



STRATEGY 2028 – BEYOND THE EXPECTED

BAAR, OCTOBER 3, 2023

BUILDING TRUST



STRATEGY 2028

WHAT WE BUILD UPON – WHAT WILL CHANGE

What we build upon

- People & Culture as strong backbone
- Decentralized market facing decisions, agile organization
- Market Penetration as key growth driver
- Maintain acquisition strategy as additional growth platform
- Innovation & Sustainability to stay market leader & enabler while driving growth/margins
- 5 Key Technologies and 8 Target Markets
- Strong Sika brand
- Deliver strong Sales and over-proportional Profit growth

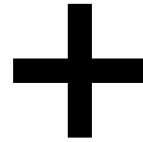
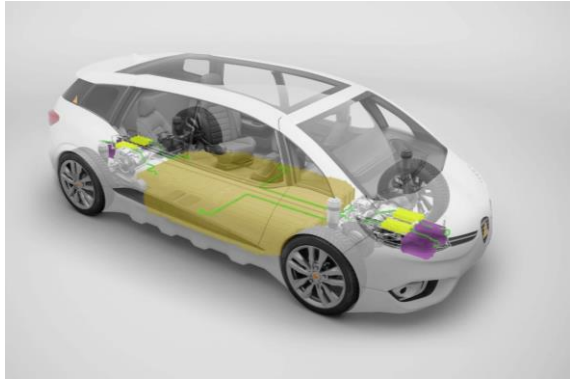
What will change/be reinforced

- Build on 4 strong strategic pillars
- Balanced set of Financial & non-Financial targets
- Switch to EBITDA as main profitability metric
- Focused initiatives driving market penetration, megatrend-driven structural growth
- Driving net-zero pathway
- Product driven innovation to reinforce enabler position
- Organizational adaptations and market segmentation to fully capture customer needs

