Jul-Oct23	YTD 23
	Change at CCY <sup>1</sup>	Change at AR <sup>2</sup>	Change at CCY <sup>1</sup>	Change at CCY <sup>1</sup>
<b>Group</b>	<b>7.3%</b>	<b>5.1%</b>	<b>5.2%</b>	<b>6.3%</b>
Consumer Products	1.1%	(2.7%)	1.0%	1.1%
Corporate Assurance	10.5%	7.6%	6.6%	10.0%
Health and Safety	8.5%	7.8%	6.5%	6.5%
Industry and Infrastructure	8.5%	7.1%	5.7%	8.5%
World of Energy	12.1%	11.1%	8.7%	8.5%

### André Lacroix: Chief Executive Officer statement

“The Group has delivered 7.3% revenue growth on a YTD basis at CCY, driven by 8.5% LFL revenue growth in Corporate Assurance, Health and Safety, Industry and Infrastructure, and the World of Energy combined, while LFL for Consumer Products was 1.1%. Recent acquisitions in high-growth, high-margin segments are performing well, benefitting from the scale-up opportunities in our global network. We are on-track to deliver our 2023 FY target of mid-single digit LFL revenue growth at CCY, with margin accretion and strong free cash flow performance enabling us to deliver an excellent ROIC.

I would like to recognise my colleagues for their passion, commitment and innovation, delivering a robust financial performance in the first ten months of the year. We have delivered the highest LFL revenue growth in the last 10 years at CCY, benefitting from the robust demand for our ATIC solutions. We have seen margin progression driven by our pricing initiatives, good operating leverage and our disciplined cost approach. Our strong free cash flow combined with our robust balance sheet enables us to invest in growth and accelerate performance.

Our clients are increasing their focus on Risk-based Quality Assurance to operate with higher standards on quality, safety and sustainability in each part of their value chain, triggering a higher demand for our ATIC solutions which are powered by our Science-based Customer Excellence ATIC advantage. We have made significant progress on our portfolio, which is poised for faster growth with all our global business lines expected to benefit from attractive structural growth drivers while the majority of our local businesses are exposed to fast growth opportunities.

Earlier this year, we unveiled our Intertek AAA differentiated growth strategy to capitalise on the best-in-class operating platform we have built and target the areas where we have opportunities to get better. Our passionate, innovative, and customer-centric organisation is laser-focused to take Intertek to greater heights putting our AAA strategy in action and deliver sustainable growth and value for all stakeholders. We are targeting mid-single digit LFL revenue growth, margin accretion to go back to our 17.5% peak margin and beyond, and strong cash generation, while pursuing disciplined investments in attractive growth and margin sectors.

We operate a differentiated, high-quality growth business with excellent fundamentals and intrinsic defensive characteristics, giving our customers the Intertek Science-based ATIC advantage to strengthen their businesses. Our leading ATIC solutions are mission-critical for the world to operate safely and the growth in our end-markets is accelerating. The implementation of our Intertek AAA differentiated growth strategy will capitalise on our high-quality earnings and cash compounder model to unlock the significant value growth opportunity ahead.”

<sup>1</sup>Constant currency <sup>2</sup>Actual rates

Intertek Group plc (“Intertek” or “the Group”), a leading Total Quality Assurance provider to industries worldwide, today releases its November Trading Update for the period from 1 January to 31 October 2023 (“period”). All comparative comments in this statement reflect comparisons with the corresponding period during 2022. The Group's full year results to 31 December 2023 will be announced on 5 March 2024.

