

Strategy 27

Accelerating growth,
building trust

Géraldine Picaud
CEO Designate

Technical Division Manager, Health & Nutrition, France

Attractive TIC industry

Four megatrends driving market demand

Powerful sustainability transition



Higher demand from ESG regulation and societal **expectations**

Innovation in digital capabilities & new technologies



Strong growth driven by **digital trust** needs and **technological** changes

Near-shoring of supply chains



New opportunities from growing **domestic** demand and supply chain **proximity**

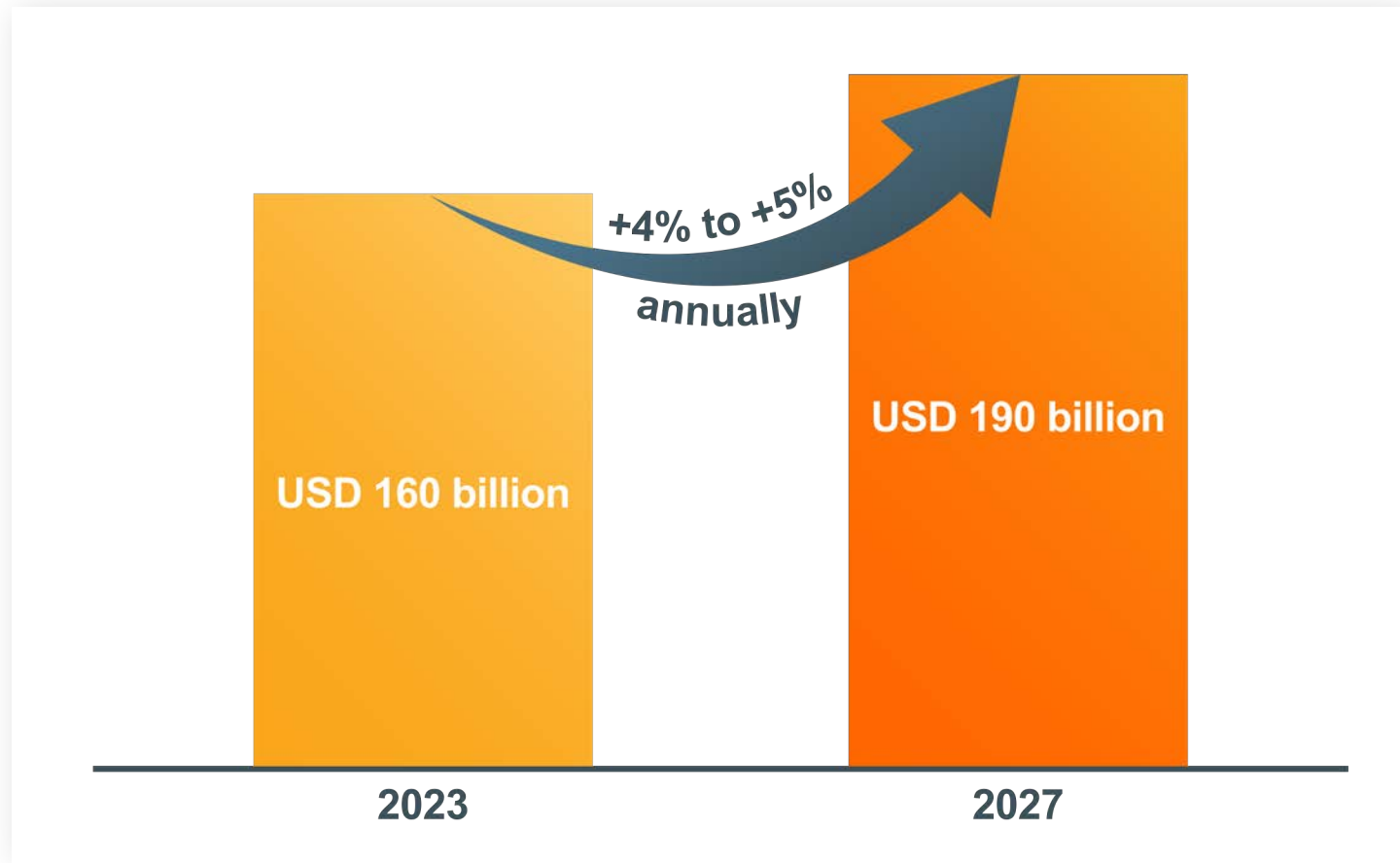
Increasing regulation & public awareness