SIKA AUTOMOTIVE & INDUSTRY ORGANIZATION 2024

COMING TOGETHER

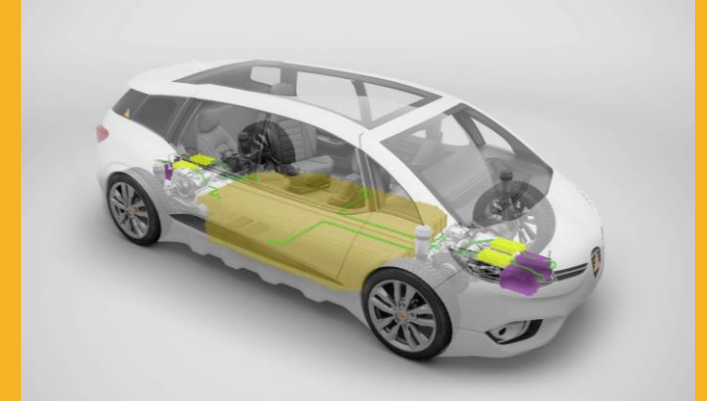
Automotive



Industry

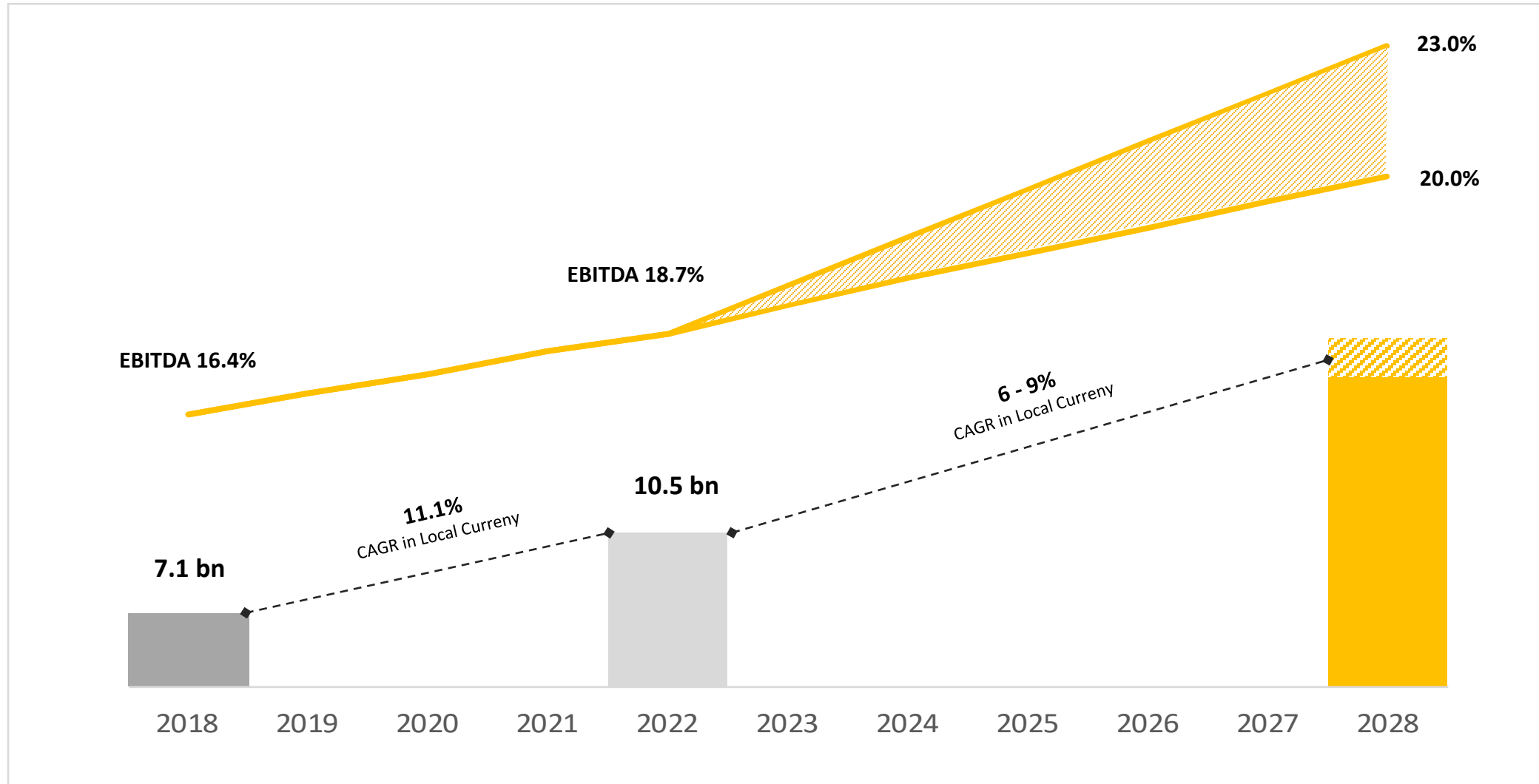


Automotive + Industry



Automotive and Industry have been combined on a regional level to gain maximum momentum in a dynamic environment, increasingly driven by solutions for e-mobility and renewables.

