

Sustainability performance

“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.

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.”

Steve Foots, CBE
Group Chief Executive

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2025 reporting parameters

This section of ARA2025 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 5,954 people across 91 locations in 36 countries.

2025 represents our first year presenting a combined Annual Report that includes sustainability performance. For more information where we publish on sustainability, please see p179.

Materiality

We want to ensure that our sustainability strategy and actions align with the expectations of our stakeholders. In 2024 we conducted our fifth materiality assessment, first completed in 2011. For the first time, we completed a Double Materiality Assessment (DMA), considering Croda's impacts on planet and society, as well as the financial risks and opportunities for Croda associated with the sustainability agenda. Accountability for reviewing and updating the DMA rests with the Executive Sustainability Committee who approved the outcomes of the 2024 assessment. In 2025 we refreshed our Climate Scenario Analysis, which will provide updated input into the next materiality review (refer TCFD report p41).

Please visit croda.com/sustainability for more information on our Double Materiality Assessment process.

Our sustainability leadership



Addressing impacts and focusing our sustainability leadership pp18-19



2025 Sustainability Progress Statement
Summary of our sustainability agenda and progress, introduced by Steve Foots, CEO



Connecting value with impact:
Consumer care sustainability p29
Life Sciences sustainability p32



2025 Reporting Data Pack
Tabulated multiyear financial and non-financial data: GRI and SASB referencing, PAI statements

Double Materiality Assessment

We followed the methodology laid out by the European Sustainability Reporting Standards (ESRS) to complete our DMA, to ensure we will be able to use it as the basis for our compliance with CSRD in the future. We also used the process to gain as much rich information from the stakeholder engagement as possible and develop better two-way relationships with those stakeholders (customers, employees, local community, suppliers and investors). The output of the assessment is a list of impacts, risks and opportunities (IROs) meeting the materiality threshold and approved by our Executive Committee and Board. The financially material risks identified by the assessment have been incorporated into our ERM system (including inherent and residual assessments – see Risk report p33), and the outcomes informed the development of our refreshed sustainability strategy (see p18).

Material IROs

ESRS numbers	Impacts, Risks and Opportunities	Financial materiality	Impact materiality
ESRS E1	Climate change adaptation	●	
ESRS E1	Climate change mitigation	● ●	●
ESRS E2	Pollution of air	●	
ESRS E2	Pollution of living organisms and food resources		●
ESRS E3	Water	●	●
ESRS E4	Direct impact drivers of biodiversity loss	●	●
ESRS E4	Impacts and dependencies on ecosystem services	●	
ESRS E5	Resource inflows, including resource use	●	
ESRS S1	Working conditions – Own workforce		●
ESRS S1	Equal treatment and opportunities for all – Own workforce	●	
ESRS S4	Social inclusion of consumers and end-users		●
ESRS G1	Corporate culture	●	
ESRS G1	Responsible procurement practices	●	●

● Financial risk ● Financial opportunity ● Negative impact ● Positive impact

We also identified a series of IROs that are either emerging or did not meet our thresholds for materiality. These included themes such as energy use, pollution of water/soil, conditions for workers in our value chain and information-related impacts for consumers. We will continue to consider these in future materiality reassessments.

Our businesses' impact on the SDGs

UN Sustainable Development Goals (SDGs)

We have mapped out how the United Nations Sustainable Development Goal (UN SDG) targets can be impacted through the use of our products in the markets in which we operate, considering our product offering into those markets and the primary supply chains and operations that provide them. This table presents a summary of the SDG targets our activities impact, broken down by sector and business unit.

Where our businesses have an impact on the UN SDGs

SDG sub-targets		Consumer Care	Life Sciences
Value chain	8.5	●●●●	
	12.2	●●●●	●●
	12.7	●●●●	●●●
	13.2	●	●
	15.2	●●●	●●
	15.5	●●●●	●
Operations	3.9	●●●●	●●●
	4.3		●
	5.5	●●	
	6.3	●	●
	6.4	●●●●	●●●
	7.2	●●	●●●
	8.8	●●●	
	9.4	●●●●	●●●
	12.5	●●●●	●●●
	Products and services	2.3	
2.4			●●
3.3			
3.4		●	●
7.3		●●	●●●
13.2		●	●●●
14.1		●●●	●
15.3			●

Key

- Beauty Care
- Beauty Actives
- Home Care
- Fragrances & Flavours
- Seed Enhancement
- Crop Protection
- Pharma

Updating delivery of our Commitment

When Croda launched our Commitment to become Climate, Land and People Positive in 2020, we were one of the first chemical companies to recognise our responsibility for impacts on nature: Land Positive connected our bio-based raw materials with our Croda Agriculture technologies. Since then, our understanding of the role that 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. Listening to our stakeholders, customers in particular, we have also decided to focus our approach for the remainder of the decade, driving deeper impact across fewer corporate targets (see p18).

