



# Record financial performance – strategy executed with agility

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Record financial performance

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Significant benefit from recent acquisitions – £58m additional operating profit and stronger growth platform

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Strategic transition to pure-play Consumer Care and Life Sciences company with accelerated investment

**Steve Foots**  
Group Chief Executive

**Creating a pure-play Consumer Care and Life Sciences company**

2021 has been an outstanding year for Croda, with record financial results and excellent strategic progress. This has been enabled through the accelerated implementation of our strategic priorities, increased investment in innovation and growth, and a broader global recovery in demand.

Our excellent strategic progress during the COVID-19 pandemic has included progressing our transition to a pure-play Consumer Care and Life Sciences company. Our 2020 acquisitions of Avanti and Iberchem, which created new growth platforms in our target markets, have been followed by our recent agreement to divest the majority of our Performance Technologies and Industrial Chemicals businesses ('PTIC'). This will release more capital to reinvest in faster growth, higher return markets, positioning us to deliver more consistent sales growth and an even stronger profit margin.

This strategic progress is consistent with our Purpose of using Smart science to improve lives™. The importance of our sustainability Commitment, made in 2020, has come to the fore, with consumers everywhere seeking more sustainable products and customers needing Croda to help decarbonise their supply chains. Our part in helping produce COVID-19 vaccines is a proud example of our smart science in action. Our capabilities in sustainability and innovation will drive our future growth. Croda is becoming a more knowledge intensive business, investing more in commercialising R&D, expanding emerging market exposure and increasing the value captured from our products. We are focused on the fast growth markets of the future, making bigger and bolder bets to expand our leadership positions and drive significant value creation.

The results of this strategic action can be seen in 2021's performance. It was a record year for sales and profit, with every part of the Group performing well. The strength of the 'existing' Croda business was clearly demonstrated, with underlying sales growing by 26% and underlying growth in adjusted operating profit of £116m over 2020. Consumer Care led the way, with a strong recovery in Personal

Care. Alongside this, we realised significant benefits from recent acquisitions in Consumer Care and Life Sciences, delivering £58m of additional adjusted operating profit within the first year post-acquisition. Our 2020 acquisition of Avanti has helped to establish the lipid systems platform in Health Care, with approximately US\$200m of sales in 2021, primarily to our principal vaccine customers. We deployed more capital and resources to scale our consumer, health and crop care technologies. We increased innovation spend by over 50% on 2020 and the proportion of New and Protected Products (NPP) from 27% to 37% of total sales. We increased annual organic capital investment by 31% to almost £160m; reflecting our successful 'buy and build' approach. This has allowed us to unlock the potential of Avanti and Iberchem, acquiring adjacent technology platforms and then scaling them through organic investment.

To deliver these record results, our colleagues have risen to the dual challenges of responding to a rapid recovery in customer demand whilst managing ongoing COVID-19 restrictions. Combined with global disruption affecting many industries, supply chain management has been challenging but, thanks to the efforts of our global team, we have managed to supply the increased demand whilst limiting the impact on customer service. I am proud that we have continued to support our stakeholders and keep our colleagues safe, and I would like to thank everyone at Croda for their commitment.

**Record financial results**

In 2021, reported sales grew by 36% to £1,889.6m (2020: £1,390.3m). Underlying sales were up 26% and acquisitions added 17% (both at constant currency), while stronger Sterling saw an adverse impact from currency translation of 7%. Notably, underlying sales were 18% ahead of 2019 (excluding sales of lipid systems introduced since 2019, for better comparability), demonstrating significant growth against pre-pandemic levels. 2021 also saw the most significant period of raw material cost increases in over a decade, up by 17% in the underlying business. With full cost recovery achieved through Croda's powerful operating model, alongside a strengthening product mix, this helped drive underlying sales price/mix 17% higher year-on-year. Despite higher prices, most markets globally saw strong demand recovery, and underlying sales volume rose 9%.