Revenue Performance – 5 divisions								
10 months – January to October					4 months – July to October			
	2023 £m	2022 £m	Change at actual rates	Change at constant currency	2023 £m	2022 £m	Change at actual rates	Change at constant currency
<b>Group</b>								
Revenue	2,765.7	2,632.4	5.1%	7.3%	1,125.7	1,140.7	(1.3%)	5.9%
Like-for-like revenue	2,739.8	2,632.4	4.1%	6.3%	1,118.1	1,140.7	(2.0%)	5.2%
<b>Consumer products</b>								
Revenue	779.5	801.3	(2.7%)	1.1%	311.6	338.4	(7.9%)	1.0%
Like-for-like revenue	779.5	801.3	(2.7%)	1.1%	311.6	338.4	(7.9%)	1.0%
<b>Corporate Assurance</b>								
Revenue	391.9	364.3	7.6%	10.5%	160.1	160.1	-	7.6%
Like-for-like revenue	390.4	364.3	7.2%	10.0%	158.6	160.1	(0.9%)	6.6%
<b>Health and Safety</b>								
Revenue	269.6	250.1	7.8%	8.5%	112.9	107.7	4.8%	9.3%
Like-for-like revenue	264.6	250.1	5.8%	6.5%	110.0	107.7	2.1%	6.5%
<b>Industry and infrastructure</b>								
Revenue	721.8	674.2	7.1%	8.5%	294.8	299.0	(1.4%)	5.7%
Like-for-like revenue	721.8	674.2	7.1%	8.5%	294.8	299.0	(1.4%)	5.7%
<b>World of Energy</b>								
Revenue	602.9	542.5	11.1%	12.1%	246.3	235.5	4.6%	10.2%
Like-for-like revenue	583.5	542.5	7.6%	8.5%	243.1	235.5	3.2%	8.7%

Revenue Performance – PTR								
10 months – January to October					4 months – July to October			
	2023 £m	2022 £m	Change at actual rates	Change at constant currency	2023 £m	2022 £m	Change at actual rates	Change at constant currency
<b>Group</b>								
Revenue	2,765.7	2,632.4	5.1%	7.3%	1,125.7	1,140.7	(1.3%)	5.9%
Like-for-like revenue	2,739.8	2,632.4	4.1%	6.3%	1,118.1	1,140.7	(2.0%)	5.2%
<b>Products</b>								
Revenue	1,721.4	1,674.6	2.8%	5.0%	698.4	723.6	(3.5%)	3.8%
Like-for-like revenue	1,719.9	1,674.6	2.7%	5.0%	696.9	723.6	(3.7%)	3.5%
<b>Trade</b>								
Revenue	550.6	523.9	5.1%	6.8%	224.9	224.3	0.3%	6.6%
Like-for-like revenue	545.6	523.9	4.1%	5.8%	222.0	224.3	(1.0%)	5.3%
<b>Resources</b>								
Revenue	493.7	433.9	13.8%	16.7%	202.4	192.8	5.0%	13.0%
Like-for-like revenue	474.3	433.9	9.3%	12.1%	199.2	192.8	3.3%	11.2%

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## Analysts' Call

A live audiocast for analysts and investors will be held today at 7.45am UK time; +44 (0) 33 0551 0200 ([Link to audiocast](#)).

Details can be found at <http://www.intertek.com/investors/> together with a pdf copy of this report. A recording of the audiocast will be available later in the day.

The Intertek logo consists of the word "intertek" in a bold, lowercase, sans-serif font. A small yellow dot is positioned above the letter 'i'.

Total Quality. Assured.

Intertek is a leading Total Quality Assurance provider to industries worldwide.

Our network of more than 1,000 laboratories and offices in more than 100 countries, delivers innovative and bespoke Assurance, Testing, Inspection and Certification solutions for our customers' operations and supply chains.

Intertek is a purpose-led company to Bring Quality, Safety and Sustainability to Life. We provide 24/7 mission-critical quality assurance solutions to our clients to ensure that they can operate with well-functioning supply chains in each of their operations.

Our Customer Promise is: Intertek Total Quality Assurance expertise, delivered consistently, with precision, pace and passion, enabling our customers to power ahead safely.

