

SGS Virtual
Investor Days
2021



Corporate Sustainability

Sustainability at SGS

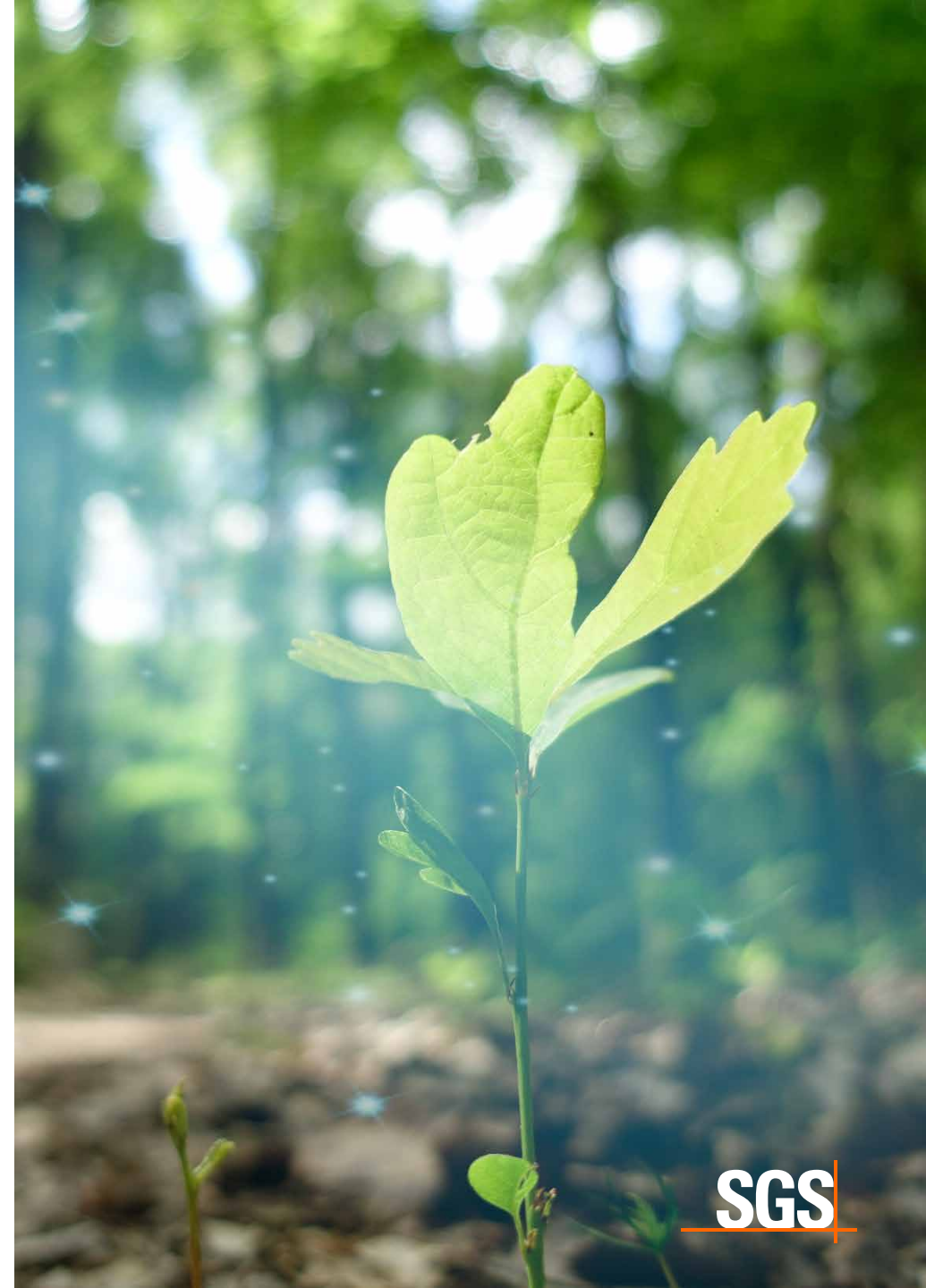
May 27, 2021



Corporate Sustainability

Vision and 2023 ambition

- **Vision:** continue our journey to becoming a more sustainable company and strive to continually raise the bar of sustainability standards across the TIC industry and with all our stakeholders
- **How:** involve our whole value chain to continuously increase the value we bring to our stakeholders and society
- **Major focus areas:**
 - **Environmental protection:** contribute to a low carbon economy and preserve natural resources
 - **Social commitment:** empower equality, wellbeing and prosperity
 - **Governance practices:** enable long-term value through secure, fair, transparent and responsible business practices.