Our priority areas for action, building on our partnerships with customers, continue as:

Sustainable Supply Chains: targeting material upstream scope 3 reductions while minimising our impacts on nature.

Transformational Sustainable Innovation: creating a product portfolio ready to support our customers as they deliver on their Net Zero and Nature Positive goals.

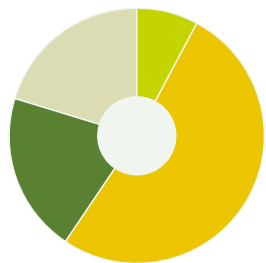
Positive Impacts: ingredients that help our customers provide solutions to the world's greatest challenges, from accessible health to regenerative agriculture.

Building competency with the launch of our Sustainability Academy

Following successful pilots in 2024, we launched our internally developed Sustainability Academy, a suite of online and webinar based modules designed to build competence and confidence in the sustainability agenda across Croda.

Climate Positive

Our 2025 corporate carbon footprint



Scope	Value (kT CO ₂ e)
Scope 1&2	116
Scope 3 E&I upstream	748
Scope 3 E&I downstream	291
Scope 3 FLAG	292

Total carbon footprint: 1,446,979 T CO₂e

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

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 increased our data accuracy and granularity, increasing our primary supplier data to >24% of raw material volumes, and removing all spend-based factors from raw material GHG emission calculations.

All 2022-2025 GHG emission data in this section is presented on the same basis. Please refer to p188 for details of the restatements since ARA2024 and our approach to reporting scope 3 GHG emissions with improved data quality.

Performance summary for strategic targets

Strategic climate targets

Metric	2030 Target	Unit	2025	2024*	Change
Refreshed Science-based targets					
Scope 1 and 2 GHG emissions	42% reduction from 2022 baseline	TCO ₂ e	116,418	114,227	+1.9%
Scope 3 E&I GHG emissions	25% reduction from 2022 baseline	TCO ₂ e	1,038,643	946,481	+9.7%
Scope 3 FLAG GHG emissions	30.3% reduction from 2022 baseline	TCO ₂ e	291,918	243,651	+19.8%
Other strategic climate targets					
Organic raw materials bio-based*	75%	%	58 ^Δ	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 ARA2025, we are reporting on % organic raw materials bio-based as an assured metric.

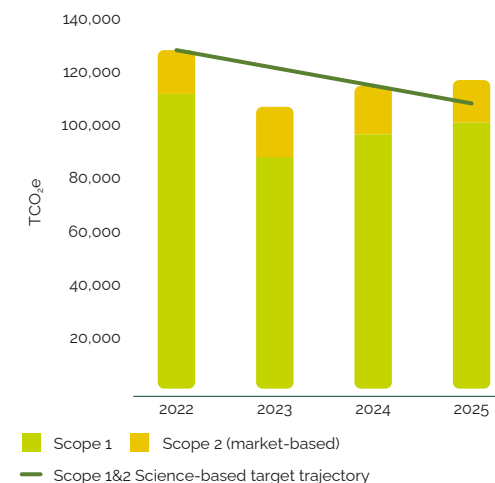
+ See p188 for details of restatements

Limited assurance of GHG emissions data^Δ

Δ indicates where metrics have been assured (limited assurance) under ISAE (UK) 3000 and ISAE 3410 by KPMG, our independent assurance provider.

See www.croda.com/sustainability for details.

Scope 1 and 2 GHG emissions



Our scope 1 and 2 GHG emissions have risen by 1.9% 2025 vs 2024, as a result of production volume increases at some of our major sites. However, over the period 2022–25, our scope 1 and 2 GHG emissions have fallen by 8.8%.