[intertek.com](http://intertek.com)

## Consumer Products Division

In the four-month period to end October 2023, our Consumer Products-related business delivered LFL revenue of £311.6m, up YoY by 1% at CCY enabling us to deliver a LFL revenue of £779.5m on YTD basis, up YoY at CCY by 1.1% and down YoY by 2.7% at actual rates.

- Our Softlines business delivered a low-single digit negative LFL revenue in the period resulting in a stable LFL revenue performance YTD as ATIC investments by our clients in e-commerce, risk-based Quality Assurance and end-to-end sustainability have been offset by a slow-down in new product development given that most retailers in North America and Europe remain focused on reducing inventory.
- Hardlines reported a low-single digit negative revenue performance in the period and stable LFL revenue growth on a YTD basis as ATIC investments by our clients in e-commerce and sustainability have been offset by lower investments in new product development from our major customers in North America and Europe
- With increased ATIC activities driven by greater regulatory standards in energy efficiency, more demand for medical devices and 5G investments, our Electrical & Connected World business delivered high-single digit LFL revenue growth in the period resulting in a mid-single digit LFL revenue growth YTD.
- Our Government & Trade Services business provides certification services to governments in the Middle East and Africa to facilitate the import of goods in their markets, based on acceptable quality and safety standards. The business reported double-digit negative LFL revenue growth both in the period and YTD as increasing client supply chain activities were offset by the non-renewal of two major contracts last year.

### Full Year growth outlook

In 2023, we expect our Consumer Products division to deliver low-single digit LFL revenue growth at constant currency.

### Mid to long-term growth outlook

Our Consumer Products division will benefit from growth in new brands, SKUs & ecommerce, increased regulation, a greater focus on sustainability and technology, as well as a growing middle class.

Our mid to long-term guidance at CCY for Consumer Products is low to mid-single digit.

## Corporate Assurance Division

In the four-month period to end October 2023, our Corporate Assurance-related business delivered a LFL revenue of £158.6m, up YoY by 6.6% at CCY enabling us to deliver a LFL revenue of £390.4m on a YTD basis, up YoY at CCY by 10.0% and up by 7.2% YoY at actual rates.

Business Assurance delivered high-single digit LFL revenue growth in the period and double-digit LFL revenue growth on YTD basis driven by increased investments by our clients to improve the resilience of their supply chains, the continuous focus on ethical supply and the greater need for sustainability assurance.

The Assuris business reported negative mid-single digit LFL revenue performance in the period due a base-line effect in 2022. However, LFL revenue is stable on a YTD basis as we continue to benefit from improved demand for our regulatory assurance solutions and from increased corporate investment in ESG.

### Full Year growth outlook

In 2023, we expect our Corporate Assurance division to deliver high-single digit LFL revenue growth at constant currency.

## Mid to long-term growth outlook

Our Corporate Assurance division will benefit from a greater corporate focus on sustainability, the need for increased supply chain resilience, enterprise cyber-security, People Assurance services and regulatory assurance.

Our mid to long-term LFL guidance at CCY for Corporate Assurance is high-single digit to double-digit.

## Health and Safety Division

In the four-month period to end October 2023, our Health and Safety-related business delivered LFL revenue of £110.0m, up YoY by 6.5% at CCY. YTD LFL revenue of £264.6m is up YoY at CCY by 6.5% and up YoY by 5.8% at actual rates.

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

## Full Year growth outlook

In 2023, we expect our Health and Safety division to deliver mid-single digit LFL revenue growth.

## Mid to long-term growth outlook

Our Health and Safety division will benefit from the demand for healthier and more sustainable food to support a growing global population, increased regulation, and new R&D investments in the pharma industry.

Our mid to long-term LFL guidance at CCY for Health and Safety division is mid to high-single digit.

## Industry and Infrastructure Division

In the four-month period to end October 2023, our Industry and Infrastructure-related business delivered LFL revenue of £294.8m, YoY growth of 5.7% at CCY enabling us to deliver a LFL revenue of £721.8m on YTD basis, up YoY at CCY by 8.5% and up YoY by 7.1% at actual rates.

