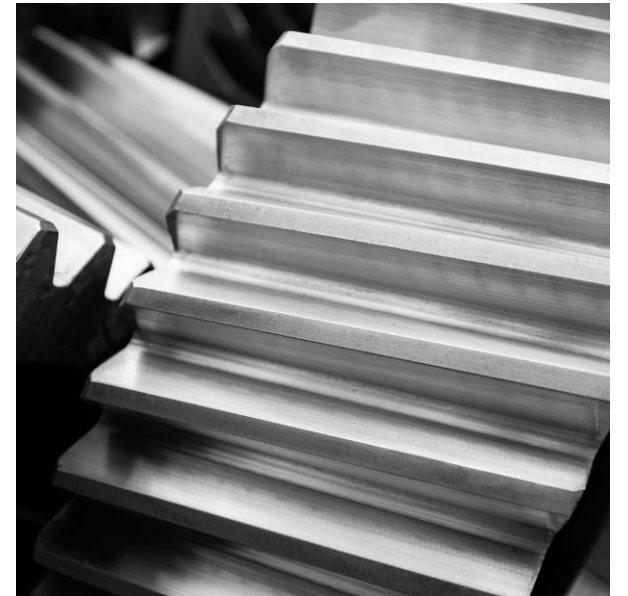
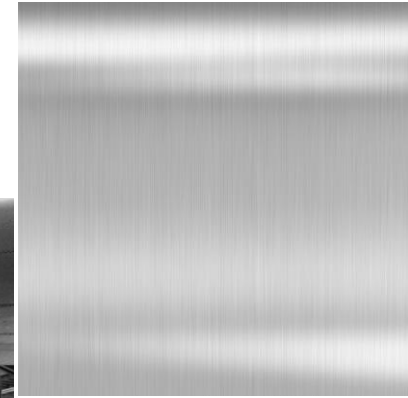


BODYCOTE

OPTIMISE, PERFORM, GROW

Capital Markets Event
12th December 2024



Disclaimer

Bodycote plc (the 'Group') is providing the following cautionary statement: this presentation has been prepared solely to provide additional information to shareholders to assess the Group's strategies and the potential for those strategies to succeed. The presentation should not be relied on by any other party or for any other purpose.

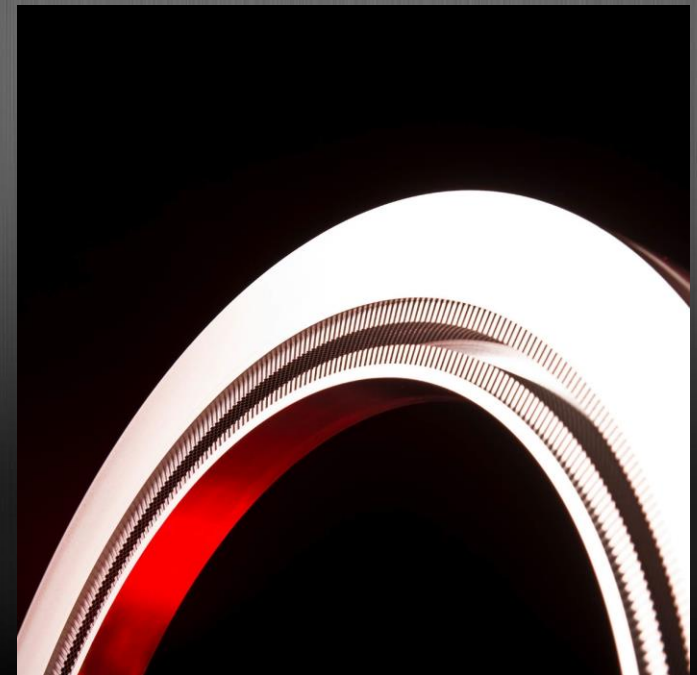
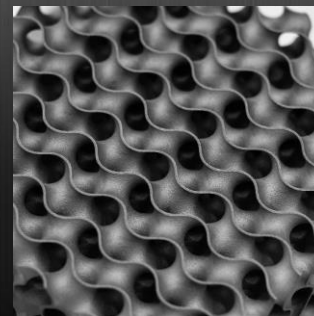
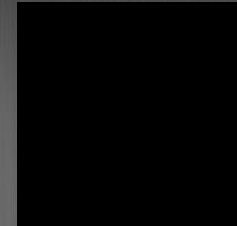
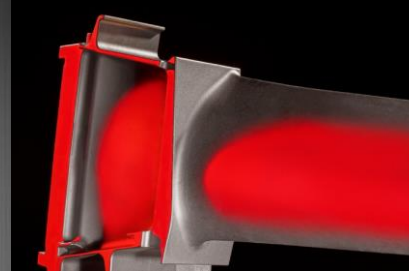
This presentation contains certain forward-looking statements. These statements are made by the Directors in good faith based on the information available to them up to the time of their approval of this presentation and such statements should be treated with caution due to the inherent uncertainties, including both economic and business risk factors, underlying any such forward-looking information.

Today's Agenda

14.00	14.10	15.00	15.15 - break	15.30	15.45	16.00	16.20
INTRO & STRATEGY	STRATEGIC OPPORTUNITY Optimise Perform Grow	DEEP DIVE Specialist Technologies		DEEP DIVE Precision Heat Treatment	DEEP DIVE Sustainability as an accelerator	STRONG FINANCIAL RETURNS	SUMMARY & Q&A
JIM FAIRBAIRN	JIM FAIRBAIRN	THOMAS OURY		RICK LLOPE	LILY HEINEMANN	BEN FIDLER	JIM FAIRBAIRN

INTRO & STRATEGY

JIM FAIRBAIRN



Key messages

- 01 We are creating two leading, well-positioned divisional platforms
- 02 We have a clear strategy to drive faster growth and improve margins
- 03 We have an attractive set of targets to deliver value for shareholders
- 04 The right team is in place to deliver our strategy, and execution is underway

Our strategy

Two strong platforms with defined focus areas

Specialist Technologies

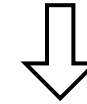
- Highly differentiated processes
- Leading technology positions
- Growing addressable market



Maximise Growth

Precision Heat Treatment

- Clear market leader
- Global scale & network
- Deep customer partnerships



Quality & Performance

Three clear strategic levers

Optimise

Perform

Grow

Our targets

...our strategy supports delivery of a compelling set of targets



46% reduction in CO₂ emissions by 2030²

Underpinned and accelerated by sustainability

¹ Specialist Technologies re-defined to exclude Low Pressure Carburising (LPC) and Corr-I-Dur[®], now reported within Precision Heat Treatment (2023 comparator: 28%)

² SBTi target versus 2019 baseline

The right team to deliver




JIM FAIRBAIRN
Chief Executive Officer
Joined March 2024 




THOMAS OURY
Specialist Technologies
Joined April 2019 



RICK LLOPE
PHT Automotive & Industrials
Joined January 2023 



LILY HEINEMANN
Chief Sustainability Officer
Joined August 2023 



MICHELA FUSCO
Chief Marketing Officer
Joined December 2024



BEN FIDLER
Chief Financial Officer
Joined March 2023 



HEIDI MCNARY
PHT Aerospace & Defence
Joined December 2024



BARIS TELSEREN
PHT Emerging Markets
Joined October 2006



VICKI POTTER
CHRO
Joining Q1 2025

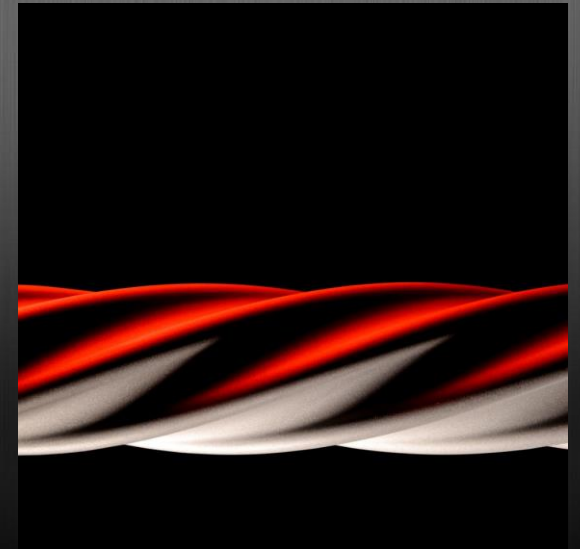
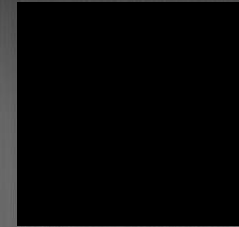
Chief Excellence Officer
Joining Q1 2025

Head of Health & Safety
Joining Q1 2025

 = Presenter

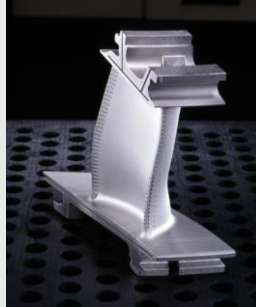
STRATEGIC OPPORTUNITY

JIM FAIRBAIRN



We provide cutting-edge material science solutions

Without our services, a jet engine high-pressure turbine blade would not last a single flight



- One blade generates as much horsepower as a Formula One race car
- Blades operate in a very extreme environment, with temperatures above the melting point of the base nickel alloy material



1

Hot Isostatic Pressing

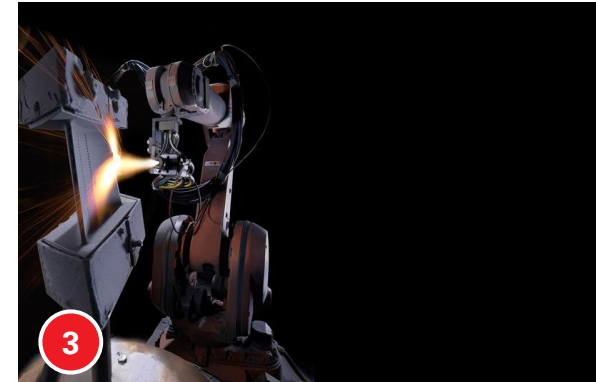
Heat and extreme pressure densifies the blade and removes microstructure weaknesses



2

Vacuum Heat Treatment

The blade is heated to 1,340C (near its melting point) in a precision vacuum furnace, increasing strength and fatigue resistance



3

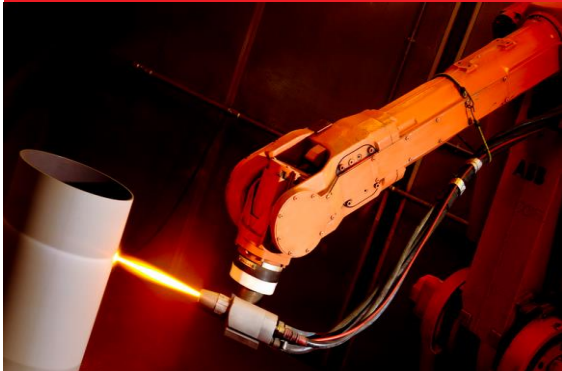
Surface Technology

An advanced thermal barrier coating is applied with a high velocity oxygen fuel (HVOF) spray

○ Specialist Technologies ● Precision Heat Treatment

World leader in performance metallurgy

Specialist Technologies



Advanced, differentiated processes to improve product strength, performance & durability

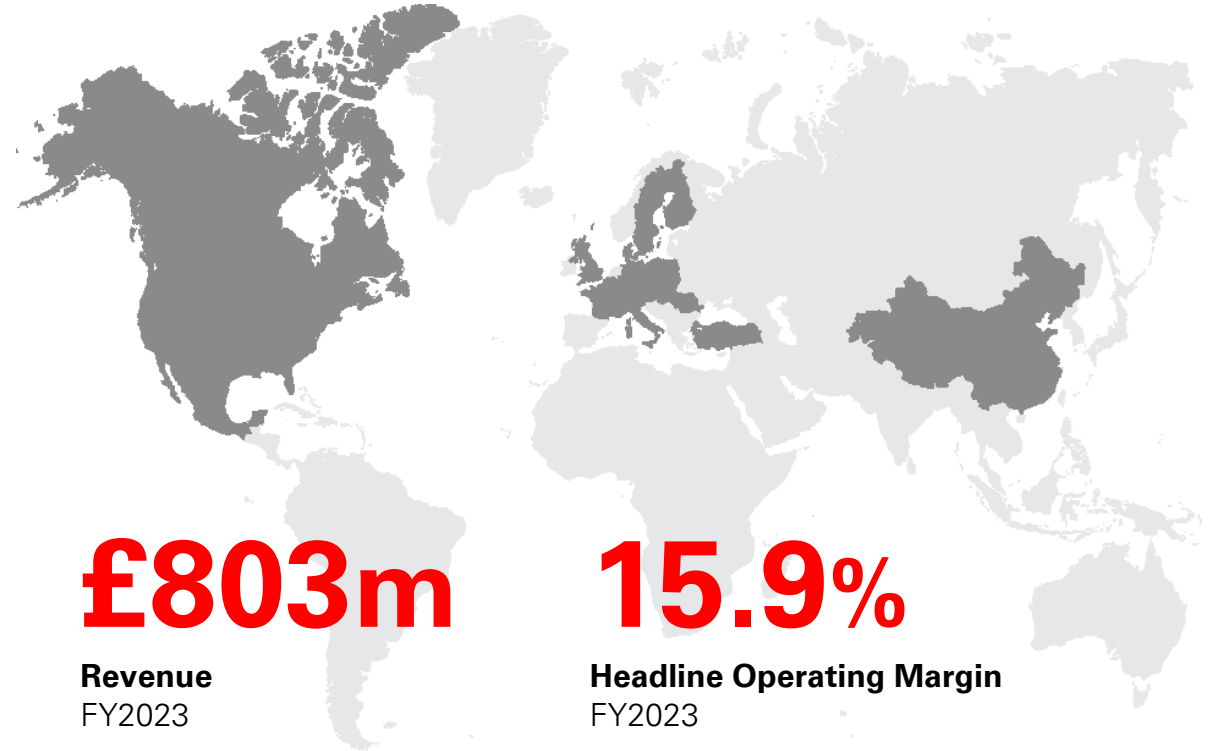
- Hot Isostatic Pressing (HIP)
- Surface Technology
- Specialty Stainless Steel Processes (S³P)

Precision Heat Treatment



Precisely controlled heating and cooling to achieve desired metallurgical properties

- Atmospheric & vacuum heat treatment
- Nitriding and Corr-I-Dur[®]
- Low Pressure Carburising (LPC)



£803m

Revenue
FY2023

15.9%

Headline Operating Margin
FY2023

14.8%

Return on Capital Employed
FY2023

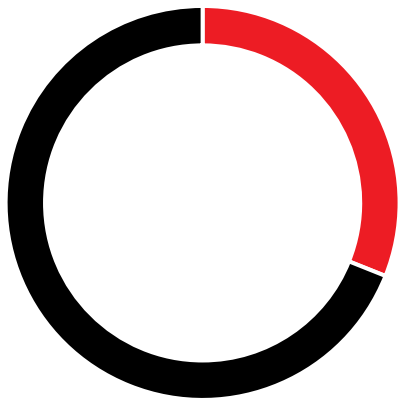
~ 4,800

Employees across ~155 sites
in 22 countries

Attractive exposure

TECHNOLOGIES

- Specialist Technologies
 - Differentiated set of high growth processes
 - High barriers to entry and technical know-how
- Precision Heat Treatment
 - Broad process offering and unique asset base
 - Includes new & cleaner processes (e.g. LPC)

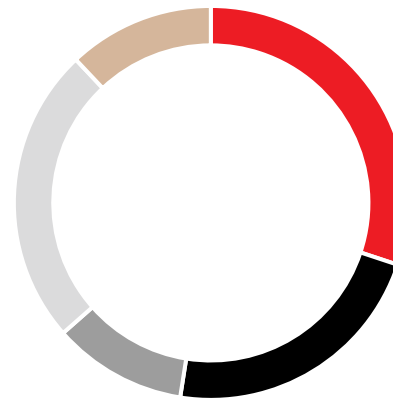


Core revenue by process: HY 2024

Specialist Technologies	~30%
Precision Heat Treatment	~70%

END MARKETS

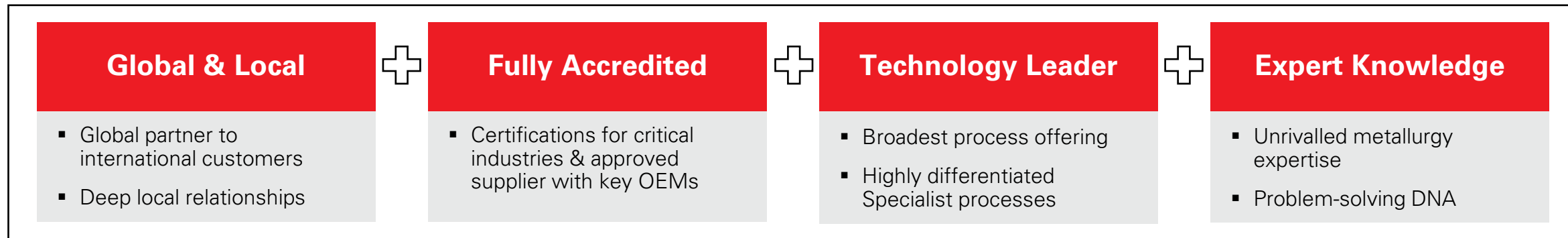
- Diversified exposure to a broad range of end markets with different cycles, providing resilience
- Structural growth exposure across Aerospace & Defence, Power Generation and other industrial niches
- Sizable portion of aftermarket revenues in Aerospace & Defence, Energy and Industrial Markets



Core revenue by end market: HY 2024

Aerospace & Defence	30%
Automotive	22%
Energy	11%
Industrial Markets	25%
Consumer, Medical & Other	12%

Set apart by clear differentiators



		# of sites	NADCAP certified sites ¹	Heat Treatment	Surface Technology	HIP	S ³ P
Bodycote		~155	~50				
Competitor # 1		<140	<10				
Competitor # 2		<100	<15				
Competitor # 3		<75	<10				
Competitor # 4		<50	<20				
Competitor # 5		<15	<10				
Competitor # 6		<15	<5				
Competitor # 7		<15	<5				