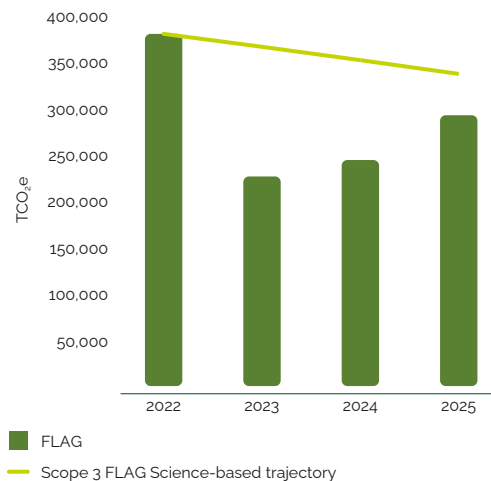
Scope 2 (location-based) emissions were 71,544 TCO₂e^Δ in 2025 (2024: 70,416 TCO₂e).

Scope 1 GHG emission reduction strategies 2022-25 have focused on our major emitting manufacturing sites and include:

- Shifting to renewable energy sources, for example biogas and bioethanol
- Electrification of our manufacturing processes, for example replacing steam heat tracing with electric
- New process technologies requiring less heat, for example biotechnology.

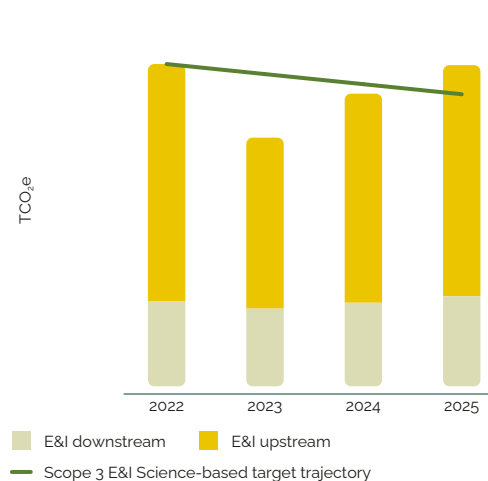
Scope 3 GHG Emissions

Forest, Land and Agriculture (FLAG) GHG emissions



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, our scope 3 FLAG GHG emissions have fallen by 23.1%, driven by our move to increasingly certified sustainable palm derivatives, reducing deforestation risks.

Energy and Industry (E&I) GHG Emissions



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, our scope 3 upstream E&I GHG emissions have fallen by 2.5%.

Our scope 3 downstream E&I GHG emissions have increased by 7.7% in 2025 vs 2024, also as a result of short term sales volume recovery. Over the period 2022–25, our scope 3 downstream E&I GHG emissions have increased by 5.6%.

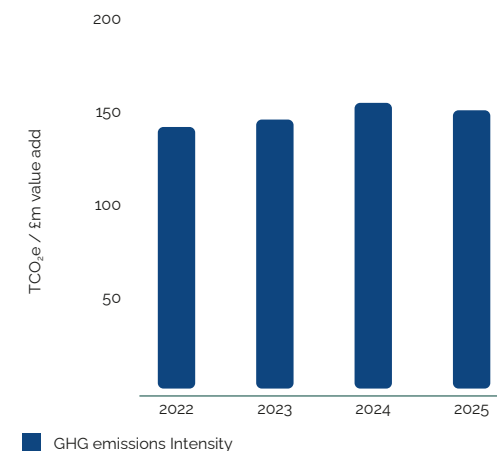
Limited assurance of GHG emissions data^Δ

Δ indicates where metrics have been assured (limited assurance) under ISAE (UK) 3000 and ISAE 3410 by KPMG, our independent assurance provider.

See <https://www.croda.com/en-gb/sustainability>.

GHG emissions intensity

tonnes CO₂e / £m value add



Emissions intensity

Our chosen measure of GHG emissions intensity divides our GHG emissions (including market-based scope 2 emissions) by value added³ a measure of our business activity. The GHG emission intensity for 2025, 2024 and 2023 are calculated using scope 1 and scope 2 emissions data and value add. The result for 2022 uses scope 1 and 2 emissions and an estimated value add if the PTIC divestment have been completed at 1 January 2022. All acquisitions have been included in the GHG emissions numerator for all years, with no adjustment for the value add prior to date of acquisition. On this basis, our GHG emissions intensity was 150^Δ tonnes CO₂e / £m value add in 2025 and has increased by 6.4% since 2022, our new baseline year.

