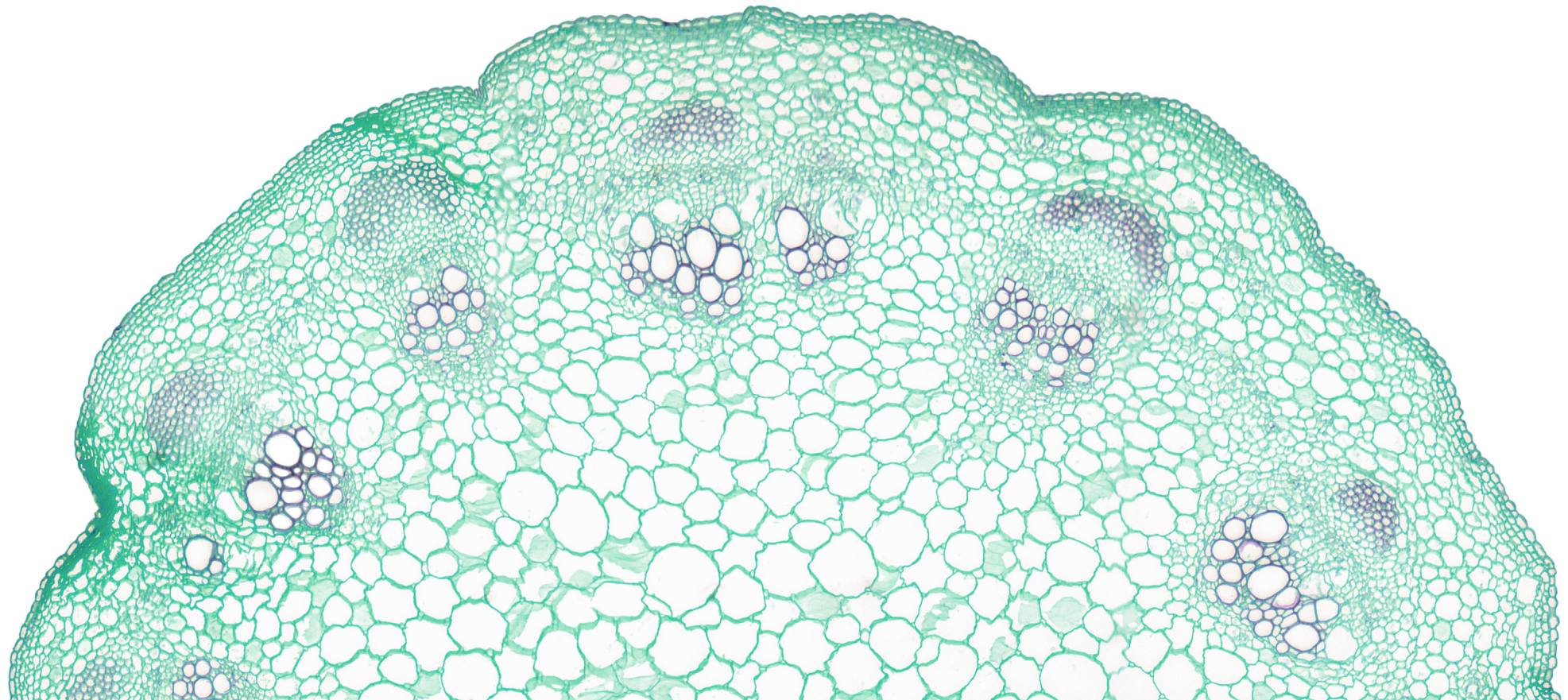




# PURPOSE-LED CUSTOMER-DRIVEN

**Sustainability Progress Statement 2025**



# Sustainability Progress Statement

**"We create most value for our customers by a focus on reducing negative climate, nature and social impacts in our raw material supply chains and innovating solutions to address some of the world's biggest challenges in our focus markets."**

**Steve Foots, CBE**  
Group Chief Executive

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## 2025 reporting parameters

This Sustainability Progress Statement covers the sustainability performance of Croda International Plc for the period 1 January 2025 to 31 December 2025. The scope of this report, and data within it, is all operations wholly owned for the full 12-month period, plus those operations where we have significant management influence due to a majority shareholding.