Relative market position

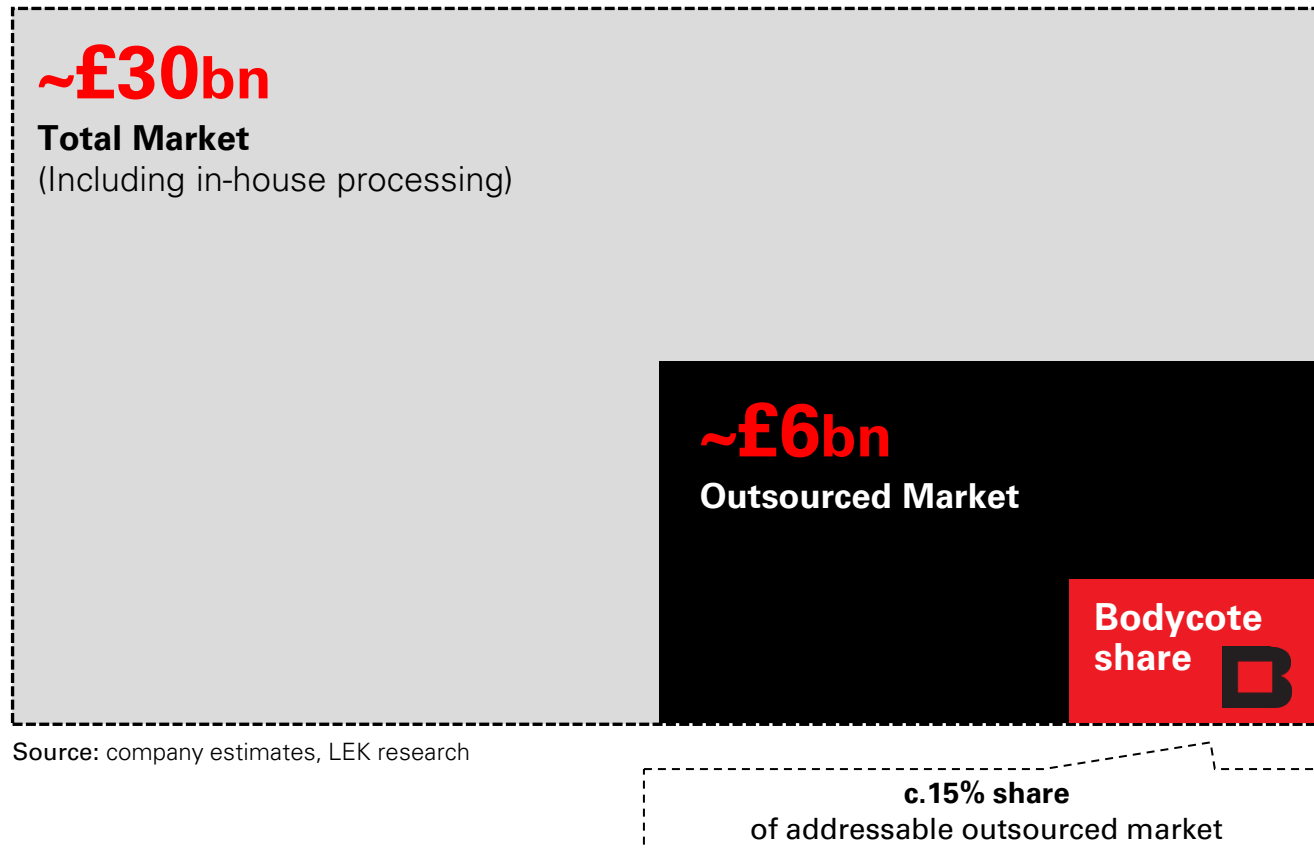


Source: company estimates, LEK research

¹ NADCAP: National Aerospace and Defense Contractors Accreditation Program

Our path to growth

We have access to multiple avenues for growth in a large and growing market

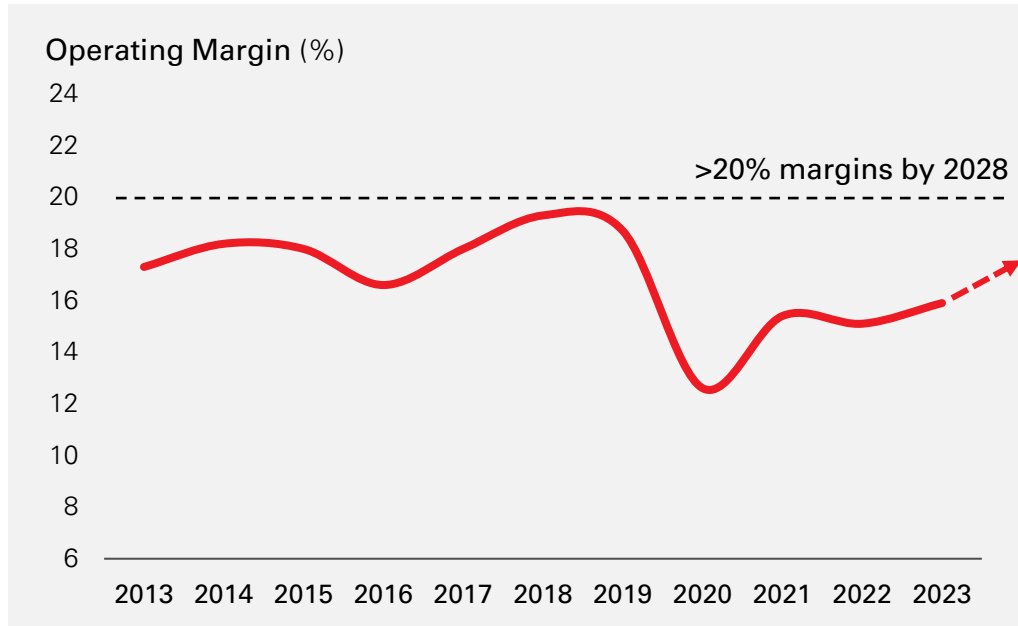


Source: company estimates, LEK research

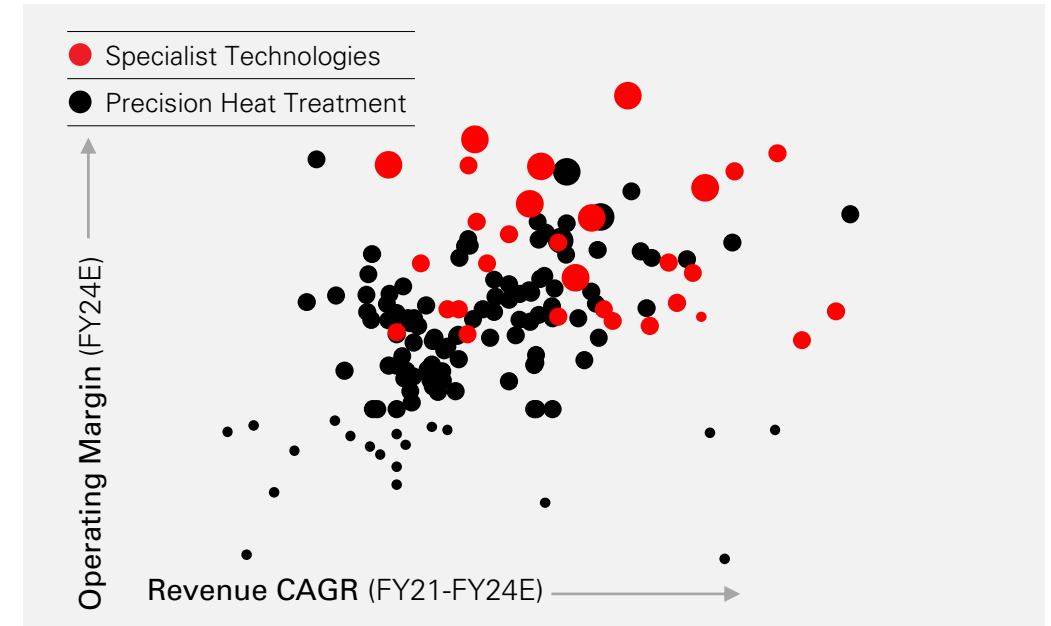
- 1 **Market growth**
 - Underlying end market growth, including structural growth markets (e.g. Aerospace)
- 2 **Increasing product requirements**
 - Demand for lighter, stronger & more durable products drives faster growth in Specialist Technologies, which are typically outsourced
- 3 **New Specialist Technologies applications**
 - Developing the Specialist Technologies market with new potential applications
- 4 **Accelerating trend to outsourcing**
 - Carbon reduction opportunity and supply chain migration support increased outsourcing
- 5 **Market share gains**
 - Room to increase share further, including by accessing previously unaddressed geographies

Significant margin potential

MARGINS IMPROVING POST-COVID



SIGNIFICANT VARIABILITY ACROSS SITES



Size of circle denotes revenue scale

- Three key levers to drive operating margin expansion
 - Tackle underperforming plants
 - Improve operational performance and reduce variability
 - Mix shift driven by growth in Specialist Technologies

- Specialist Technologies sites have consistently high margins
- Precision Heat Treatment variability reflects inconsistent operational performance, and a small tail of sites engaged in lower value-add activity

Clear opportunity to create value

Today: Solid foundations

Performance

- Operating margins of ~16% (FY 2023)
- ~30% of revenue from Specialist Technologies (FY 2023)

Opportunity

- Variable operational performance
- Tail of underperforming sites
- Potential for growth acceleration

Mid Term: Significant value creation

- Mid-single-digit revenue growth through the cycle
- Operating margins >20% by 2028 and attractive return on capital
- Specialist Technologies 35-40% of revenue
- Portfolio focused on high value-add processes
- Leading customer experience & service
- Deep customer intimacy as a global partner
- Greater resilience & continued cost flexibility

Enabled by three strategic levers:

Optimise

Enhance the portfolio and operating model of the business

Perform

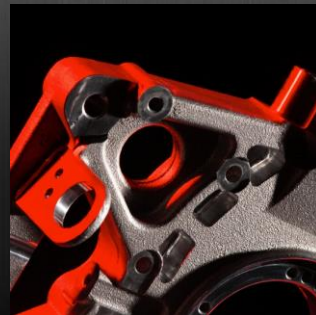
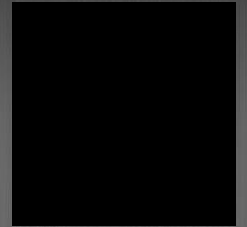
High quality continuous improvement programme and standardised processes

Grow

Robust growth framework to outperform the market with rigorous capital allocation

OPTIMISE

JIM FAIRBAIRN



New Core divisional structure

Greater accountability and strategic alignment as we drive execution through two new platforms

Specialist Technologies

- Concentrated Specialist Technologies division
- Aligns reporting structure with Group strategy

- **>£1bn addressable market**, growing faster than underlying end markets as adoption increases
- **Position:** leading market positions in HIP and S³P; growing #3 in Surface Technology



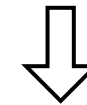
Primary focus: GROW

- Grow addressable market via new applications
- Invest and expand in new geographies
- Preserve technology leadership

Precision Heat Treatment

- High-quality heat treatment platform
- Includes advanced, lower carbon forms of heat treatment

- **~£5bn addressable market**, growing with end markets and increasing outsourcing trend
- **Position:** market leader with global scale, and strong positions in higher value-add and cleaner processes



Primary focus: OPTIMISE & PERFORM

- Optimise footprint and improve execution
- Drive operating margin improvement
- Selective growth investment in attractive markets

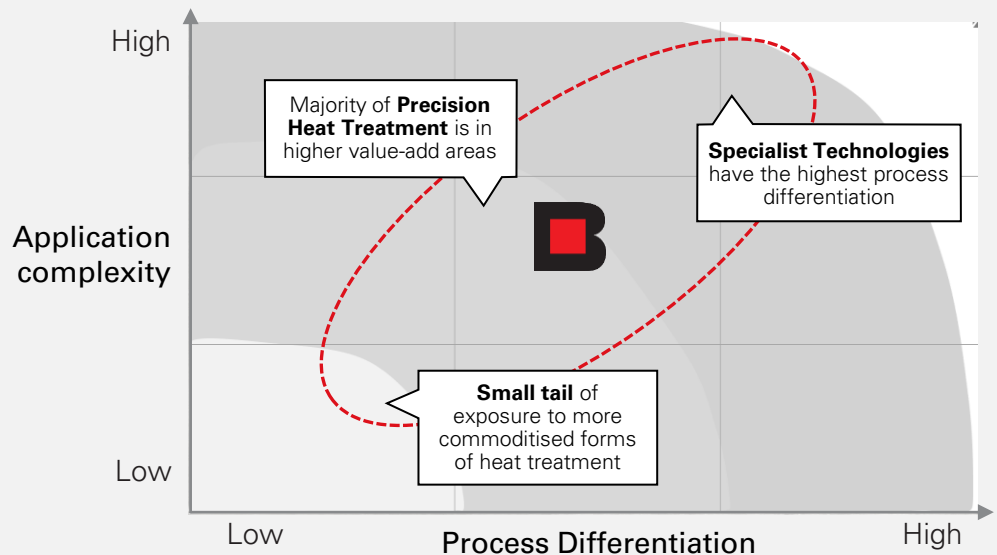
Portfolio review

Two key criteria underpin our plant portfolio review

STRUCTURAL QUALITY

- Complexity of process & application criticality
- Local demand outlook & competitive intensity

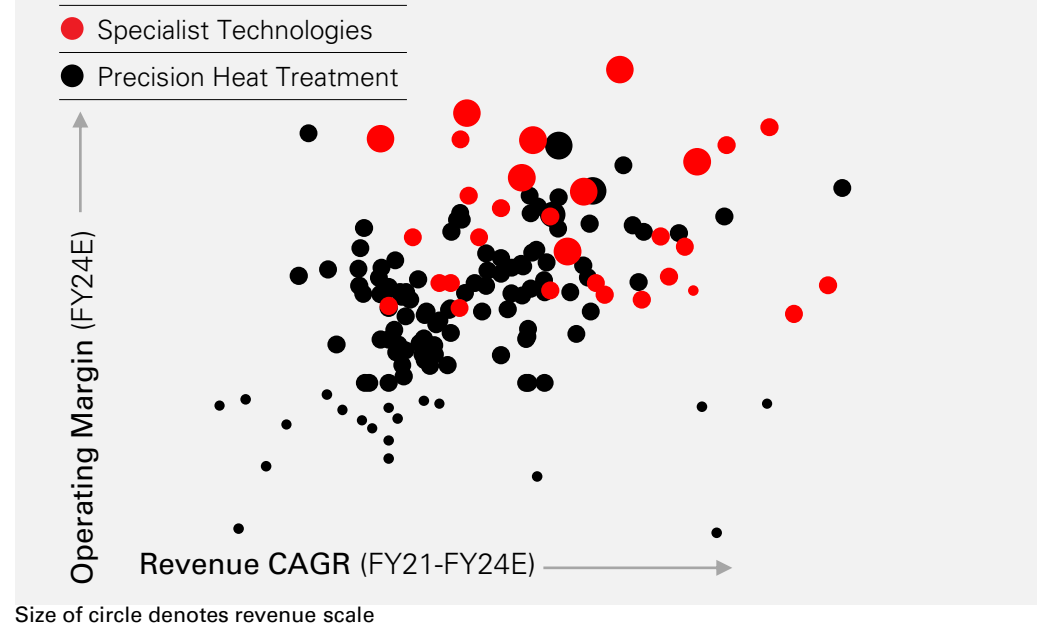
Quality is highest with more differentiated processes or when serving critical applications



FINANCIAL PERFORMANCE

- Growth
- Operating margins
- Return on capital

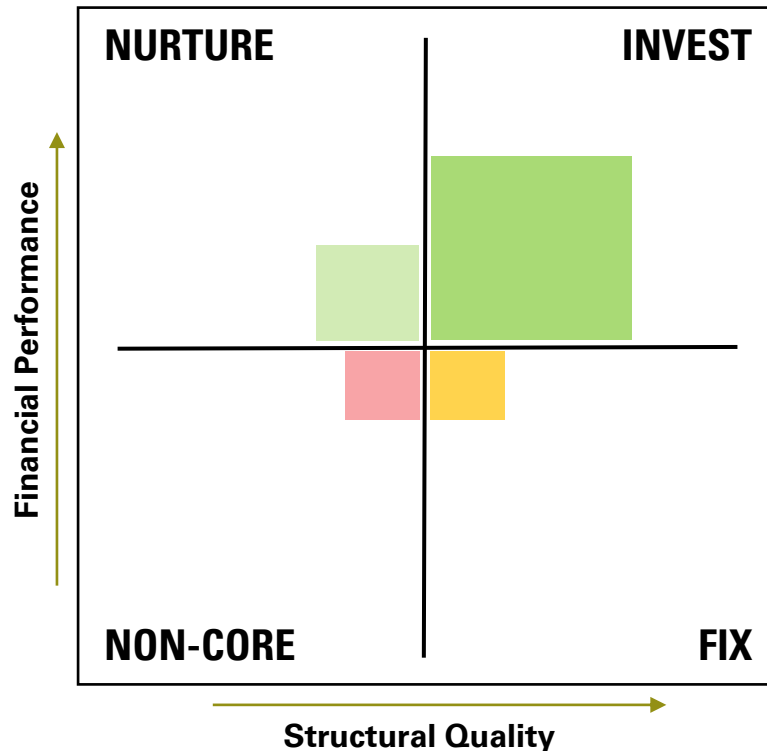
Financial performance is currently varied, with a mixture of structural and operational drivers



Providing clear outcomes

Plant-by-plant review results in a clear set of implications for the portfolio

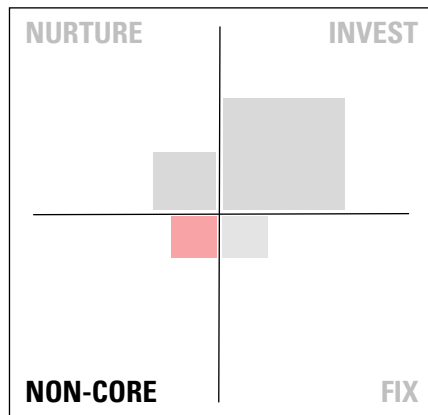
Bodycote revenue mix*



- Vast majority of sites deliver attractive returns
 - Focus on cash generation from nurture sites
 - Investment for growth in high structural quality areas
 - Continuous improvement potential
-
- Modest tail of underperforming sites in the portfolio today
 - Non-core represents areas of weaker financial performance and lower structural quality
 - Comprises ~6% of Group revenue and ~10% of capacity
 - Plan to exit across the next 24 months
 - Additional portion of underperforming sites with higher underlying quality – ‘fix’ plans in place to improve performance

* Not to scale

Optimising our footprint



Optimisation programme to exit non-core sites and accelerate improvement of 'fix' sites

- Will deliver a £12-14m operating profit benefit and a >200bps margin improvement, reflecting:
 - Removal of non-core capacity
 - Portion of revenue transferred to other locations, including 'fix' sites, at higher margins
 - Overhead savings (admin, sales, technical support) enabled by a smaller footprint
- Net one-off cash costs of £25-30m to execute, alongside an exceptional P&L charge
- Programme executed across 2025/26, with full benefits realised towards the end of 2026