3. See GHG methodologies p183

Emissions and energy usage

Emissions and energy usage	2025			2024		
	UK	Rest of world	Total	UK	Rest of world	Total
Scope 1/tonnes CO ₂ e	15,439	84,948	100,387 ^A	15,566	80,365	95,931
Scope 2/tonnes CO ₂ e	58	15,973	16,031 ^A	64	18,232 ⁺	18,296
Total scope 1 and 2/tonnes CO₂e	15,497	100,921	116,418	15,630	98,597	114,227
Scope 1 energy consumption/kWh	82,850,739	577,845,441	660,696,180	83,592,375	574,532,959	658,125,334
Scope 2 energy consumption/kWh	20,500,202	227,339,868	247,840,070	21,318,505	213,994,292	235,312,797
Total energy consumption/kWh	103,350,941	805,185,309	908,536,250^A	104,910,880	788,527,251	893,438,131

Energy consumption and efficiency improvements

In 2025, we consumed 908,536,250 kWh^A (2024: 893,438,131 kWh) of energy across our global operations. This included 103,350,941 kWh (2024: 104,910,880 kWh) consumed by UK operations.

As part of our strategy to improve the efficiency of energy consumption, 16 projects were implemented globally, realising 6,627,887 kWh of annualised efficiency improvements, equivalent to 1,036 TCO₂e.

Shadow carbon price

Croda has operated a shadow price of carbon for several years, aligning it with external UK government indices. In 2025 the price was held constant at £124 / MT CO₂e (2024: £124). This price is used in calculating the IRR and NPV in capital investment decisions affecting our GHG emissions.

+ See p188 for details of restatements

GHG methodologies

1. Our GHG inventory has been completed in accordance with the Greenhouse Gas Protocol, Corporate Accounting and Reporting Standard (Revised Edition) using the operational controls approach. Scope 1 emissions are calculated using UK Government emission conversion factors for greenhouse gas company reporting. Scope 2 emissions have been calculated in line with the market-based method set out in the GHG Protocol scope 2 standard.
2. Our Scope 3 emissions are calculated in accordance with the GHG Protocol Corporate Value Chain (Scope 3) Standard and the draft GHG Protocol Land Sector Guidance, covering all relevant upstream and downstream categories. We apply a defined data-quality hierarchy, prioritising primary supplier-specific data, followed by in-house Life Cycle Assessments for our most material raw-material-related emissions. Where these are not available, we use industry-average databases, and, as a last resort, Extended Environmental Input-Output (EEIO) models based on spend data to estimate emissions associated with a given economic sector and geography.
3. Value add: Croda Group adjusted operating profit before depreciation (excluding IFRS 16 depreciation), amortisation and Group employment costs including Directors, share-based payment costs and non-exceptional redundancies, at reported currency

Our revalidated Science-based targets

In 2025, the Science Based Target Initiative (SBTi) validated that our more ambitious, science-based greenhouse gas emissions reduction targets conform with the SBTi Net Zero Standard and the SBTi Forest, Land and Agriculture Guidance.

By the end of 2030¹ we aim to:

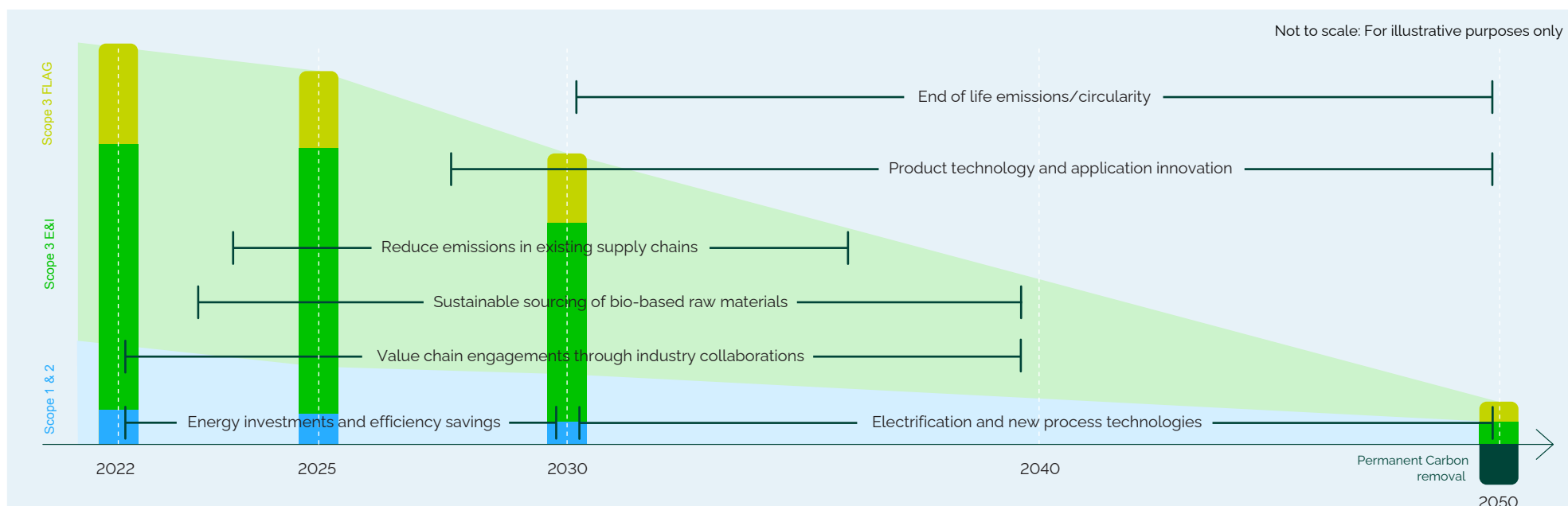
- reduce absolute scope 1 and 2 greenhouse gas (GHG) emissions by 42% – emissions from our own operations
- reduce absolute scope 3 GHG emissions by 25% – E&I value chain emissions upstream and downstream
- reduce absolute scope 3 FLAG² GHG emissions by 30.3% – land-related emissions upstream

SBTi has also verified our net zero science-based target by 2050⁴. In addition, as part of our sustainability strategy refresh the Executive Committee approved the following climate-related target:

- source 75% of our raw material volumes from renewable carbon³



Planning for a Net Zero Economy



1. Targets are set from a 2022 baseline. In addition, the Company aimed to remove deforestation across its primary deforestation-linked commodities, with a target date of December 31, 2025.

2. FLAG GHG emissions refers to Forest, Land, and Agriculture (FLAG) emissions: greenhouse gases released from land-based activities like deforestation, agriculture, and forestry

3. Carbon sourced from biomass, carbon capture and utilisation (CCU) and recycling. Development of this measure is underway, with the intention to report fully on % renewable carbon from FY2026. For ARA2025, we are reporting on % biobased sourced raw material volumes as an assured metric

4. Direct emissions reductions will be prioritised, and all residual emissions will be neutralised in line with SBTi Criteria before reaching net zero emissions.

Nature Positive

Performance Summary for Strategic Targets

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 ARA2025, 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 longstanding Commitment to be Land Positive has enabled Croda to develop sector-leading understanding of our impacts on nature. 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. In 2022 we committed to contributing to a Nature Positive economy, recognising our material impacts are primarily in our raw material supply chains (land use change and fresh water) and at our manufacturing sites (fresh water). We are also innovating to support the world move to more sustainable agricultural food systems. See p32 for more on solutions from Croda Agriculture.

Sustainable Sourcing

While we are a very small volume-user relative to the overall market, palm is our most important bio-based raw material source. We are a founder member of Action for Sustainable Derivatives (ASD), an industry consortium 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 (DCF – 2024 data).

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

Once they come into effect, compliance with the EU Deforestation Regulations (EUDR) will support a more robust approach across the industry to ensuring no deforestation, no human rights abuses and adherence to local laws; our new 2030 deforestation target drives us to far exceed just regulatory compliance to meet customer expectations.

Supplier Engagement

In 2025 we rolled out a new supplier data gathering platform to reduce the administrative burden on suppliers 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, minimising environmental impacts, advancing circular economy practices, and fostering safe, ethical and compliant working conditions for all people in Croda's supply chain. Through this

engagement and our collaboration with Together for Sustainability, more than 24% of our raw material volumes are covered by qualified supplier-specific product carbon footprint data.

Reducing our impacts on water

We have a particular responsibility to reduce the impacts on nature from our freshwater use at sites with high water risks, for example in or near water-stressed regions, or areas at high risk of flooding. Six of our manufacturing sites located in such regions 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 are working closely with the remaining sites to support their continued progress.

Total water withdrawal volume across our operations was 3,404^A Mega litres (2024: 3,248 ML).

