

Assemblée Générale Ordinaire

When you need
to be sure



Soil Collection and Analysis, Portugal

• Speaker



Calvin Grieder

Chairman

Speaker



Géraldine Picaud

CEO

Delivering Strategy 27 at full speed



Sample Transportation by Drone, Netherlands

Key takeaways

OUR PRIORITY IS GROWTH

SGS
has changed

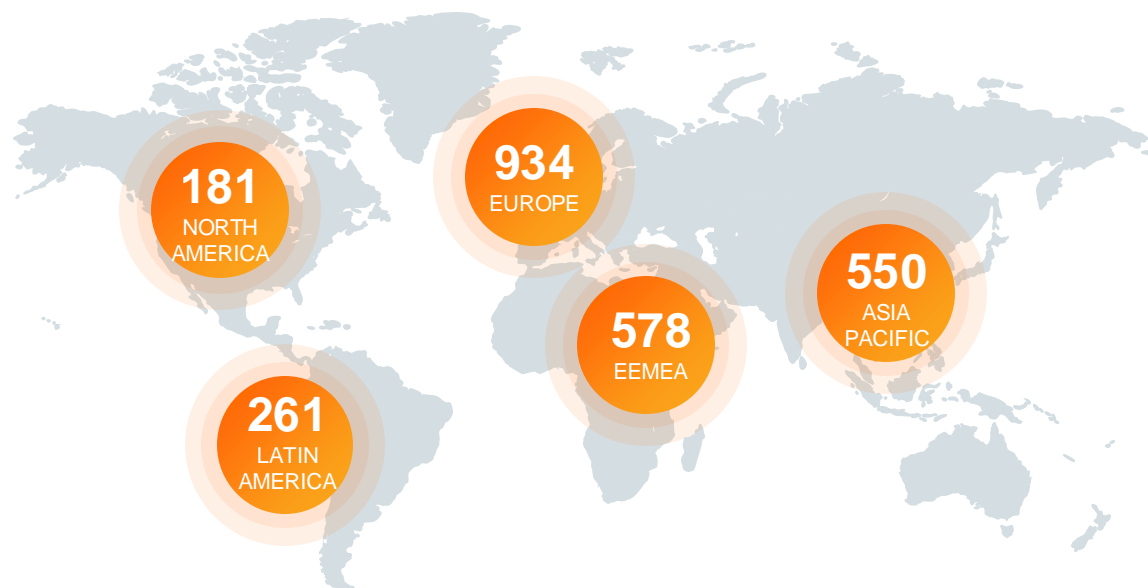
Regions & Business
focused on growth

**Sustainability &
Digital Trust**

Leaders
empowered to
deliver

Largest service portfolio and global network

SGS labs and business facilities | December 2024



- › Resilient, recession-proof, not cyclical
- › Largest number of national accreditations globally
- › Top 3 in most activities
- › 145 years of history and scientific expertise
- › Strong pricing power

SGS
When you need to be sure

bright
sight
nutrasource
Maine Pointe



99 483
Employees¹



2 504
Labs & business facilities



115
countries



¹ As of December 2024

Three value drivers



Growth



**People,
performance
and agility**



**Strong
financial and
ESG profile**

Three value drivers: Growth



Growth

1 Sustainability

2 Digital Trust

3 Portfolio focus



**People,
performance
and agility**



**Strong
financial and
ESG profile**

• Best positioned to capture sustainability opportunities

119 countries

in SGS network, with on-site expertise and extensive knowledge of clients' global value chains