As of 31 December 2025, Croda employed 5954 people across 91 locations in 36 countries. 2025 represents our first year presenting a combined Annual Report that includes sustainability performance.

## Our Sustainability Reporting



### Annual Report

Delivering Sustainability leadership p17-18  
TCFD and NFSIS p41-48  
Sustainability Performance p178-188



### 2025 Sustainability Progress Statement

Summary of our sustainability agenda and progress, introduced by Steve Foots, CEO



### 2025 Reporting Datapack

Tabulated multiyear financial and non-financial data, GRI, SASB and PAI statements



### Reporting Hub

[Croda.com/sustainability](https://croda.com/sustainability)



### Glossary

See p196-199 of the Annual Report for definitions of terms.

# Chief Executive's statement



**“By thinking boldly, acting with purpose, and living our values every day, we are bringing Smart science to improve lives™ to life and working hard to achieve our commitment to be the most sustainable supplier of innovative ingredients by 2030, delivering solutions to tackle some of the world's biggest challenges”**

## **A more focused strategy, prioritising areas that customers value most and where Croda can have the greatest impact.**

For just over a century, Croda's innovative ingredients have helped customers deliver better impacts, from trend-setting sun protection to sustainable agriculture and vaccines. We look different to our peers in the eyes of our customers: most of our raw material volume is from biobased not petrochemical sources; we sell small quantities of novel ingredients to customers of all sizes that can provide mission-critical sustainability benefits to their formulations. That legacy of impact continues, and we now look ahead with our updated purpose-led 2030 growth strategy.

2025 saw the global outlook for the environment and our society become increasingly fractured. We have witnessed the expansion and escalation of conflicts, a multitude of extreme weather events amplified by climate change, and widespread societal and political polarisation.

In this context we have been testing our stakeholders' priorities. While we recognise many customers are focused on the short term, limiting demand for sustainable solutions in 2026, I have been impressed to see the continuing commitment from leading customers across all markets and regions to improve their impacts on planet and people. They recognise the importance of leading suppliers, like Croda, in helping them deliver on their ambitious sustainability goals.

Working with the Cambridge Institute for Sustainability Leadership we have reviewed progress towards our 2030 Commitment, mid-way through the decade. Through this work we have shifted from a top-down approach to a bottom-up strategy refresh, aligning business-level sustainability drivers with corporate targets. This has streamlined over 20 public targets to just a handful, embedded within the corporate strategy and linked to the material impacts identified in our Double Materiality Assessment.

In 2025 SBTi revalidated our updated Science-based targets aligned with a 1.5°C trajectory including validating our commitment to become Net Zero by 2050. As part of this we have expanded the opportunities available to us to help our



## **Helping 600 young people overcome barriers to employment with Improving Futures Project, UK**

The Foundation of Light, Sunderland AFC's official charity, delivers the Improving Futures programme to tackle youth unemployment in Northeast England, where rates are significantly higher than the national average. Through the Croda Foundation Skills Academy, participants gain training, work experience, and confidence to secure jobs in local industries. The programme aims to help 600 young people overcome barriers such as low skills, lack of confidence, and limited access to opportunities. To date, 359 individuals have engaged with the programme, with 148 already progressing into employment, further education or training. Fifteen Croda employees have actively supported the project through careers talks, interview preparation, and CV writing workshops, further enhancing its impact. This initiative drives social mobility by equipping disadvantaged young people with sector-specific skills and clear pathways to employment.

customers decarbonise, by including impacts on land-related emissions associated with bio-based raw materials, aligned with the latest understanding of climate science and our material impacts on nature. We have also recommitted to significantly reducing water impacts from our operations in regions with high water risk and are currently developing our wider approach to water stewardship in our value chains.