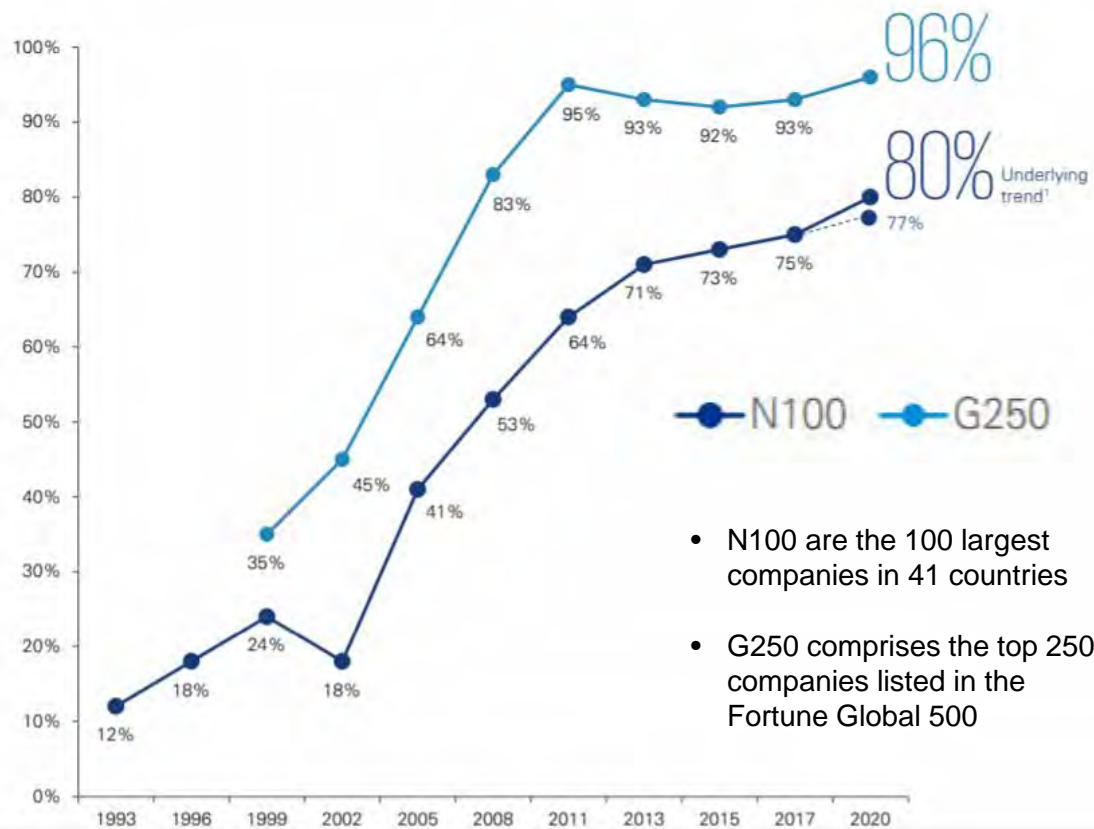


Sustainability trends

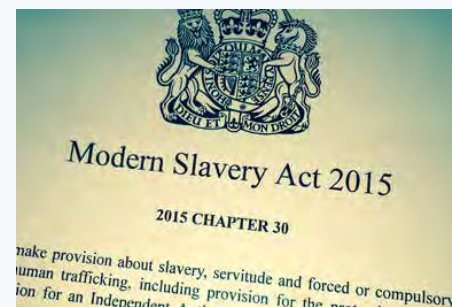
Sustainability Reporting is on the Rise

Growth in global sustainability reporting rates since 1993: N100 and G250

Source: The KPMG Survey of Sustainability Reporting 2020



- N100 are the 100 largest companies in 41 countries
- G250 comprises the top 250 companies listed in the Fortune Global 500