Strong demand and the faster growth of higher value-add technology platforms across Life Sciences and Consumer Care resulted in a record profit margin for the Group. Return on sales rose 180 basis points to 24.8% (2020: 23.0%). In Life Sciences, the highest growth was in the patient health care platforms, which increasingly focus on producing high value products. Personal Care returned to good growth within the Consumer Care sector and a recovery in Performance Technologies markets benefitted operating leverage. The combination of sales growth, acquisition and improved margin saw reported profit before tax (on an IFRS basis) increase by 53% to £411.5m (2020: £269.5m), while adjusted profit before tax increased by 48% to a record full year result of £445.2m (2020: £300.6m) and was 38% higher than 2019. With adjusted earnings per share 43% higher, the Board has proposed a rise of 10% in the full year ordinary dividend, completing a 30-year record of consistently increasing the annual ordinary dividend.

Cash generation in 2021 supported an increase in working capital, reflecting the higher costs of raw materials and a tactical increase in inventory to



support customer service levels, and an increased allocation of capital investment to the strategic growth markets of Consumer Care and Life Sciences, as part of the divestment of the majority of PTIC. Health Care is a key investment focus for us, with over £70m invested to expand our three patient health care platforms, including new capacity for speciality excipients in therapeutic drug delivery, further build out of the lipid systems platform and expansion of the fast growing vaccine adjuvant platform.

We also committed funding to create a new combined fragrance and Beauty Active facility for Consumer Care, to accelerate sales growth in China, and a new proteins capability in Home Care. In R&D, we invested £5m in expanding innovation centres and in disruptive process technologies. We supplemented this organic investment with the acquisition of adjacent technologies, acquiring two businesses in Consumer Care which are accelerating our transition to natural raw materials. In March, we acquired natural Beauty Actives specialist Alban Muller for €25m and in June we completed on Parfex for €45m, strengthening Iberchem's position in fine and natural fragrances.

### Growth across all regions and sectors

All geographic regions delivered good sales and profit growth. Consumer recovery was strongest in North America, with Asia and Europe also seeing double digit percentage growth in underlying Consumer Care sales. Latin America saw excellent Crop Care sales and all regional markets saw good progress in Performance Technologies. Health Care sales grew across the globe, with Europe and North America benefitting from the lipid systems platform.

### A stronger Consumer Care business

2021 saw the creation of the Consumer Care sector, comprising Croda's leading global position in Personal Care, the recently acquired Iberchem fragrances and flavours (F&F) business and Home Care. Consumer Care delivered an excellent sales performance in 2021, up 45% in reported terms, with underlying sales 18% higher. This was supplemented by 35% growth from acquisitions and partly offset by adverse currency translation of 8%. Adjusted operating profit increased by 29% (and by 26% on an IFRS basis), with return on sales of 24.7% (2020: 27.8%); the latter reduction reflected dilution from the acquisition of Iberchem, with F&F industry margins structurally lower than those of Personal Care. A strengthening product mix overall saw profit margin improve in the second half year.

After a steady recovery in the second half of 2020 from the negative impact of COVID-19 on 'going out' sales of actives and cosmetics, Personal Care performance improved markedly in 2021. This was led by a resurgence in consumer demand for our innovative, high value Beauty Actives products. In previous years, Personal Care performance has been held back by softer growth in our heritage Beauty Care formulation ingredients, particularly in North America and Asia. Beauty Care enjoyed a return to growth in 2021, benefitting from customer restocking and innovative sustainability-driven ingredients, including bio-based surfactants from the US plant, which was fully operational from the end of the first quarter. Improved demand continued through the year, resulting in 2021 Personal Care underlying sales 15% above 2019 pre-pandemic levels and a return on sales of 30%. Growth continued in Home Care, reflecting customer interest for sustainable products from our US ECO plant and excellent demand for Croda's innovative fabric care offering.

In Consumer Care, we are already recognised as the leading innovator in ingredients for the personal care and home care markets. Our acquisition of Iberchem has given us a similar platform in F&F, with innovation at the heart of its business, offering customers on-trend fragrances, particularly for emerging markets. We are delivering the first cross-selling synergies from Croda's global presence, including the launch of Iberchem fragrances into the large Brazil market, leveraging Croda's local operation. With lower vaccination rates, emerging markets have seen softer demand due to COVID-19, which has constrained sales in the short term, but the F&F business still delivered double digit percentage growth in 2021, including the mid-year acquisition of Parfex.