Some of the biggest impacts we have created during the first 5 years of executing our Commitment have been driving better outcomes for our people and disadvantaged communities. We have paid a Living Wage to all employees, globally, since 2022, and Croda Foundation celebrates 5 years since inception, investing with partners across the globe to sustainably improve livelihoods and access to health care. To date £6.4m of Croda's profits have been invested in 59 projects with the Foundation. Our support of the Foundation's work will be amplified in 2026 by an additional £1m Centenary Fund donation. I am excited to see where the projects our employees will nominate can take the Foundation's sustainable impact this year.

Progress towards our 2030 targets increasingly requires the collaboration of multiple partners and ensuring our work meets the best of industry standards, not just minimum regulatory compliance. We have been a member of the award-winning Flue2Chem consortium (see case study) in the UK, and our work with Action for Sustainable Derivatives is driving increased transparency in palm derivative supply chains, on our way to ensuring access to deforestation-risk free ingredients for our customers.

We have also looked beyond the next 5 years and identified the key innovations required in supply chains, manufacturing processes and underlying ingredient technologies, to ensure our future technology portfolio is Net Zero-ready for our customers.

The business case for continuing to prioritise deep but focused action on sustainability is clear. It is moving our work from corporate-level activity to project-by-project solutions for customers, where better sustainability is part of the overall benefit package and drives better overall value for Croda, our customers and their consumers.

I passionately believe the world is a better place thanks to ingredients and technologies from Croda, so we must commercialise our solutions to provide their benefits to planet and society. In meeting our updated 2030 targets, we will have avoided releasing 1.2 million tonnes of greenhouse gases to the atmosphere; we will have protected an area of land from deforestation greater than the size of Singapore island; and our increasing use of raw materials sourced from renewable carbon will have avoided 350,000 barrels of crude oil being extracted.

Our focus is on growing sustainably, innovating responsibly and, most importantly, keeping our customers at the heart of everything we do. By thinking boldly, acting with purpose, and living our values every day, we are bringing Smart science to improve lives™ to life and working hard to achieve our commitment to be the most sustainable supplier of innovative ingredients by 2030, delivering solutions to tackle some of the world's biggest challenges. Through our passion for this work, we will inspire our leaders, attract future leaders to join us and engage many on this journey. It is our people who are making this happen, so I again thank everyone at Croda and our partners for their commitment, hard work and positive approach to delivering against our impact goals, we achieve more together.

**Steve Foots CBE,**  
Group Chief Executive

### Chemical industry collaboration to prove Net Zero-ready solutions

Flue2Chem was a two-year demonstration project supported by Innovate UK and convened by SCI™ that concluded in June 2025. 17 partners from a variety of industries and disciplines, including Croda, sought to convert valuable carbon emissions into sustainable surfactants for consumer products.

This unique industry-on-industry collaboration brought together a new value chain and received a Net-Zero Industries Award at COP30 in Brazil for its work demonstrating the feasibility of a circular carbon supply chain.

Read more at the UKRI website.



# Addressing our impacts to deliver for our customers

Our Commitment is to be the most sustainable supplier of innovative ingredients and be Climate, Nature and People Positive by 2030.

## Our impacts on planet and people

We monitor our impacts through regular materiality assessments that engage representatives of all key stakeholder groups (see p179 of the Annual Report). We create most value for our customers by focusing on reducing negative climate, nature and social impacts in our raw material supply chains and innovating solutions to address some of the world's biggest challenges in our focus markets, for example the need for a more sustainable agricultural system to feed a growing population while restoring nature.

## Differentiating through sustainability

We look different to peers through the eyes of our customers. Most of our raw material volume is from bio-based, not petrochemical sources, and we sell small quantities of novel ingredients to customers of all sizes that can provide mission-critical sustainability benefits to their formulations.

## Focusing our strategy, connected to value

Despite geopolitical headwinds, many important customers in all our markets remain committed to improving their impacts on people and the environment. As a leader on sustainability in our chosen markets, we are exploring new customer partnerships, tailoring sustainability to their specific requirements.

Listening to stakeholders, particularly our customers, the Executive Committee approved a more focused approach for the remainder of the decade, driving deeper impact across fewer corporate targets (see p4).