STRATEGY 2028 – BEYOND THE EXPECTED PROFITABLE GROWTH TO CONTINUE



MEGATRENDS DRIVING SUSTAINABLE GROWTH

FURTHER ACCELERATION



POPULATION GROWTH



URBANIZATION



DEMOGRAPHIC
CHANGE



RESOURCE SCARCITY



CLIMATE CHANGE &
SUSTAINABILITY



INCREASING
REGULATIONS



TECHNOLOGICAL
PROGRESS

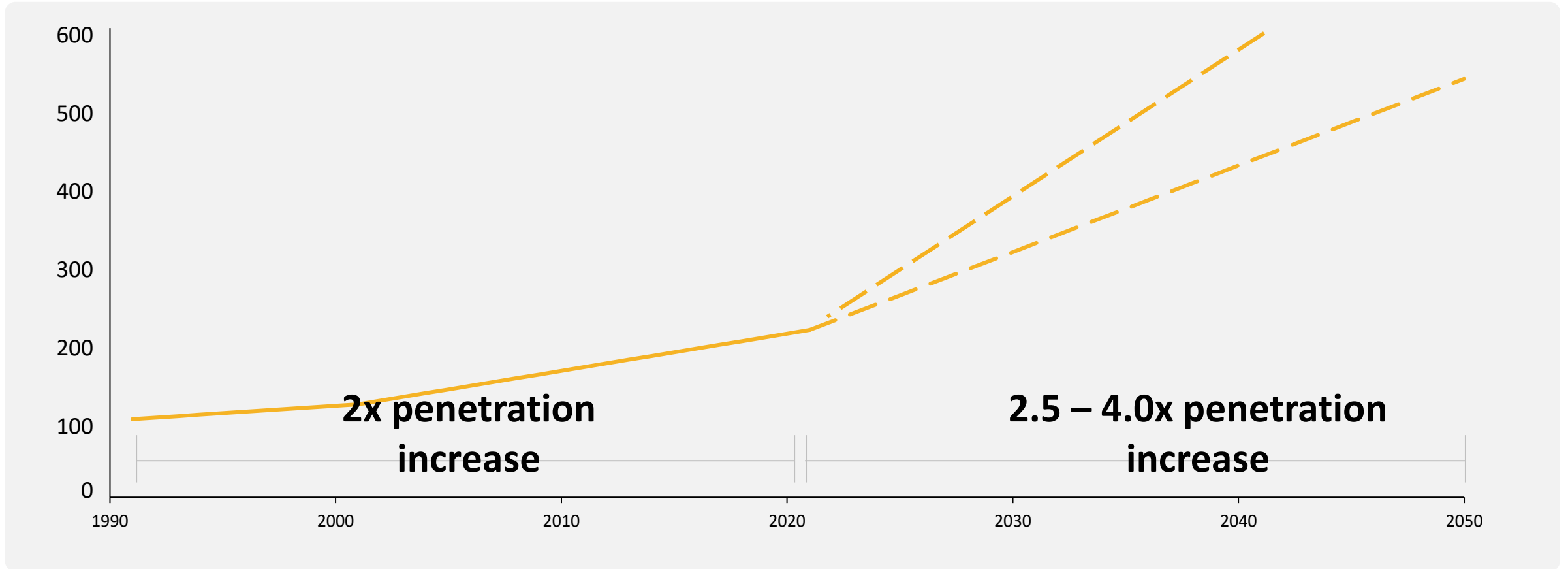


DIGITALIZATION

CONSTRUCTION CHEMICALS OUTGROW CONSTRUCTION MARKET

MEGATRENDS ACCELERATE DEMAND AND DRIVE PENETRATION