Outcome: core business with an optimised, lower cost and lower carbon footprint

Recurring

+£12-14m net operating profit benefit

>200bps total operating margin improvement

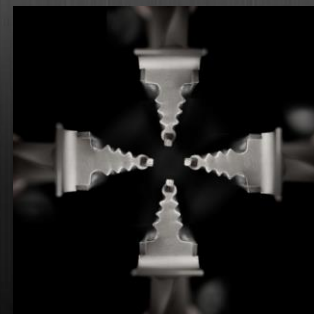
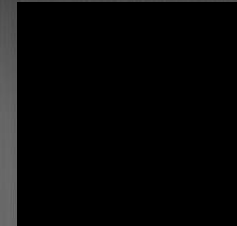
One-off

£25-30m

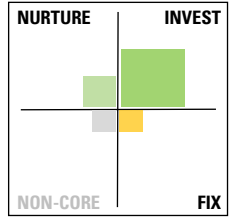
net exceptional cash costs

PERFORM

JIM FAIRBAIRN

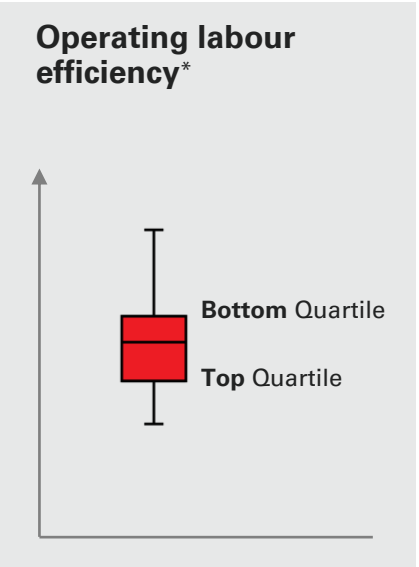
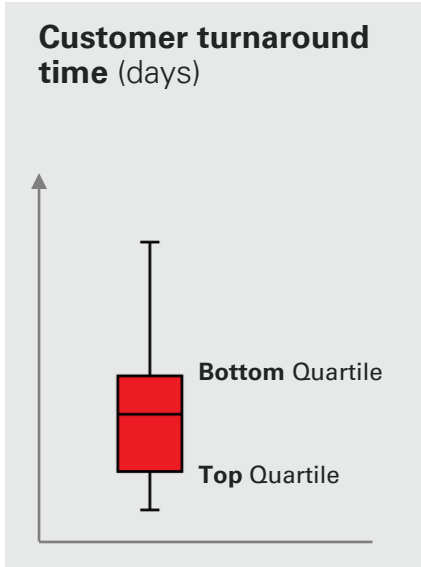


Delivering performance excellence

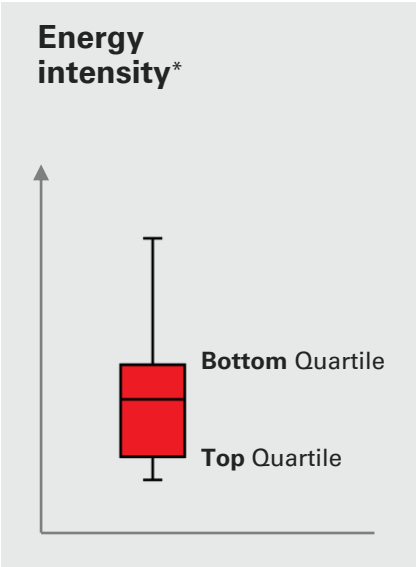


- Operational performance enables growth, improves margins, and reduces our carbon intensity
- Pockets of excellence exist today but performance is varied
- Room for substantial improvement in fix sites and continuous improvement in high-performing plants

Wide level of variability today across our sites



*Operating labour cost as a % of sales



*kWh / revenue



Bodycote HEAT framework

=

Integrated Bodycote framework to focus actions in one direction: towards performance excellence

Performance framework

- Pockets of excellence across our ~155 operating plants, but a lack of consistency and sharing
- **HEAT framework is designed to take the best of Bodycote and embed it across the Group**

H	High performance culture
E	Enhanced service quality
A	Agile cost base
T	Transitioning to a sustainable future

⇒ **Customer experience**

⇒ **Employee engagement**

⇒ **Growth & Margin**

HEAT – driving performance

H High performance culture

Bodycote Today

- Highly engaged local site teams
- Lack of interdivisional collaboration
- Decentralised operations
- Limited talent management and development

Levers

Simple steps to create a winning team

01 Right people with the right skills & attitude



02 Clear expectations through the organisation



03 Break down barriers and encourage collaboration

Underpinned by purpose, values & culture

Key internal KPIs

- Employee engagement
- Employee retention
- Training and development



Production and Quality Team in Bodycote Gebze, Turkey

HEAT – driving performance

E

Enhanced
service quality

Bodycote Today

Clear customer feedback:

- Highly regarded on quality, reliability and technical support
- Room to improve on turnaround times and customer experience

Caused by lack of standard operating processes and varied local capability

Levers

Commercial:

- Customer segmentation & mapping
- Knowledge advantage & engineering support
- Key account management

Operational:

- Daily management: safety, quality, delivery, cost
- Clear standards & best-practice sharing
- Productivity tools: visual flow, error-proofing, value stream mapping
- Problem-solving capability: gap analysis and root cause countermeasures

Key internal KPIs

- Turnaround time
- Utilisation
- Equipment downtime
- Net Promoter Score (NPS)



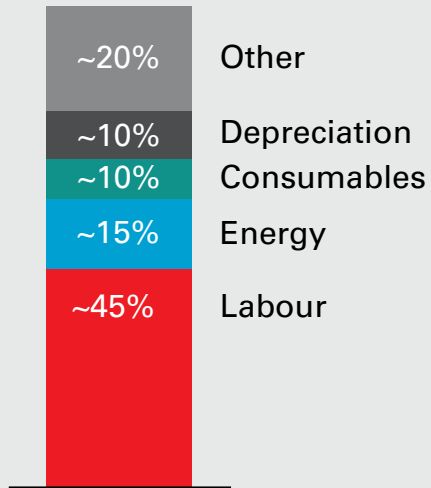
Daily management meeting in Prague, Czechia

HEAT – driving performance

A Agile cost base

Bodycote Today

Average site cost base
FY 2023



Levers

Further enhancing Bodycote's low cost and agile DNA

- Predictive maintenance & responsive repairs
- Flexible footprint with assets transferred based on need
- Consolidated procurement & process optimisation
- Optimised furnace utilisation (including 'coach-loading')
- Asset health & thermal efficiency management
- Temporary labour (~15% of total Group)
- Shift patterns & flexible working hours
- Efficient furnace loading & processing

Key internal KPIs

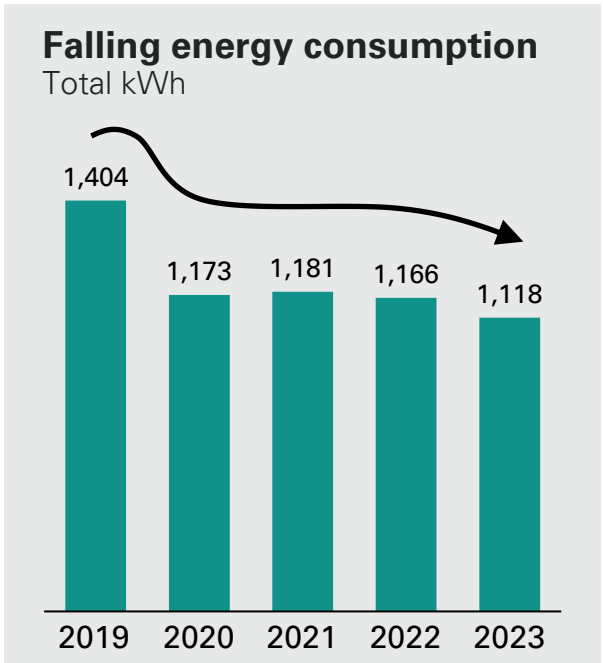
- Operational gearing performance
- Cost benchmarking (including labour efficiency)
- % labour flexibility



HEAT – driving performance

T Transitioning to a sustainable future

Bodycote Today

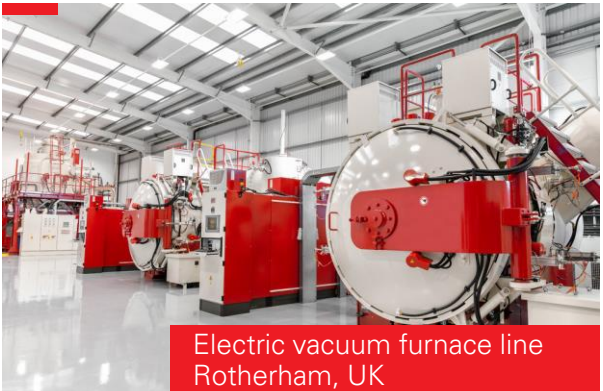


Levers

- Multiple avenues to continue driving energy efficiency
- Furnace management & utilisation:**
Efficient planning & loading to maximise utilisation and reduce hot idle time
- Process change:**
Shift towards energy efficient processes (vacuum, LPC & Specialist Technologies)
- Equipment & building:**
Electrification of gas furnaces, adiabatic cooling systems and building energy management (heating, lighting)
- Energy procurement:**
Switching to renewable energy sources

Key internal KPIs

- Energy intensity (sales/kWh)
- Absolute CO₂ reduction
- % renewable energy use



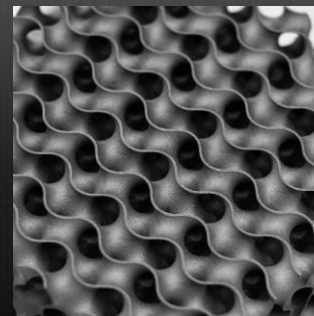
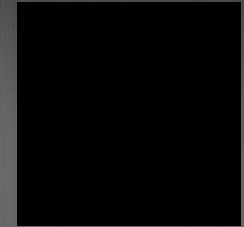
Delivering performance excellence



Roll-out to pilot sites is ongoing, with full roll-out to begin from 2025

GROW

JIM FAIRBAIRN



Driving accelerated, profitable growth

01

Target high growth areas

~65% of our business is in areas with faster growth potential, with above-average margins

End Markets



Focus on end markets with structural, above-GDP growth potential

Processes



Drive adoption of Specialist Technologies and advanced heat treatments (e.g. LPC)

Geographies



Capture faster GDP growth and supply chain migration benefits in emerging markets

02

Accelerate via sustainability

03

Add M&A aligned with strategic objectives

Enabled by:

Growth investment

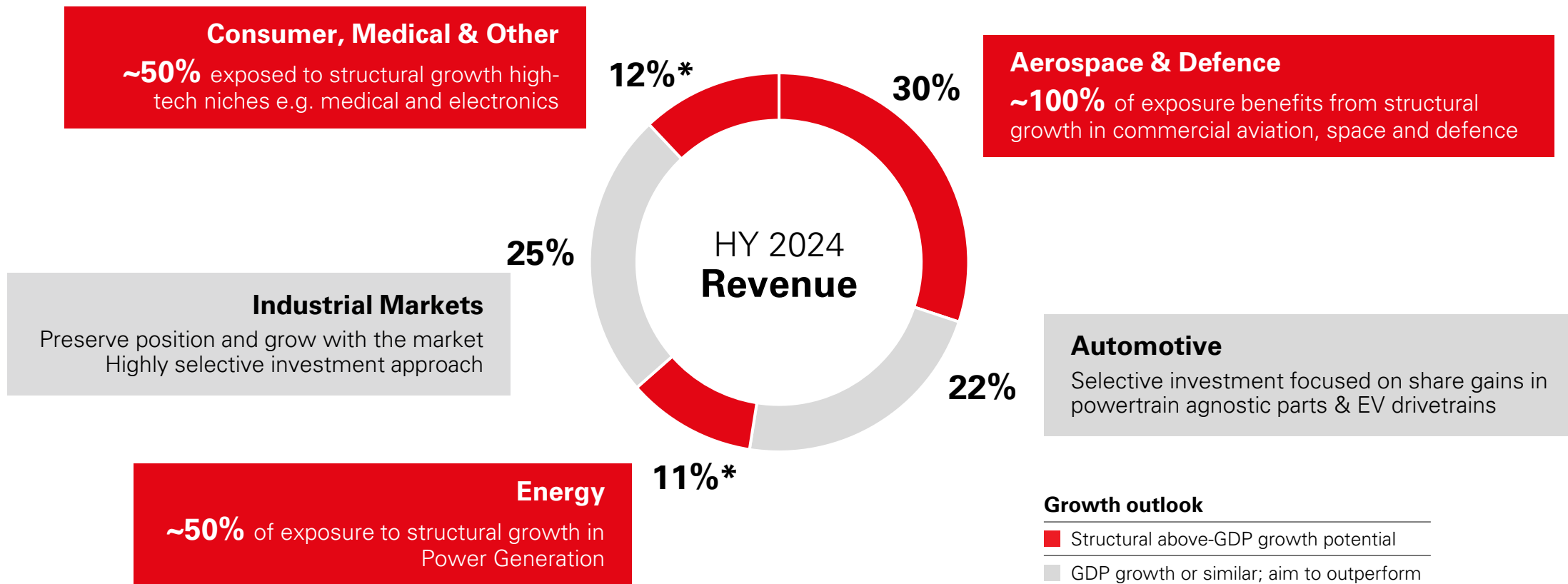
rigorous capital allocation process and investment hurdle rates

Commercial capability

including greater inter-divisional collaboration and enhanced strategic marketing

Clear end market approach

Focus on further developing our significant exposure to structural growth end markets
 (Aerospace & Defence, Power Generation, attractive niches)



*50% of segment is exposed to structural above-GDP growth

Aerospace & Defence

Diverse Aerospace & Defence exposure with strong position in aero engines



Aero Engines

~55%

Critical parts for OE and aftermarket. Balanced across OEMs.
Key programmes: LEAP, Trent family, GEnx



Other Aerospace

~20%

Aircraft systems, landing gear, helicopters, and structures.
Key programmes: A320, A350, 787, 737



Defence

~20%

Broad range of applications: engines, land vehicles, consumables



Space

<5%

Rocket and satellite components.
Key customers: SpaceX, Blue Origin, Ariane

Structural growth tailwinds across all sub-sectors

Forecast market growth CAGR (2024-29)¹

~10%

Large Commercial Aircraft OE 2025-29
Strong growth in production rates, supported by large backlogs

~6%

Aero engine MRO
Driven by above-GDP air traffic growth and fleet maturity

~4%

Defence spending
Growth in addressable markets driven by geopolitical tension

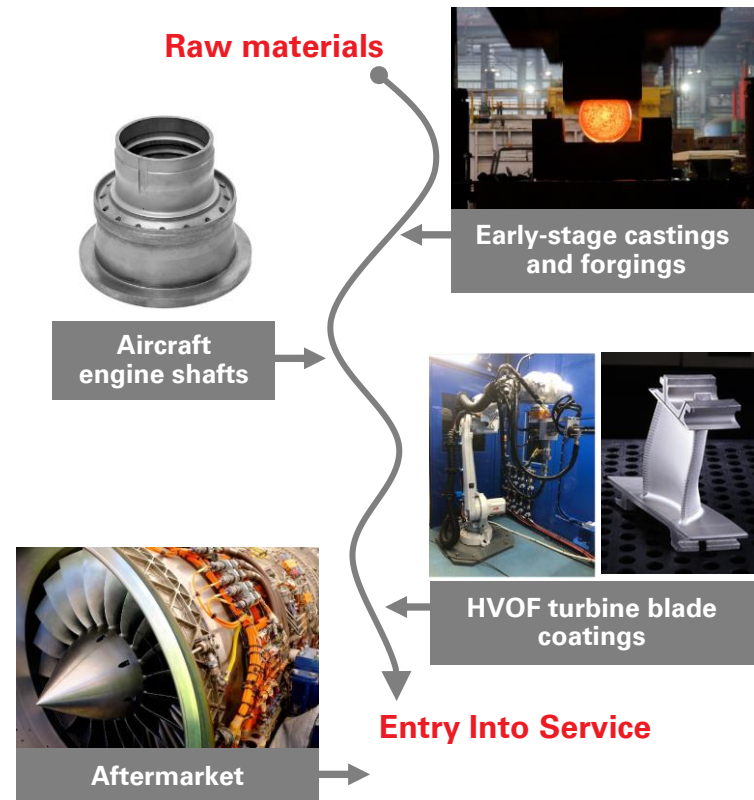
~9%

Space sector
High growth led by private Space companies and falling cost of rocket launches

¹ Sources: Forecast International; Aviation Week; SIPRI, Lowy Institute, Statista

Embedded across the supply chain

We treat parts throughout the supply chain of an aircraft, and beyond into the aftermarket



Power Generation

We service parts across a range of PowerGen applications



Industrial Gas Turbines

HIP of cast vanes and blades, thermal spray of turbine blades, strengthening of the centre frame – enhancing durability and efficiency



Renewables

Thermal processing of wind turbine transmission gearbox components – enhanced fatigue resistance, surface strength, and durability



Nuclear

HIP/PF applications for nuclear safety-critical components in large civil nuclear reactors and SMRs

Image: Framatome, primary circuit elbow manufactured in multi-ton HIP process

SIEMENS
energy
framatome

Solar Turbines
A Caterpillar Company

 **GE VERNOVA**

End customers

Manufacturers of industrial gas turbines, wind turbine and gearbox components, and nuclear engineering companies

Rising electrical power demand set to drive growth

- Overall power generation to grow at ~3% p.a. on average to 2029, with ~5% growth in our key sub-sectors¹
 - Clean energy demand driving ~7% p.a. growth in renewables
 - Growing and maturing industrial gas turbine fleet enabling mid-single digit growth driven by aftermarket
 - Modest near-term growth in Nuclear; longer term acceleration potential including Small Modular Reactors

¹Source: Fitch BMI, company estimates

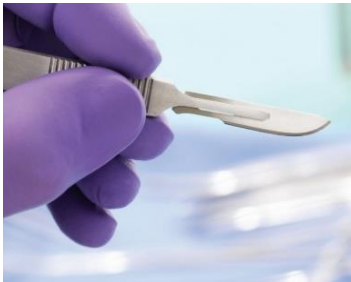
High-tech niches

Medical equipment



Body Artificial Joints & Dental Implants

Hot Isostatic Pressing of knee, hips, dental implants – increasing use of 3D printing



Surgical Tools

S³P of stainless steel surgical tools



End customers

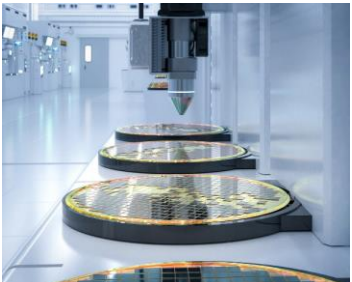
Leading global medical technology & healthcare companies