Industry Services includes our Capex Inspection services and Opex Maintenance services. The Capex Inspection business delivered double-digit LFL revenue growth in the period and on YTD basis as we benefitted from increased capex investment in traditional Oil and Gas exploration and production as well as in renewables. With our clients increasing their maintenance efforts to increase the productivity of existing production assets, we delivered double-digit LFL revenue growth in the period and on YTD basis in Opex Maintenance.

The continuing high demand for testing and inspection activities drove high-single digit LFL revenue growth in the period and double-digit LFL revenue growth on YTD basis in our Minerals business.

Growing demand for more environmentally friendly buildings and the increased number of infrastructure projects in North America produced low-single digit LFL revenue growth in the period and on YTD basis for our Building & Construction business.

## Full Year growth outlook

In 2023, we expect our Industry & Infrastructure related businesses to deliver high-single digit LFL revenue performance at constant currency.

## Mid to long-term growth outlook

Our Industry & Infrastructure division will grow in the mid to long-term, benefitting from increased global energy consumption, the transition to greener energy, population growth, large scale infrastructure investment, and demand for Greener buildings.

Our mid to long-term LFL guidance at CCY for Industry and Infrastructure is mid to high-single digit.

## World of Energy Division

In the four-month period to end October 2023, our World of Energy-related business delivered LFL revenue of £243.1m, up YoY by 8.7% at CCY. YTD LFL revenue of £583.5m is up YoY at CCY by 8.5% and up 7.6% at actual rates.

Caleb Brett, the global leader in the Crude Oil and Refined products global trading markets, benefitted from improved momentum driven by increased global mobility and higher testing activities for biofuels with double-digit LFL revenue growth in the period and on a YTD basis.

Transportation Technologies delivered a low-single digit LFL revenue growth in the period and mid-single digit LFL revenue growth on YTD basis driven by increased investment in new powertrains to lower CO<sub>2</sub>/NO<sub>x</sub> emissions and in traditional combustion engines to improve fuel efficiency.

Our CEA business continued to benefit from the increased investments in solar panels which is the fastest growing form of renewable energy and delivered a double-digit LFL revenue growth in the period and YTD.

## Full Year growth outlook

In 2023, we expect our World of Energy division to deliver high-single digit LFL revenue growth at constant currency.

## Mid to long-term growth outlook

The World of Energy division will benefit from increased investment from energy companies to meet growing demand and consumption of energy from the growing global population, the scaling up of Renewables, increase R&D investments that OEMs are making in EV/Hybrid vehicles and from the development greener fuels.

Our mid to long-term LFL guidance at CCY for the World of Energy division is low to mid-single digit.

## Innovation

True to our pioneering spirit, we continue to lead the industry and innovate to meet the emerging needs of our customers with winning ATIC solutions.

We are constantly learning from our customers, using extensive feedback they provide us every month with our extensive NPS research programme to help us deliver ever better solutions to their evolving requirements.

We believe that successful innovation starts with investing in the insight advantage, which means having a deep understanding of what our customers need and want. With the ability to access world-class customer intelligence site-by-site from anywhere across our global network, we have a continuous stream of data that enables us to build on our insights and use this to develop new ATIC solutions.

Recently we launched a new certification mark that aims to give consumers transparency regarding the claims made by the manufacturers and marketers of vegan foods. This is a timely introduction given the exponential global growth in the number of consumers who are exploring a plant-based diet as part of a healthier lifestyle with a reduced environmental impact.

Sustainability-related innovations include Intertek EcoCheck, a tourism solution that audits management systems and is supported by our capabilities to deliver accessibility, circularity and carbon emission accounting services.

Launched earlier this year, Global Market Access (GMA) is designed to help retailers and brands of soft goods, hard goods and personal protective equipment to understand and comply with the different regulations in force in different markets across the world. GMA is a one-stop digital knowledge portal, developed with the aim of increasing compliance for improved consumer safety and protecting corporate reputations in today's interconnected world.

