

2018 GROUP PROFILE

ENGLISH



INTRODUCTION

SGS is the world's leading inspection, verification, testing and certification company. SGS is recognised as the global benchmark for quality and integrity. With more than 95 000 employees, SGS operates a network of over 2 400 offices and laboratories around the world.

We provide competitive advantage, drive sustainability and deliver trust. At SGS, we are continually pushing ourselves to deliver innovative services and solutions that help our customers move their businesses forward.

OUR VISION

We aim to be the most competitive and the most productive service organisation in the world. Our core competencies in inspection, verification, testing and certification are being continuously improved to be best in class. They are at the heart of what we are. Our chosen markets are and will be determined by our ability to be the most competitive and to consistently deliver unequalled service to our customers.

OUR VALUES

We seek to be characterised by our passion, integrity, entrepreneurialism and our innovative spirit, as we continually strive to fulfil our vision. These values guide us in all that we do and are the bedrock upon which our organisation is built.

OUR HISTORY

Established in 1878, SGS transformed grain trading in Europe by offering innovative agricultural inspection services.

From those early beginnings, we steadily grew in size and scope as our agricultural inspection services spread around the world.

During the mid 20th century, we began to diversify and started offering inspection, testing and verification services across a variety of sectors, including industrial, minerals, oil, gas, and chemicals.

In 1981, SGS was listed on the Swiss Stock Exchange and forged an unrivalled reputation as the industry leader in finding solutions to the complex challenges faced every day by organisations.

Our consultancy, outsourcing and training services complement our core inspection, verification, testing and certification services in delivering these solutions across all industries.

Through our unique global network we deliver independent results tailored to the precise needs of each industry or sector. Our customers trust in our expertise, experience and resources to support them in achieving outstanding performance in everything they do.

Today, our focus is on innovative ways to deliver business benefits. This enables us to help our customers improve quality, safety, efficiency, productivity and speed to market, while reducing risk and building trust in sustainable operations.

SGS INDONESIA

PT. SGS Indonesia is the Indonesian subsidiary of SGS S.A. and a member of the SGS Group.

We have been operating in the country since 1985 and now employ more than 500 expert, and highly skilled professionals offering a mix of backgrounds from Indonesia's key industries and companies. With our headquarters in Southern part of Jakarta, our network of offices and laboratories extends to several cities in Indonesia including Medan, Balikpapan, Samarinda, Banjarmasin, Manado, Surabaya, Semarang and others.

Constantly evolving to meet customer needs and expanding our geographic coverage, we offer a truly Indonesia-wide service. Thanks to our existing infrastructure, we are able to quickly deploy experienced and qualified personnel to provide you with prompt and efficient services wherever you are. This means you can benefit from a unique range of local solutions and global services regardless of your location.

PT SGS Indonesia provides specialized verification services to numerous

industries in both domestic and international markets. The growing range and sophistication of our Indonesian and multinational clients is an indication of the global trend towards increasing levels of safety requirements, stricter regulation and greater emphasis on quality standards.

We offer a full range of value added services to help your organization reduce risk and increase efficiency in practically every sector of Indonesia's economy.

SGS Academy Indonesia is one of 35 SGS worldwide centers of excellence, offering more than 100 training courses, leading to qualifications. It focuses on contributing to continuous improvement strategies by providing an integrated approach to all aspects of quality, health and safety, environmental, and sustainability management systems. SGS Academy's training empowers the individual, while also recognising and formalising their skills and knowledge through education. Recognising the diverse needs of businesses, SGS Academy offers flexible training and development solutions to suit individual and organisational needs, from corporate management training and professional development training programmes to customised training solutions via public or in-house training.

"We are now halfway through our 2020 strategic plan. 2018 will bring its own set of challenges but we can achieve our ambitions if we remain efficient, productive and innovative. We must continue delivering the high-quality customer service our clients have come to expect from us."



Frankie Ng

Chief Executive Officer

THE BENEFITS WE DELIVER

QUALITY

Our customers rely on our independent third-party inspection, testing and auditing solutions to ensure products, services and processes comply with the latest quality standards. Our global network of state-of-the-art facilities provides information to certify and verify quality worldwide.

SAFETY

We help organisations develop effective health and safety systems to protect employees, generate consumer confidence and enhance trust in business operations. We support our customers in adhering to best practices and complying with local, national and international regulations.