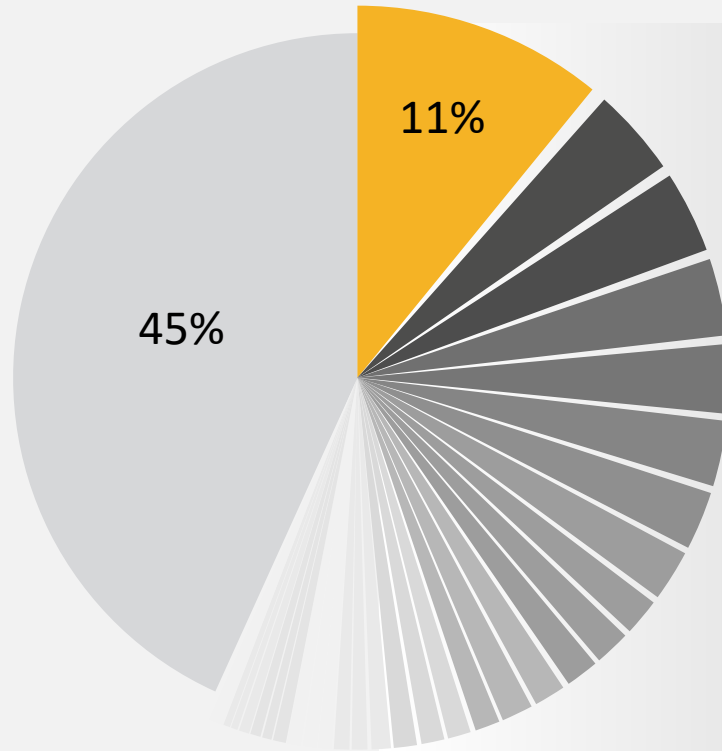
Construction chemicals penetration (1991 = 100)



Source: IHS, Freedonia | 1) penetration = global construction chemicals market size (CHF) / global construction output (CHF)

MARKET SHARE IN CONSTRUCTION CHEMICALS AND INDUSTRY

TOTAL ADDRESSABLE MARKET 2023: CHF 110 BILLION



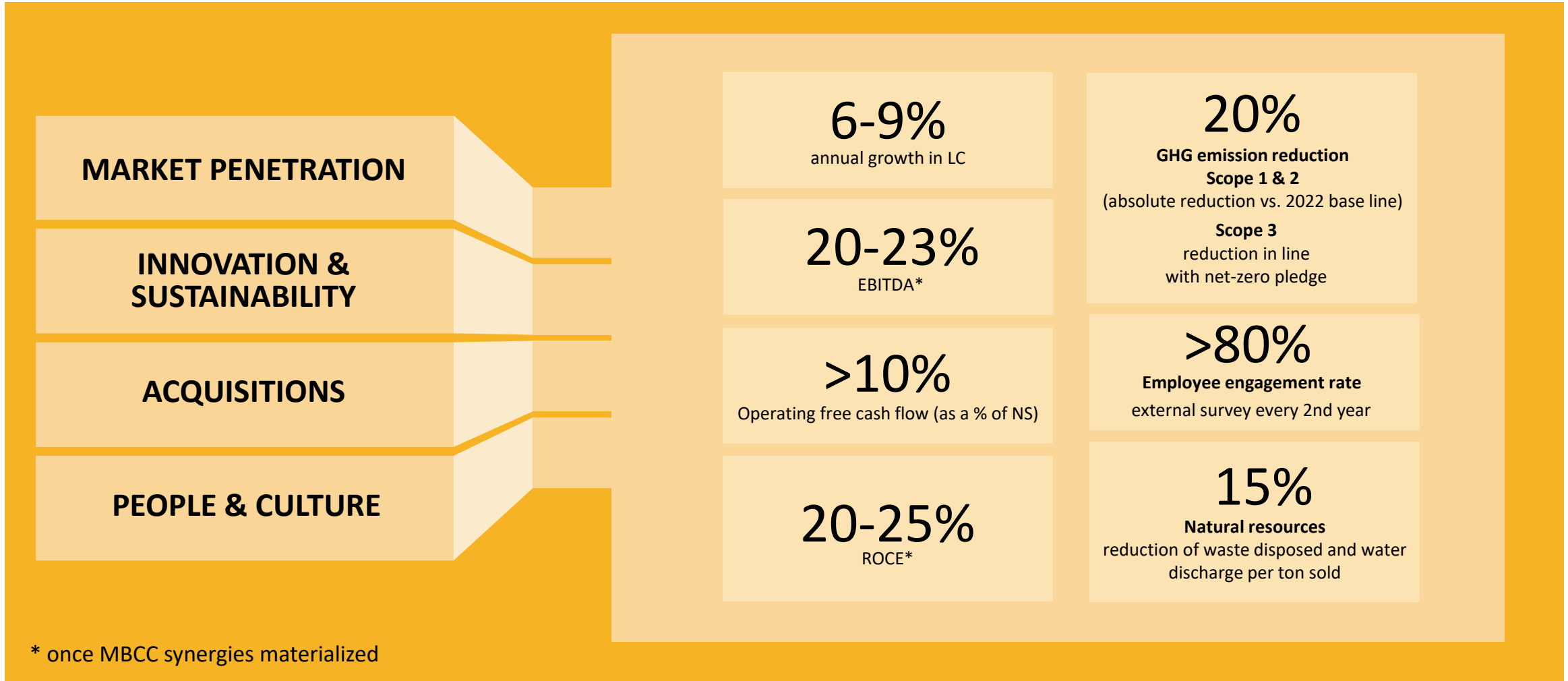
Top 30 competitors
(incl. Sika) account for
55% of market share