Demographics and innovation drive attractive growth outlook

- ~7% CAGR in 2024-29 expected in the global artificial joints market¹
- Ageing population and expanding healthcare in emerging economies
- Product innovation: 3D printing enabling personalised, precision designs
- Temporary de-stocking headwind expected to ease during 2025

¹Source: Fitch BMI, Statista

Semiconductors



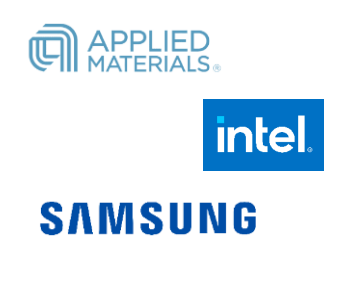
Chip production equipment

Specialist treatment of production components to avoid contamination in vacuum production environments



Lamp Housings

Braze Assembly of lamp housings supporting chip manufacturing



End customers

Global leaders in semiconductor manufacturing equipment

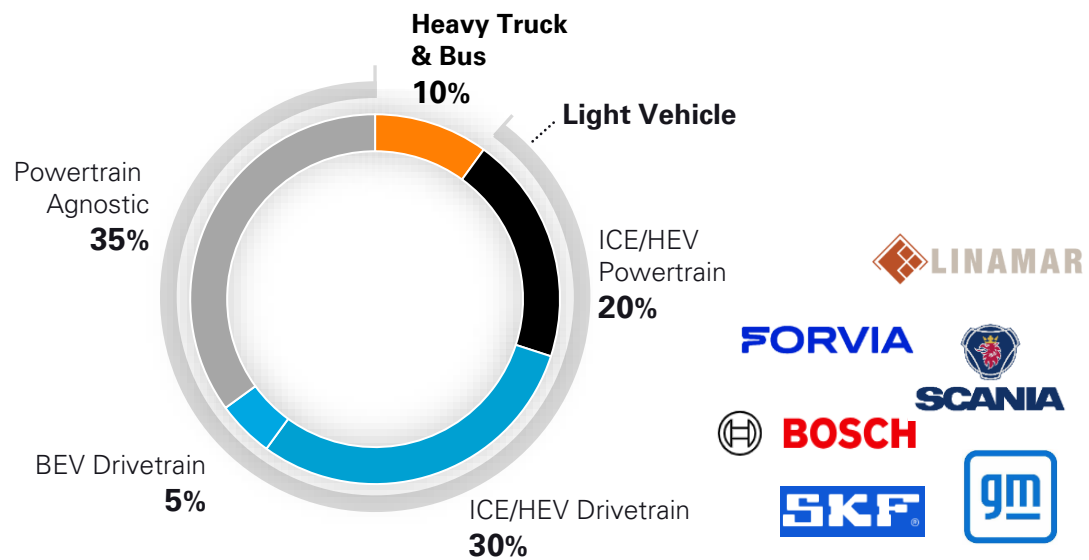
Computing demand driving growth

- ~10% CAGR expected in semiconductors 2024-29¹, becoming a \$1tn dollar industry by 2030
- Driven by demand for cloud computing, AI, and wireless applications

Automotive

We have a diversified Automotive exposure...

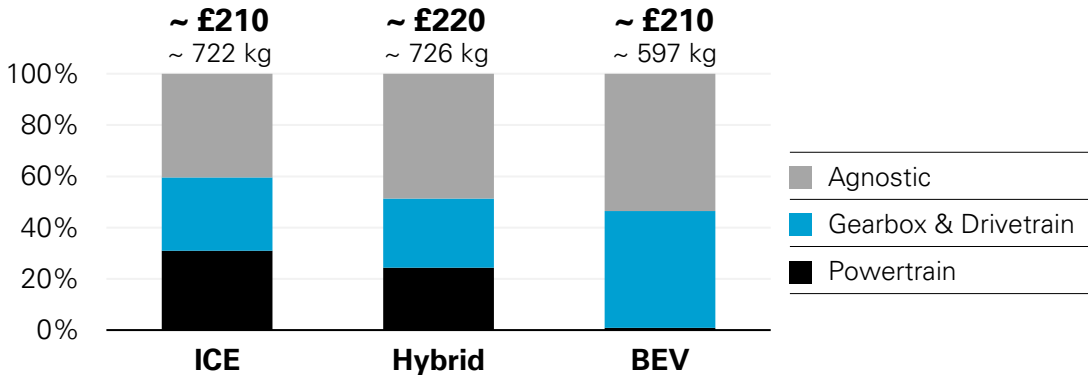
- Broad exposure: drivetrain and ICE & Hybrid vehicle agnostic parts
- Powertrain agnostic components (e.g. braking & steering systems) applicable across ICE, Hybrid and BEV



...and are well positioned to handle the powertrain transition

- ~2% growth p.a. expected in light vehicle production 2024-2029 (IHS)
- **Significant structural shifts occurring:**
 - Gradual BEV transition with a longer ‘hybrid phase’
 - Faster pace of product innovation
 - Production shifting toward China and emerging markets

Heat treatment value per vehicle*



*Total opportunity including insourced for an all-wheel-drive medium-sized vehicle
Source: company estimates, LEK research

OUR FOCUS

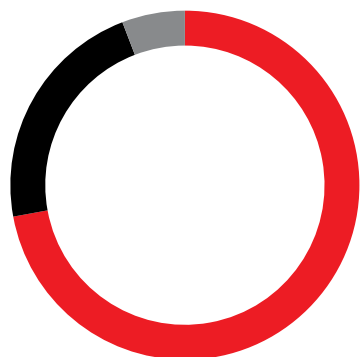
- Continue to grow our exposure to agnostic parts
- Capture a share of the sizable EV drivetrain opportunity
- Further increase penetration with Chinese EV OEMs

Industrial Markets

End markets  Processes  Geographies 

Wide range of end market applications

- Focus on components for machining, machinery and tooling used across a wide range of industries
- Significant exposure to equipment for mining, construction and agriculture



■ Manufacturing, Machining, Tooling	72%
■ Construction, Mining, Agriculture	22%
■ Other	6%

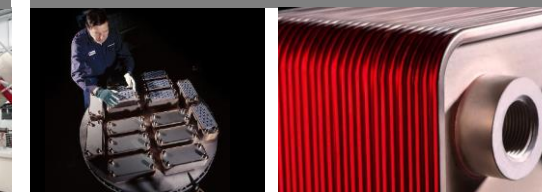
End customers & applications

LIEBHERR **TIMKEN**   **coperion** 

Heat treatment of machining & tooling parts



Vacuum Brazing of heat exchangers



S³P Kolsterising® components – tooling, valves, pumps



Near-term demand challenges expected to ease but timing is uncertain; longer-term focus on quality and differentiation

- Subdued level of industrial activity in Europe and North America
- Recovery is expected but the timing remains uncertain



OUR FOCUS

- Retain cost base agility and flexibility
- Target higher value-add and lower carbon processes
- Differentiate through scale, service level and quality

Driving process adoption

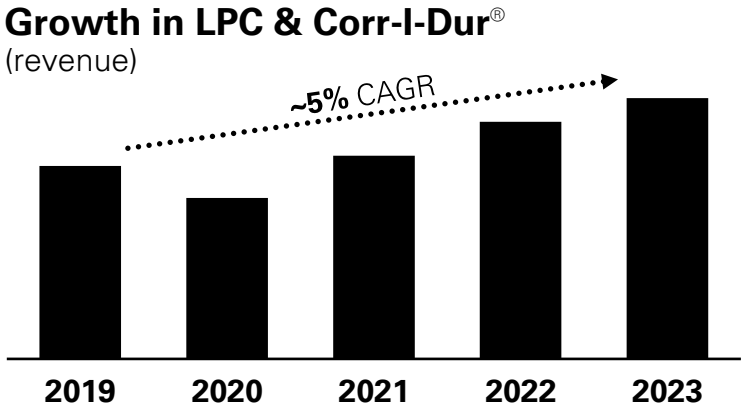
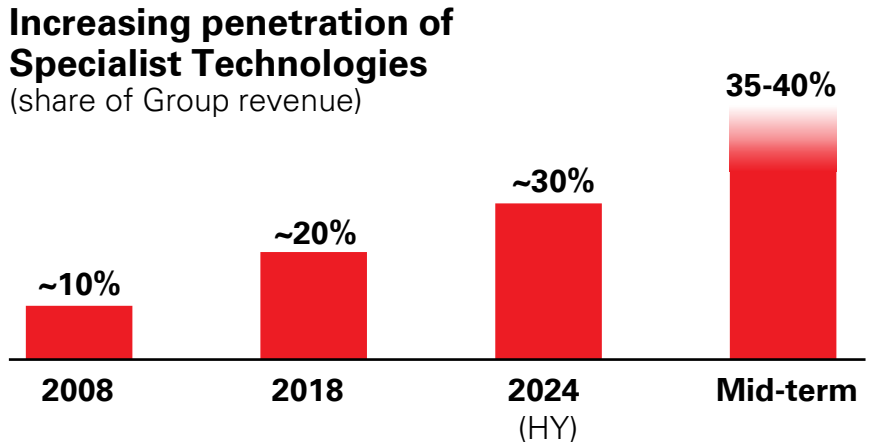
Increasing demands on product performance are driving adoption of Specialist Technologies and advanced heat treatment processes

Specialist Technologies

Hot Isostatic Pressing (HIP)	Specialty Stainless Steel Processes (S ³ P)	Surface Technology
<p>Additional trends:</p> <ul style="list-style-type: none"> Growth in additive manufacturing HIP Product Fabrication adoption for critical parts 	<p>Additional trends:</p> <ul style="list-style-type: none"> Unique process with focus on developing new applicable markets 	<p>Additional trends:</p> <ul style="list-style-type: none"> Replacing hard chromium plating

Precision Heat Treatment

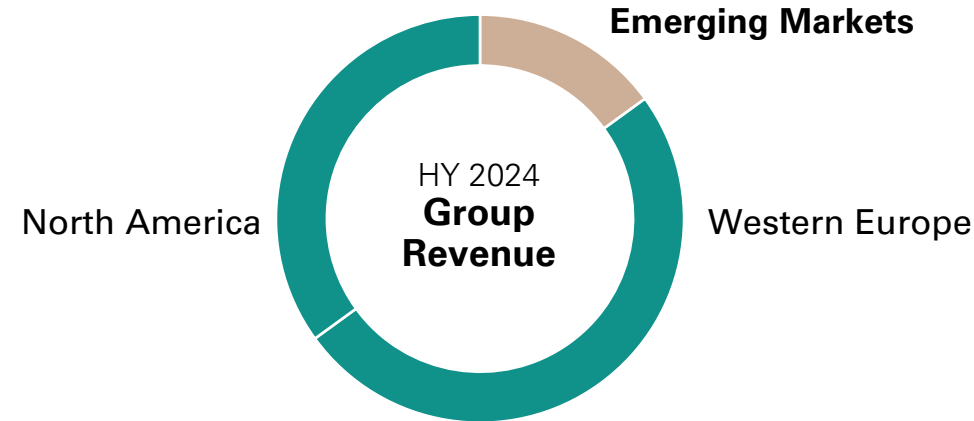
Advanced processes (Low pressure carburising & Corr-I-Dur [®])
<p>Additional trends:</p> <ul style="list-style-type: none"> LPC: lower distortion, faster processing time & significantly lower energy usage Corr-I-Dur[®]: hard chromium replacement



Geographic expansion

Today:

Strong positions in a selected number of emerging markets



Developed markets

- Leading market positions in Western Europe & North America
- **Disciplined investment** in Precision Heat Treatment, focused on attractive markets
- **Invest & grow** Specialist Technologies

Current Emerging Markets

- Eastern Europe, Turkey, China & Mexico
- **Build on strong positions** in Precision Heat Treatment
- Very limited Specialist Technologies presence – **selective deployment**

New Markets

- Explore new potential locations
- Precision Heat Treatment expansion must support **differentiated, value-add approach**
- **Selective deployment** of Specialist Technologies, while protecting IP

Significant geographic expansion opportunity in both Precision Heat Treatment & Specialist Technologies

Accelerating our trajectory

01

Target high growth areas

~65% of our business is in areas with faster growth potential, with above-average margins

End Markets



Focus on end markets with long term above-GDP growth potential

Processes



Drive adoption of Specialist Technologies and advanced heat treatments (e.g. LPC)

Geographies



Capture faster GDP growth and supply chain migration benefits in emerging markets

02

Accelerate via sustainability

03

Add M&A aligned with strategic objectives

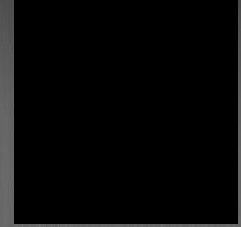
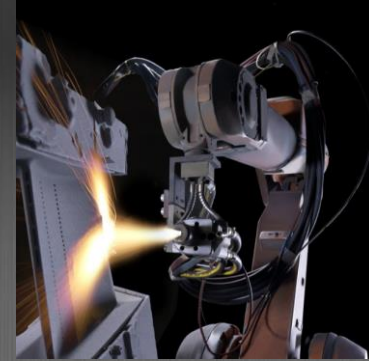


Mid-single digit growth through the cycle

Mix shift towards higher margin processes, end markets & regions

DEEP DIVE SPECIALIST TECHNOLOGIES

THOMAS OURY



The world leader in Specialist Technologies

3 BUSINESSES



Hot Isostatic Pressing (HIP)



Specialist Stainless Steel Processes (S³P)



Surface Technology (ST)

£212m

Revenue
FY 2023

~30%

of Group
revenues

£55.2m

Headline
operating profit
FY 2023

26%

Operating
margin

- Strong barriers to entry and clear competitive differentiation
- Established market leadership with diverse process offering
- Significantly outperforming typical market growth
- Materially exceeding the Group's average return on sales



REVENUE BY PROCESSES & END MARKETS

FY 2023

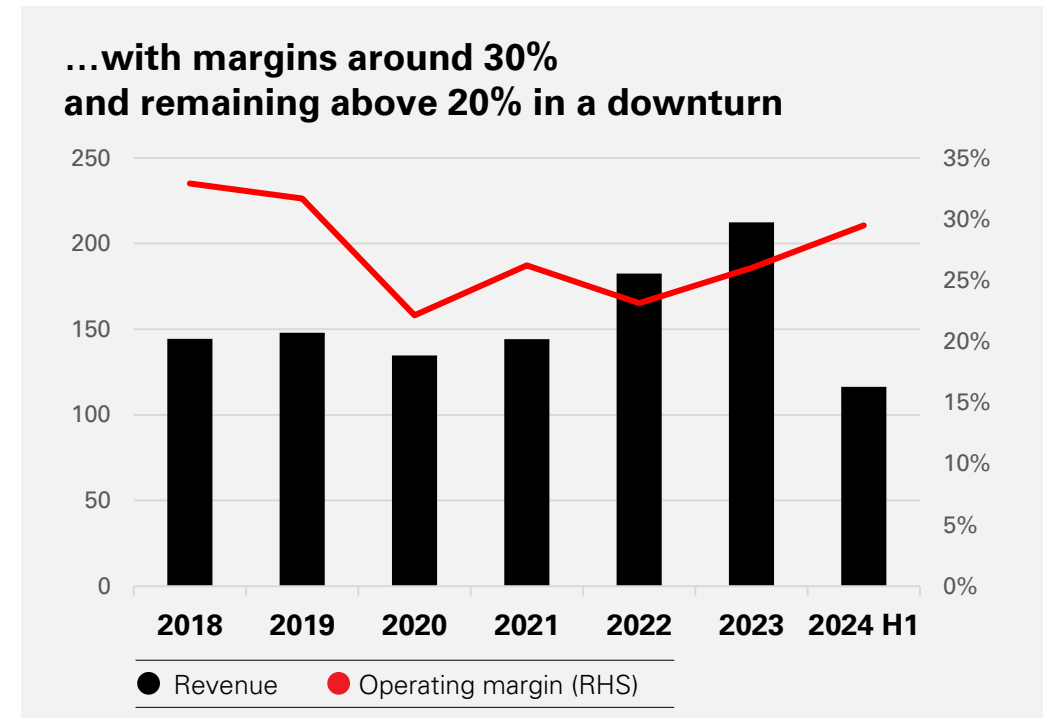
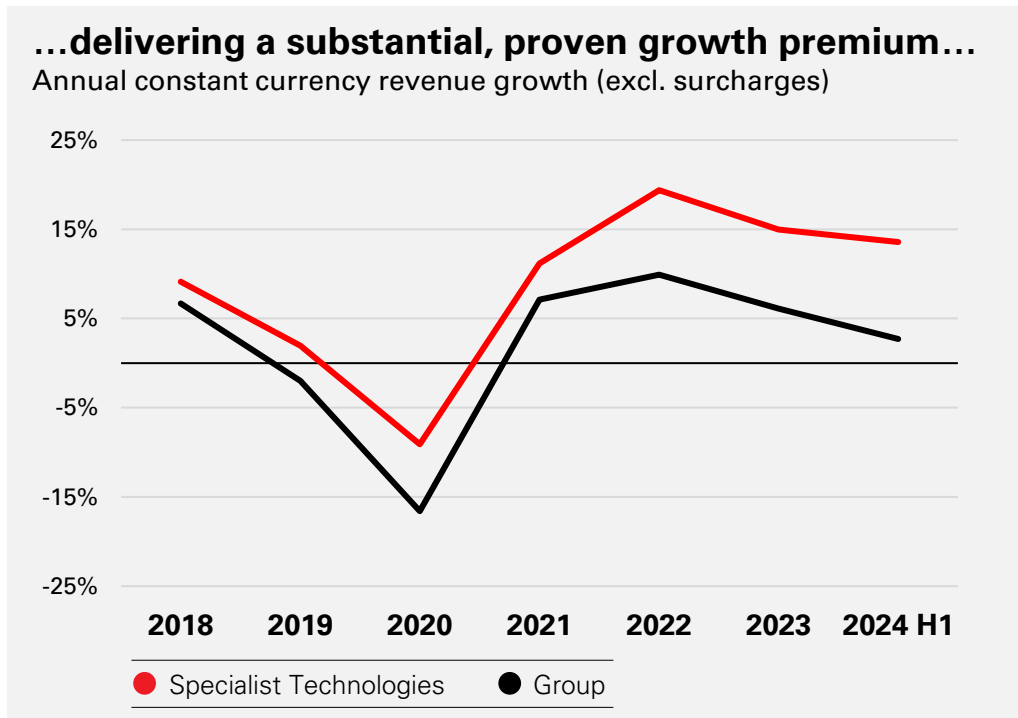


■ Aerospace & Defence	36%
■ Automotive	9%
■ Energy	21%
■ Industrial Markets	19%
■ Consumer, Medical & Other	15%

31 manufacturing sites
across North America and Europe

An attractive, resilient and growing business

Specialist Technologies continue to build as a share of Group revenue....