REDUCED RISK

We provide our customers with independent and impartial services that enable them to identify, manage and reduce risk. Our experts deliver risk management solutions, drawing on our testing and inspection capabilities, to verify risk prevention measures are in place. We assist with compliance with international risk management standards across a wide range of industries.

EFFICIENCY

Our tailored business solutions help our customers implement processes and systems that make business operations faster, simpler and more efficient. We deliver unrivalled efficiency results from our local experts, who draw on the global experience of the entire SGS network.

PRODUCTIVITY

Our training and outsourcing solutions ensure productivity keeps pace with developments in our customers' organisations. In the short term, we offer the knowledge of our world-class productivity experts. In the long term, we deliver focused training to develop specialist skills in our customers' workforce.

SPEED TO MARKET

Compliance with the requirements of target markets is key to increasing speed to market. Our consultancy, testing and certification services help our customers overcome the complex challenges of understanding and meeting market demands anywhere in the world, whatever the industry or sector.

TRUST

Our global reputation for independence and integrity enables us to build trust wherever needed. We provide transparent and unbiased inspection, testing, verification and certification solutions so our customers can give assurance in their products, processes, systems and services.

SUSTAINABILITY

We help our customers take ownership of building a more responsible and sustainable future. We encourage environmental responsibility and reduce the risk of corruption in our customers' projects. Our services assist in developing sustainable facilities and production, as well as better working and social environments.



SGS offers services across 11 major industries through our nine business lines. Each business line develops and maintains world-class expertise to support the evolving needs of our customers. Thanks to our capabilities we are able to provide solutions to the challenges they face across the globe. SGS' industries are outlined below.

AGRICULTURE AND FOOD

Ensuring safe, sustainable and high-quality products.

Consumers want assurance of safety and quality at every stage of the food production process. Our services build trust, reduce risk and maintain efficiency across diverse agriculture and food supply chains. We offer traditional and new digital services for agrochemicals, seeds, biofuels, fertilisers, food and forestry, adding value in all sectors by using the latest technology to increase efficiency and help clients to work smarter. From primary production to consumption, we assist with legislation compliance, correct storage, shipping, packing and distribution as well as import and export product inspection. Our expertise protects the integrity of our customers' brands by assessing quality, adding value and securing safe and sustainable global supply chains.

CHEMICAL

Innovation, optimisation and efficiency in everything from feedstocks to finished products.

Industrial chemical companies use our services to optimise their production, reduce risk and control potential health hazards. We work with our partners to establish and maintain quality, safety and compliance throughout the custody chain, from feedstocks through chemical intermediates and into finished products. Our consultancy services provide laboratory design, commissioning and operations assistance. We operate using established benchmarks, international standards and techniques to improve productivity and efficiency through training, optimisation services and project lifecycle programmes.

CONSTRUCTION

Ensuring safety and performance in the environment where we work and live.

Safe, efficient and trusted processes are essential when constructing buildings or infrastructure. We support our customers in implementing effective scheduling, budgeting, site safety

and logistics by using modern asset virtualisation tools. We conduct risk assessment, construction supervision and project management across all types of construction. We ensure quality throughout the global supply chain by performing chemical and physical testing of materials services, and providing facility, waste and energy audits. Our asset management systems are increasingly based on real-time sensor technology, which monitors structures' defects and behaviours.

CONSUMER GOODS AND RETAIL

Generating trust throughout the supply chain.

Our services enable manufacturers, exporters, importers and retailers to gain a competitive edge. We ensure trusted, ethical and environmentally conscious goods, such as electronics, textiles, footwear, toys, furniture, housewares, fashion jewellery and cosmetics, reach consumers. Our laboratories conduct material, chemical and performance testing to verify and certify that products are safe and perform as our customers claim. We inspect processes at every stage of production and undertake retail store audits to ensure our customers' brands are represented correctly. We help our customers develop products, processes and supply chains that consumers trust every day.

ENERGY

Powering processes from renewables to conventional energy.