Competitive landscape
remains very fragmented
despite ongoing M&A activity

FOUR PILLARS OF GROWTH STRATEGY 2028

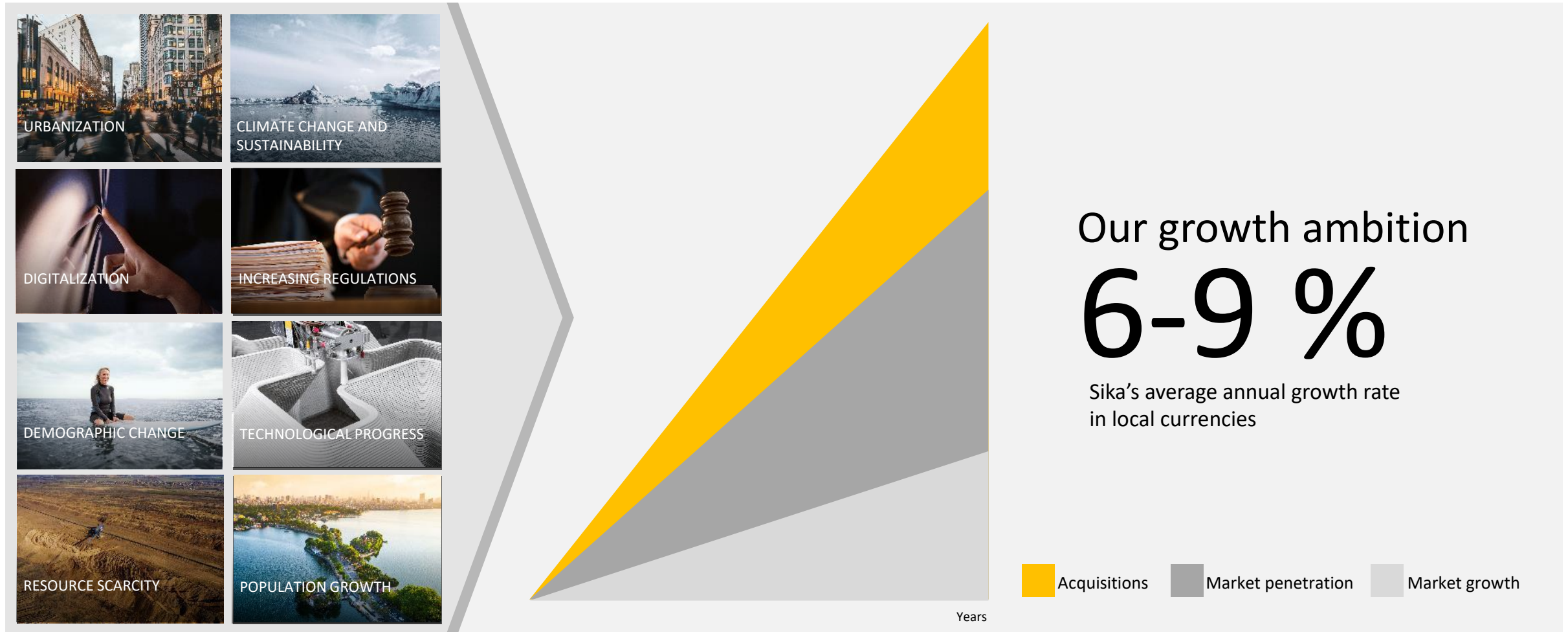
SIKA'S GROWTH STRATEGY 2028

THE PILLARS OF THE STRATEGY



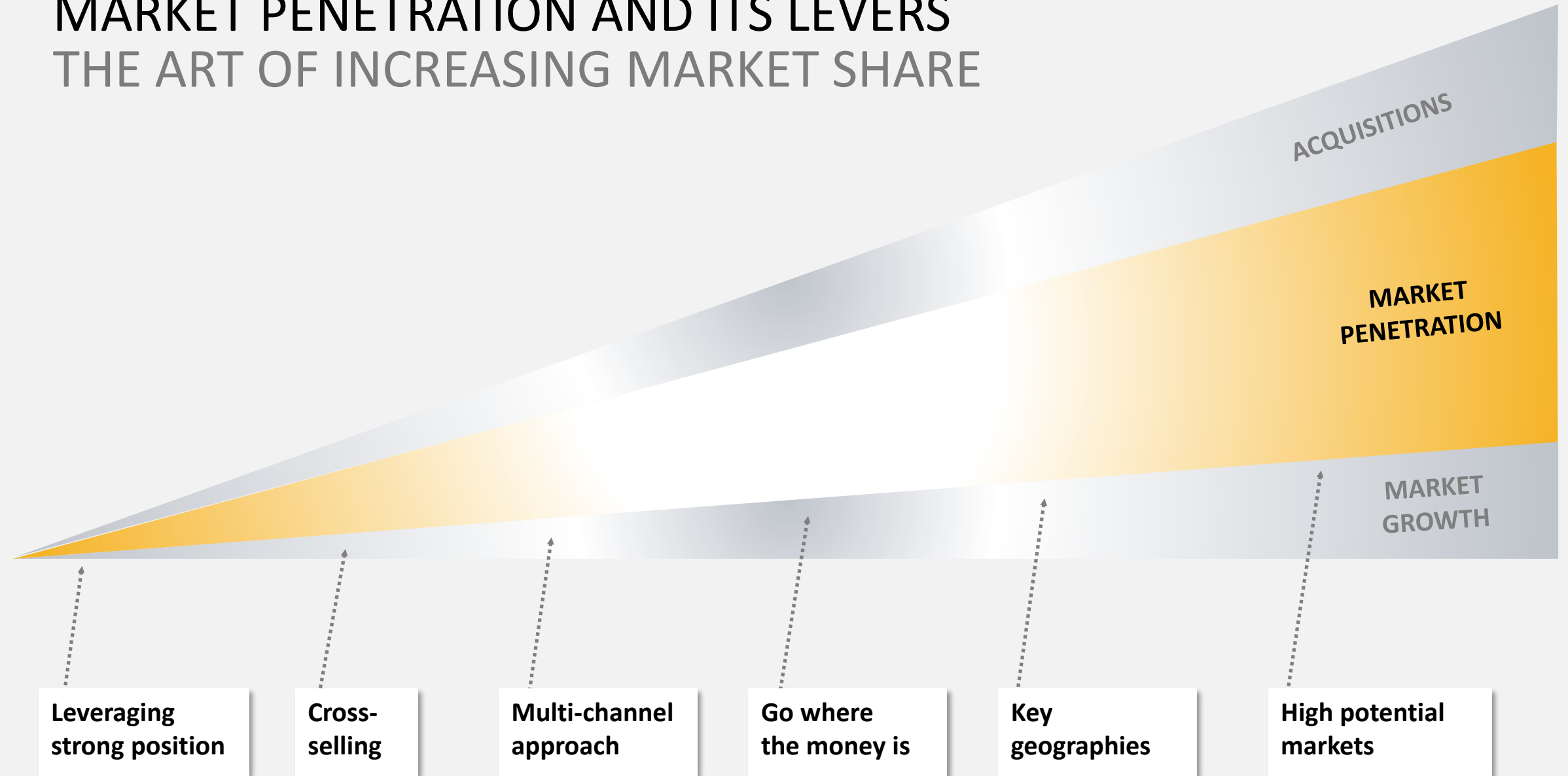
STRONG EXECUTION AND BENEFITS OF MEGATRENDS

SIKA STRONGLY POSITIONED IN 2023 AND BEYOND



MARKET PENETRATION AND ITS LEVERS

THE ART OF INCREASING MARKET SHARE



INNOVATION & SUSTAINABILITY

BUILDING TRUST



INNOVATION & SUSTAINABILITY – TRANSFORMING INNOVATION AND EFFECTIVE SUSTAINABILITY

PRESERVE NATURAL RESOURCES

Increase water and waste efficiency.

Reduce usage of hazardous materials.

CLIMATE CHANGE MITIGATION

Reduction direct and indirect emissions.

Building on circular economy.

INNOVATION

All new product developments to be SPM validated.

Digitalization to accelerate transformation.