### Rapid expansion in Life Sciences

With an excellent 2021 performance, Life Sciences now rivals Consumer Care in scale. Sales grew 46% in reported terms in 2021, with underlying sales over 40% higher. This was supplemented by over 13% growth from acquisition in the first year of ownership and was partly offset by adverse currency translation of 8%. Adjusted operating profit increased by 67% (and by 79% on an IFRS basis), with return on sales reaching 36.4% (2020: 31.7%). As noted at the half year, achieving this level of growth and profit improvement in such a short period placed significant demands on the business and, as anticipated, the margin level moderated in the second half of the year, as we invested in additional people and brought new capacity on-stream to future-proof this growth.

Life Sciences is leveraging in-house developed and acquired technologies, building further scale to deliver customers' drug, vaccine and crop science products. It is moving into faster growth, higher value/lower volume niches. In 2021, the strongest growth was seen in the Health Care business, with reported sales up 80% year-on-year. This was driven by our focus on patient health care platforms. Whilst much of this growth was delivered by Avanti and the scale-up of its exciting lipid systems platform by Croda's UK Health Care site, resulting in around US\$200m (£145m) of sales to COVID-19 mRNA vaccines, speciality excipients and vaccine adjuvants also grew by over 40%. With

continued investment in these platforms, double digit percentage organic sales growth is expected to continue into the medium term.

Our Health Care business has had outstanding early success with its involvement in COVID-19 vaccines, but even more importantly, we have built a foundation for Croda in biopharma drug delivery. Whilst the majority of lipid system sales in 2021 were to our principal COVID-19 vaccine customers, opportunities in other drug and vaccine customer projects continue to develop. Across our three patient health platforms, we secured 130 new customers and 250 new programmes, two thirds of which were for non-COVID applications, including nucleic acid therapeutic drugs and vaccines (such as mRNA). We expect to see an ongoing expansion in the range of applications for lipid systems in vaccines and therapeutic drugs, as this exciting Health Care technology develops through clinical trials to commercial customer product launches in the medium term.

Crop Protection delivered double-digit percentage sales growth, reflecting strong demand across crop science customers, particularly in the second half of the year. This included significant growth in sales to non-tier one customers who now represent more than 50% of revenue. By contrast, Seed Enhancement growth was subdued, with slower sales in Europe and China.

### A new future for Performance Technologies

The recovery of Performance Technologies strengthened during 2021, with sales growth reflecting a recovery in industrial end markets and sustainability-driven demand across our innovative product applications. Sales grew 18% in reported terms, with underlying sales 24% higher, partly offset by adverse currency translation of 6%. Adjusted operating profit increased by 32% (and by 38% on an IFRS basis), with return on sales improving to 14.7% (2020: 13.1%), as higher sales volume positively impacted operating leverage. Second half margin was notably stronger than the prior year.

In December 2021, we agreed to sell the majority of the PTIC businesses to Cargill Inc., for an enterprise value of €915m (approximately £778m). The business to be divested accounted for 77% of PTIC's 2021 reported sales and comprises five manufacturing facilities, together with associated laboratory facilities and sales operations. We are currently working on the process to separate the two businesses, with completion expected in summer 2022. The consideration includes the sale of 100% of Croda Sipo in China, a joint venture which Croda currently manages and in which it has a 65% shareholding. If Croda's 100% ownership of Sipo cannot be realised, Sipo will be excluded from the PTIC sale, reducing the consideration by €140m. The overall divestment is subject to customary regulatory approvals but is not subject to shareholder approval. Under Cargill's ownership, the divested business and its talented workforce can look forward to a bright future.

Croda's retained business within PTIC, which accounted for 23% of 2021 sales, will form a new Industrial Specialties sector. This will play a key role supporting the Consumer Care and Life Sciences sectors. The divestment is a key step in delivering Croda's transition to a pure-play Consumer Care and Life Sciences company.

We use a number of Alternative Performance Measures (APMs) to assist in presenting information in an easily analysable and comparable form. We use such measures consistently at the half year and full year and reconcile them as appropriate. Adjusted results are stated before exceptional items and amortisation of intangible assets arising on acquisition, and tax thereon. Constant currency results reflect current year performance for existing business translated at the prior year's average exchange rates and include the impact of acquisitions. Underlying results reflect constant currency values adjusted to exclude the impact of acquisitions and disposals in the first year of ownership. All comparators are full year 2020 unless otherwise stated. Sector results for full year 2020 have been restated to reflect a 2021 change to the Group's reporting structure.