As the energy sector evolves to meet emerging needs, regulations and expectations, we offer a portfolio of services focused on efficiency, optimisation, asset integrity and innovation. We provide support across the entire energy sector with a comprehensive range of independent inspections, audits and business enhancement services. Whatever the industry – petroleum, gas, electrical power, coal or renewable energy – we offer solutions to our partners. We enable each customer to better assess

and manage risk in all operations. In renewables, we consult on sustainability across hydroelectric, geothermal, wind and solar power. Our solutions help the energy sector innovate to find tomorrow's energy today.

INDUSTRIAL MANUFACTURING

Making manufacturing more productive and profitable.

Our expertise allows manufacturers to improve productivity, follow best practices and streamline operational processes and logistics. Industrial manufacturers in sectors ranging from pharmaceuticals to farm machinery, and aerospace to automotive trust in our independent testing and conformity services. Our advice on the fabrication of components along with our finished product assessments, enable our customers to achieve high performance standards throughout manufacturing. We support manufacturers in complying with all national and international quality, health and safety legislation, at the same time as providing advice on minimising the environmental impact.

LIFE SCIENCES

Safeguarding the quality and efficacy of medicines.

In the pharmaceutical, biopharmaceutical and medical device industries, products must conform to all national and international regulations, as well as industry best practices. Our services enable high-quality, safe and compliant products to reach the market in the shortest possible time. We provide vital support and expertise for medicines and medical devices throughout every stage of development, testing, production and distribution. With a wholly-owned network of contract analytical laboratories and state-of-the-art clinical trials facilities around the world, our customers trust in our expert knowledge to support them with reliable results.

MINING

Delivering effective services to improve speed to market, manage risks and maximise returns.

Mining is an industry driven by the need to optimise recovery without compromising on safety, environmental sustainability and integrity. We are a strategic partner in the mining industry providing testing, engineering, technology and trade support, as well as production optimisation services. We deliver sustainable solutions across exploration, production, industrial applications, decommissioning and closure. We help to enhance asset value and optimise recoveries in industrial minerals and precious and base metals extraction. We offer technical expertise in steel manufacturing processes and fertiliser, coal and coke trading. Our expansive global footprint allows our customers to take full advantage of our network to service their project needs across the globe.

OIL AND GAS

Innovative solutions that add up along the value chain.

The oil and gas industry is constantly seeking innovation and efficiency. We offer a comprehensive portfolio

of services across the entire value chain in the oil and gas industry, giving our partners access to independent expertise in both the upstream and downstream sectors. We deliver tailored solutions in exploration, extraction, refining, logistics and the retail of oil, gas and other hydrocarbons. Our core convictions, including excellence with regard to health and safety, innovation and trust, are well established. In an industry undergoing radical change, we are optimising the use of data analytics. Our specialist advice and knowledge support upstream activities, such as subsurface consultancy, metering and well-testing solutions. Our downstream services support trade logistics, retail as well as innovative fuels through the delivery of optimised processes for global trade.

PUBLIC SECTOR

Facilitating trade and sustainable development, protecting society against fraud and economic crime.

Public sector organisations require solutions designed to work in harmony with the processes and policies they already have in place. Our unrivalled border control services for scanner installation, transit monitoring and risk profiling support the public

sector in reducing risk worldwide.