We have recommitted to delivering on this target as part of our refreshed sustainability strategy and, in 2026, will reassess any changes to sites included in the target, based on the latest available assessments of regions with high water risks.

Following our work with WBCSD and development of their Nature metrics portal, we continue to assess our total water footprint and consider future approaches to water stewardship.

Zero process waste to landfill

Following delivery of our 2024 milestone, we remain committed to sending zero process waste to landfill¹, and have embedded this in our environmental policies. We can confirm this has been achieved in 2025.

Limited assurance of GHG emissions data^A

Δ indicates where metrics have been assured (limited assurance) under ISAE (UK) 3000 and ISAE 3410 by KPMG, our independent assurance provider.

See www.croda.com/sustainability for details.

1. Aligned with the Carbon Trust definition of "Zero Waste to Landfill"

People Positive

Performance Summary for Strategic Targets

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 p78)

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

Much of this is now 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.

Living Wage

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. See our Remuneration Report (p78) for more information. In 2025, Croda Korea has been officially certified as a Family Friendly Company by the Ministry of Gender Equality and Family in South Korea. The Family Friendly Company Certification is an award granted by the Korean Government to organisations that demonstrate a genuine and sustained commitment to supporting their people.

Safety, Health and Wellbeing

During 2025 we can confirm there were no significant safety, health, environmental or quality incidents across our operations on which to report.

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

Unfortunately 2025 saw an increase in recordable injuries with TRIR increasing to 0.61 (2024:0.47) with 36 recordable injuries. See p26 for more information.

Our Human Performance Programme aims to enhance safety, health, and environmental (SHE) leadership across Croda. The programme focuses on understanding people, promoting empathetic engagement, and developing trust. It is now active in 42 locations across Croda. It focuses on understanding risks faced by those carrying out the work and aims to solve problems to make tasks easier. Across the Group over 2,800 improvements have been completed as a result of this programme as it continues to engage teams across the globe.

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.

Local community engagement

Our sites and offices regularly engage with local community groups as a responsible business member of the community. In 2025 particular focus was placed on our US sites in Delaware and Pennsylvania.

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

Human rights due diligence

We advanced our human rights due diligence programme through a pilot focused on raw material suppliers in Brazil. An enhanced engagement with these higher risk suppliers was initiated via our procurement team, including targeted human rights questions. Croda Brazil completed a third party audit (Sedex SMETA) at the request of key customers, strengthening insight into site-level human rights risks and due diligence processes and reinforcing Croda's commitment to continuous improvement. Learnings from supplier engagement and the Sedex audit are being used to inform future due diligence activities and strengthen Croda's overall human rights risk management approach. 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. We will also conduct bottom-up risk assessments in other priority countries.

Positive social impact through Croda Foundation

Croda Foundation extends the positive social impact of Croda's values and purpose, improving lives through better health and more sustainable livelihoods. In its first five years, Foundation-funded programmes have improved the lives of more than 23 million people worldwide, delivering outcomes across disease prevention, maternal and child health, climate-resilient agriculture, and ecosystem protection. Operating independently as a charity, funded solely by Croda, the Foundation complements Croda's sustainability priorities by supporting communities linked to our global value chains and reinforcing responsible business practice. In 2025 the Foundation approved 13 projects, committing over £950,000 during the year to further improving lives. Its employee-only nomination model, unique across UK corporate Foundations, provides another strong connection with our Purpose. One third of Foundation-funded projects across 9 countries have also benefited directly from our people's time, technical expertise, or specialist know-how, strengthening delivery and deepening the social impact achieved. This partnership reflects Croda's belief that shared purpose drives meaningful, measurable value for society.

Governance

Board leadership

The Board has ultimate responsibility for monitoring and challenging our sustainability strategy, including overall accountability for the risks and opportunities associated with the climate, nature and social impacts of Croda's business. The Board takes into account the needs of all stakeholders in guiding delivery of the strategy.

Embedded ownership

In our new, simplified matrix organisation, accountability for delivery of the strategy is embedded across the Company, monitored by the Sustainability Committee, and supported by Group Sustainability, our in-house centre of excellence.