INNOVATION & SUSTAINABILITY – STRATEGIC PILLARS 2028

SIKA'S NET ZERO PATHWAY – DRIVING THE TRANSFORMATION

OUR KEY LEVERS

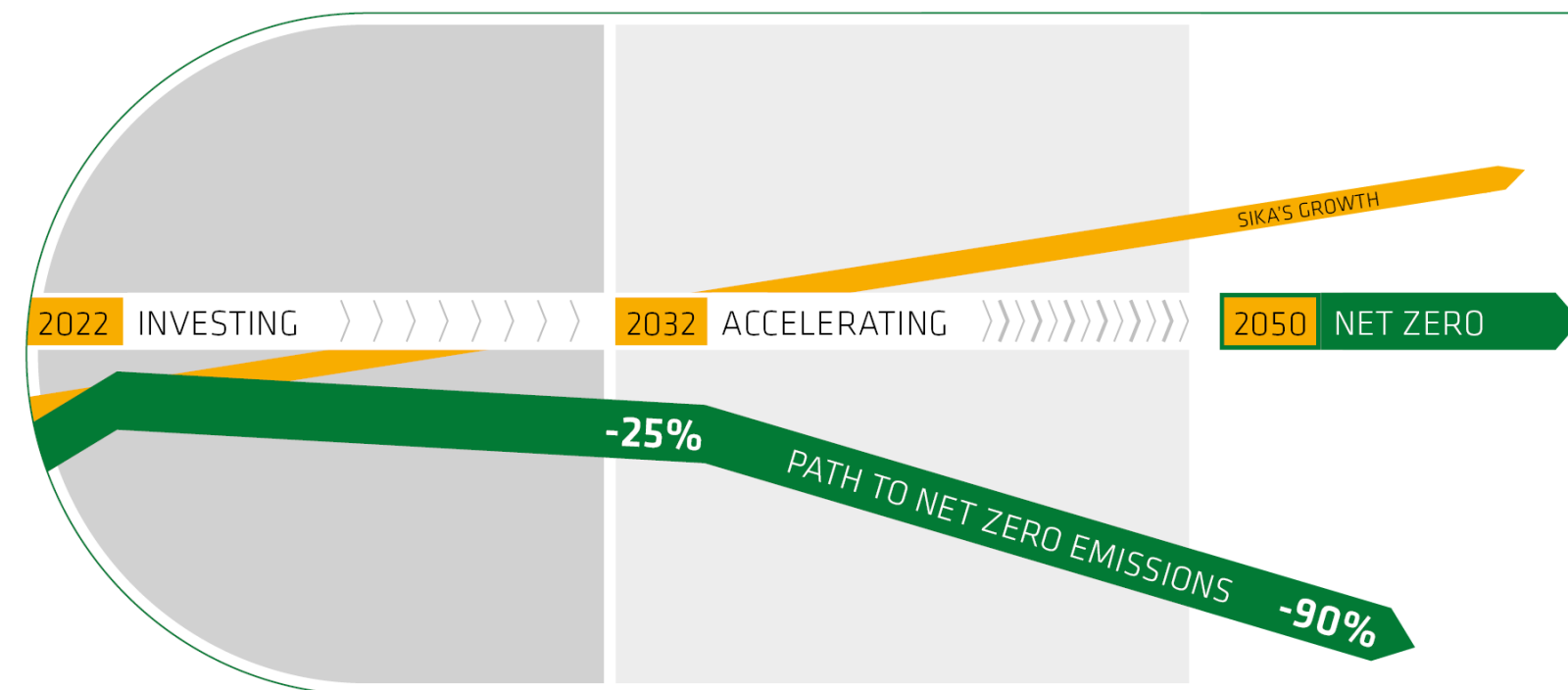
Education and capacity building to improve **material efficiency and circularity**

Accelerated use of **alternative low carbon supplies**

Continued focus on **operational efficiencies**

Partnerships with key suppliers who support Sika's path to net zero

Development of **new innovative solutions** for construction and industry



INNOVATION & SUSTAINABILITY – ENABLING SUSTAINABLE SOLUTIONS

SUSTAINABILITY PORTFOLIO MANAGEMENT (SPM)

All new product developments to be SPM validated with a positive validation

MORE **PERFORMANCE**
MORE **SUSTAINABLE**

SPM | Sustainability
Portfolio
Management

- The SPM evaluates solutions based on **12 sustainability** and **6 performance categories**.
- SPM is used to classify, and **market sustainable solutions**.
- Sika's goal is to manage innovation and sustainability, **minimizing risks and maximizing opportunities**.
- Sika is the 1st company within the specialty chemicals and building materials sector to develop and implement the **SPM Concept** based on the World Business Council of Sustainable Development framework.

INNOVATION & SUSTAINABILITY – ROADMAP MERGE

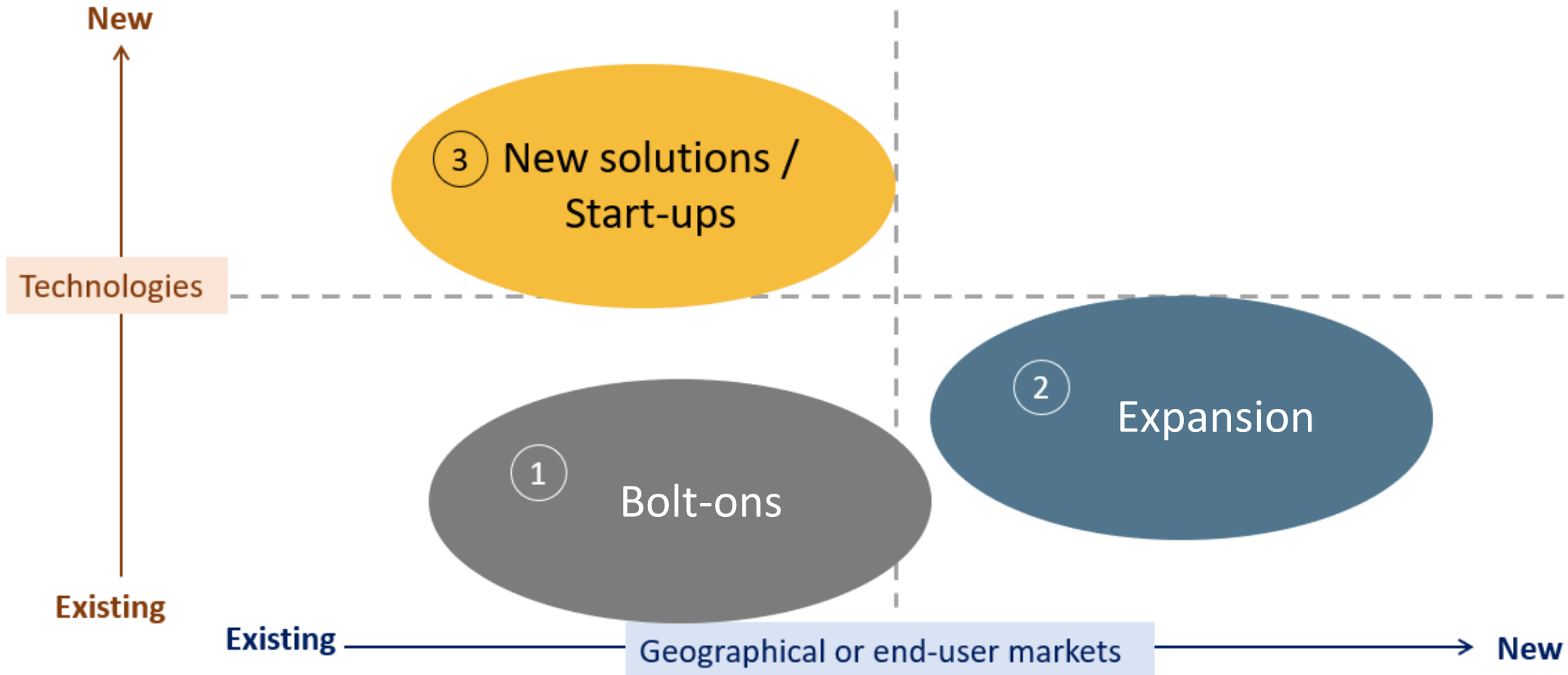
DURABILITY, DECARBONIZATION, AND CIRCULARITY