Structural expansion from tighter **legislation** and expectations for **safety, health** and **well-being**

Attractive TIC industry

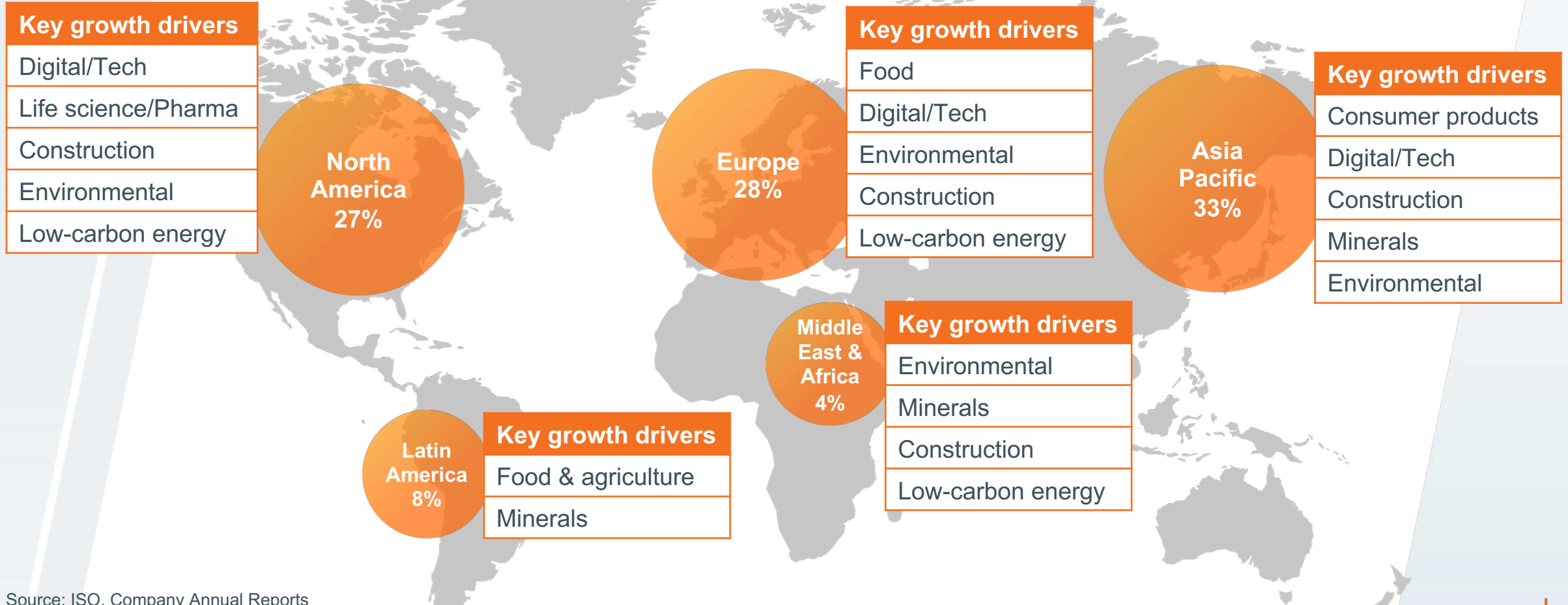
Addressable market growth consistently exceeding GDP