SUSTAINABLE DEVELOPMENT GOALS

TCFD | TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

Sustainability at the core of what we do



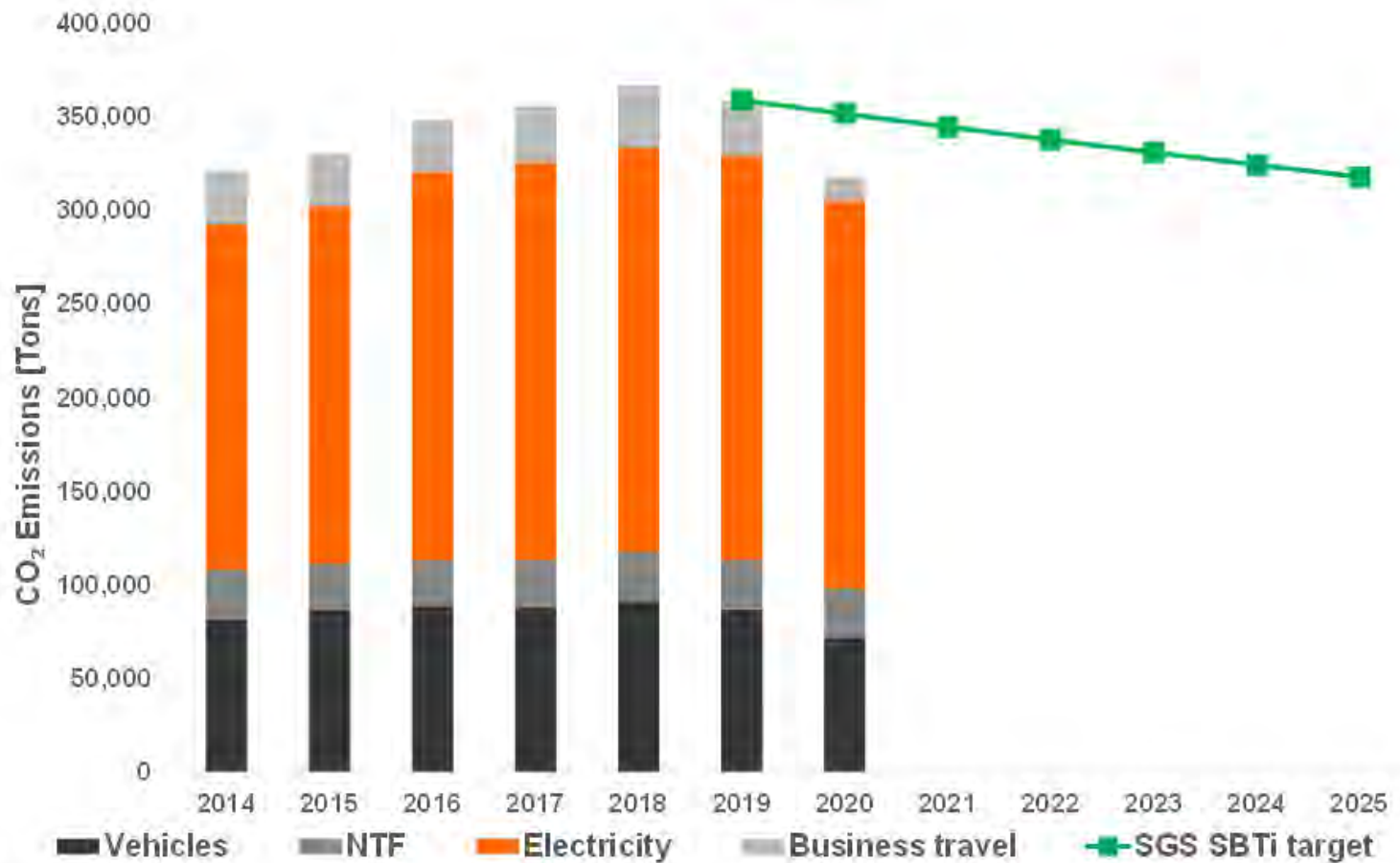
Our sustainability agenda is governed by:

- ✓ Board of Directors through the Board Governance & Sustainability committee
- ✓ Operating Council through the Executive Sustainability Steering Committee

Sustainability KPIs have been recently included in the Long-Term Incentive Scheme of all executive members and local management teams across the organization.

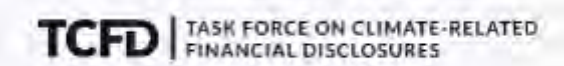
Find out more about our Sustainability ambitions 2030 [here](#).

SGS CO₂ footprint



SA30 Meet our Science-based Target of reducing our CO₂ emissions per revenue by 55%

SA30 Fully adopt the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD)



CO₂ emissions are location-based.