ACQUISITIONS

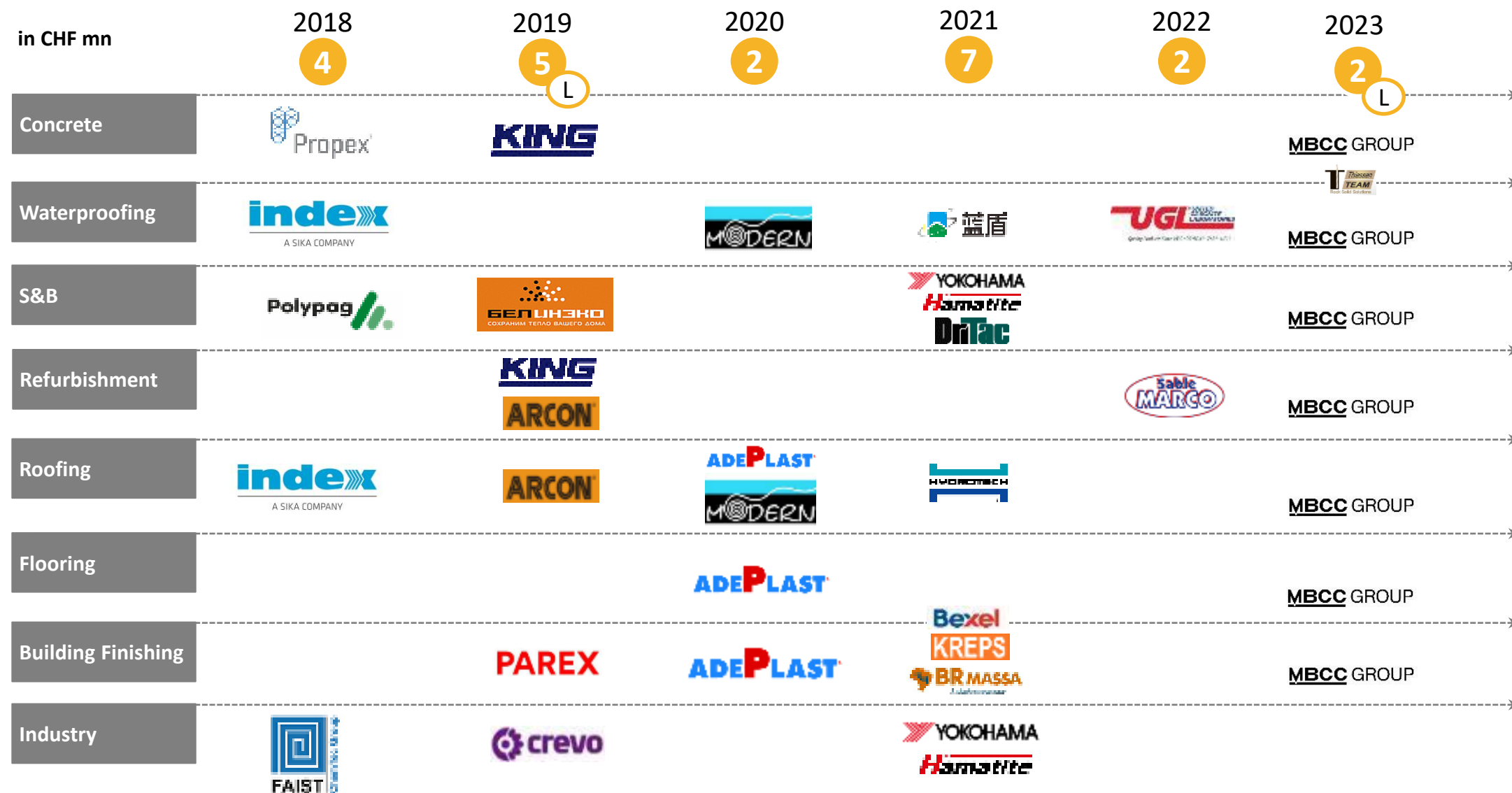
ACQUISITIONS

STRATEGIC LEVER WITH MULTIPLE DIMENSIONS



ACQUISITIONS – FROM 2018 TO 2022

ADDITIONAL GROWTH PLATFORMS IN ALL TARGET MARKETS



PEOPLE & CULTURE



**INVESTING IN OUR PEOPLE
& CULTURE IS INVESTING
IN OUR FUTURE SUCCESS.
LEADERS ARE IN CHARGE.**

WE BUILD TRUST EVERYDAY

OUR EMPLOYEES FEEL VALUED, EMPOWERED AND PROUD
TO WORK FOR SIKA



SAFE



ENGAGED