Hot Isostatic Pressing (HIP)

What is HIP?

Very high-pressure gas at elevated temperature is used to consolidate material and remove internal defects such as porosity and microcracks

HOT

Up to 2,000°C

ISOSTATIC

Pressure transmitted equally in all directions via a fluid

PRESSING

15,000 psi / 1,000 bar (same as Mariana Trench - 11,000m deep in Pacific Ocean) to 30,000 psi / 2,000 bar

Applications

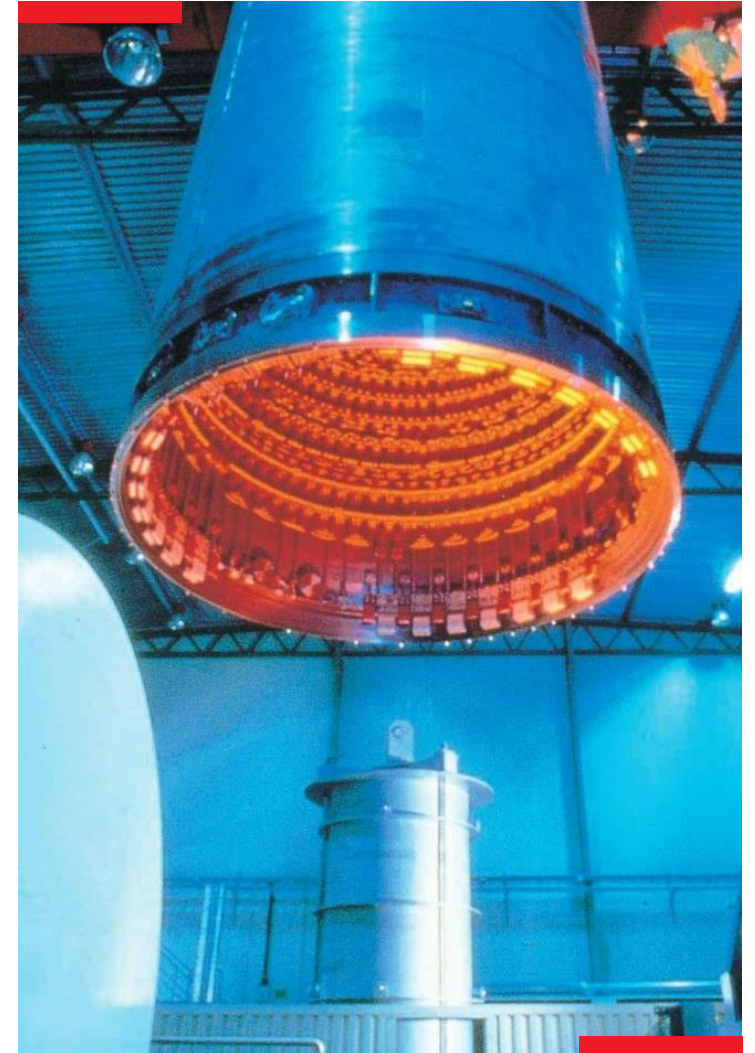
- Densification of casted product
- Diffusion bonding of different materials
- Production of steel components from powdered metal (Powdermet®)

Benefits

- Superior material properties
- Freedom of design
- Lower energy use and material waste
- Shorter lead time

Markets

- Aerospace & Defence
- Energy
- Medical
- Industrial Markets



Bodycote Powdermet® Hot Isostatic Pressing

CASE STUDY

1. Subsea Valve Block



Forged Valve Block Design
F22+625 Overlay (1000 Kg)



Optimised HIP Design
25Cr Duplex (450Kg)

Subsea processing equipment performs in extreme conditions: water depths up to 2,500m, in temperatures up to 180°C and pressures up to 1000 bar

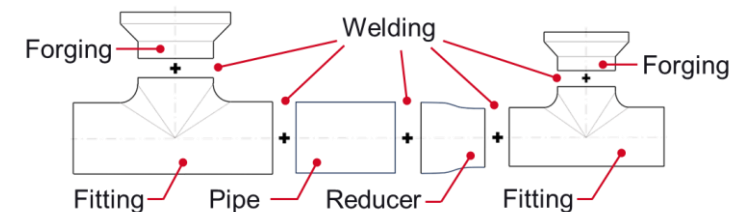
In this example the Powdermet® HIP design delivers:

- 55% Weight Reduction vs Forged (1,000kg vs 450kg)
- 65% Less Energy Use vs Forged
- 20% Shorter Lead Time vs Forged

2. Subsea Manifold

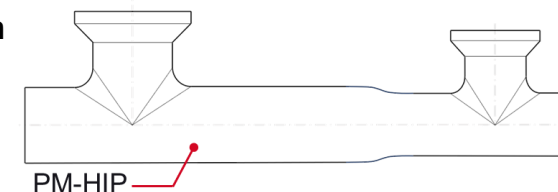
Conventional Solution

- Multiple parts
- Expanded supply chain
- Critical welds required
- **High Risk**



Optimised PMHIP solution

- Single part component
- Single trusted supplier
- No welding & stronger part
- **Low Risk**



HIP growth strategy

MARKET LEADER POSITION

- >50 vessels in operation – unique coverage and redundancy options to customers across Europe & North America
- 4x installed capacity vs. #2 player in Europe & North America
- Deep expertise in HIP technology and metallurgical applications

Organic growth

Strong growth potential in key underlying markets

- Further penetration driven by Additive Manufacturing



Business development

Expansion into adjacent markets through innovation

- Several adjacent markets incl. Powdermet® and non-metallic substrates
- 30+ projects in progress



Geographical expansion

Entering into new regions

- Recently delivered 3 major capacity projects
- 2 new expansion projects in planning



Acquisitions

Fragmented competition offers bolt-on opportunities

- 2 acquisitions in last three years
- 10+ potential targets



Speciality Stainless Steel Processes

What is S³P?

S³P processes, featuring Kolsterising® technology, offer unique surface hardening solutions for stainless steel

Stainless steel alloys offer corrosion resistance and non-magnetic properties

However, these alloys lack good friction and wear properties

S³P Improves wear resistance by diffusing carbon / nitrogen, ideal for industrial and consumer uses

Markets & Applications

From small components to large components into:

- Fastening solutions
- Medical
- Food & beverage processing
- Consumer products
- Pumps and valves
- Oil & gas
- Automotive

Benefits

Enhanced cost efficiency and performance

- Extended part lifespan
- Increased surface hardness up to 8x

Advantages over coatings and other technologies

- No cracking / delamination
- Uniform hardening
- No change in shape, colour or dimension
- Energy efficiency, low carbon footprint



S³P growth strategy

MARKET LEADER POSITION

- Proprietary technology
- Wide industrial reach with technical and commercial expertise
- 7 manufacturing sites across Europe and North America
- Over 5x the sales of the largest competitor

Organic growth

Good growth prospects
in key markets

- Potential for deeper penetration into existing markets and applications

Application development

Expanding the addressable market
through new applications

- 25+ new applications with significant growth potential in development

Geographical expansion

Entering into new regions

- 3 capacity expansions in progress
- 2 greenfield projects in new geographies in progress



Surface Technology (ST)

What is ST?

A wide range of specialised coating technologies, applied through a variety of complex processes, which enhance component life

Advanced applications requirements exceeding current material capabilities

Ceramic and metal coatings used to extend critical components' lifespan in extreme conditions

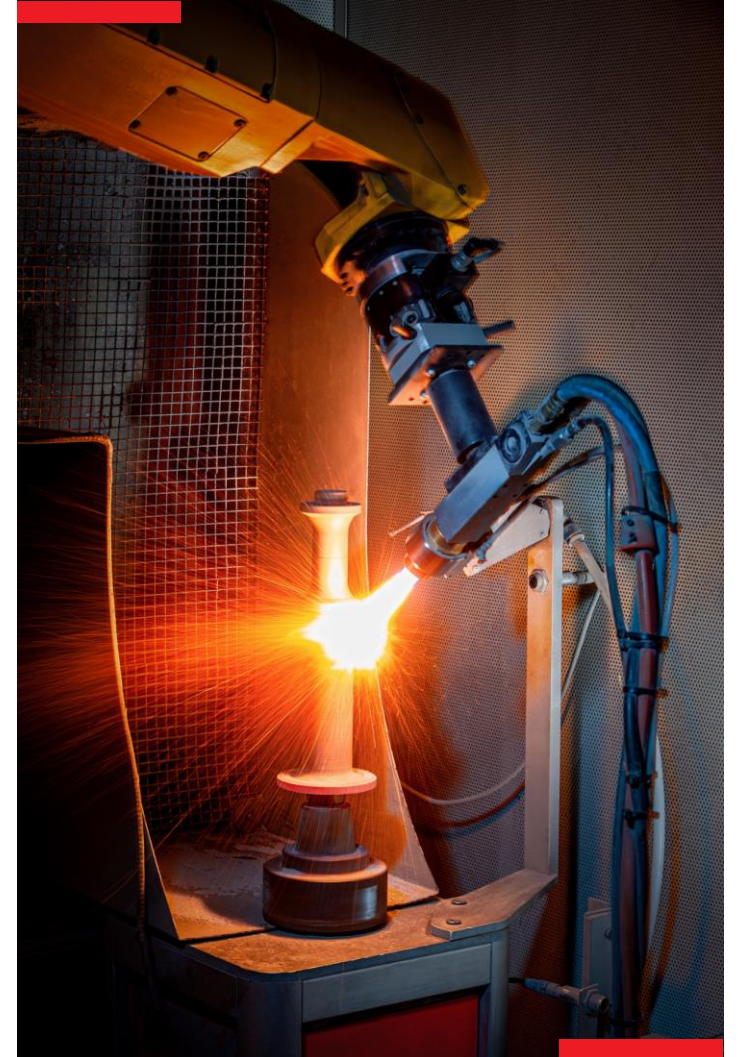
- HVOF
- Plasma
- Combustion spray
- Electric Arc Wire
- VPA

Markets & Applications

- Aerospace & Defense – Engines, Landing Gear and Structures
- Power Generation – Industrial Gas Turbines
- Oil & Gas – Exploration and Production
- Medical – Implants and surgical instruments

Benefits

- Wear & corrosion resistance
- REACH¹ compliant
- Gas tight sealing
- Thermal insulation and conductivity
- Vibration and sound absorbance



¹ REACH: Registration, Evaluation, Authorisation, and Restriction of Chemicals

ST growth strategy

MARKET POSITION

- #1 or #2 position in Europe and North America
- 13 plants covering over 100 applications
- Multiple long-term agreements and technology alignment with key customers

Organic growth

Good growth in established customers and markets

- High-volume programmes in commercial aerospace
- Global energy projects
- Multi-site qualifications

Application development

Targeting new applications

- Additive for Aerospace
- Components for Formula 1
- Specialist medical applications
- Defence, Space, Agriculture

Geographical expansion

Expanding into new countries

- 2 recent expansions targeting oil and gas
- 4 geographical expansion projects in progress

Grow addressable market

Developing business models

- MRO market
- End-to-end processes
- Product innovation and IP
- M&A



Growth model and perspectives

Established leadership position

- Global leader in safety-critical applications
- Broad manufacturing footprint and commercial reach
- Portfolio of differentiated technologies
- Strong technical expertise



Large growth potential

- Total Addressable Market ca. £1.6bn
- Further growth and penetration potential:
 - Application development
 - Geographical expansion
 - New offerings and business models
 - M&A



Clear growth model

- 'Capture' growth for existing markets and applications
- 'Create' growth to increase addressable market in Powdermet[®], S³P and ST
- Supported by capital investments

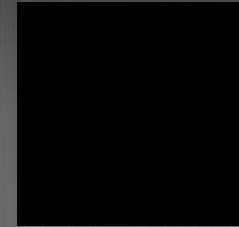
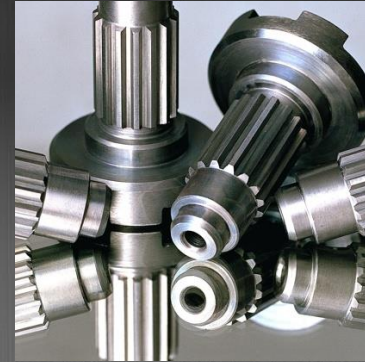


Superior growth rates and profitability - Throughout the cycle, aiming at:

- High-single digit average growth through the cycle
- 35-40% of Group revenue in 2028
- >30% margins

DEEP DIVE PRECISION HEAT TREATMENT

RICK LLOPE



World leader in thermal processing

£535m

Revenue
FY 2023

~70%

of Group
revenues

£94.0m

Headline
operating profit
FY 2023

18%

Return on sales

- **World's leading provider** of outsourced heat treatment
- **Global presence** and ability to be an international partner
- Broad range of processes and unique asset base
- Includes newer, lower carbon technologies (e.g. LPC)
- Focus on higher value-add processes & applications



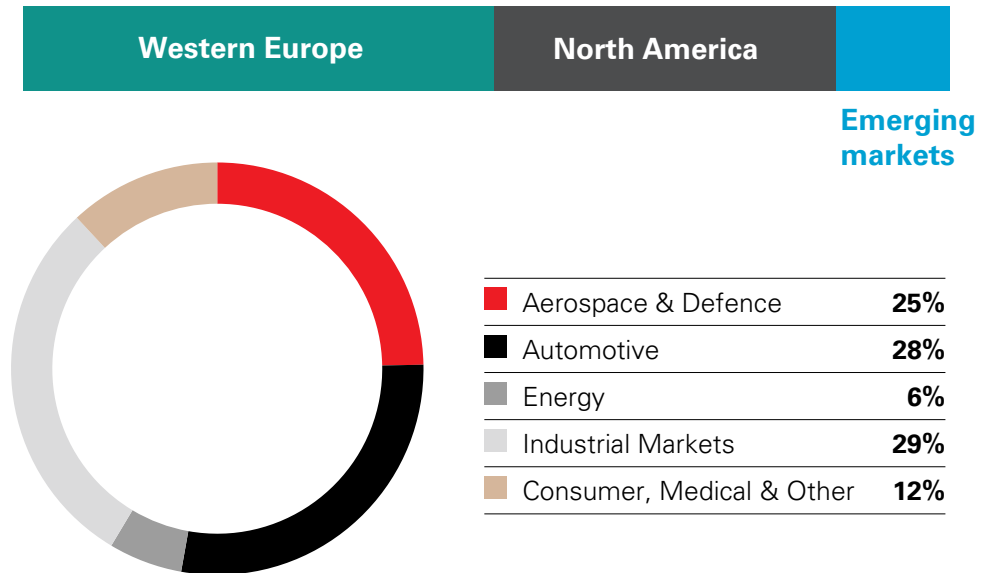
TIMKEN



Honeywell

REVENUE BY GEOGRAPHY & END MARKET

FY 2023

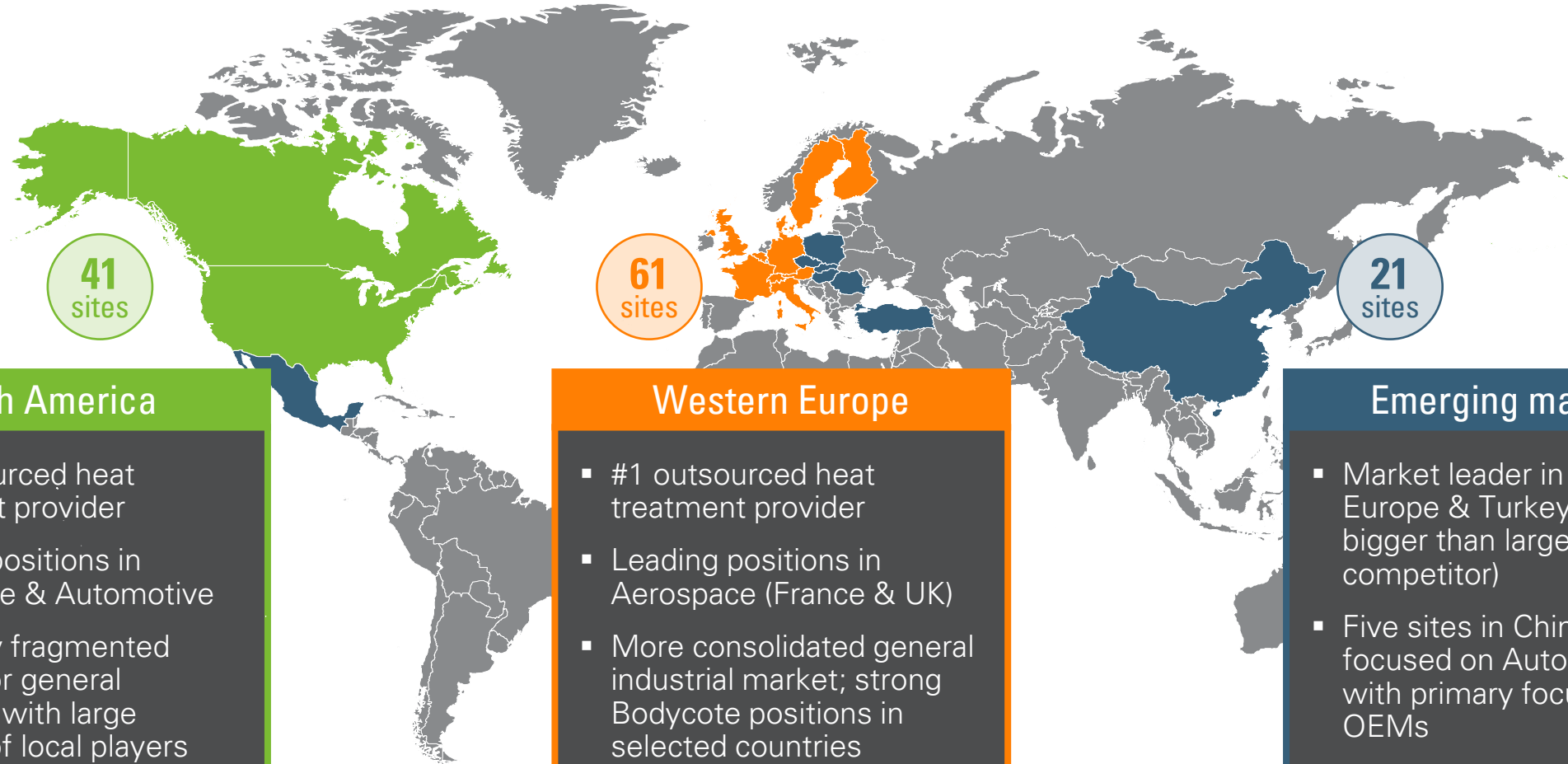


123 locations*

across North America, Western Europe
Eastern Europe & China

*before optimisation actions

Strong worldwide footprint



41 sites

61 sites

21 sites

North America

- #1 outsourced heat treatment provider
- Leading positions in Aerospace & Automotive
- Relatively fragmented market for general industrial with large number of local players