Global leader

in key segments including GHG emissions, forestry certification and more

SIX Swiss Exchange

SGS approved as official expert reviewer for its '1.5°C Climate Equity' flag

Scientific expertise

embedded in SGS culture, setting the standards and recognized by clients

Broadest portfolio

and most extensive capabilities to tackle sustainability challenges

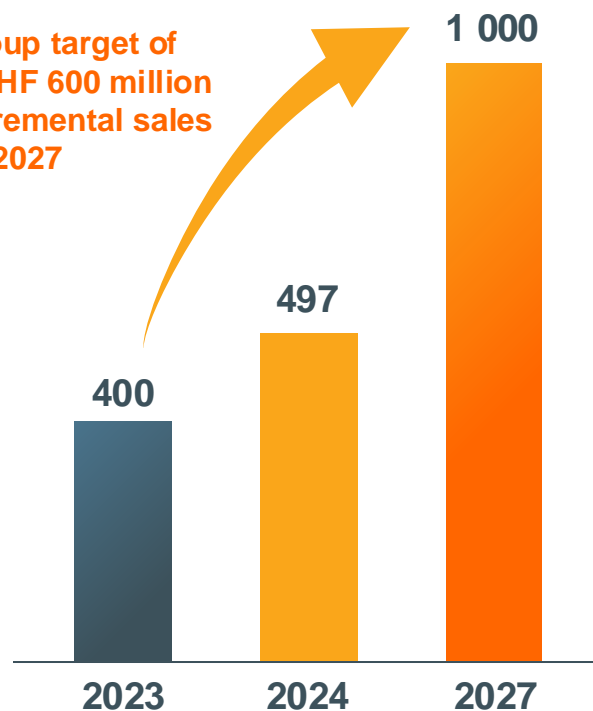
Early mover

and proven track record in many segments including PFAS, social audits and sustainability assurance

Close to CHF 100 million in incremental sales in 2024

Sales, CHF million

Group target of
> CHF 600 million
incremental sales
by 2027



› New IMPACT NOW offering to support clients' sustainability needs

**IMPACT
NOW**
for sustainability

› Growth above market in 2024, leading to strong progress towards the 2027 target:

- **Climate** – strong double-digit growth led by greenhouse gas emissions verification and monitoring
- **Nature** – strong double-digit growth driven by 40% increase in PFAS testing
- **Circularity** – growth above 60% supported by waste recyclability in Europe
- **ESG Assurance** – double-digit growth led by increased demand in Asia Pacific and the development of new services