We passionately believe Croda provides Smart science to improve lives™. In delivering this Purpose, we only create better impacts when customers use our products, simultaneously generating value growth. This can be through innovating sustainably alongside other claims, helping our customers reduce the footprints of their products with our formulating expertise, and increasing our market share by differentiating our offering with sustainability.

## Executing strategy to drive customer value

With most of our environmental and social impacts embedded in our supply chains, we continue to increase transparency for our customers. Through our membership of Together for Sustainability, greater than 24% of our raw material volumes are associated with primary, supplier-specific carbon footprint data.

We have completed Net Zero roadmaps for our major technology platforms, identifying key levers for change and innovation opportunities. We are engaging with our customers and markets to prioritise this work, supporting them in the transition to a Net Zero economy.

This future economy will require the chemical industry to transition to renewable carbon feedstocks. Croda is already a leader, with greater than 58% of our feedstock volumes derived from renewable carbon.

Using bio-based raw materials brings the responsibility to address any impacts on nature. Palm derivative supply chains remain our focus: through the Action for Sustainable Derivatives consortia, we have confirmed that more than 60% of our palm-based raw materials are fully deforestation and conversion free (DCF), and more than 90% are at minimum RSPO (Round table on Sustainable Palm Oil) physically certified Mass Balance.

We have prioritised the sharing of product-level sustainability data with our customers. We utilise a bespoke Life Cycle Assessment (LCA) tool to evaluate the environmental impacts of our products relative to industry benchmarks, from raw material source to end of life. This data enables us to create opportunities and manage risks with our customers and suppliers.

Discover how our businesses have engaged with our customers on p5.

## Delivering against our commitments

Revalidated climate targets with SBTi

>58% of feedstock volumes derived from renewable carbon

>90% of palm-based raw material volumes are RSPO physically certified mass balance

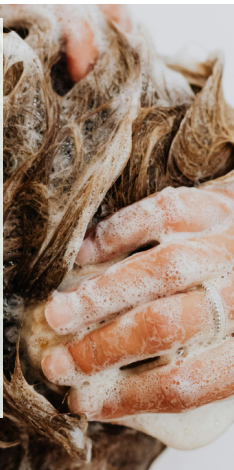
Rolled out a new supplier data platform

Additional £1m Centenary Fund donated to Croda Foundation

Certification from Fair Wage Network for paying a Living Wage to all employees, globally