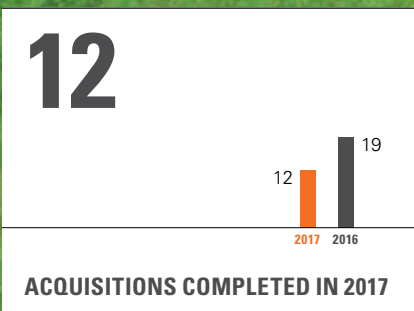
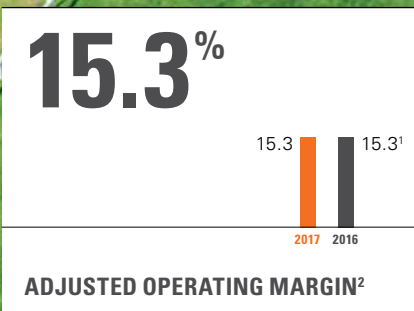
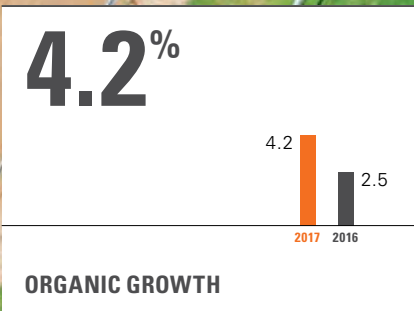
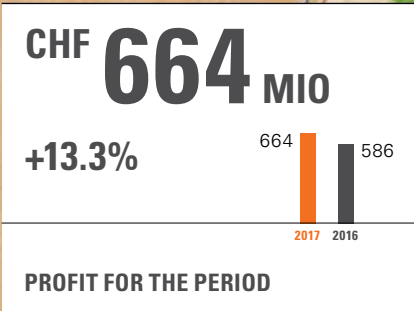
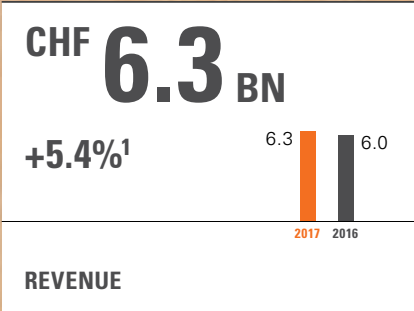
Our e-government solutions enhance international trade and revenue processing. We improve visibility, efficiency and accountability in the aid and development sector. Our customers trust our knowledge of quality, health, safety and environmental issues to comply with complex regulations. We improve quality and maximise productivity across the public sector.

TRANSPORTATION

Driving a safer, cleaner and more efficient industry.

Improving performance and reducing risk is essential to our customers. For products and services across the transportation industry, from automotive, rail and marine to aerospace, we lead quality improvements and verify that efficiency is maximised. We support our clients in achieving shorter delivery times at reduced costs and higher value for their customers. Our experts help to minimise the environmental impact of our customers' products and services through conformity and compliance to standards and regulations. Through the use of our global network, laboratories and testing centres, we offer a truly unique and independent service.





1. Constant currency basis.
 2. Before amortisation of acquired intangibles and non-recurring items.
 3. As a percentage of total revenue.

BUSINESS REVIEW 2017

REVENUE BY REGION³



REVENUE BY BUSINESS



SGS' Business Principles are the cornerstone on which all of our activity rests. They are held to be fundamental, overarching beliefs and behaviours that guide our decisions and allow us to embody the SGS brand in everything we do.



INTEGRITY

MAKING SURE WE BUILD TRUST

We act with integrity and behave responsibly. We abide by the rules, laws and regulations of the countries we are operating in. We speak up: we are confident enough to raise concerns and smart enough to consider any that are brought to us.



HEALTH AND SAFETY

MAKING SURE WE ESTABLISH SAFE AND HEALTHY WORKPLACES

We fully protect all SGS employees, contractors, visitors, stakeholders, physical assets and the environment from any work-related incident, exposure and any kind of damage.



QUALITY AND PROFESSIONALISM

MAKING SURE WE ACT AND COMMUNICATE RESPONSIBLY

We embody the SGS brand and its independence in our everyday behaviour and attitude. We are customer-focused and committed to excellence. We are always clear, concise and accurate. We strive to continually improve quality and promote transparency. We respect client confidentiality and individual privacy.



RESPECT

MAKING SURE WE TREAT ALL PEOPLE FAIRLY

We respect human rights. We all take responsibility for creating a working environment that is grounded in dignity, equal opportunities and mutual respect. We promote diversity in our workforce and do not tolerate discrimination of any kind.



SUSTAINABILITY

MAKING SURE WE ADD LONG-TERM VALUE TO SOCIETY

We use our scale and expertise to enable a more sustainable future. We ensure that we minimise our impact on the environment throughout the value chain. We are good corporate citizens and invest in the communities in which we operate.



LEADERSHIP

MAKING SURE WE WORK TOGETHER AND THINK AHEAD

We are passionate entrepreneurial people with a relentless desire to learn and innovate. We work in an open culture where smart work is recognised and rewarded. We foster teamwork and commitment.

AWARDS AND RECOGNITIONS



RobecoSAM 2017 Industry Leader and Gold Class Sustainability Award for excellent performance in the Dow Jones Sustainability Index.



EcoVadis Gold rating and placed in the top 1% of evaluated companies.



FTSE4Good

FTSE4Good inclusion for the first time.

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WHEN YOU NEED TO BE SURE

SGS