Leading in a double-digit growth market

Largest network

500+ digital trust experts and 10 accredited cyberlabs

Global leader

in high assurance cybersecurity evaluations with 20% market share

40+

years of experience in high security assurance testing

60+

standards and certification schemes covered

First

to deliver management system certification and Common Criteria evaluation of AI

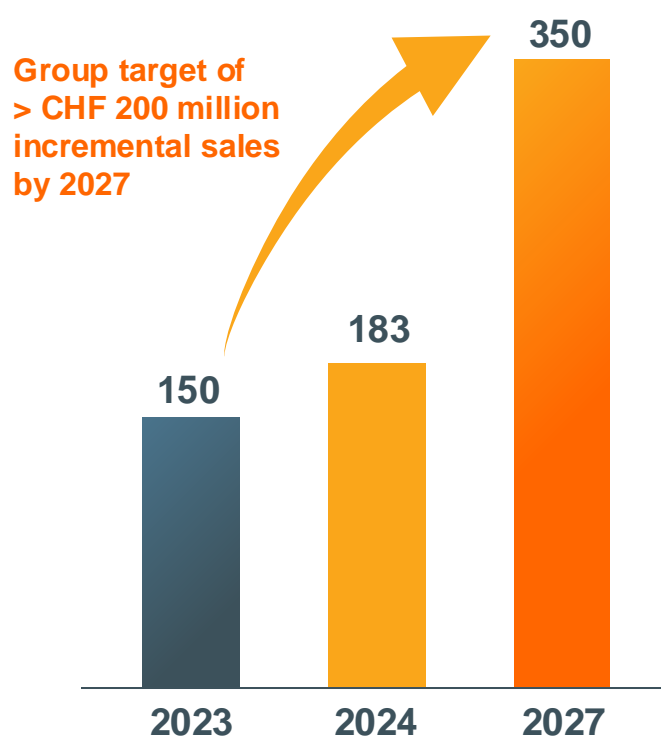
First

to deliver Common Criteria evaluation of Post-Quantum Cryptography

Product Security Evaluation, Netherlands

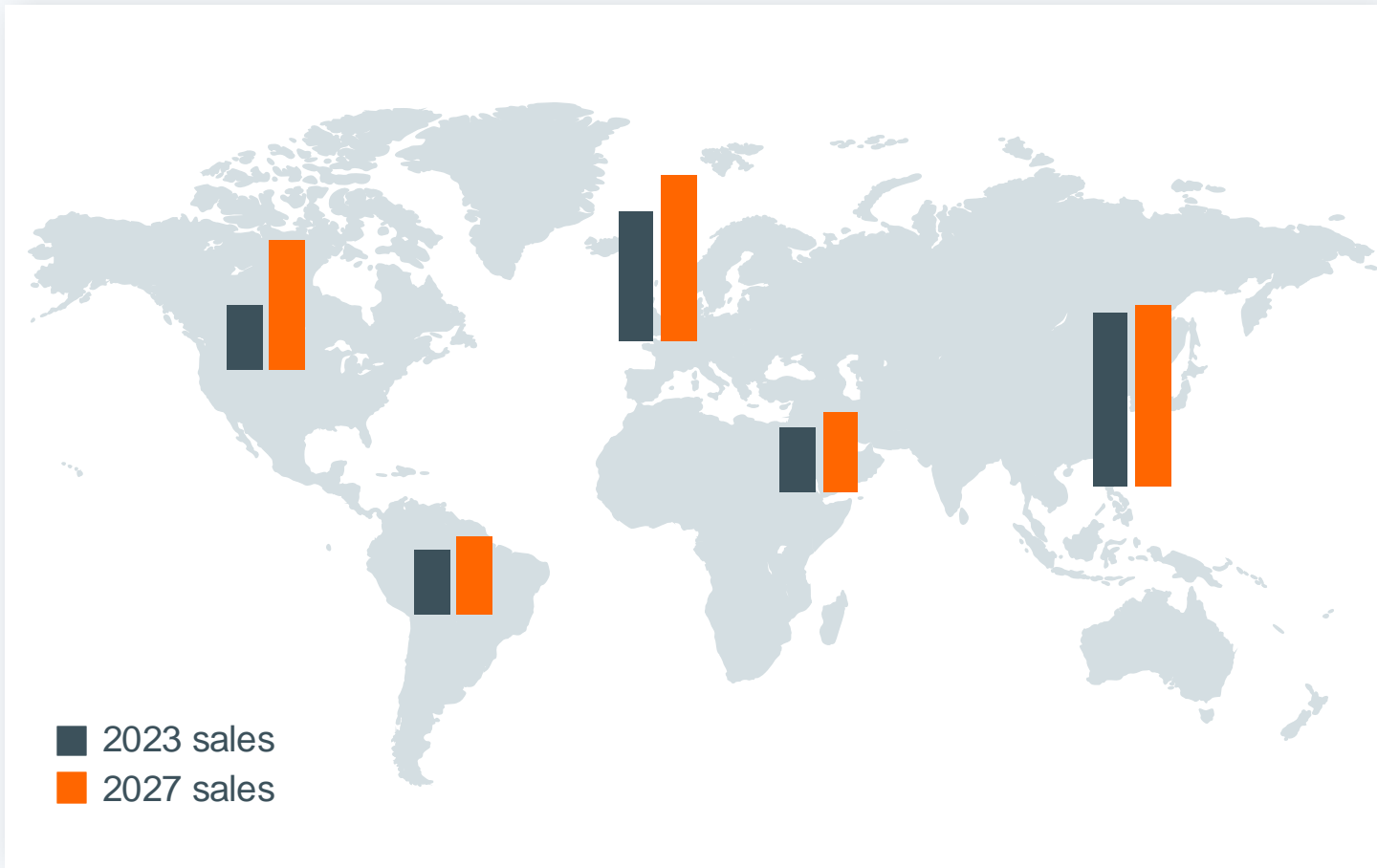
Over CHF 30 million in incremental sales in 2024

Sales, CHF million



- › Significant progress towards the 2027 target, with 22% growth in sales compared to prior year
- › Growth driven by high assurance cybersecurity evaluations, AI management systems certification and wireless
- › Reinforcing leadership in high assurance cybersecurity
- › Two acquisitions in North America, Gossamer and Arclight, and one in Europe, CertX

Increasing presence in North America and Europe



- › Benefit from favorable trends due to increased regulations and near-shoring in North America and Europe
- › Double sales in North America by 2027
- › Continue to benefit from the expansion of Asia Pacific's middle classes, particularly in China and India

Eleven acquisitions in 2024, four in early 2025

Representing total annual sales of ~ CHF 90 million. Average EV/EBITDA 2024 multiple of 7.5x



› 4 acquisitions in early 2025:

- Aster Global
- RTI Laboratories
- Stella
- IMO

› Stronger-than-ever pipeline

› More to come

Three value drivers: People, performance and agility



Growth



**People,
performance
and agility**

1

**Accountability and
performance culture**

2

New organization

3

Corporate simplification



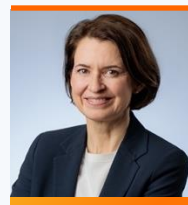
**Strong
financial and
ESG profile**

Accountability and performance culture



- › **Talent development** and retention
- › **New incentive scheme** fully aligned with Group targets implemented in February
- › **Accountability and performance culture** to fully leverage SGS's recognized scientific excellence
- › **Local management empowerment**
- › **Successful Senior Leadership Meeting in April 2024**, gathering the 200 top leaders