Earlier this month, we launched an exciting digital innovation iCare in Turkey. This new pioneering one-stop digital platform delivers customer excellence to fashion manufacturers in a few clicks. In today's increasingly digital world, manufacturers expect seamless and efficient communication with testing service providers. iCare fulfils this expectation by providing customers with full transparency and real-time information about the status and progress of their submitted samples. Through iCare, customers can effortlessly manage all their testing projects on one centralised platform, accessible 24/7.

## Sustainability

Sustainability is the movement of our time and is central to everything we do at Intertek, anchored in our Purpose, our Vision, our Values and our strategy.

Sustainability is important to all stakeholders in society who are consistently demanding faster progress and greater transparency in sustainability reporting. Companies everywhere therefore continuously need to upgrade and reinvent how they manage their sustainability agenda, particularly with regard to how they disclose their performance.

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

The TSA programme comprises three elements:

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

For ourselves at Intertek, we focus on 10 highly demanding TSA sustainability standards which are truly end-to-end and systemic.

You can read in detail about our Sustainability Excellence agenda and results in our 2022 Sustainability Report, which included:

- Continuous progress on Health and Safety with a reduction of 7bps in our Total Recordable Incident Rate vs 2021.
- Since 2015, we have used the Net Promoter Score ('NPS') process to listen to our customers that has enabled us to improve our customer service over the years consistently.
- We are driving environmental performance across our operations through new science-based reduction targets to 2030 as well as site-by-site action plans. Our rigorous monthly performance management of our net zero plans against emission reduction targets has delivered total CO<sub>2</sub>e emissions (market-based) reductions of 7.8% vs 2021.
- We recognise the importance of employee engagement in driving sustainable performance for all stakeholders, and we measure employee engagement against our Intertek ATIC Engagement Index. Our 2022 score was 80.
- Our voluntary permanent employee turnover was at a low rate of 14%.

At the end of August, we were pleased to announce that the Group's near-term greenhouse gas (GHG) emissions reduction targets have been approved by the Science Based Targets initiative (SBTi). Through the validation of its scope 1, scope 2 and scope 3 targets, the SBTi found Intertek to be in line with the ambition to limit global temperature increases to 1.5°C above pre-industrial levels.

Intertek is committed to:

- reducing absolute scope 1 and 2 GHG emissions by 50% by 2030 from a 2019 base year;
- reducing absolute scope 3 GHG emissions from business travel and employee commuting by 50% within the same timeframe;
- ensuring 70% of its suppliers by spend will have science-based targets by 2027.

This achievement serves to reconfirm Intertek's commitment to sustainable growth and acknowledges the Group's ongoing efforts to limit the effects of climate change as part of the Race to Zero.

## M&A

We are investing inorganically to seize the attractive growth opportunities in the global Quality Assurance market and to strengthen our ATIC portfolio in high-margin, high-growth areas.

Our recent acquisitions, SAI Global Assurance, JLA Brasil Laboratório de Análises de Alimentos S.A. and Clean Energy Associates LLC and Controle Analtico have been successfully integrated and are performing well and in line with our expectations.

In August, we announced the acquisition of US-based PlayerLync, a leading provider of high-quality mobile-first training and learning content to frontline workforces at some of the world's leading consumer brands, strengthening our position as a leader in SaaS-based, technology-enabled People Assurance services. We invested in our People Assurance business with the acquisition of Alchemy/Wisetail in 2018, and PlayerLync provides a compelling opportunity to further enhance our differentiated TQA proposition and customer excellence advantage in what is a fast-evolving landscape. As the deskless frontline workforce continues to grow, software-based technology solutions that deliver learning, communications and engagement are ever more important and the combination of Wisetail and PlayerLync are exceptionally well-placed to address those needs.