Sources: TIC council, ISO association reports

Attractive TIC industry

Demand driven by regional market dynamics



Source: ISO, Company Annual Reports

Unique positioning within the TIC industry

SGS is the point of reference when you need to be sure



Test engineer, Connectivity & Products, Finland

- › Gold standard solutions provider in the industry, with 145 years of established history and experience
- › Largest number of national accreditations globally to support customers in meeting their compliance needs and challenges
- › Largest global network of restricted substances testing, pollutant identification and general chemistry
- › Unique expertise capturing supply chain evolution
- › Leading provider of digital trust services (cybersecurity, e-commerce compliance and data integrity)

Strategy 2027: Accelerating growth, building trust

Strategic priorities to create value based on three levers



Growth

- 1 Sustainability transition
- 2 Digital acceleration
- 3 Near-shoring of supply chains



Performance & agility

- 1 Accountability, performance and cash flow culture
- 2 New organization
- 3 Corporate simplification



Strong financial profile

- 1 Financial targets
- 2 Capital allocation
- 3 New corporate sustainability KPIs

Sustainability transition

Capturing outstanding growth opportunities from sustainability



Inspector, Natural Resources, Peru

- › **Carbon:** proven expertise in GHG emissions, from verification to gap assessments to advisory (for example, the Carbon Border Adjustment Mechanism)
- › **Biodiversity:** comprehensive portfolio ranging from impact assessments to best practice implementation
- › **Plastics:** unique expertise in achieving circularity (for example, microplastics testing solutions)
- › **ESG assurance:** trusted partner in client sustainability journeys (for example, ESG reporting and supply chain mandates)

Digital acceleration

Demonstrated leadership in digital trust services



Technical engineer, Connectivity & Products, Spain

- › 500+ Digital Trust experts and auditors across 40+ countries
- › Leadership in cybersecurity evaluations & microchip testing
- › Security evaluations to support compliance & risk management across the most complex sectors
- › First AI certification ISO 42001 (Artificial Intelligence Management Systems) and strong partnerships with research institutes and leading technology companies

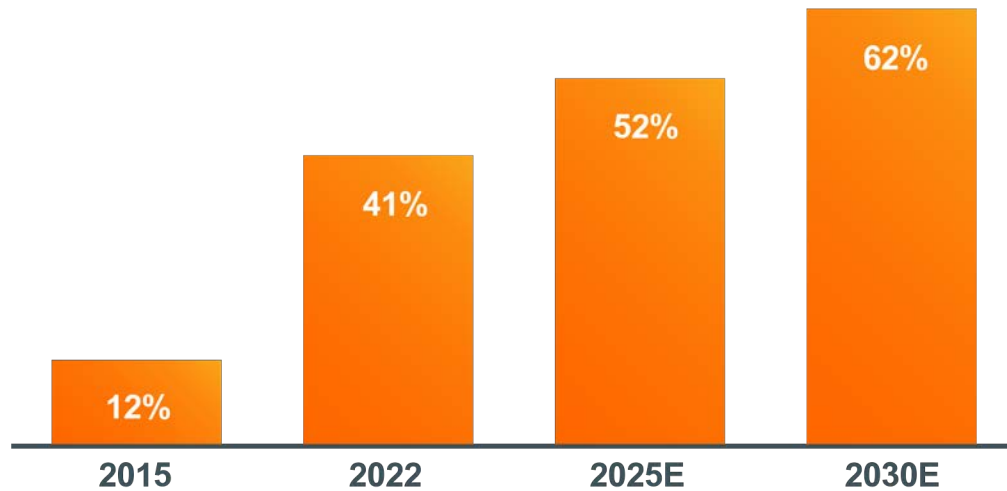
Near-shoring of supply chains

Rebalancing strong footprint and increasing proximity

Asia

- › Leading position in Asia
- › Strong demand from increased consumption of manufactured products