Carbon neutral strategy



ADD VALUE
WITH LESS

- Energy Efficiency In Buildings Program
- Add Value with Less campaign
- Sustainable Mobility Strategy
- Videoconferencing & reduction of unnecessary travel

(I) Reduce consumption at source



- Renewable electricity supply
- Renewable Electricity Certificates

(II) Purchase of green energy



- Tree planting projects
- Renewable Energy Projects Sponsorship

(III) Compensation of residual CO₂

(I) Reducing energy consumption at source:

EEB and vehicles

Energy Efficiency in Buildings Program (EEB)



Laboratory in Denver (USA)

- 8,000 sqm, highest consumer in SGS USA (7%)
- Changing the lighting to Smart LED (100kWh/year savings, ROI 2 years)



Laboratory in Accra (Ghana)

- 13,800 sqm, 2nd highest consumer in SGS Ghana (10%)
- Photovoltaic installation (22% savings, ROI 9 months) and upgrading lighting system (LED)

Vehicle Emissions Policy



- Increasing the proportion of our car fleet with low carbon technologies
- 2016-2020: 37% reduction of the CO₂/KM of our new purchased cars
- Electric vehicles pilot testing in France, Spain, UK

SA30

Increase annually the number of energy efficiency measures taken in our top 100 energy intensive owned buildings

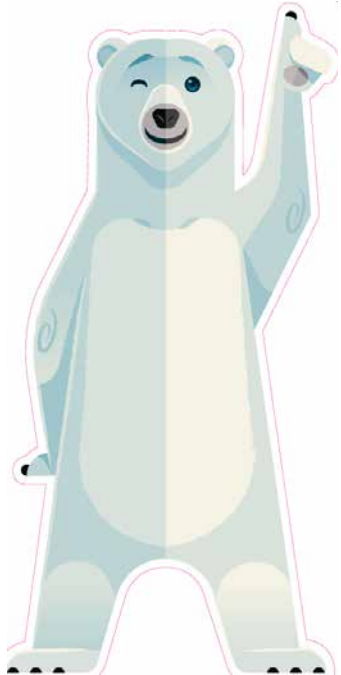
SA30

50% of our cars having low-carbon technologies and reducing the average CO₂ emissions from our total car fleet by 40%



(I) Reducing energy consumption at source:

“ADD VALUE WITH LESS” initiative



Goal: promote a culture of efficiency and excellence

- **Inform** about how to reduce operational waste and increase efficiency
- Obtain and implement **suggestions** from employees that entail a real efficiency improvement
- Increase employee **engagement**