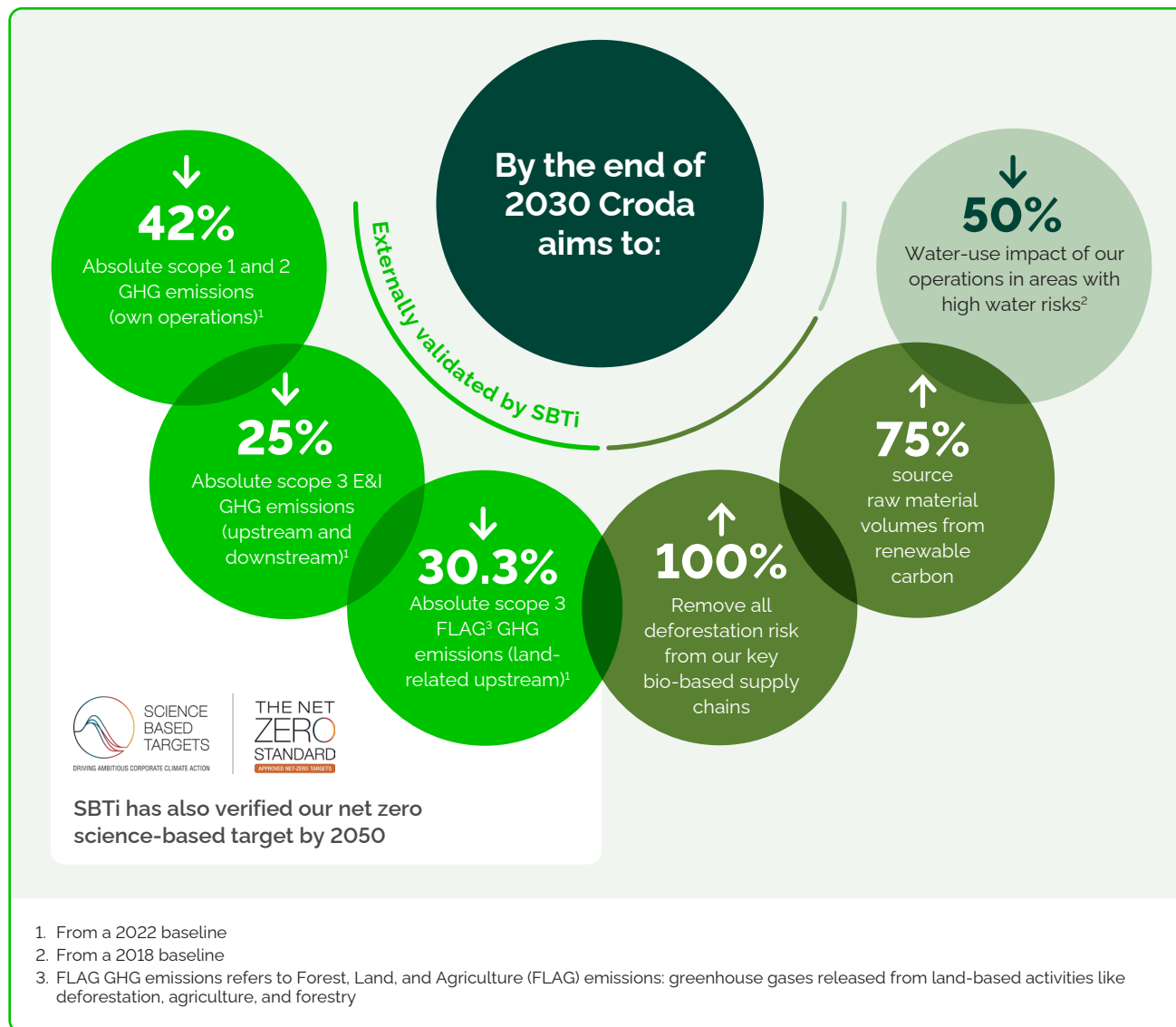
## Cleansing surfactants for ultra-mild formulations

Given the rising popularity of sulfate-free shampoos, we assessed the environmental impacts of our mild cleansing, sulfate-free surfactant, Crodasinic™ LS30, in a cradle-to-grave LCA assessment, comparing it to an industry benchmark (in a shampoo system). We learned that most impacts were associated with shampoo use by the consumer, due to high water and energy consumption while showering. At the ingredient level, Crodasinic™ LS30 exhibited lower impacts than the benchmark in most environmental indicators, due to differing bio-based feedstocks and manufacturing processes.



# Our sustainability leadership

Driving deeper impact to create greater value across fewer targets



## Updating our Commitment

In 2020, we recognised our responsibility for impacts on nature, targeting the land area used to grow our bio-based raw materials and aiming to become Land Positive. Since then, understanding of the role business plays in contributing to a Nature Positive world has advanced. To reflect this, we have updated our Commitment to become Climate, Nature and People Positive by 2030.

## Climate and nature impacts connect

In 2025, we updated our climate goals, externally validated by the Science Based Targets initiative (SBTi). With many of our customers across all markets and geographies increasingly requesting lower-carbon solutions, these updated targets demonstrate our readiness to translate decarbonisation into business opportunities.

We have now expanded these opportunities by including our impacts on land-related GHG emissions (scope 3 FLAG). This means we can now show the connection between climate and nature impacts in the product-level carbon footprint data we provide to our customers.

## Embedding People Positive in our culture

Since 2020, we have taken action to ensure that we pay a Living Wage globally; we protect and improve the health and safety of our people; we support local volunteering through use of our 1% Club; and we invest in sustainably improving the lives of disadvantaged communities around the world through the Croda Foundation.