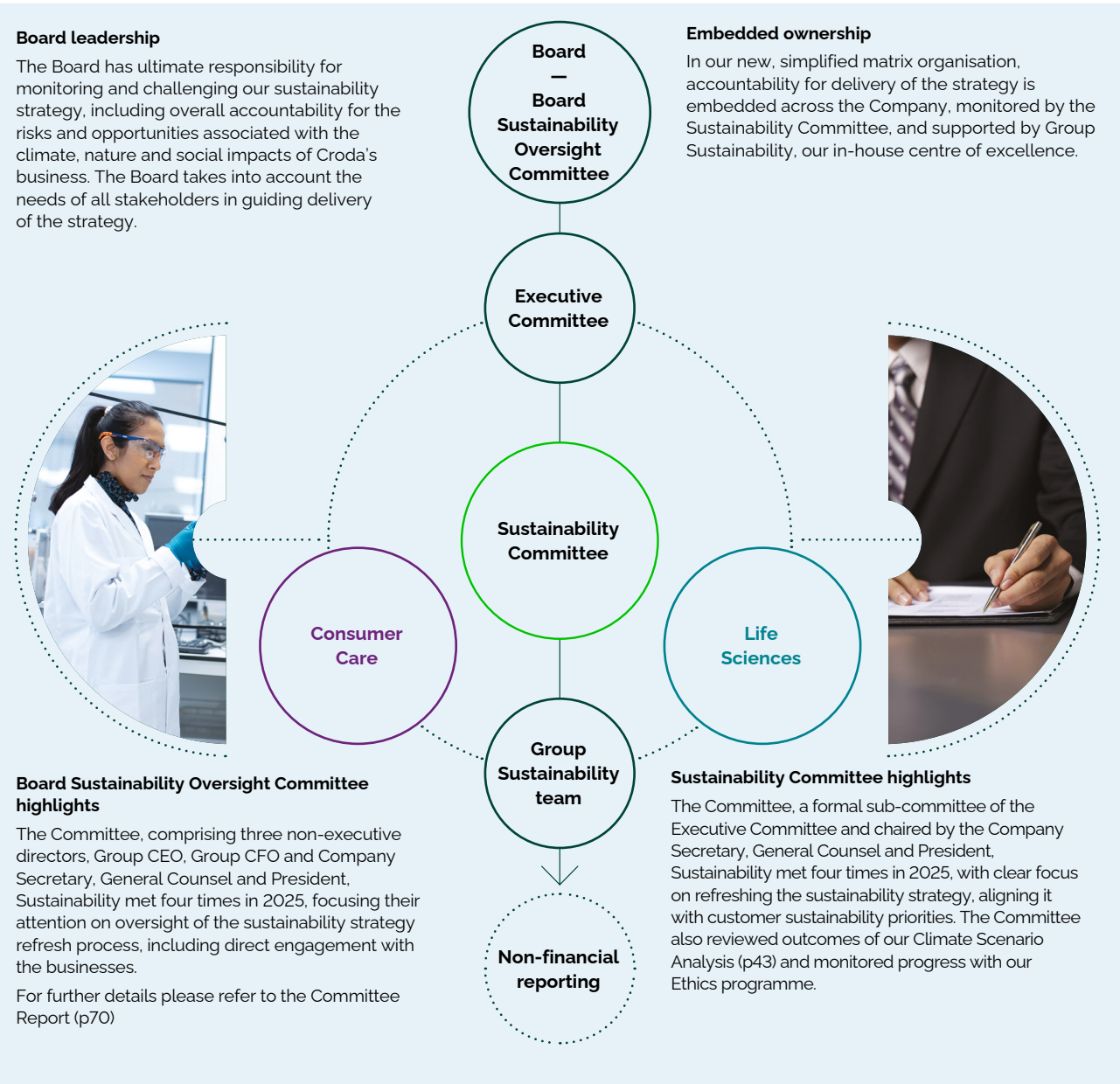
Board Sustainability Oversight Committee highlights

The Committee, comprising three non-executive directors, Group CEO, Group CFO and Company Secretary, General Counsel and President, Sustainability met four times in 2025, focusing their attention on oversight of the sustainability strategy refresh process, including direct engagement with the businesses.

For further details please refer to the Committee Report (p70)

Sustainability Committee highlights

The Committee, a formal sub-committee of the Executive Committee and chaired by the Company Secretary, General Counsel and President, Sustainability met four times in 2025, with clear focus on refreshing the sustainability strategy, aligning it with customer sustainability priorities. The Committee also reviewed outcomes of our Climate Scenario Analysis (p43) and monitored progress with our Ethics programme.