New organization with focused and efficient management team



Géraldine Picaud
Chief Executive Officer

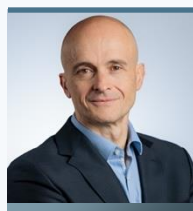
Global Functions



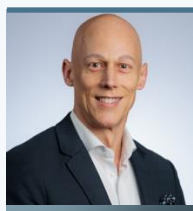
Marta Vlatchkova
Chief Financial Officer



James Roberts
Chief People Officer



David Plaza
Chief Information Officer



Martin Oesch
Group General Counsel

P&L Leaders

Testing & Inspection



Steven Du
Asia Pacific (AP)



Malcolm Reid
Europe (EUR)



Teymur Abasov
Eastern Europe, Middle East and Africa (EEMEA)

Testing & Inspection



Rafael Navazo
Latin America (LATAM)



Derick Govender
North America (NAM)

Certification



Jeff McDonald
Business Assurance (BA)

Global Business Development



Charles Ly Wa Hoi
Connectivity & Products and Health & Nutrition



Egidijus Jokubauskas
Industries & Environment and Natural Resources

CHF 150 million organizational efficiencies

Leaner operating model

- › New organization
- › Corporate simplification
- › Country structure simplification
- › >90% saving plans initiated in 2024

100_m
CHF



Procurement savings

- › Contracts renegotiation
- › Consumables harmonization
- › Indirect spend optimization
- › Fully on track

50_m
CHF



CHF **50** million savings accounted for in 2024

CHF **150** million savings run rate reached at the end of 2025

Three value drivers: Strong financial and ESG profile



Growth



**People,
performance
and agility**



**Strong
financial and
ESG profile**

1 Financial targets

2 Capital allocation

**3 Corporate sustainability
KPIs**

Delivering attractive shareholder returns

Mid-term financial targets

Sales

5% - 7%
organic growth

Annually

Adjusted Operating Income
margin on sales

Significant improvement
> 1.5%

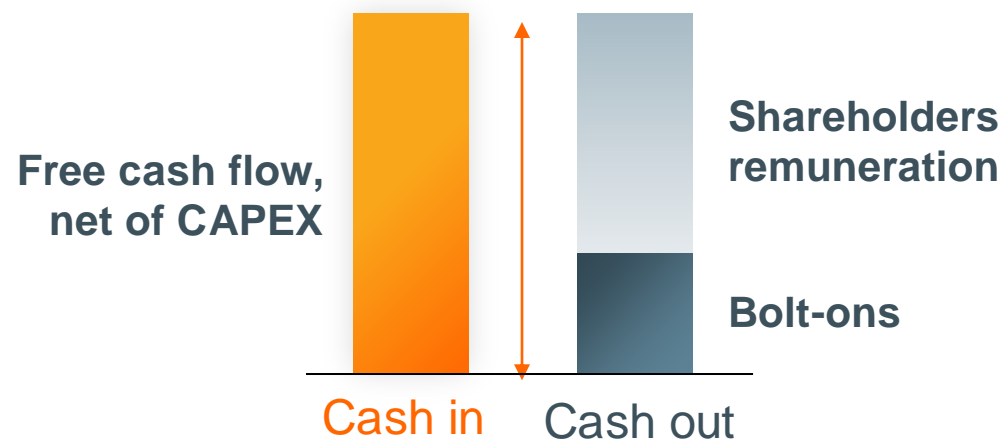
By 2027

Free cash flow
After leases and interests

> 50%
cash conversion

By 2027

Capital allocation



Key Principles

- › Free Cashflow \geq Bolt-ons + Dividend
- › Strong investment grade maintained
- › Attractive shareholder remuneration

Principles for investment

- › Bolt-ons
- › Capex
- › ROIC & payback

Principles for Shareholder remuneration

- › Payout
- › Scrip dividend
- › Opportunistic purchase of treasury shares

2027 corporate sustainability targets and 2024 performance

	Environment	Diversity	Education	Governance
2027 ESG target	Material progress towards 28% reduction in Scope 3 emissions ¹	At least one third of leadership positions held by women	7 million hours of training per year to employees, clients and communities	93% customer satisfaction score
2024 performance	2.2% reduction versus prior year	31.7%	7.4 million	91%