Much of this is considered 'business as usual' in Croda, governed by policy and overseen by standing Board Committees. Our businesses are exploring further opportunities to improve social impacts through the use of our ingredients and increasing supply chain transparency and security.

# Connecting Value with Impact

## Sustainability in our Consumer Care and Life Science Businesses

### Consumer Care

Making sustainability personal is core to the focus within our Beauty business. Consumers desire personal care products that deliver performance without negatively impacting the planet. We continue to gain awards for our sustainable innovation, with recent recognition for solutions including 100% natural content, lower GHG emissions, improved biodegradability, increased sustainable sourcing or produced via biotechnology. Through partnership with our customers, we offer targeted solutions that can address their strategic sustainability priorities, for example targeting human rights due diligence in our supply chains.



**Croda Beauty**  
**Developing pathways to the circular economy**

We have developed a strong position in considering end of life impact for our products and considering pathways to a circular economy. In recognition of this work, we were awarded Silver place in the Sustainability Pioneer category at the Sustainable Beauty Awards in 2025, for our strong biodegradability programme. The programme has seen our teams undertake extensive portfolio testing, alongside significant steps to advance biodegradability screening test methods and our understanding to support the transition towards circularity.

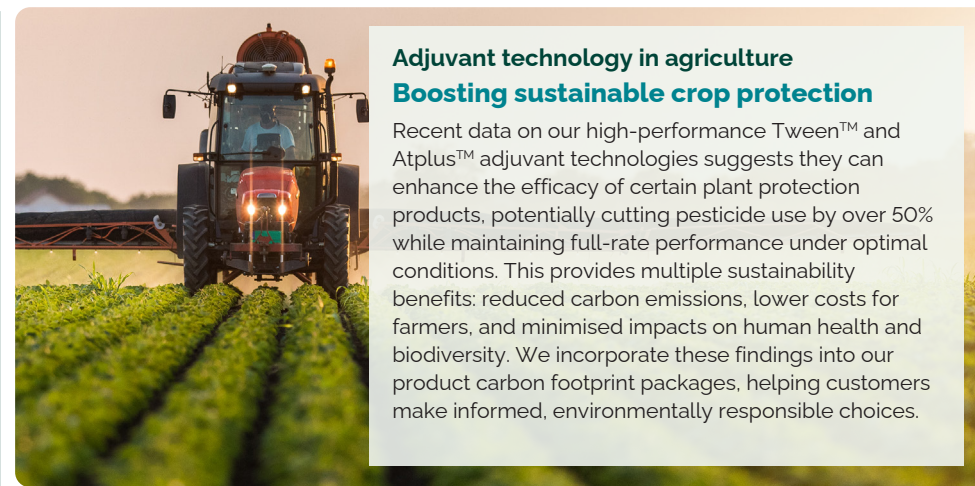


**Croda Beauty Actives**  
**Protecting biodiversity, strengthening brands**

An example of one of our successful collaborations is an exciting, exclusive project bringing together Fresh (an LVMH brand), the Union for Ethical BioTrade (UEBT), and our Croda Beauty Actives business (formerly Sederma) focused on biodiversity and social progress. This project demonstrates our commitment to agricultural practices that respect both people and planet, in line with UEBT principles for ethical and responsible business.

### Life Sciences

Sustainability is fully embedded in our Life Science's business strategy, focusing on our customers sustainability needs and steering our innovation to consider impact alongside performance and value. In Agriculture we engage with customers to explore opportunities to decarbonise ingredients and formulations, identifying where reformulation can reduce active use, lower costs and improve sustainability while maintaining performance. In Pharma, we continue to lead in sustainable vaccine adjuvants, scaling technologies to meet future vaccine demands whilst reducing impacts on biodiversity and improving security of supply.