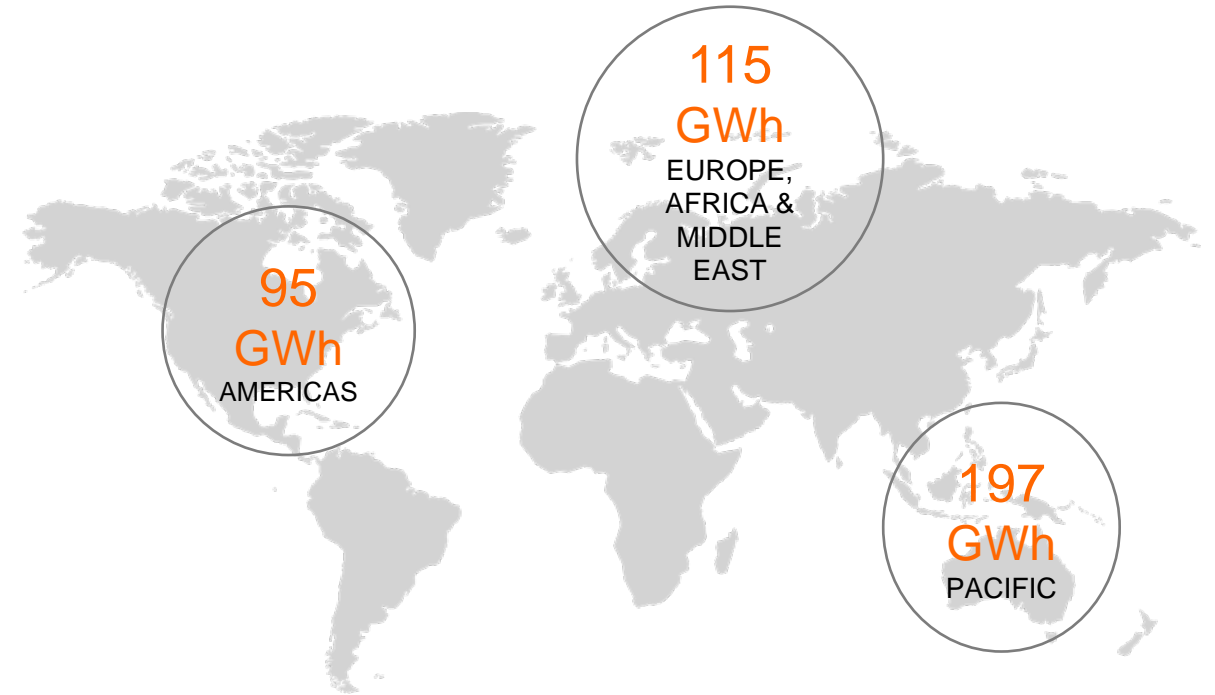
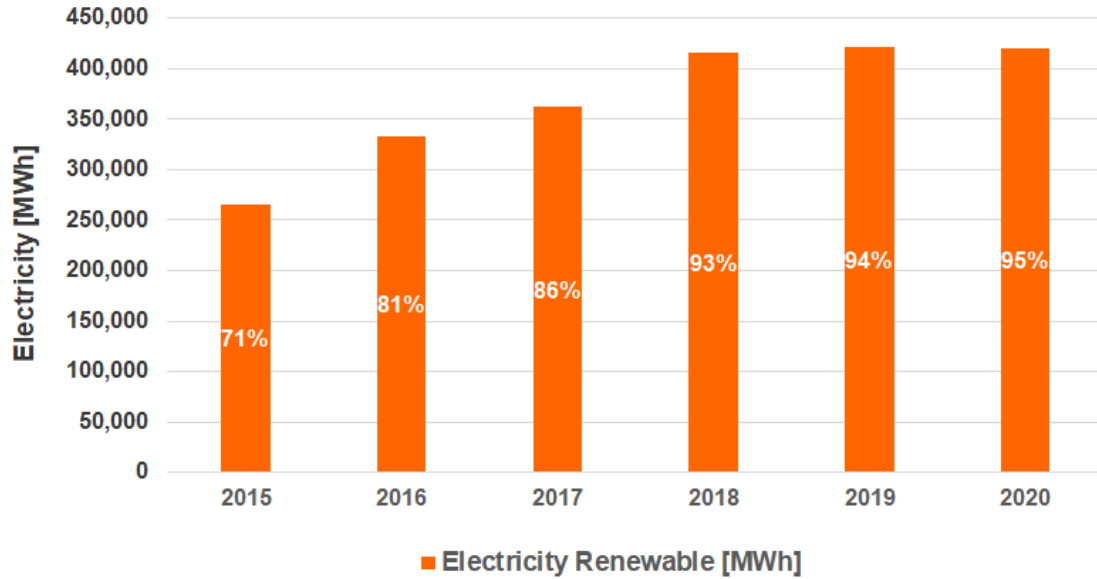
The initiative is divided into four areas:



Target audience: all SGS employees – internal initiative.



(II) Purchase of green energy and (III) Compensation of residual CO₂



SA30

All residual CO₂ emissions will be compensated to maintain our Carbon Neutral Status.



Promoting diversity and equality



Diversity strategy in SGS Australia

- Diversity and inclusion strategy in 2020
- Focused on five areas: gender, LGBTIQ+, culture, disability and overall inclusion
- Actions: creation of Inclusion Council, awareness raising, policy changes, bold leadership to drive cultural change



Supplier Diversity program in NAM

- SGS supports agility, innovation and sustainable development through supplier diversity
- Diverse suppliers
- We will be collecting data about our suppliers and monitoring the growth of procurement spend on diverse suppliers



Strive towards an equitable representation of genders at CEO-3



Partner with relevant suppliers to transform the products and services we purchase into more sustainable ones



Engagement and community involvement



SGS Academy for the Community

- Provide high-quality technical training, free of charge, to people earning less than the average living wage in the communities in which we operate
- Participant countries: ZAF, TWN, IND, CHL
- +250 beneficiaries since 2018
- Average 40% increased employability rate



SGS People – 15 Day Challenge

- Promote engagement and wellbeing of employees, especially during challenging times
- Initiatives in 2020: recognition, drawing contest for children, quiz about some global and local leaders, fundraising for local food banks
- +60 countries participated, +1,000 kudos in internal social media network, +1,500 drawings submitted, final amount raised + CHF 80,000

SA30

Double our positive impact on our local communities through employee volunteering

SA30

Strive to be the employer with the highest level of employee engagement in the industry



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Questions?