Western Europe

- #1 outsourced heat treatment provider
- Leading positions in Aerospace (France & UK)
- More consolidated general industrial market; strong Bodycote positions in selected countries

Emerging markets

- Market leader in Eastern Europe & Turkey (3 times bigger than largest competitor)
- Five sites in China, focused on Automotive with primary focus on local OEMs

of sites shown before optimisation actions

Broad range of heat treatment processes



Continuous Atmospheric

- Mesh belt hardening, carburizing
- Roller hearth hardening, annealing



Batch Atmospheric

- Batch atmospheric processes
- Gaseous nitriding, nitrocarburizing



Vacuum / Lower-Pressure

- Vacuum heat treatment
- Low Pressure carburising (LPC)
- Vacuum gas nitriding, Ferritic nitrocarburizing (FNC) & Corr-I-Dur® (CID)
- Plasma ion nitriding

**Decreased Differentiation
High Energy Intensity**

**Increasing Differentiation
Flexible Equipment / Energy Intensity**

**Higher Differentiation
Low Energy Intensity**

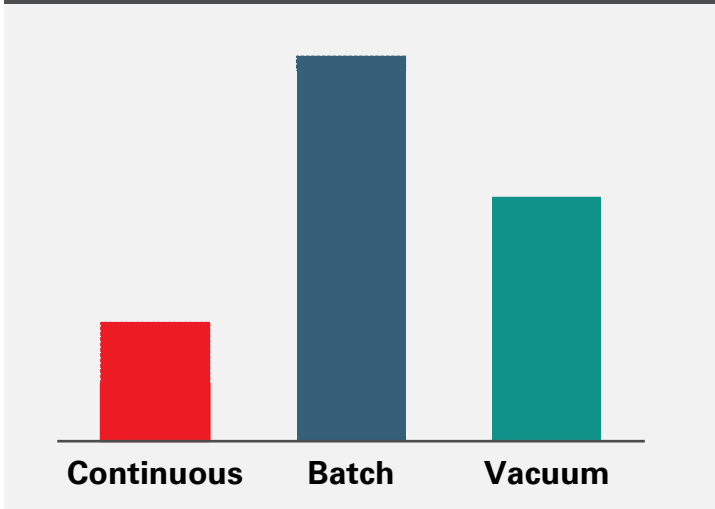
Creating precision heat treatment

Precision Heat Treatment is focused on Bodycote's differentiators – higher value-add processes and greater customer requirements, and is a world leader in advanced and low carbon heat treatment

- Footprint review completed, identified non-core capacity to be exited (including plants & individual process lines), with a portion of revenues retained in our network

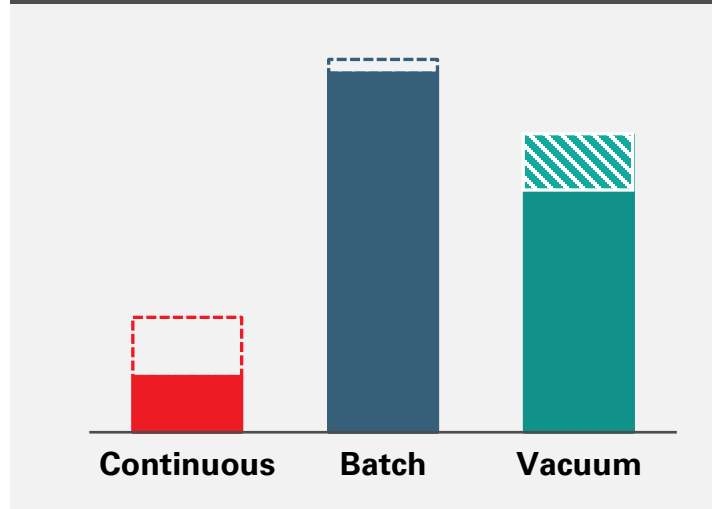
01 'Classical' Heat Treatment scope

- Predominantly higher quality processes
- Modest tail of lower value-add activity



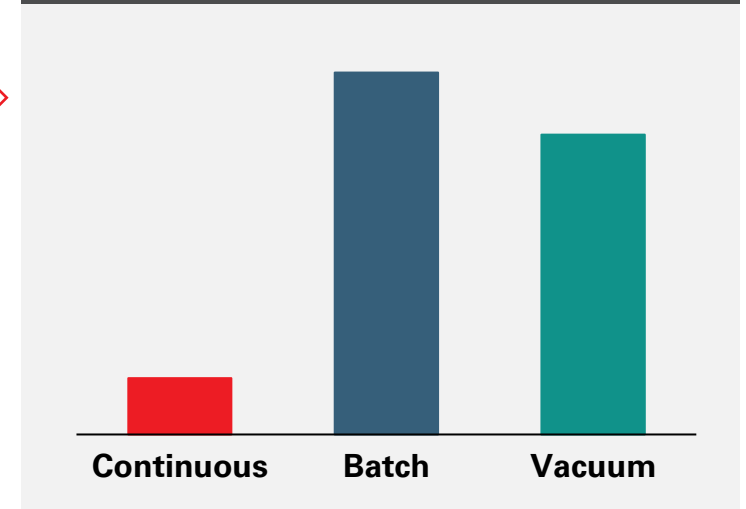
02 Portfolio changes

- Exit majority of lower value-add exposure
- LPC, FNC and Corr-I-Dur® added (previously Specialist Technologies)



03 New Precision Heat Treatment division

- Unmatched capability in vacuum processes
- Lower cost base and carbon footprint



*Size of bars represents revenue exposure

HEAT initiative drives efficiency gains

Challenges & Opportunities

- Variability in customer products and batch sizes
- New approach to integrating proven tools into our operational model
- Significant **opportunity** through deploying HEAT Framework



Strategy & Tools

Deploy proven Operational Excellence tools

- Daily Management
- Gemba / Job Safety Analysis (JSA)
- Rapid Problem Solving (RPS)
- Value Stream Mapping (VSM)
- Predictive Maintenance



Outcomes

Fast resolution of diverse challenges

- Labor efficiency increase
- Energy usage reduction
- Increased equipment utilization
- Improved service levels

Challenge:

- Silao, Mexico
- Prepare products for wash and HT
- Excess labour & time required



Approach & Results:

- Rapid Problem Solving & VSM
- Custom tool designed to aid load build process for these parts
- Increased throughput by **33%**
- Increased labor efficiency by **57%**
- Reduced Lead-time by **15%**

Value unlocked by solving many small issues across many locations

Driving selective growth in Precision Heat Treatment

Targeted growth initiatives are aligned to the Group strategy, underpinned by a highly disciplined investment approach

Target high-growth, high-margin areas

End Markets

Expand in A&D and other structural growth markets (medical, PowerGen)

1

Well positioned & flexible in the automotive transition

Processes

2

Drive Low Pressure Carburising adoption (reduced distortion & lower energy use)

Drive Corr-I-Dur® adoption (enables replacement of hard chrome)

Geographies

3

Build on our leading positions in Eastern Europe & Turkey

Drive share gains from existing footprint in China

Accelerate via Sustainability

Carbon reduction ambitions drive increased outsourcing, and accelerates shift towards newer, cleaner heat treatment processes

#

= case study on subsequent slides

Well positioned & flexible in automotive

CASE STUDY 1

Heat treatment value 3-5x greater for EV transmission gears

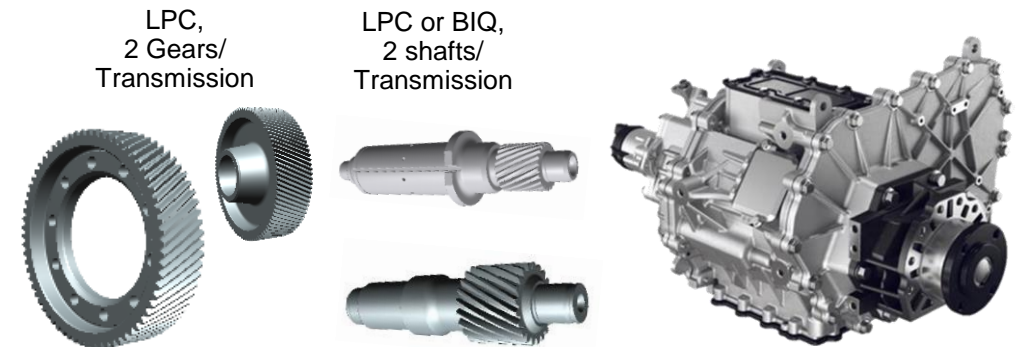
- Fewer parts but increased heat treatment requirement and value
- BEV AWD vehicles require two drive units
- Value per drive unit varies based on product design

Per Vehicle (units)	ICE	BEV 2WD	BEV AWD	Change
Parts Quantity	21	4	8	0.3x
Weight (kg)	7	17	34	2.5x – 5.2x
HT depth (mm)	0.45	0.6 – 1.2		2.0x
Value Index	100	230 – 300	460 – 550	3x – 5x

ICE 8-speed Transmission



BEV / HEV Drive Unit



Adoption of Low Pressure Carburising

CASE STUDY 2

Partnering with a global leader in marine engines and power systems

Switching from Atmospheric to Low Pressure processes (LPC)

Supporting customer testing and approvals

Bodycote's product carbon footprint calculator

- **Lower carbon footprint:**
 - Decreased from 9.8 kg CO₂ to 0.68 kg per part
- **Less distortion on the treated product**

93% absolute carbon reduction per part & Improved product performance

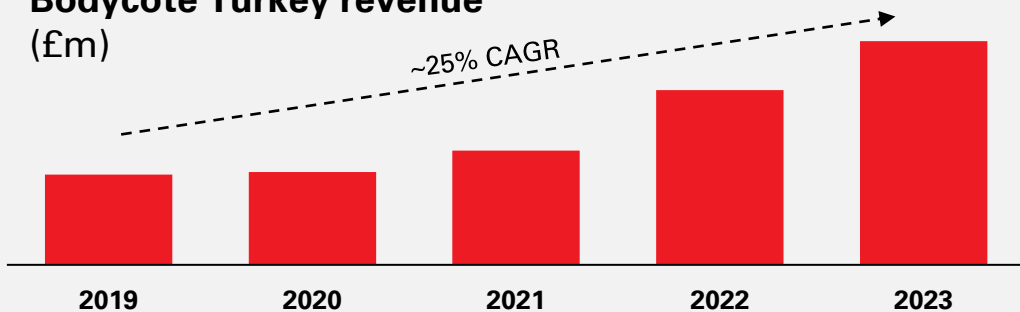


Emerging markets expansion in Turkey

CASE STUDY 3

Strong success story over past 5 years

Bodycote Turkey revenue (£m)



Turkey is a key strategic market:

- Proximity to Western Europe & deep supply chain connections
- Logistics hub for Europe, Middle East, and Asia
- Young, well-educated workforce

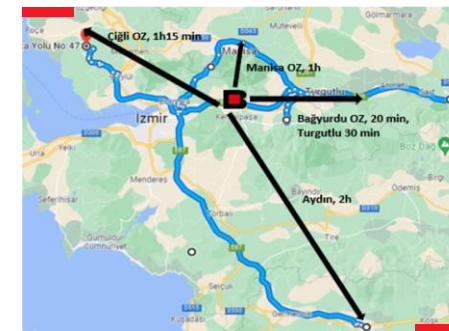
We have a leading position:

- 3 existing sites
- International player trusted for quality, reliability and expertise
- Serving exporters to Europe and domestic industry



Building on our leading presence in Turkey with Izmir greenfield

- Fourth site in Turkey, began serving customers in late 2024
- Expands capacity in Kemalpaşa, one of the main industrial centres in Turkey
- Enables growth in automotive, machinery and agriculture
- Process offering focused on vacuum, nitriding and Corr-I-Dur®
- High quality furnaces and equipment – reduced utility, water and consumables usage
- Attractive IRR (>20%) and short payback (<5 years)



Driving value creation in Precision Heat Treatment

Optimise footprint

- Prioritising premium quality and low-carbon processes
- Streamlining capacity for enhanced performance
- Reallocating equipment and assets to accelerate growth in key regions



Improve performance

- Driving Operational Excellence through efficiency and quality improvements
- Enhancing customer experience
- Reducing carbon footprint and energy consumption



Selective growth investment

- Strategic investments in key geographies to tap into high-growth markets
- Capitalising on the rising demand for outsourcing

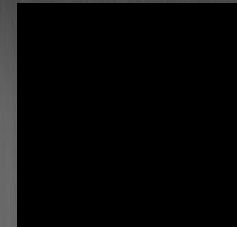


Higher quality heat treatment platform with significant value potential:

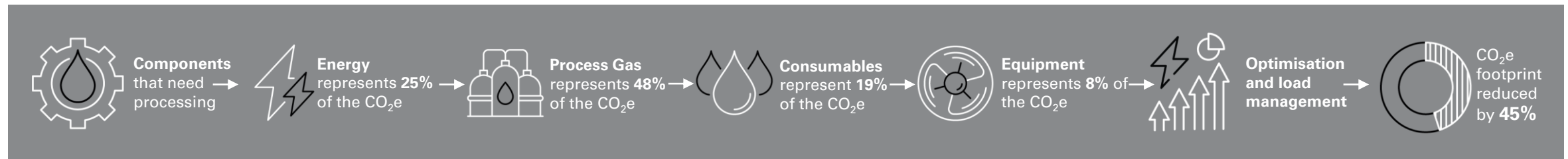
- Margin improvement: ~20% targeted
- Significantly reduced carbon footprint
- Low-to-mid single-digit average revenue growth through the cycle

DEEP DIVE SUSTAINABILITY AS AN ACCELERATOR

LILY HEINEMANN

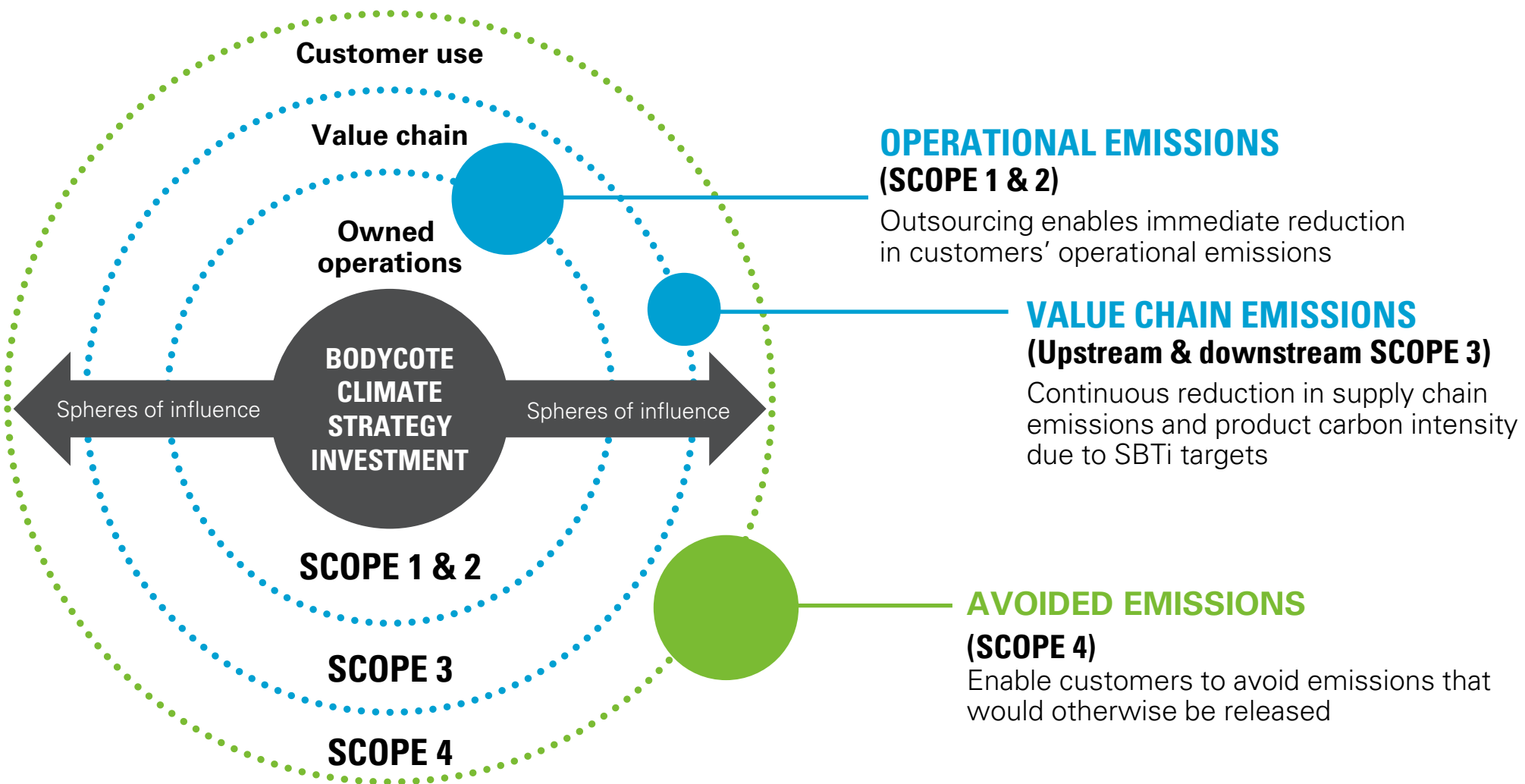


Becoming a sustainability leader



Example CO₂e reduction pathway through outsourcing to Bodycote

Bodycote's influence on customer emissions



Our new integrated strategy





Environmental leadership (1)

