SGS INVESTOR DAYS 24 – 25 OCTOBER 2013 USA

SGS HOSPITALITY SERVICES

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Investor Days, 24-25 October 2013

WHEN YOU NEED TO BE SURE

SGS

KEY INDUSTRY TRENDS

- One of the fastest growing economic sectors in the world: arrivals grew by ~4% in 2012 reaching 1 billion for the first time with receipts > $1,100 billion
- Will keep growing - no sacrifice on travel plans (leisure)!
- Greater confidence in accommodation business: increased investment / rise in global hotel prices
- Local travel still prevails with willingness to travel further afield in near future

KEY INDUSTRY TRENDS

- Emerging new destinations and spenders: growth of the China market
- Europe still preferred destination / dream place to go
- “Sustainable” tourism making its way
- Growing influence of social media
- Tour Operators remain an important stakeholder

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TOP SOURCE & DESTINATION MARKETS

COME FROM	Expenditure	GO TO	Revenue
China	$ 102 bn	USA	$ 116.3 bn
Germany	$ 83.8 bn	Spain	$ 59.9 bn
USA	$ 83.7 bn	France	$ 53.8 bn
UK	$ 52.3 bn	China	$ 48.5 bn
Russia	$ 42.8 bn	Italy	$ 43 bn
France	$ 38.1 bn	Germany	$ 38.8 bn
Canada	$ 35.2 bn	UK	$ 35.9 bn
Japan	$ 28.1 bn	Australia	$ 31.4 bn
Australia	$ 27.6 bn	Macao (China)	$ 27.8 bn
Italy	$ 26.2 bn	HKong (China)	$ 27.7 bn

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MAJOR NEEDS AND REQUIREMENTS

- For Hoteliers
  - Maximise brand protection
  - Ensure compliance to regulations
  - Increase profitability
- For Tour Operators
  - Ensure guests are getting what was promised
  - Service is consistent
  - Main risks are mitigated
- COMMON KEY ISSUES :
  - Customer health & safety (food / water / housekeeping)
  - Customer experience (security / infrastructure / facilities / service)
  - Resource efficiency (environment / energy / local culture)

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VALUE PROPOSITION TO THE INDUSTRY

- "Total Solution" with "Complete Trust"
- Provide an integrated solution (Training / Performance Assessment and Testing / Certification) to the industry to help them take over their challenges whether these are in terms of:
  - **S**afety / Security
  - **S**ustainability
  - **S**ervice (the 3**S** = main pillars of our Value Proposition)
- Provide a harmonised approach to delivering services, leveraging the largest independent network of experts, auditors and laboratories in the world
- Make use of our Swiss specificity – reference of quality within the hotel world

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SERVICES TO THE INDUSTRY

	SGS SERVICES								
	1. PERFORMANCE ASSESSMENTS	1.1. AUDIT / INSPECTION / EVALUATION	1.2. CONSULTANCY / TECHNICAL SUPPORT	2. TESTING	3. CERTIFICATION	4. TRAINING	4.1. COMPLIANCE : ON –THE-JOB / E-LEARNING	4.2. MANAGEMENT / INDUSTRY STANDARDS	
MAIN AREAS OF CONCERN OF HOSPITALITY SECTOR									
1. SAFETY									
FOOD	**S-C**	•	•	**C**	**S**	**S-C**	•	•	
WATER SYSTEM	**S-E**	•	•	**E**		S-E	•		
BUILDING & HOUSEKEEPING	**S**	•	•	**E**	**S**	S	•	•	
IT	S	•			S	**S**		•	
2. SUSTAINABILITY									
ENVIRONMENT	**S-E**	•	•	**E**	**S**	**S-E**	•	•	
ENERGY	**S-E**	•	•	E	**S**	S-E		•	
SOCIAL	S-C	•			**S**	**S-C**	•	•	
3. SERVICE									
CUSTOMER / BRAND	**S**	•	•		**S**	**S**	•	•	

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SGS SOLUTIONS – 3 S

CATEGORY	Segment	SGS Product / Service	SSC	CTS
SAFETY	Food Safety	Hospitality Excellence Program: Food Safety module Compliance training: Wide range of food training Management standards training: HACCP Advanced System Development / ISO 22000 HACCP Gap Analysis HACCP / ISO 22000 Certification		
			SSC	**ENVI**
	Water Safety	Legionella Risk Assessment inc Leg. Testing Legionella testing Water Monitoring Training on Leg / Environmental Compliance		
	House Keeping	Good Spa Practices audit		
SUSTAINABILITY	Environment	Good Environmental Practices audit ISO 14001 Certification + Gap Analysis Training on ISO 14001 + ISO 50001 Carbon footprint assessment		
SERVICE	Quality	ISO 9001 Certification + Gap Analysis Training on ISO 9001 (basic / impl. / Lead Auditor)		

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OUR STRENGTH

VALUE ADDED SERVICES

INDEPENDENCE & IMPARTIALITY

KNOWLEDGE OF THE MARKET

AND RELATED NEEDS

COMPLETE OFFERING

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ONE MONTHLY FEE

CONSTANT REVIEW AND UPGRADE

A "ONE SGS" APPROACH – NO SEGREGATION OF BUSINESS LINES

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2014
FOR THE COMPLETE PICTURE

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