Our Approach to Future Regulatory Compliance

We are preparing for forthcoming sustainability reporting reforms across the UK and EU, including the EU's Corporate Sustainability Reporting Directive (CSRD) and the UK's planned adoption of standards aligned with the ISSB. The European Commission is expected to adopt simplified European Sustainability Reporting Standards (ESRS) in mid 2026. The UK Government also intends to finalise UK Sustainability Reporting Standards (UK SRS), based on IFRS S1 and IFRS S2, for voluntary use in early 2026, with the Financial Conduct Authority proposing alignment for listed company climate disclosures from 2027.

In addition, we are reviewing and strengthening our internal control framework for the production and disclosure of non-financial information in line with the updated UK Corporate Governance Code.

We continue to track these developments closely and are enhancing our governance, systems and data processes to ensure timely compliance as new reporting frameworks and assurance expectations are introduced.

Assurance and restatements

Limited Assurance^A

Δ indicates where metrics have been assured (limited assurance) under ISAE (UK) 3000 and ISAE 3410 by KPMG, our independent assurance provider, and reflects the position for the year ending 31 December 2025. The limited assurance opinion and reporting criteria are available on www.croda.com/sustainability

Metrics assured in 2025

- Scope 1 emissions
- Scope 2 emissions (location-based)
- Scope 2 emissions (market-based)
- Emissions intensity
- Total energy consumption
- % organic raw materials bio-based
- % leadership roles held by women
- % women in the workforce
- % women on the Board
- Water withdrawal

Scope 3

In 2025, we revalidated our Science-based targets, expanding the scope 3 metrics we report and updating the methodologies used to calculate them. This required restating data from 2022 and upgrading our internal systems, including improvements to our upstream scope 3 application and a review of downstream processes. To prioritise delivery of these changes, we did not seek external assurance of scope 3 emissions this year. These updates build on methods developed with external experts and validated by the SBTi for our 2022 baseline. Data quality has improved, to include primary supplier-specific emission factors and eliminate spend-based method for raw material volumes in Purchased Goods and Services. Our Scope 3 emissions are calculated using a hybrid approach, applying the data quality hierarchy: i) primary supplier-specific data, ii) in-house LCA, iii) secondary industry-average databases and iv) EEIO modelling. The revised methodology is applied consistently across 2022–25, and we intend to seek third-party verification in 2026.

Restatements +

		2022			2023			2024		
		Previously Reported	Restated	Adjustment	Previously Reported	Restated	Adjustment	Previously Reported	Restated	Adjustment
Scope 2 emissions (market-based)	tonnes CO ₂ e	14,214	16,528	16.3%	17,096	18,946	10.8%	15,900	18,296	15.1%
Total scope 1 & 2 (market-based) emissions	tonnes CO ₂ e	125,403	127,717	1.8%	104,463	106,313	1.8%	111,831	114,227	2.1%
Scope 1 & 2 emissions intensity	tonnes CO ₂ e / £m value add	139	141	1.4%	142	145	2.1%	151	154	2.0%
Scope 3 emissions – change of basis of reporting		Previous basis	New basis		Previous basis	New basis		Previous basis	New basis	
Scope 3 emissions (upstream)	tonnes CO ₂ e	930,606			690,722			830,763		
Scope 3 emissions (downstream)	tonnes CO ₂ e	303,976			269,417			286,538		
Scope 3 emissions FLAG	tonnes CO ₂ e		379,633			225,929			243,651	
Scope 3 emissions E&I	tonnes CO ₂ e		1,042,172			804,202			946,481	
Scope 3 emissions E&I (upstream)	tonnes CO ₂ e		766,442			553,059			676,295	
Scope 3 emissions E&I (downstream)	tonnes CO ₂ e		275,730			251,143			270,186	

We have restated our results to improve the assumptions, and therefore improve the quality of emission factors used for estimating the proportion of renewable energy consumed to generate steam at our Chocques, France site. This update affects our scope 2 market-based GHG emissions and associated emissions intensity. We have also reflected the impact of methodological changes on Scope 3 values reported for prior years. The table shows the results reported formerly on the 'previous basis' and those that supersede them, our 'new basis', enabling full reporting of Forest, Land and Agriculture (FLAG) and Energy & Industry (E&I) emissions. See 'Scope 3' above for details. These updates demonstrate our commitment to high-quality data and align with our policy to recalculate and restate results where changes exceed 5%.