**Adjuvant technology in agriculture**  
**Boosting sustainable crop protection**

Recent data on our high-performance Tween™ and Atplus™ adjuvant technologies suggests they can enhance the efficacy of certain plant protection products, potentially cutting pesticide use by over 50% while maintaining full-rate performance under optimal conditions. This provides multiple sustainability benefits: reduced carbon emissions, lower costs for farmers, and minimised impacts on human health and biodiversity. We incorporate these findings into our product carbon footprint packages, helping customers make informed, environmentally responsible choices.



**Advancing sustainable vaccine adjuvant systems through partnership**

We have partnered with customers and collaborators to advance sustainable vaccine adjuvant systems, with squalene as a flagship example. Traditionally sourced from deep-sea sharks, squalene presents sustainability and supply-security challenges. Using biotechnology, we now offer squalene that matches the purity and performance of conventional material while protecting shark populations and marine ecosystems. Through 2025, we expanded active customer projects across human and veterinary applications, focused on displacing shark-sourced material and prioritising sustainable variants for future development. We remain committed to responsible sourcing, resilient supply, and sustainable innovation, with additional partnerships in progress to advance next-generation vaccine adjuvants.



# Key Performance Indicators

## Climate Positive

### Strategic climate targets

Metric	2030 Target	Unit	2025	2024*	Change
<b>Refreshed Science-based targets</b>					
Scope 1 and 2 GHG emissions	42% reduction from 2022 baseline	TCO <sub>2</sub> e	116,418	114,227	+1.9%
Scope 3 E&I GHG emissions	25% reduction from 2022 baseline	TCO <sub>2</sub> e	1,038,643	946,481	+9.7%
Scope 3 FLAG GHG Emissions	30.3% reduction from 2022 baseline	TCO <sub>2</sub> e	291,918	243,651	+19.8%
<b>Other strategic climate targets</b>					
Organic raw materials bio-based*	75%	%	58	56	+2ppt

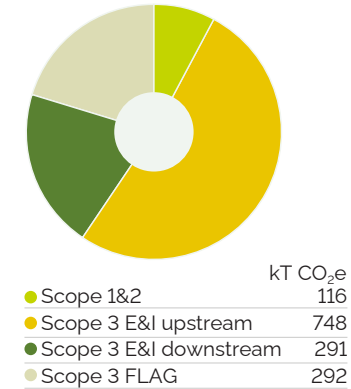
\* Croda's refreshed strategic target is 75% carbon sourced from renewable carbon (biomass, carbon capture and utilization (CCU) and recycling). Development of this measure is underway, with the intention to report fully on % renewable carbon from FY2026. For 2025, we are reporting on % organic raw materials bio-based.

+ See p188 of the Annual Report for details of restatements

As part of re-validation of our Science-based targets in 2025 we have fully remodelled our corporate carbon footprint to align with SBTi requirements. At the same time, we have improved our data accuracy and granularity, increasing our primary supplier data to greater than 24% of raw material volumes, and removing all spend-based factors from raw material GHG emission calculations.

Our scope 1 and 2 GHG emissions have risen by 1.9% 2025 vs 2024, due to production volume increases at some of our major sites. However over the period 2022-25, they have fallen by 8.8%. Our scope 3 FLAG GHG emissions have risen by 19.8% 2025 vs 2024, significantly as a result of increased purchases of bio-based raw materials (other than palm) that are not yet certifiable as deforestation-free. Over the period 2022-25, they have fallen by 23.1%, driven by our move to increasingly certified sustainable palm derivatives reducing deforestation risks. Our scope 3 upstream E&I GHG emissions have increased by 10.5% 2025 vs 2024, as a result of short-term sales volume recovery not yet fully decoupled from supply chain decarbonisation activities planned as part of the sustainability strategy refresh. Over the period 2022-25, they have fallen by 2.5%. Our scope 3 downstream E&I GHG emissions have increased by 7.7% in 2025 vs 2024, also due to short term sales volume recovery. Over the period 2022-25, they have increased by 5.6%.