RESPONSIBLE BUSINESS

Driving faster progress

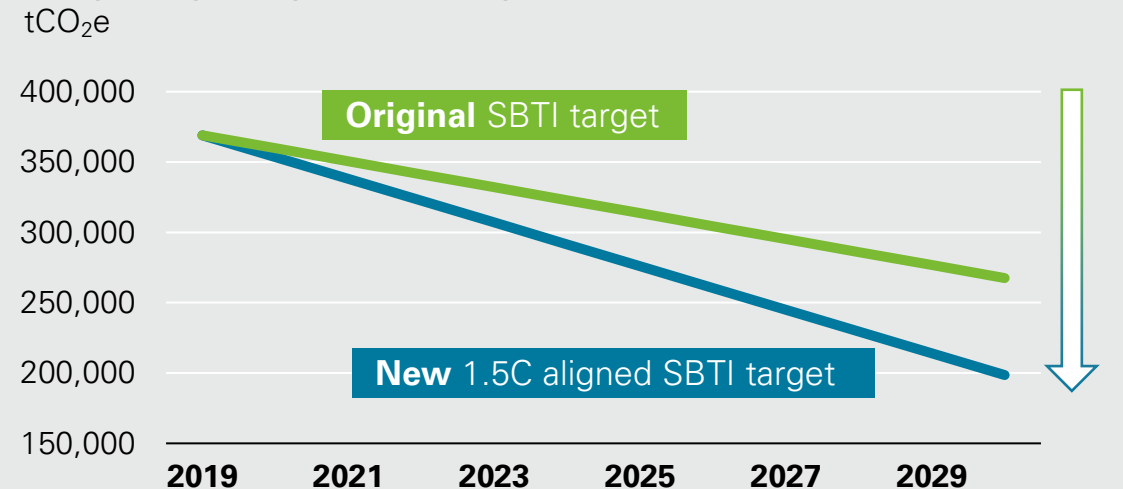
- On track to **achieve SBTi target** this year
- Setting **ambitious new target**
- Full **Scope 3 inventory** calculated
- New, voluntary **Scope 3 goals**
- Full GHG footprint **assured**
- **ESG incentives** for management
- **Net zero roadmap** exploration initiated



New 2030 SBTi target for Scopes 1 & 2

- **Original target: 28% reduction** vs 2019 (well below 2°C)
- **New target: 46% reduction** vs 2019 (1.5°C)

Targeting a significantly greater CO₂e reduction





Environmental leadership (2)

RESPONSIBLE BUSINESS

SCOPE 3 in context



Uniquely, Scope 3 is smallest segment
Majority of emissions in Scopes 1 & 2
One of lowest total carbon footprints of UK industrials

2030 SBTi-aligned¹ SCOPE 3 GOALS

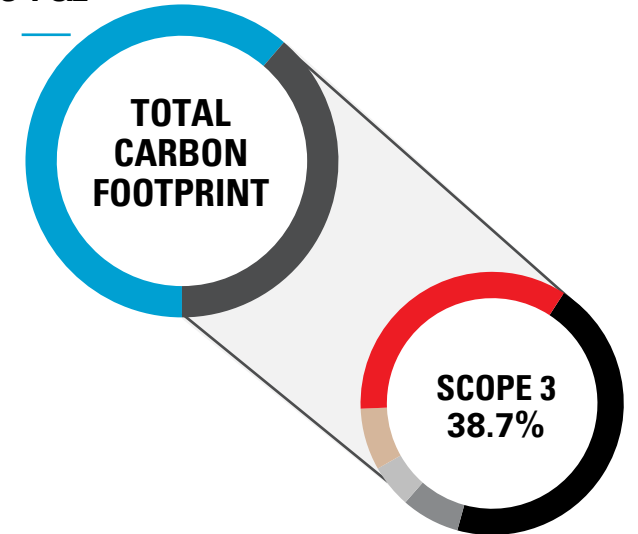


1. ≥ 45% reduction in fuel and energy related emissions (vs 2019)
2. 30% of suppliers to have SBTi or other carbon reduction goals

Climate roadmap: next steps

Operational and energy efficiency
Intensive customer engagement
Net zero roadmap exploration

SCOPES 1 & 2
61.3%



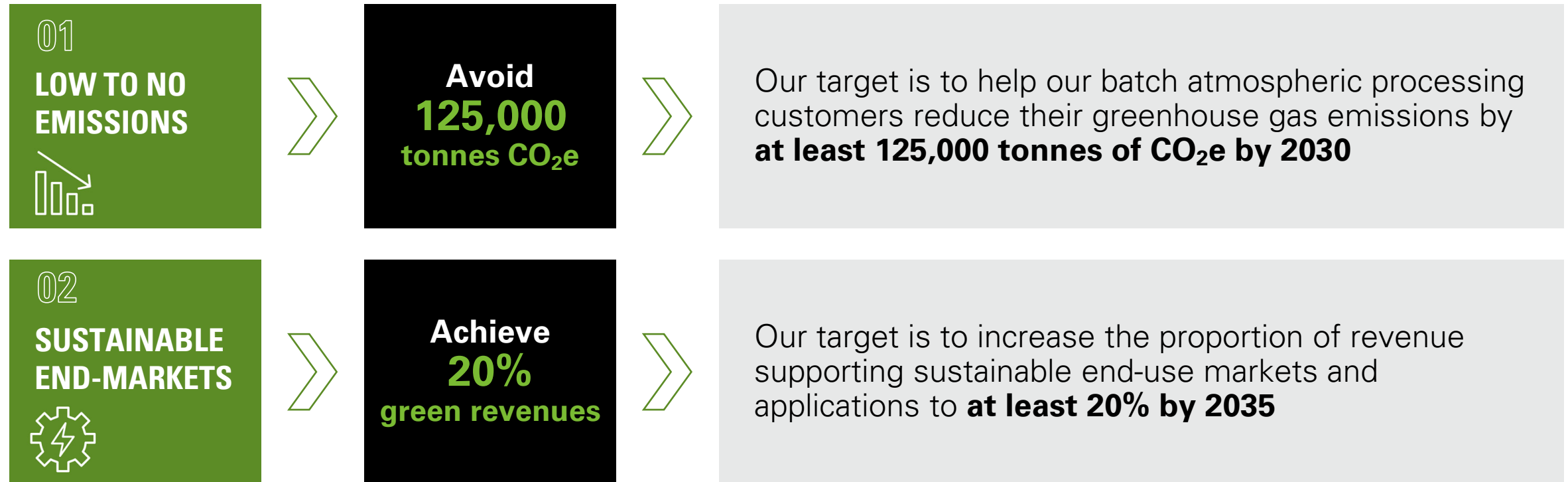
Fuel and energy related activities	35%
Purchased goods and services	45%
Capital goods	7%
Employee commuting	5%
Other	8%

1. Scope 3 targets not required under SBTi – under 40% threshold. Absolute emissions reduction vs 2019. Scope 3: 176,592 tonnes CO₂e

Accelerating green growth

SUSTAINABLE IMPACT

New customer sustainability targets for 2030



Capturing new opportunities

SUSTAINABLE IMPACT

CUSTOMER NEEDS



... We worry we might not meet our scope 1 and 2 targets. We might need to **fully outsource** to meet them, and we need a partner in a good ESG position to do that...

We would absolutely **pay a premium** for a more sustainable service...



LOW TO NO EMISSIONS



POTENTIAL OF OUTSOURCING

Customer → Bodycote

up to 60% CO₂e avoidance

POTENTIAL OF TECHNOLOGY TRANSITION

Atmospheric processing → Low pressure carburizing

up to 90%+ CO₂e reduction¹

RESOURCE EFFICIENT



POTENTIAL OF ADDITIVE MANUFACTURING²

Hot forging 15.1 MWh → Powdermet®+ HIP 5.2 MWh

65% less energy & 55% reduction in material use

BODYCOTE'S RESPONSE

- Proprietary avoided emissions calculator app (best practice validated)
- Product Carbon Footprint methodologies developed covering c.70% of sales
- Customer sustainability marketing strategy under development

1. Through a combination of LPC, proprietary Bodycote equipment, and low carbon electricity

2. Bodycote study of medium sized component



Tools to win on sustainability

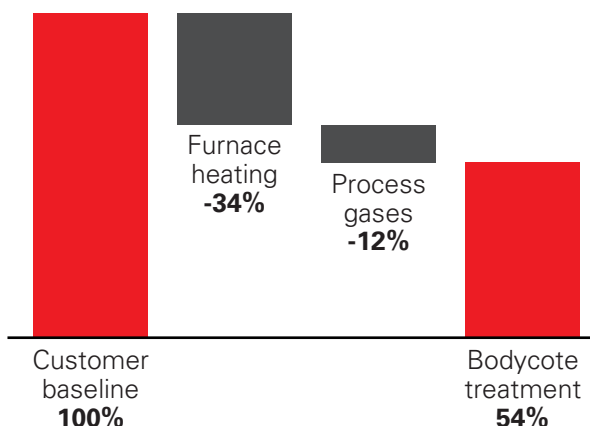
SUSTAINABLE IMPACT

Driver: Outsourcing

- Digital avoided emissions app rolled out with global salesforce training
- Developed entirely in-house
- Compares Bodycote to customer processing
- Automatically calculates CO₂ saving

Driver: Low carbon technology transition

- Product carbon footprint (PCF) tool calculates average CO₂ by service
- Majority of Precision Heat Treatment & HIP covered
- Meets customer demand for PCF data
- Informs customers' processing choices



Direct GHG emissions	
Customer:	1374 CO ₂ e/year
Bodycote:	748 CO ₂ e/year

Customer contact details	
Company	<input type="text"/>
Company address	<input type="text"/>
Contact person	<input type="text"/>
Phone number	<input type="text"/>
Email	<input type="text"/>



Sustainability as an accelerator

Foundations laid

- **New strategy** in place
- **Four new targets** set
- Customer **carbon tools**
- **Solid** ESG ratings



Into the next era

- **Delivering** on targets
- Maturing **low carbon sales** technique
- **Widening the gap** vs. competitors



Recognised leader

- Carbon avoidance a **principal outsourcing** driver
- Customers' **first choice** for low carbon technology transition
- Facilitation **low carbon** industry expansion

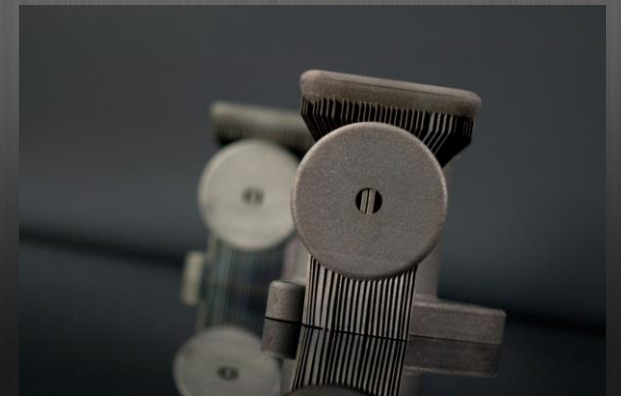
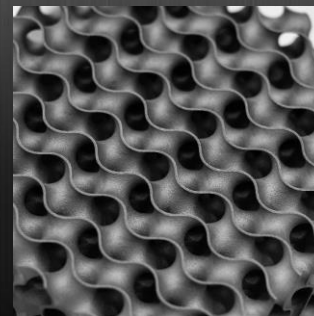
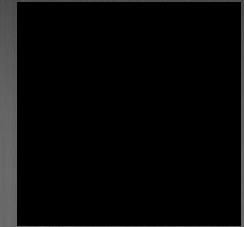
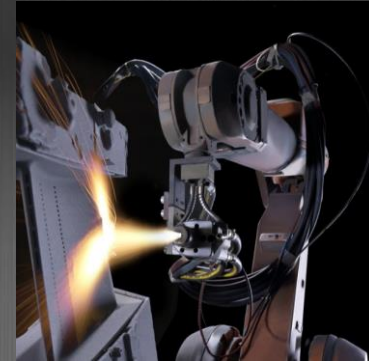


Underpinned by:

- Sophisticated use of customer carbon tools and ability to quantify impact
- Amplified focus on energy management and decarbonisation
- World class execution of our people strategy and wider ESG agenda

STRONG FINANCIAL RETURNS

BEN FIDLER



Our targets

...our strategy supports delivery of a compelling set of targets

Strong growth

Mid-single-digit

total annual revenue growth through the cycle

Improved mix

35-40%

of revenue from Specialist Technologies by 2028¹

Higher margins

>20%

operating margins by 2028

Attractive returns

15-20%

return on capital employed through the cycle

Converting to cash

80-90%

operating cash conversion through the cycle

46% reduction in CO₂ emissions by 2030²

Underpinned and accelerated by sustainability

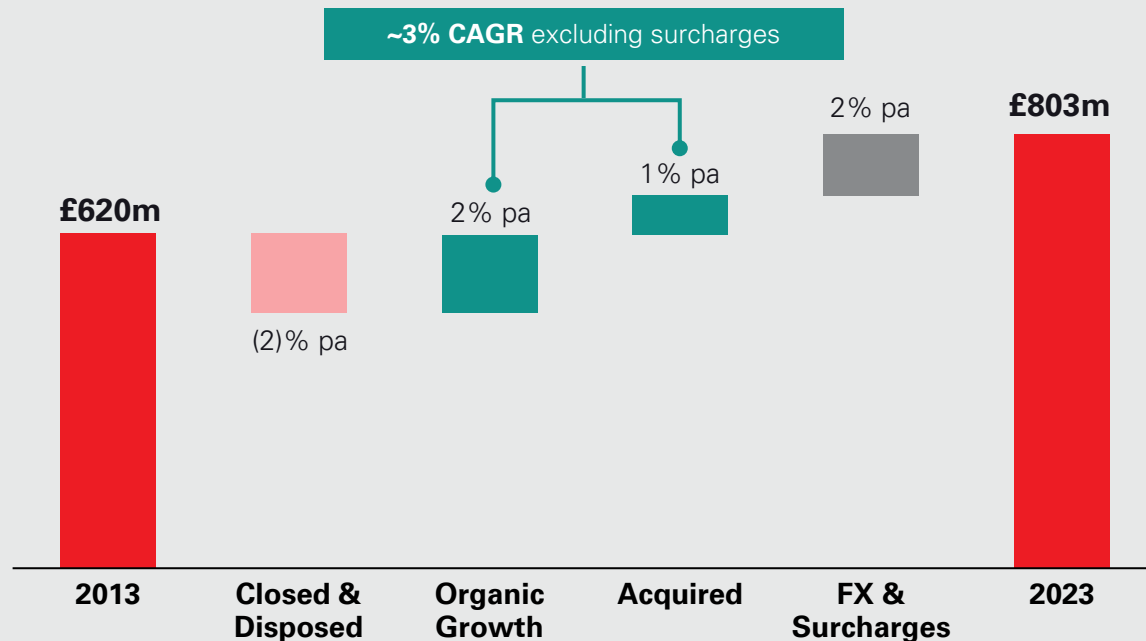
¹ Specialist Technologies re-defined to exclude Low Pressure Carburising (LPC) and Corr-I-Dur[®], now reported within Precision Heat Treatment (2023 comparator: 28%)

² SBTi target versus 2019 baseline

Accelerating our growth trajectory

- 3% revenue CAGR delivered since 2013 excluding closed & disposed sites, with improved portfolio quality
- Optimisation changes alongside clear growth framework will enable acceleration

Historical total revenue growth of c.3%...



...clear approach to accelerate growth

01
Target high growth areas
 ~65% of our business is in areas with faster growth potential, with above-average margins

<div style="background-color: black; color: white; padding: 5px; margin-bottom: 5px;"> End Markets </div> <p style="font-size: 10px;">Focus on end markets with long term above-GDP growth potential</p>	<div style="background-color: black; color: white; padding: 5px; margin-bottom: 5px;"> Processes </div> <p style="font-size: 10px;">Drive adoption of Specialist Technologies and advanced heat treatments (e.g. LPC)</p>	<div style="background-color: black; color: white; padding: 5px; margin-bottom: 5px;"> Geographies </div> <p style="font-size: 10px;">Capture faster GDP growth and supply chain migration benefits in emerging markets</p>
---	--	--

02
Accelerate via sustainability

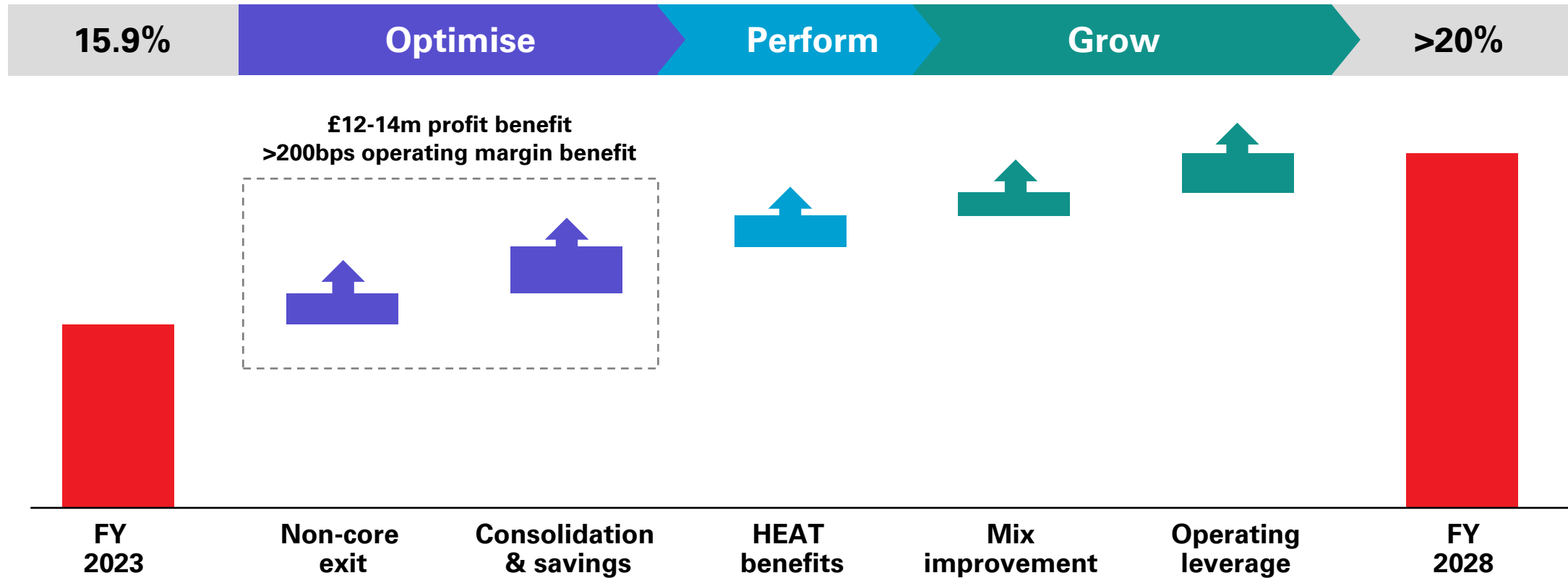
03
Add M&A aligned with strategic objectives