## Chief Executive's review (continued)

### Strategy: driving growth through sustainability and innovation

As a result of the strategic moves that we have made over the last 18 months, including the acquisitions of Avanti and Iberchem, and the agreement to divest the majority of our industrial businesses, Croda is now becoming a pure-play business, focused on life science and consumer markets. These markets have reduced cyclicalities, are faster growth, deliver high margins, are capital and carbon light, and leverage innovation, IP and new technologies.

In focusing on these markets, Croda is combining leadership in sustainability with market-leading innovation to deliver profitable growth. Sustainability trends are developing rapidly in these markets, driven by consumer demand for products which do not harm the planet and meet growing trends for clean, bio-based solutions. In addition, our customers have set their own sustainability goals and need Croda, as part of their supply chains, to deliver products created through sustainable ingredients, ethical sourcing, greater ingredient transparency and lower-carbon manufacturing. Regulatory change is also driving companies to move to net zero and Croda has responded by developing clear manufacturing decarbonisation plans during 2021.

Our innovation ecosystem sees R&D driven by increased organic investment and highly productive external innovation partnerships. We are increasing the proportion of NPP that we sell and formulate into customer products. This dynamic innovation engine enables us to both create new market niches through our novel product offerings and win business in existing markets by providing sustainable alternatives to incumbent petrochemical supply. Through innovation, we deliver our strategic objective of consistent top and bottom line growth, with profit growing ahead of sales, ahead of volume.

#### Delivering our sustainability Commitment

Croda was built on a heritage of using science to turn renewable raw materials into innovative ingredients. Today, our Purpose is to use Smart science to improve lives™. We have made a bold Commitment to be the world's most sustainable supplier of innovative ingredients. This is both the right thing to do and also what our customers and consumers are seeking. Accelerating the transition to sustainable ingredients makes clear commercial, as well as ethical, sense. Our focus is now on

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**Croda is combining leadership in sustainability with market-leading innovation to deliver profitable growth.**”

execution, working in partnership with our suppliers and customers to achieve our Commitment to be Climate, Land and People Positive by 2030.

On our journey to becoming Climate Positive, in 2021 we became only the third chemical company globally to have our 1.5°C target verified by the Science Based Targets initiative (SBTi). This commits us to delivering improvements in line with the objective to limit global temperature rises to no more than 1.5°C above pre-industrial levels, the most ambitious SBTi pathway. We are supporting our site decarbonisation roadmaps through investment within our existing capital budget and by considering opportunities to decarbonise with every capital investment decision. The divestment of the majority of PTIC will make Croda less carbon intensive and we will re-baseline our Climate targets to maintain the challenge we have set. PTIC has significant use of bio-based organic raw materials and the divestment will reduce the Group's proportion of bio-based organic raw materials from 69% in 2021 (2020: 67%) to around 52% post-divestment, but we will retain our bio-based target of 75% by 2030.

In becoming Land Positive, the land saved using our crop care technologies will exceed any increase in the land used to grow our raw materials by at least double. We are also developing Nature Positive targets ready for when the future science-based target for nature is published.

In our People Positive objective, we focus on using our smart science to improve lives globally, support our communities and improve the experience of the people we employ. 2021 saw the Health Care business contribute to the development of 15 of the 24 vaccines prioritised by the World Health Organisation, including new projects for HIV and Ebola vaccines. To help our communities, in 2021 we established the Croda Foundation, providing £1m of annual funding. In addition, to reflect the progress made in our Health Care business, we made an extra funding award of £2m in 2021, to improve vaccine and health infrastructure. The first projects funded will help deliver vaccinations to over 50 million people by supporting infrastructure and training in India, Brazil and Uganda. Finally, in delivering our employee objectives, we are focused on improving inclusion and diversity, achieving both the Board gender and ethnic diversity targets of the Hampton-Alexander and Parker Reviews by the start of 2022, whilst making good progress in improving diversity and inclusion within the business.

Supporting our Climate, Land and People Positive strategy are our Fundamental objectives. We are committed to being a safe company for our employees and communities. With the inclusion of recent acquisitions into Group metrics, the Total Recordable Injury Rate ('TRIR') rose to 0.73, excluding COVID-19 cases (2020 full year: 0.58). 83 of our 105 locations had no recordable injuries during 2021 and we are working on the remainder to deliver our targeted improvement to 0.3 by 2025, which would place us towards the leading performance in our industry. During the year we also adopted an enhanced approach to process safety aligned with SASB standards for our industry, targeting a 20% reduction in the incident rate by 2025.

