

Strategic progress

Elementis operates via two focused businesses, well positioned in attractive and structural growth segments. Our strategy is built on the three pillars of Innovation, Growth and Efficiency, underpinned by our sustainability objectives.

Innovation



We are a global leader in performance driven additives that help create innovative solutions for our customers. Leveraging our capabilities in rheology, surface chemistry and formulation, we help our customers create better products.

Read more about our approach to innovation on pages 18-19.

Our sustainable approach

We respond to sustainability drivers (Climate, Circularity, Nature and Health) in our markets and use our expertise to find new ways to add value. For example, innovating with a new natural skincare ingredient, introducing a novel bio-based coating additive, developing an antiperspirant using waste aluminium or enabling our customers to use safer ingredients.

2023 progress

- Launched 12 new products
- 68% of revenue from natural or naturally-derived products
- Total innovation sales increased to 14.3% (2022: 13.3%)
- 28 customer joint development projects

Growth



Our two businesses operate in attractive markets with structural growth opportunities, supported by clear market and industry trends.

Read more about our growth strategy on pages 20-21.

Our sustainable approach

As innovation becomes established in the market, we help our customers to maximise their positive impacts. We add to the health and wellbeing of society with natural personal care products, coatings additives with low volatile organic compounds ("VOC"), avoiding the use of biocides and contributing to the effectiveness of vehicle pollution control systems.

2023 progress

- \$51 million of NBO created
- 15% revenue growth in Colour Cosmetics
- 10% revenue growth in Personal Care Asia, driven by growing interest in our new generation hectorite-based gels
- Record NBO pipeline of \$363 million (2022: \$282m)

Efficiency



We constantly seek to be a fit for purpose and more efficient business, agile and growing, with our impact on the environment and the communities in which we operate at the forefront of our minds.

Read more about our approach to efficiency on pages 22-23.

Our sustainable approach

We contribute to our customers' sustainability goals. Our additives and ingredients help to make our customers' products more durable, and can lower processing energy requirements and improve transportation efficiency.

We also strive to make our own operations more efficient and reduce their environmental impact by increasing our use of renewable energy, recycling water and reducing waste.

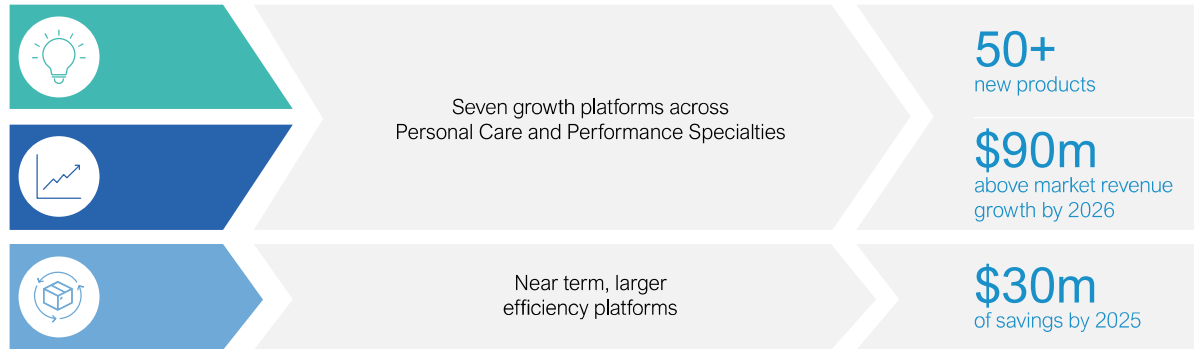
2023 progress

- Delivered \$10 million of cost savings in 2023
- Met two out of four 2030 sustainability targets
- Completed ramp up of our antiperspirant actives plant in India
- Completed the multi-year programme to consolidate all our ERPs into a single global system
- 50% reduction in work related injuries and progress on process safety improvements

Link to KPIs

Refer to the Key performance indicators section on pages 24-25 for further detail, including how those link to our strategy.

Material growth and efficiency opportunities announced at our November CMD



Growth platforms aligned to industry trends

Growth platforms	Trends			Opportunity
	Sustainability	Technology/digital	Demographics	
Personal Care 	Skin care	●	●	Natural solutions to replace synthetic ingredients
	Colour cosmetics	●	●	Skinification, individualisation, speed-to-market
	Antiperspirants	●	●	High-efficacy and natural products
Performance Specialties 	Architectural coatings	●	●	Expand share in premium segment
	Industrial coatings	●	●	Expand sustainable coatings
	Adhesives, sealants and construction additives	●	●	Offering more sustainable product solutions
	Talc	●	●	Gain share in selected high-value target segments

Two efficiency platforms delivering \$30 million of annual cost savings by 2025

Fit for the Future organisational restructuring

- Supports strategy implementation
- Simpler, streamlined and lower cost organisation
- Leverages digital infrastructure and enhances capability
- Implementation initiated in Q3 2023, complete during 2025

\$20m

annual savings by end 2025

Global Supply Chain and Procurement

- Global Supply Chain: optimising manufacturing network and scaling continuous improvement delivery
- Procurement: enhanced organisational capabilities and practices

\$10m

annual savings by end 2025