Mid-single-digit annual growth through the cycle

Core business including surcharges

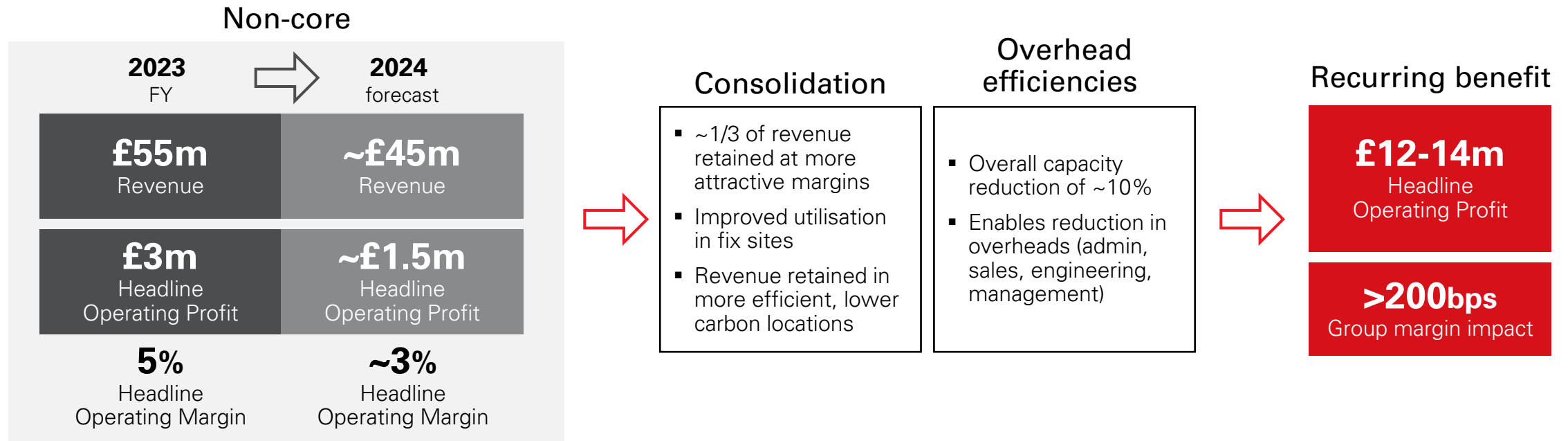
Driving margin improvement

- Clear and de-risked path to >20% margins by 2028 (including surcharges)
- Modest progress expected in FY 2025, accelerating in 2026+ as Optimise & Perform initiatives ramp-up



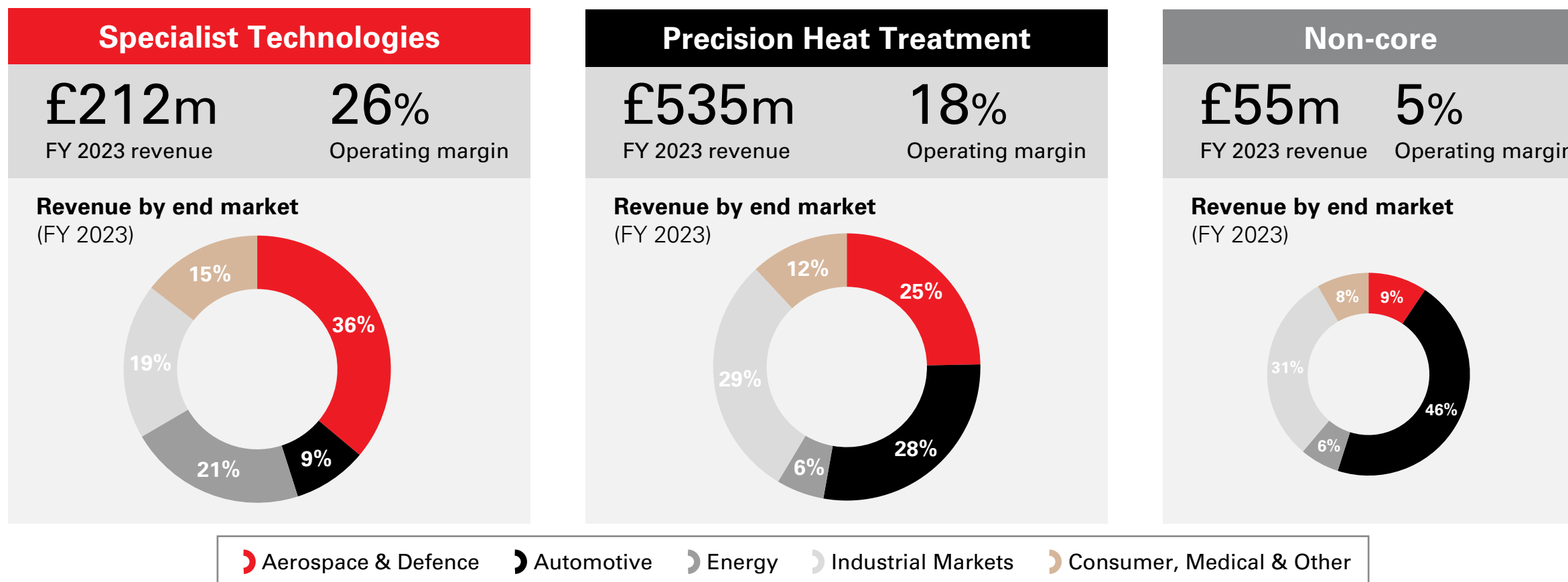
Optimising our footprint

- Programme to deliver an optimised business with lower costs, lower carbon intensity and a higher quality footprint
 - Net exceptional cash costs of £25-30m
 - Net exceptional P&L charge of approximately £60m and an additional a goodwill write-down of £12-15m
 - Majority of costs to be incurred in 2024 and 2025
- Total run-rate profit benefit of £12-14m fully realised towards the end of 2026**



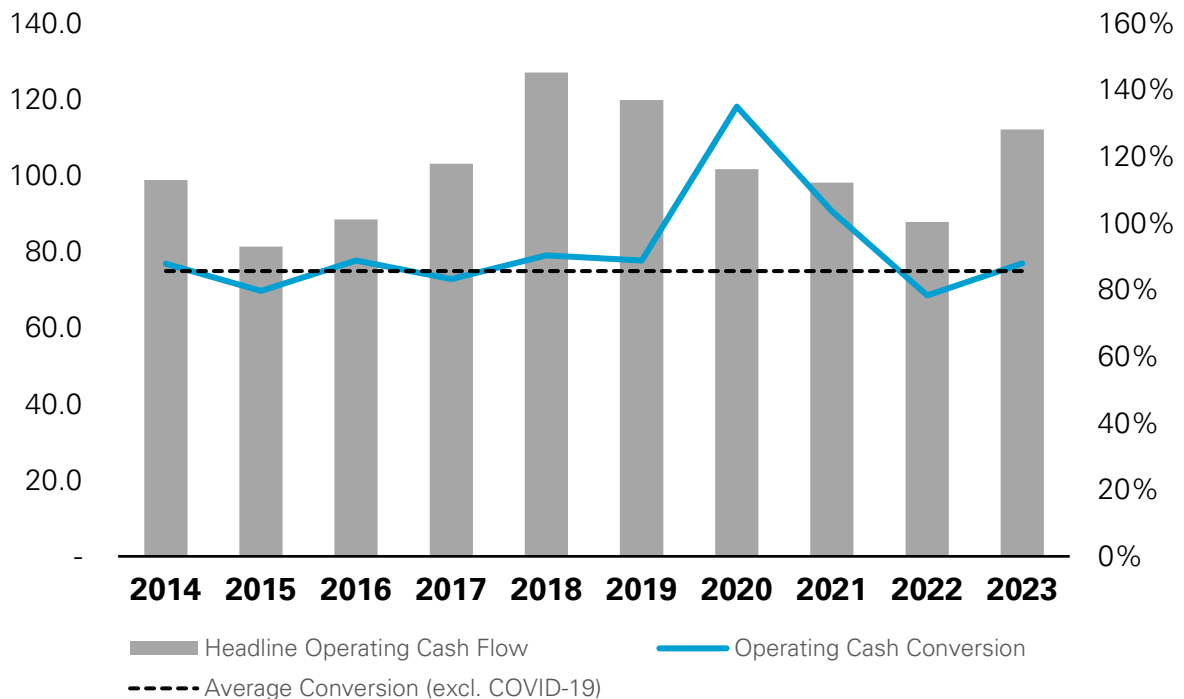
Divisional overview

- New reporting structure replaces our previous AGI and ADE divisions from FY2024, with clearer alignment to our strategy
- Non-core to be exited by end of 2026; heavy exposure to Automotive and Industrial Markets in developed economies



Continued focus on cash generation

Headline operating cash flow (HOCF) conversion



- Strong historical cash generation track-record
- Service business with limited working capital requirement
- Cash conversion improves during downturns reflecting EBITDA resilience
- **Cash conversion expected to be ~80-90% through the cycle**
 - Near-term (2025/26) expected to be at bottom end or modestly below this level, reflecting growth investment
 - Capital allocation discipline will remain high

Delivering improved returns



Mid-single-digit % revenue growth through cycle



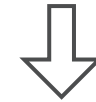
Disciplined investment to support growth



Higher margins driven by improved performance & mix



Continued focus on working capital efficiency



Higher profitability on increased revenues

ROCE 15-20%
through cycle

Efficient and strong balance sheet

Disciplined capital allocation approach

Disciplined investment to drive improvement & growth

Maintenance capex - Supporting operational excellence

Expansionary capex - Driving growth and strategic execution



Strong operating cash conversion
80-90% through the cycle



DIVIDENDS



M&A



**ADDITIONAL
RETURNS**

Maintain a strong balance sheet

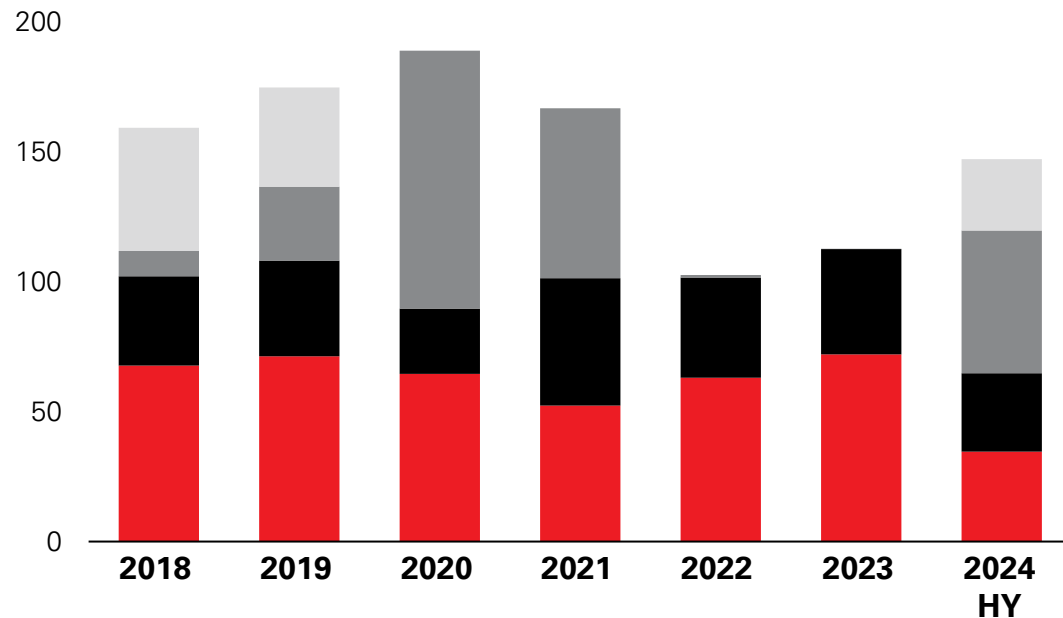
Normal leverage range: 0.5x – 1.5x net debt / EBITDA

Capital allocation in practice

- Steady capex spend to improve performance and support growth, augmented with disciplined, aligned M&A
- 36-year uninterrupted track record of growing or maintaining the dividend
- Additional capital returns: £60m share buyback c.90% complete, **new £30m extension announced (to execute in 2025)**

Track record of disciplined approach and additional returns

Capital deployed 2018-2024 HY (£m)



Mix of total capital deployed

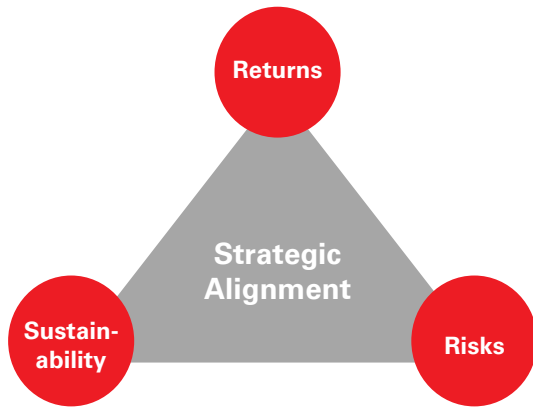
2018-24

Additional Shareholder Returns	13%
Acquisitions	24%
Ordinary dividend	23%
Total capital expenditure	40%



Capital expenditure

Investment Approach



Example projects –
aligned, attractive capex

Greenville HIP



Two HIP vessels relocated to Greenville, SC, to create an additive manufacturing Centre of Excellence

- Cash cost: £5.5m
- IRR: >20%
- Payback period: ~5 years

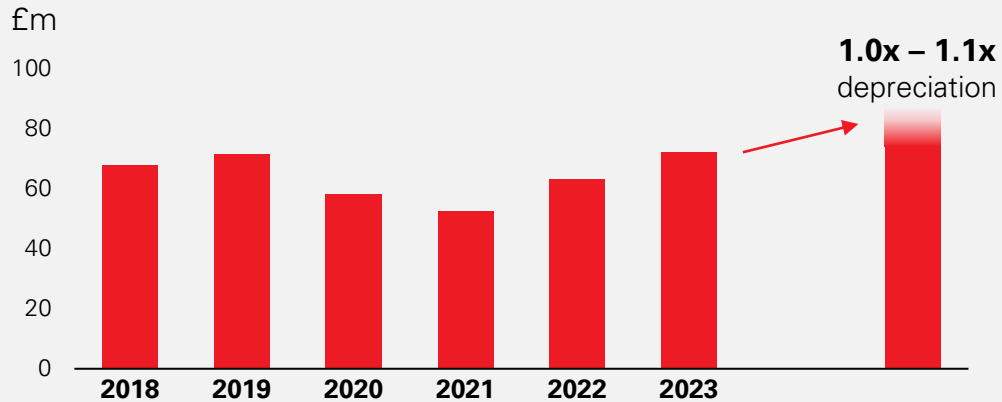
Germany S³P Expansion



Additional S³P unit added to our facility in Landsberg, Germany, to meet rising demand

- Cash cost: £1.4m
- IRR: >30%
- Payback period: <5 years

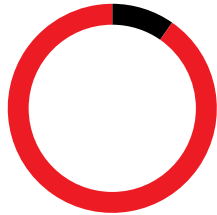
Total Group capital expenditure



- Modest increase in capex levels to support growth strategy and efficiency improvements
- Expected capex / depreciation range of 1.0 - 1.1x
- Rigorous investment hurdles, including 20% pre-tax IRR threshold

Aligned, accretive M&A

~£240m M&A spend
(2019-24)



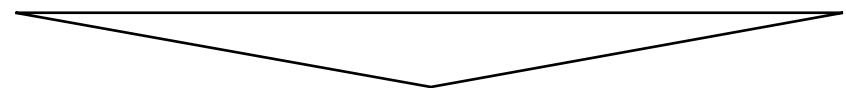
■ Specialist Technologies
■ Precision Heat Treatment

***Deal size:**
Bolt-on (<£100m)
Platform (£100-250m)
Transformational (£250m+)

High-growth, high-margin strategic focus areas

End Markets	Processes	Geographies
Acquiring customer access in target end markets	Building our scale in Specialist Technologies	Accelerating entry to new, attractive geographies

Acquisition	Deal Size*	End Markets	Processes	Geographies
Vlkanova 2019	Bolt-on			
Kristinehamn 2019	Bolt-on			
Ellison 2020	Platform			
Biel 2021	Bolt-on			
Lake City 2024	Bolt-on			



Future M&A will be aligned with strategic focus areas
Financial discipline retained: requirement for ROCE > WACC by year 3

Our targets

...our strategy supports delivery of a compelling set of targets



46% reduction in CO₂ emissions by 2030²

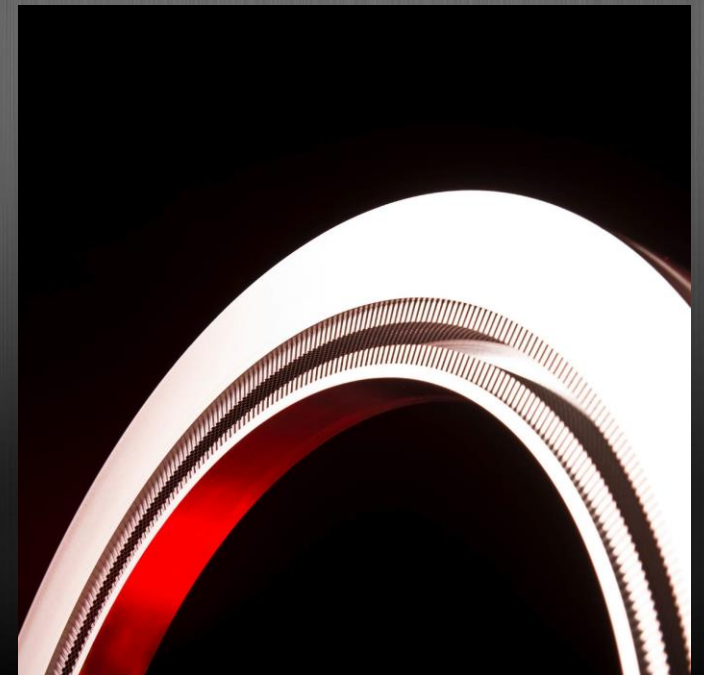
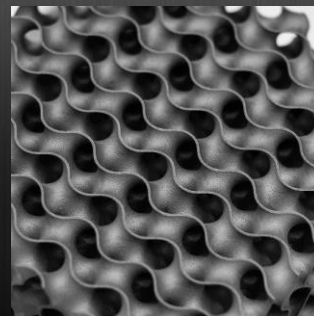
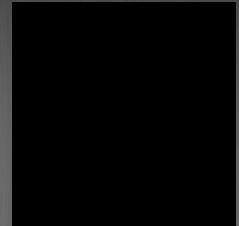
Underpinned and accelerated by sustainability

¹ Specialist Technologies re-defined to exclude Low Pressure Carburising (LPC) and Corr-I-Dur[®], now reported within Precision Heat Treatment (2023 comparator: 28%)

² SBTi target versus 2019 baseline

SUMMARY & Q&A

JIM FAIRBAIRN



Key messages

- 01 We are creating two leading, well-positioned divisional platforms
- 02 We have a clear strategy to drive faster growth and improve margins
- 03 We have an attractive set of targets to deliver value for shareholders
- 04 The right team is in place to deliver our strategy, and execution is underway