

Growth

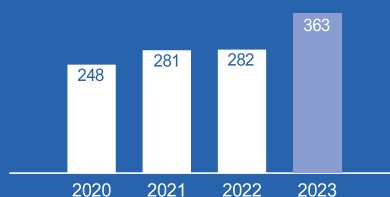
Priorities for 2024

- ➊ Deliver target revenue growth across seven growth platforms
- ➋ Generate \$50 million of new business
- ➌ Expand manufacturing capabilities at new India plant

Link to risk

- ➊ Global economic conditions and competitive market pressures
 - ➋ Business interruption due to supply chain failure of key raw materials and/or third-party service provision
 - ➌ Business interruption due to a major event or a natural catastrophe
- ➕ For detail about our approach to risk, see pages 63-71.

NBO pipeline \$m



We set out seven growth platforms across Personal Care and Performance Specialties. Here we focus on market segments with structural growth opportunities, utilising our key technologies. Together, they are expected to generate over \$90 million of above market revenue by 2026.

Our Personal Care business operates across three core market segments, in which we have built a strong competitive position: Skin Care, Colour Cosmetics and Antiperspirants.

➕ For further detail on Personal Care performance and strategy, see pages 60-61.

We have seen good growth in Colour Cosmetics, especially in Asia, where we recently enhanced our sales and marketing capabilities.

We expect further growth in Colour Cosmetics sales in the coming years, supported by our innovative products, such as Bentone® Luxe XO and the Bentone® Plus Glow. We have a strong new products pipeline for 2024, which includes a range of patent pending Bentone® Ultimate products and a natural film former that will enhance the wear resistance of colour cosmetics, for example in lipsticks.

We believe these products will further strengthen our leading position in colour cosmetics and allow us to expand in new regions and market segments. As a result, we target a delivery of \$10 million of above market revenue growth by 2026 for this application.

Skin Care is an attractive part of the personal care market, where we have historically had limited participation. This segment has been growing at around 4-5% annually, supported by increasing demand from consumers looking for more sustainable products with natural ingredients.

\$90m



above market revenue growth by 2026

Our hectorite-based additives are well positioned to benefit from this trend, as they work equally effectively in both water-based and oil-based products.

We entered the skin care market in 2019 and have seen good momentum in this business since. Going forward we will focus our innovation efforts on natural rheology with more sophisticated products, but in addition we will also create products that offer attractive new functionalities. Our ambition is to deliver growth at two to three times the market by 2026.

Finally, the third area of focus, Antiperspirants, where we have a global leading position in antiperspirant actives. We see trends for longer lasting sweat protection, and increasingly, growing demand for more natural products, including natural actives.

As recognised innovation leaders in this field, we are focusing on new products that address these demands, for example, our new range of antiperspirants utilising waste aluminium, and we have an ambition to develop actives that bring antiperspirant benefits to the deodorant product category. We believe our ambitious plans will help us to deliver mid-single-digit revenue and margin growth over the next three years.

	Growth platforms	Key technologies	Benefits
Personal Care 	Skin care	Hectorite, hectorite derivatives, natural oils	Natural, luxurious touch and feel, formulation stability
	Colour cosmetics	Hectorite derivatives, natural oils	Natural, suspension of actives and pigments, formulation flexibility
	Antiperspirants	Inorganic actives, hectorite derivatives	Long lasting sweat protection, dispersion of actives
Performance Specialties 	Architectural coatings	NiSAT, dispersants, bio-based defoamers	Improved hiding and stain resistance, safer and more sustainable paint
	Industrial coatings	Organoclays, organic thixotropes, dispersants	More sustainable coatings enhanced aesthetics
	Adhesives, sealants and construction additives	Organic thixotropes, hectorite rheology agents	Improved time and material efficiency, safer handling
	Talc	High-purity talc through unique flotation	Improved plastics rigidity and strength

In Coatings, the three growth platforms are all positioned to respond to specific market needs or major market trends.

 For further detail on Coatings performance and strategy, see page 61-62.

The first of these, Architectural Coatings, is an important market for Elementis, with the premium decorative segment estimated at approximately \$1 billion and growing 4% per annum. We have developed a suite of innovative, high-performance products.

We believe this, alongside our manufacturing footprint across three key regions, will support our ambition to grow at twice the market by 2026, in this attractive market segment.

The second growth platform is Industrial Coatings, where we see growing demand for more sustainable coatings and coating additives, driven by regulations and market trends. We focus on an addressable market of around \$800 million, which includes additives for high-performance segments such as marine, protective and automotive industries, growing at c.4% annually. Across this market segment, we expect to deliver \$30 million of incremental revenues by 2026, focusing on ingredients that make customers' formulations more sustainable without sacrificing performance.

Our third growth platform comprises Adhesives, Sealants and Construction Additives. This is a relatively new application for Elementis, with the target market valued at around \$700 million, growing at 5% per year. Growth in this market segment is driven by trends such as lightweighting and more efficient manufacturing processes. Our ambition is to double our market share from 3% to 6% by 2026, by focusing on innovative products, such as our low activation temperature Thixatrol® technology.


A major component of our growth strategy is our key account management programme. We have built 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 revenue growth and deepens our relationships with major customers. In 2023 we worked on 28 customer joint development projects, generating material revenues and contributing to improved product mix.

28

joint development projects

The final growth platform focuses on Talc. Our medium-term strategy focuses on high-value applications across selected market segments, with an estimated market size of \$800 million, and growing at approximately 4% per annum. Those include, for example electric vehicle manufacturing, which utilises lighter, reinforced plastics.

We have a strong track record of identifying and developing new product applications, with five new products launched over the year, and a new business pipeline of \$50 million. We believe this will help us deliver \$15 million of above market revenue growth by 2026.

 For further detail on Talc performance and strategy, see page 62.