

Croda International PLC

Greenhouse Gas Emissions Verification Statement – Reasonable Verification

Reporting years:
2018, 2019, 2020, 2021, 2022

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Introduction

The following statement is a re-issue of the verification statements of 2018, 2019, 2020, 2021 and 2022 to include the verification of several data quality improvements and the final issue of the Croda International PLC's ("Croda") scope 1, 2 and 3 Greenhouse Gas (GHG) emissions.

Accenture (formerly Avieco) has prepared this verification statement for Croda, through which it is confirmed that Accenture has carried out a verification assessment, to a reasonable level, of Croda's reported scope 1, 2 and 3 GHG emissions for reporting years 2018, 2019, 2020, 2021 and 2022, in accordance with the requirements of the ISO 14064 – part 3: 2019 *Specification with guidance for the verification and validation of greenhouse gas statements* standard.

Reasonable verification is distinguished from limited verification as it provides a high degree of confidence that the information disclosed is accurate and complete compared to the limited level. This is because the verification procedures for reasonable verification employ a lower risk threshold and a higher level of data testing and review compared to limited verification, to reduce the risk of material misstatements to an acceptably low level.

Declaration of Independence

The Accenture verification team acted independently from Croda. We performed an objective review, safeguarded against potential self-interest threats by:

- i. Ensuring no member of the verification team has a business relationship or mutual business interest with Croda, its directors, or managers beyond that required of this assignment;
- ii. Ensuring no member of the verification team holds a direct or indirect financial interest in Croda; and
- iii. Establishing there is no known conflict of interest between Accenture and Croda, including any close connections or previously held positions of employment.

Roles and Responsibilities

The management of Croda is responsible for Croda's GHG emissions information system, the development and maintenance of records and reporting procedures in accordance with that system, including the calculation and determination of GHG emissions information.

It is Accenture's responsibility to express an independent GHG verification opinion on the GHG emissions, in accordance with ISO 14064-3 as provided in Croda's 2018, 2019, 2020, 2021, 2022 GHG reporting, each year running from 1st January – 31st December.

Description of Activities

The organisational boundary being considered for this exercise is defined as all operations over which Croda has operational control. According to the GHG Protocol Corporate Standard, a company has operational control over an operation if the former or one of its subsidiaries has the full authority to introduce and implement its operating policies at the operation.

GHG sources included in the reasonable verification process:

- **Scope 1:** Natural gas; landfill gas; biogas; light fuel oil; heavy fuel oil; gasoline; diesel; propane/LPG; energy from waste oil; biodiesel, VOCs
- **Scope 2:** Electricity; steam; renewables; district heating



- **Scope 3:** Purchased goods and services, capital goods, fuel and energy-related activities, upstream transportation and distribution, waste, business travel, employee commuting and homeworking
- **Outside of scopes:** Biogenic portion of vehicles fuels; biofuels
- **Types of GHGs** included, as applicable: CO₂e, CO₂, N₂O, CH₄, HFCs, PFCs and SF₆

Objectives

The objectives of this re-verification exercise were, by review of objective evidence, to confirm whether any evidence existed that the GHG emissions and consumption, as declared in Croda's 2018, 2019, 2020, 2021, and 2022 GHG assertion were not: accurate, complete, consistent, transparent, and free of material error or omission in accordance with the criteria outlined below.

Criteria

Criteria against which the verification assessment was undertaken:

- i. **Reporting standard:** World Resource Institute's Greenhouse Gas Protocol Corporate Accounting and Reporting Standard
- ii. **Reference calculation methodologies:**
 - 2.1.1 Scope 1 emissions: WRI/WBCSD: *Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard, Revised Edition* (the GHG Protocol)
 - 2.1.2 Scope 2 emissions: WRI: GHG Protocol Scope 2 Guidance: An Amendment to the GHG Protocol Corporate Standard
 - 2.1.3 Scope 3 emissions: WRI: GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard
- iii. **Applicable Legislation**

Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 which implement the government's policy on Streamlined Energy and Carbon Reporting (SECR).

Level of Verification and Materiality

The chosen level of verification must reflect the needs of intended users of the GHG emissions statement, as well as the relative degree of confidence required by Accenture in order to provide our conclusions.

Accenture and Croda agreed that a reasonable level of verification would be applied during this verification exercise. For this level of verification, Accenture provides a reasonable verification statement asserting that there is no evidence that an emissions report is not materially correct.

Through both qualitative and quantitative consideration, it was agreed that the Accenture verification team shall establish a materiality threshold of 5% at the fund level for this exercise.

Verification Opinion

We planned and performed our work to obtain the information, explanations, and evidence that we considered necessary to provide a reasonable level of verification based on the process and procedures conducted.



We conducted our verification of Croda’s 2018, 2019, 2020, 2021, and 2022 GHG Assertion, which included assessment of the company GHG information system, monitoring and reporting methodology. This assessment included the collection of evidence supporting the reported data and multiple checks relative to the provisions of the legislation, reporting standard and calculation methodologies referenced in the verification criteria.

Accenture’s approach is risk-based, drawing on an understanding of the risks associated with calculating GHG emission information and the controls in place to mitigate these risks. Our examination includes assessment, on a reasonable sample basis, of evidence relevant to the reporting of emissions information.

Based on the data and information provided by Croda and the processes and procedures conducted, Accenture confirms that the 2018, 2019, 2020, 2021, and 2022 GHG Assertion submissions:

- are materially correct,
- are a fair representation of the GHG emissions data and information, and
- are prepared in accordance with the criteria listed above.

It is our opinion that Croda has established sufficient systems for the collection, aggregation and analysis of quantitative data for determination of these GHG emissions for the stated period and boundaries.

The GHG information for the years 2018, 2019, 2020, 2021, and 2022 has been verified by Accenture to a reasonable level of verification, consistent with the agreed verification scope, objectives and criteria.

Year	Scope 1 (tCO ₂ e)	Scope 2 (location-based) (tCO ₂ e)	Scope 2 (market-based) (tCO ₂ e)	Scope 3 (tCO ₂ e)	Total (using market-based) (tCO ₂ e)
2018	104,088	59,050	46,882	863,939	1,014,908
2019	94,491	57,535	38,391	788,439	921,321
2020	102,750	66,890	27,138	775,690	905,578
2021	112,903	66,302	20,996	900,705	1,034,604
2022	110,487	60,760	10,635	918,810	1,039,932

Observations

- Based on our work, Accenture considers that material GHG sources are appropriately identified and reported on.
- All material errors in reported data identified during the verification process have been duly corrected.

Attestation



Rory McCabe
Lead Verifier

On behalf of Accenture

No member of the verification team has a business relationship with Croda, its Directors or Managers beyond that required of this assignment. We conducted this verification independently and to our knowledge there has been no conflict of interest.

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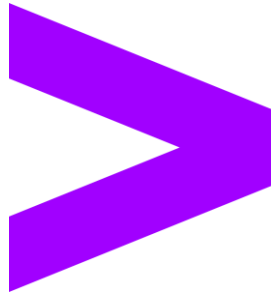
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