#### Driving innovation

In line with repositioning as a more knowledge-intensive company, NPP as a percentage of sales increased from 27% in 2020 to 28% in 2021

organically and 37% including lipid systems and the Iberchem and Avanti acquisitions. This significant step forward will support higher growth, improved product mix and better margins. The divestment of the majority of PTIC will further enhance our knowledge intensity.

Our innovation strategy combines internal R&D with external technology investments and partnerships, augmenting Croda's innovation centres globally with a network of over 500 academic and SME partners, working on more than 100 innovation projects. In 2021, we commenced a multi-million pound project to introduce artificial intelligence and data mining across our global R&D knowledge base and improve collaboration within our innovation ecosystem.

Innovation is focused on sustainability and, in particular, biotechnology, which will enhance the sustainability of our processes, contributing to the achievement of our target for bio-based raw materials whilst developing disruptive technologies. Our Beauty Actives business has augmented its product synthesis with 50 biotech product launches. Our biotech expertise also leverages previous technology acquisitions, such as Enza and Nautilus, and 2021 saw investment in a new centre for biotech process design and optimisation in the UK. With innovation operating expenditure up over 50% in 2021, we are expanding the pipeline of new opportunities.

#### Sector strategies to deliver growth and even stronger profit margins

With the divestment of the majority of PTIC, Croda will be a Purpose-driven company focused on two attractive sectors that will deliver consistent sales growth and even stronger profit margin. Each of the two sectors comprises four businesses, all offering superior sales growth, at least one and a half times GDP. Each can deliver margins above 20% and return on invested capital (ROIC) of at least twice our cost of capital. We will target an expanded organic capital investment programme to access faster growth, supported by selective acquisitions of adjacent technologies.

Consumer Care is already recognised as the leading innovator in ingredients and fragrances for the personal care and home care markets. Our future vision is to be the global leader in sustainable solutions in these premium markets. This will be achieved by delivering sustainable ingredients, supported by performance data and ingredient transparency, and by being the leader in product formulation and application technologies.

Consumer Care is focused on high value niches in the faster growing markets of skin care, hair care, solar protection, fabric and surface care, and fragrances. Our strategy is to Strengthen to Grow Consumer Care, to deliver mid-single digit percentage sales growth at strong margins. This will be delivered by developing more sustainable ingredients; leveraging our capability to deliver formulation solutions; by driving innovation in premium markets, with Croda providing a 'one stop shop' to 'Indie' customers; and by expanding our presence in high growth regions, with increased investment in China, expected to drive 70% of Asian growth between 2021 and 2025.

Within Consumer Care's four businesses, this strategy is being achieved by:

- Scaling our market leadership in Beauty Actives in peptides, botanicals and biotechnology, expanding our geographic footprint and leveraging selective acquisitions;

## Amplifying our positive impact by funding the Croda Foundation



This year we have taken a big step towards achieving our ambition of expanding the reach of our smart science to permanently improve more lives by funding the Croda Foundation.

As part of its charitable remit, the independent Foundation issues grants for critical projects to support livelihoods and communities. Initial projects funded by the Foundation are benefitting people in the US facing food insecurity, supporting vulnerable mothers in Kenya, and unemployed, blind and partially sighted people in South Africa, who are being trained as food tasters to enable them to participate in the local economy.

The Foundation also distributed grants specifically focused on health infrastructure projects, improving access to vaccines, and tackling vaccine hesitancy in India, Uganda and Brazil. By funding the Croda Foundation, we are making a bigger impact on communities across the world.

Rommel Moseley, Executive Director Croda Foundation, said: *“The Foundation has been established on Croda’s firm commitment to be People Positive by 2030. Our priority areas approved by our trustees are to improve health and wellbeing, reduce hunger and poverty, and protect and restore forest and ecosystems.”*



To read more about the Croda Foundation see our 2021 Sustainability Report P33

- Strengthening Beauty Care, with sustainable effect ingredients and a full service formulation capability, supported by ingredient data to underpin our customers’ product claims;
- Unlocking the potential of F&F, by driving the benefits of integration synergies through expanding Croda’s presence in emerging markets and providing Iberchem with access to Croda’s developed market presence, such as the US and Brazil, while supporting one-stop-shop formulations which combine high performance Croda ingredients with Iberchem’s on-trend fragrances and developing more natural fragrances; and
- Accelerating Home Care in sustainable cleaning, fabric care technologies and sensory benefits.