Member of
Dow Jones Sustainability

Ranked #1 Professional Services company
in the Dow Jones Sustainability Indices (DJSI)

¹ versus 2019 baseline



2024 full year results

Food Testing & Analysis, Philippines

Excellent 2024 results



Strong financial performance

- › Record sales of CHF 6 794 million, +2.6% compared to 2023
- › Strong organic sales growth of 7.5%
- › Excellent progression in adjusted operating income margin, up 60 basis points (bps) to 15.3% of sales
- › Outstanding free cash flow of CHF 748 million, up 24%
- › Earnings per share of CHF 3.10, up 3.3%
- › Industry-leading ROIC of 24%

Outlook 2025

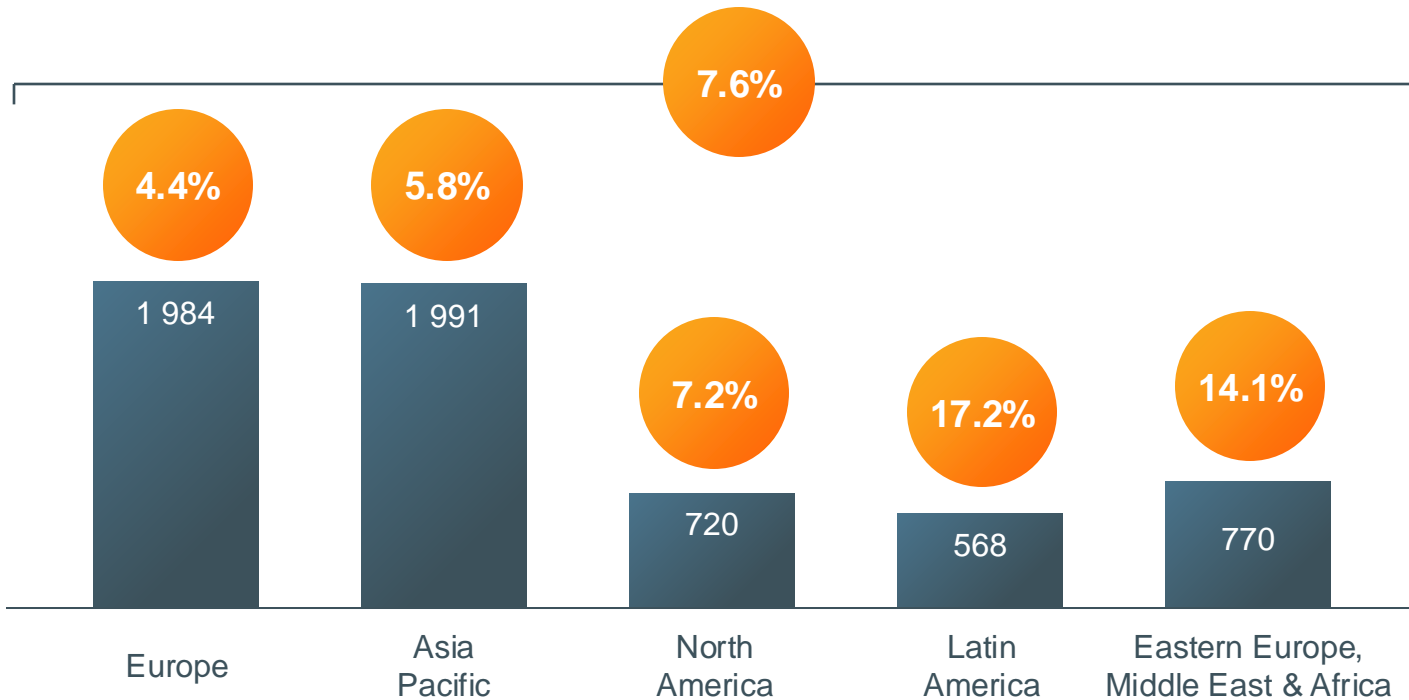
- › 5% to 7% organic sales growth
- › 1% to 2% bolt-on contribution to annual sales growth
- › At least +30 bps improvement in AOI margin, in reported terms
- › Strong free cash flow generation