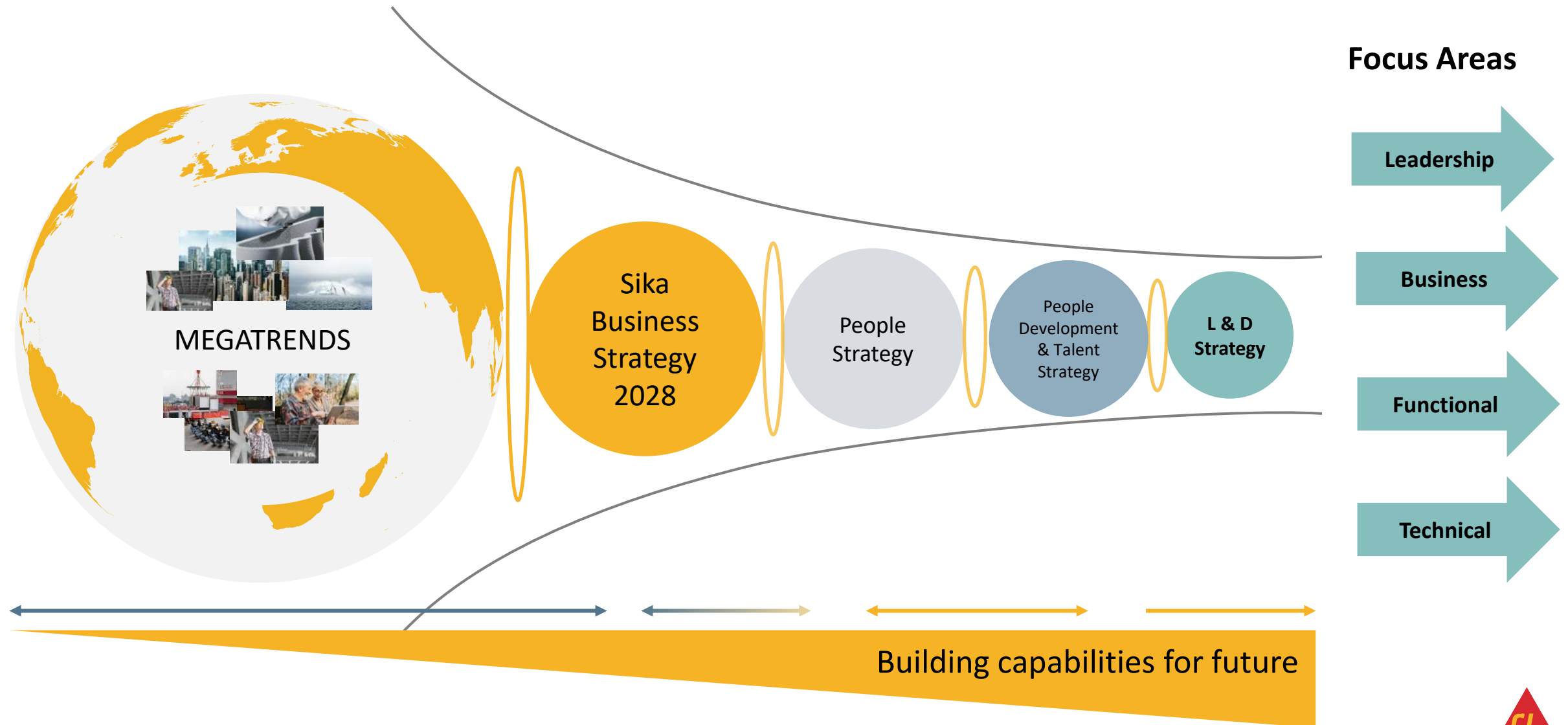


INCLUSIVE

Be effective leaders that build a safe, attractive and inclusive environment where people feel inspired and motivated to drive change, unlock their full potential and win together.

PEOPLE & CULTURE – PEOPLE AND LEADERSHIP DEVELOPMENT

CAPABILITY BUILDING POWERS TRANSFORMATION



PEOPLE & CULTURE – COMMUNITY ENGAGEMENT

OUR EMPLOYEES AROUND THE WORLD AT SIKA DAY

