



Innovation

Priorities for 2025

- ➔ Launch at least 15 new products
- ➔ Increase new and proprietary products to 16% of sales (2024: 15%)
- ➔ Progress AI with focus on manufacturing use cases, R&D and marketing

Link to risk

1 2 4 7 8 9 10

➔ For detail about our principal risks and uncertainties, see pages 70-74.

69%

natural or naturally-derived revenue

We are a global leader in performance-driven additives and are focused on creating solutions for our customers that deliver product performance improvements, efficiency gains and enhanced sustainability credentials. We continued to leverage our relationships and digital capabilities to drive the launch of 22 new products in 2024.

Our innovation focus is clear. We want to create solutions for the biggest challenges that our customers face, which, in turn, are reflected in our growth platform focus. In Personal Care, consumers no longer just want natural ingredients that deliver superior performance. They are looking for more sophisticated products, for example, with additional skin care benefits. As we expand our portfolio of hectorite-based products we are well-positioned to benefit from this trend.

Our hectorite provides excellent rheology modification properties, and in addition, it can be used as an active ingredient for oil absorption and mattifying benefits.

Similarly, the coatings industry wants high-performance additives that offer sustainability and new efficiency benefits. Our CHARGUARD™ fire retardant synergists are designed to enhance anti-drip and char formation properties of non-halogenated fire retardants. Being organoclay-based, they provide a natural and safer alternative to halogen-based fire retardants and polyfluoroalkyl substances (“PFAS”) such as polytetrafluoroethylene (“PTFE”) synergists, reducing the environmental and health impacts of these substances.



Growth platform:
Skin care



BENTONE HYDROLUXE™ 360

The natural multi-tasker for oil in water systems

In April 2024, at the in-cosmetics trade show in Paris, the biggest show for personal ingredients in the world, we launched Bentone Hydroluxe™ 360 – a 100% naturally-derived all-in-one emulsifying wax. It combines natural ingredients, such as hectorite and xanthan gum, to provide excellent suspension and formulations stability.

The hectorite clay provides a soft silky feel on the skin and offers a natural emulsifying and thickening solution, and also makes it easier for our customers to get the right stability and viscosity in their natural formulations. As a result, it enables formulators to create products with a variety of textures, from light fluid serum, soft cream to rich velvet cream, and supports industry trends of skin glow skinification and sustainability.

We received great feedback from customers and, since its launch, have sent out over 1,200 samples to customers worldwide.

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We identified sustainability as one of the key drivers that is changing and creating trends in the markets in which we operate. At Elementis, innovation and sustainability go hand in hand. All our new product launches and pipeline projects must have clear sustainability credentials. In 2024, 69% of our revenue was from natural or naturally-derived chemistries, for example, castor wax based organic thixotropes. In addition, we are conscious of the need for our products to contribute to the overall wellbeing of society, whether it is through biobased THIXATROL® technology or utilisation of recycled aluminium in antiperspirant actives.

In addition, through our established global key account programme, we work closely with our customers, offering our expertise and innovation, and keeping them at the forefront of their industries. Our scientists are formulation experts in our core markets, and our laboratories are equipped to facilitate formulation of finished goods similar to our customers' products. We can test these materials to mimic real-life conditions for demonstration. This allows us to build strong technical and commercial relationships with major customers and cooperate in the development of new formulations to enhance their products and processes.

This drives volume and sales growth, increases our share of these customers' spend and opens up major new business opportunities.

Our revenue from new and innovation products continued to increase, reaching 15% compared with 14% in 2023, and we want to increase this further. Our new business pipeline stood at \$327 million at the end of 2024, with over 30 products in the pipeline, of which approximately 15 are scheduled to launch in 2025. This will support our ambition to achieve an adjusted operating profit margin target of 19%+.

Innovation sales

15.3%

2020	<div style="width: 11.5%;"></div>	11.5%
2021	<div style="width: 13.5%;"></div>	13.5%
2022	<div style="width: 13.3%;"></div>	13.3%
2023	<div style="width: 14.3%;"></div>	14.3%
2024	<div style="width: 15.3%;"></div>	15.3%



Growth platform: Industrial Coatings

SUPREAD™ 3410
A low-foaming silicone substrate wetting agent

As industrial coating manufacturers navigate the transition from solvent-based to water-based systems to meet stringent VOC reduction regulations, the demand for effective additives has never been more pressing. Addressing this critical need, we launched SUPREAD™ 3410, a low-foaming silicone substrate wetting agent.

Traditional silicone wetting agents, while effective in reducing surface tension and promoting even coating spread, have often been plagued by foaming issues. SUPREAD™ 3410, designed with a unique branch structure and precise hydrophilic control, tackles these challenges head-on. Its dynamic surface tension ensures efficient droplet formation during spraying, while its molecular structure prevents foam stability, leading to excellent coating application.

Extensively tested across a range of parameters, SUPREAD™ 3410 offers the following benefits:

- Excellent substrate wetting ability of both porous and non-porous substrates, resulting in flawless coating application
- Low-foaming property allows smoother and more consistent coating application
- Effective reduction of static surface tension, enhancing coating spread and adhesion
- Good compatibility with various coating formulations and maintains efficacy over the long term
- Improved anti-blocking properties, ensuring optimal surface finish
- Contributes to VOC reduction efforts and serves as a sustainable alternative to PFAS-containing additives