## Our 2025 corporate carbon footprint



**Total carbon footprint:**  
**1,446,979 T CO<sub>2</sub>e**

Over 90% of our carbon footprint is scope 3 GHG emissions, mostly connected with our raw materials



## Nature Positive

### Strategic nature targets

Metric	2030 Target	Unit	2025	2024	Change
RSPO physical mass balance (or better) palm-derived raw material volumes*	100%	%	91.7	88.0	+3.7ppt
Water use impact progress at target sites**	50% reduction across 6 target sites from 2018 baseline	No. of sites on track to meet 2030 target	4	4	-

- \* Croda's strategic target is 100% Deforestation and Conversion Free (DCF) raw material volumes derived from key bio-based feedstocks by 2030. Development of this measure beyond just palm supply chains is underway, with the intention to report fully on % DCF in the future. For 2025, we are reporting on % RSPO physical mass balance (or better) palm-derived raw material volumes.
- \*\* Internally developed composite metric assessing water volume, quality, displacement, water-stress and local water management maturity. Target sites are those identified in 2021-24 due to their materiality and location in areas of water risk.

Our long history of using bio-based raw materials means we have a great responsibility to address issues around nature, biodiversity and dependencies on ecosystems. We are also innovating to support the world move to more sustainable agricultural food systems.

We are a founder member of Action for Sustainable Derivatives (ASD), focused on transforming palm derivative supply chains through increasing transparency, monitoring risks, and generating on-the-ground impacts. Working with ASD in 2025, we saw continued high levels of transparency in our palm supply chains. While we continue to use RSPO physically certified Mass Balance as our primary standard for palm-containing products, we have confirmed that more than 60% of our palm-derivative raw material volumes are certified deforestation and conversion free.

	2025 result (based on 2024 data)	2024 result (based on 2023 data)
<b>Palm derivative raw material volumes</b>		
Deforestation and Conversion free (DCF)	63%	58%
Traceable to plantation	78%	55%

In 2025, we rolled out a new supplier data gathering platform to reduce the administrative burden on supplier and Croda teams in collecting and maintaining data points specific to our raw materials. We also updated our Supplier Code of Conduct and reissued it, focusing on supporting responsible sourcing and minimising environmental impacts.

Six of our manufacturing sites located in areas with high water risk have been the focus of our Water Use Impact target until now. Of these the top four sites by water withdrawal volume (in India, Brazil, France and Spain) remain on track to achieve our strategic 2030 target of a 50% reduction in water use impact from a 2018 baseline. We have recommitted to delivering on this target as part of our refreshed sustainability strategy.

## People Positive

### Strategic people targets

Effective 2025 there are no strategic corporate targets assigned to People Positive. Progress against other metrics and projects is reported here and in the Remuneration Committee report (see p82 of the Annual Report).

Since 2022 we continue to pay a Living Wage to all Croda employees, globally. We received external certification in 2025 for this work from the Fair Wage Network. During 2025 we can confirm there were no significant safety, health, environmental or quality incidents across our operations on which to report. Unfortunately 2025 saw an increase in recordable injuries with TRIR increasing to 0.61 (2024: 0.47) – see p26 of the Annual Report for more information.

	2025	2024
<b>Personal safety</b>		
TRIR	0.61	0.47
Recordable injuries	36	28
<b>Process safety</b>		
SASB Process Safety Total incident Rate	0.068	0.096
SASB Process Safety Incident Severity Rate	0.203	0.224

A notable safety achievement in 2025 was the building and commissioning of our new greenfield manufacturing site in Dahej, Gujarat state in India, which completed over 5 million man-hours of construction without a single recordable safety incident.

Croda supports employee volunteering through our 1% Club, which enables any employee to request up to 1% of their working time to volunteer in a local community. In 2025 employees volunteered 5,149 hours (2024: 4,202) using 1% Club time, primarily focused on STEM activities with children and young adults in education.

We advanced our human rights due diligence programme through a pilot focused on raw material suppliers in Brazil. We engaged a number of customers during 2025 about our human rights programme which will lead to more effective collaboration on corrective action planning in the future. In 2026, we plan to roll out human rights due diligence on raw materials and certain service provision across the globe, with a specific focus on palm and soy supply chains.

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