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

## Outlook 2023

In 2023, we continue to expect the Group will deliver mid-single digit LFL revenue growth at constant currency, with margin progression year-on-year and a strong free cash flow performance.

Our mid-single digit LFL revenue growth at constant currency will be driven by the following contribution from our divisions:

- Consumer Products: Low-single digit
- Corporate Assurance: High-single digit
- Health and Safety: Mid-single digit
- Industry and Infrastructure: High-single digit
- World of Energy: High-single digit

Our financial guidance for 2023 is that we expect:

- Capital expenditure in the range of £115-125m
- Net Finance costs in the £40-42 m range
- Effective Tax Rate in the 25%-26% range
- Minority interests of between £22-23m
- FY23 financial net debt to be in the range of £630-680m

Currency has remained volatile, and we are updating our FY forex guidance. The average Sterling rate since the beginning of the year applied to our FY 2022 results, would reduce our FY revenue by 300bps and FY Earnings by 500bps.



## Significant value growth opportunity

We have made strong progress in the last eight years, delivering sustainable growth and value for our stakeholders and we are very excited about the significant growth value opportunity ahead, capitalising on our Science-based Customer Excellence ATIC advantage. Our clients understand the mission-critical nature of risk-based quality assurance to make their businesses stronger and we have seen the demand for our ATIC solutions accelerate in the last few years.

On 3 May 2023, at our Capital Markets event in London, we announced our Intertek 30 AAA Growth Strategy to unlock the significant value growth opportunity ahead.

True to our high performance 10X Culture, our Intertek AAA differentiated growth strategy is about being the best and creating significant value for every stakeholder, all the time. We want to be the most trusted TQA partner for our customers, the employer of choice with our employees, to demonstrate sustainability excellence everywhere in our community and deliver significant growth and value for our shareholders.

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

Our high-quality portfolio is poised for faster growth:

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

We have improved our segmental disclosures to better reflect the growth drivers in our businesses reporting revenue, operating profit and margin in five divisions:

- Consumer Products
- Corporate Assurance
- Health and Safety
- Industry and Infrastructure
- World of Energy

In terms of LFL revenue growth we are targeting Group mid-single digit LFL revenue growth at constant currency with the following expectations by division:

- Low- to mid-single digit in Consumer Products
- High-single digit to double digit in Corporate Assurance
- Mid- to high-single digit in Health and Safety
- Mid- to high-single digit in Industry and Infrastructure
- Low- to mid-single digit in the World of Energy

Margin accretive revenue growth is central to the way we deliver value, and we are confident that over time we will return to our 17.5% peak margin performance and go beyond from there. Our confidence is based on three simple reasons: we have the proven tools and processes in place, we operate with a span of performance, and we pursue a disciplined accretive portfolio strategy.

To deliver sustainable growth and value we will stay focused on our Intertek Virtuous Economics based on the compounding effect year after year of mid-single digit LFL revenue growth, margin accretive revenue growth, strong free cash-flow and disciplined investments in high growth and high margin sectors.

We believe in the value of accretive disciplined capital allocation and pursue the following priorities:

- Our first priority is to support organic growth through capital expenditure and investments in working capital (target circa 5% of turnover in capex).
- The second priority is to deliver sustainable returns for our shareholders through the payment of progressive dividends and we target a pay-out ratio of circa 50%.
- The third priority is to pursue M&A activities that strengthen our portfolio in attractive growth and margin areas, provided we can deliver good returns.
- And our fourth priority is to maintain an efficient balance sheet with flexibility to invest in growth. Our leverage target is 1.3 – 1.8 net debt to EBITDA with the potential to return excess capital to shareholders subject to our future requirements and prevailing macro environment.

Our good to great journey continues to unlock the significant value growth opportunity ahead.

-ENDS-

**The 2023 November Trading Statement Audiocast CEO Script will be available after the call at**

**[www.intertek.com/investors/](http://www.intertek.com/investors/)**