Life Sciences is today well established as a leading supplier of delivery systems to pharmaceutical and crop science customers through high quality ingredients and unique purification and synthesis know-how. Our future vision is to become the global leader in biopharma drug delivery in Health Care, alongside our leadership in sustainable delivery systems for Crop Care. This will be achieved by delivering solutions and systems to customers; leveraging our leadership in synthesis, formulation and application technology know-how; expanding sustainable technology platforms; and increasing our expertise in complex formulation systems.

Our strategy is to Expand to Grow Life Sciences to deliver high single digit percentage sales growth with a strong return on sales. Within the four Life Sciences businesses, this strategy is being achieved by:

- Expanding our platforms in Patient Health. Our established speciality excipient platform provides high purity delivery systems for therapeutic drug applications, such as oncology, and is growing rapidly, providing the excipients of choice for the newest biologic drug innovations. To this we have added two new platforms – vaccine adjuvants in 2018, providing the important accelerator to a range of new global vaccines; and lipid systems in 2020, the preferred solution for the developing science of nucleic acid delivery (e.g. mRNA), which is expected to revolutionise medical delivery in

the next decade. Our strategy is to identify and acquire new platforms, and grow them organically with rapid, agile investment;

- Continuing to grow in Consumer and Veterinary Health, through oral care, topical application and animal health solutions;
- Innovating in Crop Protection. We are developing an industry-leading range of low carbon, bio-based and biodegradable delivery systems, alongside systems for next generation biopesticide delivery and crop nutrition, as the world reduces its dependence on chemical solutions; and
- Creating long-term partnerships in Seed Enhancement. This includes providing seed coatings and pellets that are free from micro-plastics and developing technologies to stimulate plant growth.

### Deploying capital

Our transition to a pure-play Consumer Care and Life Sciences company will allow us to deploy capital into the rich seam of growth opportunities in these markets, whilst maintaining our discipline of careful capital allocation to projects which generate superior returns on capital. This will allow us to continue to scale our consumer, health and crop care technologies and deliver consistent sales growth and an even stronger profit margin. Our priority is organic capital expenditure to take advantage of the significant growth opportunities available in higher returning life science and consumer markets. This will be supplemented by selective acquisition of disruptive technologies in existing and adjacent markets to accelerate strategic delivery.

We are unlocking the value of £1.2bn of investment in the last two years in acquisitions and capacity expansion. Our preferred approach is to ‘buy and build’, as exemplified by our investment in Life Sciences since 2015, where we have secured new technology platforms and know-how through modest acquisition spends, such as Incotec seed enhancement, Biosector vaccine adjuvants and Avanti lipid systems, then built scale through organic investment.

In Life Sciences, drug delivery offers a significant growth opportunity, much of which can now be delivered through organic investment, although we will continue to look for additional delivery technologies to complement our three successful platforms. In addition to over £70m invested in 2021, we have committed a similar amount in

future capital expenditure to reinforce our leading position in drug and vaccine systems. This investment programme will include expanding our lipid systems capability in the US and UK.

In Consumer Care, our investment focuses on expanding sustainable technologies, such as mild surfactants and innovative proteins for clothes care, to meet developing customer demand. We will also invest in increasing geographic coverage, particularly in fast growth markets, such as Asia. The sector will also benefit from investment in biotechnology and decarbonisation. This will continue to be supplemented by careful acquisition of adjacent technology bolt-ons, particularly those which can accelerate our transition to greater use of natural raw materials, an important differentiator in consumer markets.

### Outlook

Growth is expected to continue in 2022 in line with our medium-term expectations. This should be supported by robust consumer demand, inflation cost recovery and the benefit of our recent investments more than offsetting moderation in customer restocking. Lipid systems sales are expected to be at a similar level to 2021. With an increasing proportion of sales coming from higher value add solutions, profit margins in Consumer Care and Life Sciences are expected to remain strong.

The combination of our differentiated business model, healthy innovation pipeline and current investment programme are expected to underpin performance and continue to generate value for all our stakeholders.

**Steve Foots**  
Group Chief Executive

The Strategic Report was approved by the Board on 28 February 2022 and signed on its behalf by Steve Foots.