Strong organic sales supported by all operations

Sales by region

CHF million

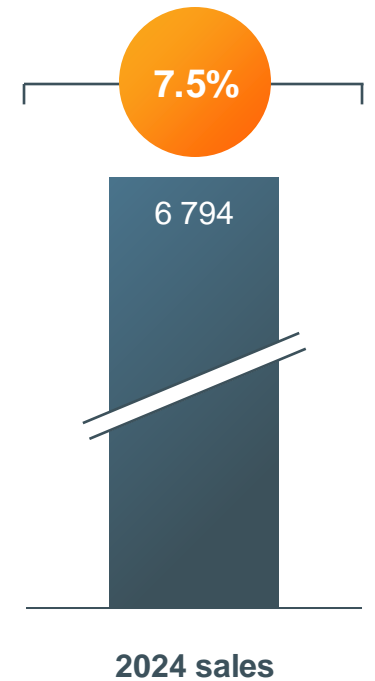
Testing & Inspection



Certification



SGS Group

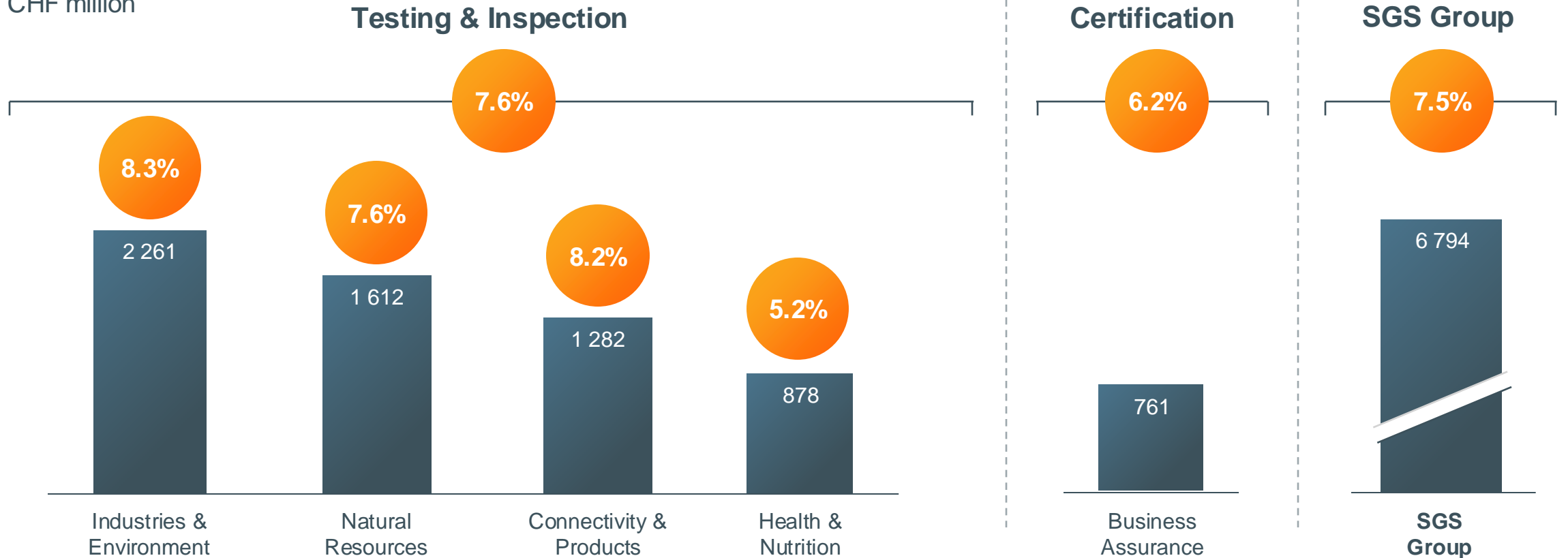


Organic growth

Growth from all business lines

Sales by business line

CHF million



 Organic growth

Attractive shareholder remuneration



Clinical Studies, USA

Proposed dividend

- › Attractive shareholder remuneration through stable dividend of CHF 3.20
- › Scrip dividend, optional shares or cash, to be proposed at this Annual General Meeting (26 March 2025)

Key takeaways from today

Our priority is growth

**At least
CHF 600 million
incremental sales from
Sustainability by 2027**

**At least
CHF 200 million
incremental sales from
Digital Trust by 2027**

**At least
CHF 1.4 billion
sales in North America
by 2027**

**1% to 2% annual
contribution to sales
growth from bolt-on
acquisitions**

**CHF 150 million
organizational
efficiencies**

**Free cash flow to
fully cover bolt-on
acquisitions and
dividends**

When you need to be sure