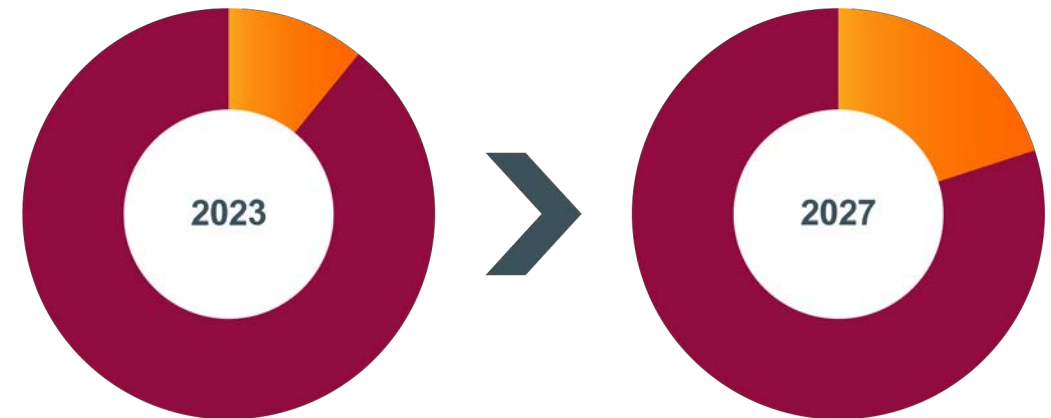
China's upper-middle class as a % of all urban households¹



North America

- › Attractive opportunities to grow in North America
- › Significant sales expansion by 2027

Group sales in North America



Leveraging our **global reach** and **local expertise**
Demonstrated ability to follow **trade flows** and **supply chains** (Turkey, Vietnam)

¹ McKinsey Global Insights China Macro Model

Accountability, performance and cash flow culture

Promoting a high-performance culture



Quality auditor, Industries & Environment, South Africa

- › Enhance P&L responsibility and accountability in the network
- › New incentives based on Group performance targets including cash generation
- › People strategy centered on learning & development, leadership and talent management

New organization

Leaner leadership to accelerate decision-making



Laboratory technician, Health & Nutrition, Germany

Change in organization:

- › Testing & Inspection managed locally, organized under five regions and supported by lean central resources for global contracts and technical expertise
- › Certification (Business Assurance) managed as a global business unit while keeping strong synergies with the network
- › Business leaders to be nominated from the existing organization, benefiting from strong expertise and experience in the company
- › Focused Executive Committee of 12 members to be announced end of March

Corporate simplification

Optimize agility and returns



Security evaluator, Connectivity & Products, Netherlands

- › Focus at the local level
- › Eliminate duplicate responsibilities (double reporting lines) between regions and business lines
- › Continuous internal process optimization especially through the roll out of digital labs program across the network
- › Implement CHF 100 million cost reduction through simplification of organization and processes: new run rate reached at the end of 2025

Financial targets

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Sales

5% - 7%
organic growth

Annually

Adjusted Operating Income margin on sales

Significant improvement
at least 1.5 percentage points

By 2027

Free cash flow After leases and interests

> 50%
cash conversion¹

By 2027

¹ Free cash flow / (EBITDA – leases). Please refer to Alternative Performance Measures

Capital allocation

Key principles to finance Strategy 2027

Accelerating growth, building trust

Resources

- › Solid multi-year cash flow
- › Financing through debt while keeping strong credit metrics
- › Scrip dividend to be proposed at the next AGM

Use of funds

- › Growth through accretive and synergetic acquisitions
- › Attractive shareholder remuneration through stable dividend

New corporate sustainability KPIs

Ambitious 2027 sustainability targets



Environment

Environmental leadership

Material progress towards 28% reduction in Scope 3 emissions



Social

Diversity, equity and inclusion

At least one third of leadership positions held by women

Education

7 million hours of training per year to employees, clients and communities



Governance

Responsible business

93% customer satisfaction score

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