Partnership & Evolution: An Interview with NASF

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The NASF team spoke with Rich Lynch, Senior Global Vice President at <u>MacDermid</u> <u>Enthone Industrial Solutions</u>, about the company's newest developments, its CARE program, efforts to meet the demand for environmentally-friendly solutions and programs, global market insights, and more. In his role, Rich is responsible for the financial performance of MacDermid Enthone, through commercial strategy implementation and supply chain execution.

What's new with MacDermid Enthone's products, programs and solutions?

It is an extremely exciting time for our business. Over the past several years we have placed an emphasis on partnership, working hand in hand with our customers as they strive to future proof their businesses and our industry. This includes investing in the solutions and technologies that are important to our partners, and we've found that this boils down to three key pillars:

Capture, reclaim, and reuse of waste streams: This involves reducing water usage, enhancing wastewater treatment, and improving water efficiency to minimize regulatory exposure.

Increasing energy and production volume efficiencies.

Expansion into new markets and applications while maintaining high performance in their core business operations.

It is easy to say you are doing all of these things but executing on these initiatives is quite an undertaking. At MacDermid Enthone, I can proudly say that we are investing in these commitments with tangible examples of success locally and around the world. While we have not always gotten everything right, we are working to improve every day with the support of an incredibly dedicated and talented team. Our parent company, Element Solutions Inc, is adding resources and investments in our MacDermid Envio Solutions business, where we provide ancillary equipment and wastewater treatment systems designed to meet the growing global demand. Our Industrial Solutions business is doing the same, as we continue to grow our WaterCARE product line and launch market leading processes low in metal, with higher energy efficiency, and eliminating substances of concern such as hexavalent chrome and PFAS.

End markets and their supply chains are also changing rapidly. This is highlighted by the electrification and hybridization of the automotive power train. Adoption rates are markedly different worldwide, and efficient supply chains are critical to driving business growth. Governments are not going to cede participation of their national brands, and I anticipate that we will see ongoing consumer incentivization. In response to this, we have expanded our Automotive Business Development organization, building a dedicated team to address this rapidly changing portion of the market. This allows us to better partner with our customers, ensuring that they are included in the opportunities these changes bring. We work with our MacDermid Alpha business to bring a complete solution from the semiconductor chip to a finished vehicle, to our partners, keeping their operational and supply chain needs at the forefront.

Sustainability and safety are taking center stage within these industry transitions. The elimination of hexavalent chrome has been moving forward at a startling rate. MacDermid Enthone continues to invest in resources to affect the transition for our customers and the supply chains they serve. With hundreds of trivalent chrome plating customer installations around the world, it is great to see OEMs committing meaningful volumes to production for our global decorative applicator network. These customers are supplying components that are completely free of hexavalent chrome and PFAS, and will see long-term benefits as OEMs continue to invest in this safe and sustainable technology.

Lastly, I would highlight our Light Metals Solution business which works closely with our Industrial Solutions team and customers. We have a large global business with deep technical capabilities and are working to expand this team in response to the market needs. Our customers are looking to leverage our knowledge in industrial, electronics, and light metal applications to gain unique capabilities and value. We are focused on serving these customers today, while also helping them achieve their strategic goals for the future.

Tell us about your CARE program. How can your customers take advantage of it?

Part of our culture and values is to actively participate in the communities where we live and operate. Our company supports charitable and community organizations that our team members are passionate about. This support comes in the form of thousands of hours of volunteer time, direct company donations, and matching the donations of our team.

Our commitment to service and community is not limited to our organization. As a part of our broader family, our customers are active participants in many of these activities and <u>CARE</u> initiatives. Our goal is to positively impact the world around us today and into the future, and we encourage our partners and employees to live by these principles.

Environmentally-friendly solutions and programs are now more important to consumers than ever before. How is MacDermid Enthone and our industry evolving to meet this demand?

While we develop technical solutions to lower our industry's impact and are proud of those accomplishments, I believe we play a larger role in helping the use of these technologies take flight. We can create the most sustainable chemistries, but without OEM adoption, we will not see meaningful and lasting change. MacDermid Enthone goes beyond chemistry, connecting technology development with a profitable, sustainable future for our customers. An idea on its own is not enough, and we invest time and effort into enabling supply chain adoption of technologies with true environmental performance benefits and value.

We are also proud of the tangible investments made through our CARE program, and support initiatives that are important to our customers. A great example of this is our ESG program, which is outlined in the <u>ESG report</u> available on our website. This report delivers transparent information, outlining our sustainability goals and the actions that have been taken to reduce our impact on our planet and with our supply chain partners. In a world where greenwashing has become all too common, we remain committed to improving our industry and our communities. To us, sustainability is more than a buzzword, it is simply the right way to conduct business.

Looking at the market at a global scale, what industry or business insights do you have?

This could be an article unto itself, but let's touch on a few broad topics, with the first being speed. We live in an age of rapid technological advancement, which is driving change in many of the end markets we serve. This change ultimately ends with the consumer, who increasingly expects transparency and flexibility. Creating speed and nimbleness in a single organization is difficult, and this challenge increases when working across an industry, but it is paramount today.

The industries we serve are often conservative and slow to adopt change or new technologies. It is tempting to bide time, resist change, or delay investment until it is too late. It takes industry-wide commitment to adopt and promote the improvements that will drive long term success. This includes working collaboratively across industries and verticals to meet the evolving needs of our OEMs. As we advocate for advancement, MacDermid Enthone is committed to delivering vertically integrated solutions, using expertise from our multiple business units to deliver comprehensive solutions to our customers. This is a growing trend that we expect will continue, advancing the way we operate every day.

MacDermid Enthone continues to be one of NASF's and the industry's biggest supporters. What drives you to continue participating in, investing in and being an Alliance partner of NASF?

Our participation is rooted in our commitment to the industry and our customers. We care deeply for our industry and our partners and believe commitment goes beyond words, requiring action. Our partnership is a testament to that. We take nothing for granted and listening closely to the companies, customers, and friends within our industry allows us to acquire the learnings to align our goals with the needs of our partners. The NASF provides a platform that encourages the level of collaboration necessary for the success of our industry today and into the future.

Read the full interview, available now at <u>nasf.org</u>.

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