

Phil Ruxton and Tracy Sheedy discuss executing on our Commitment and how our people and culture are playing a key role



Phil Ruxton is Chief Sustainability Officer

PR Since launching our Commitment to be Climate, Land and People Positive by 2030, positioning us as the world's most sustainable supplier of innovative ingredients, we have been working hard on the plans and roadmaps to make this a reality.

In line with this mission, we have committed to climate science-based targets (SBTs), becoming only the third major chemical company in the world to have an officially verified plan to reduce carbon emissions in line with the 1.5°C scenario on our way to becoming net zero by 2050.

With immediate action required to mitigate the worst-case scenarios associated with climate change, leadership and differentiation are now all about execution. Our focus is therefore on delivery, working in partnership with all stakeholders particularly suppliers and customers.

Our strategy is much more broad-based than climate alone, as the United Nations Sustainable Development Goals (SDGs) demand. We are already land net zero, with our crop science ingredients saving more land than is used to grow our bio-based raw materials. We recognise that our strategy will need to adapt in response to the latest science and needs of planet and society. For example, we are investigating our impacts and dependencies on biodiversity and the development of a science-based target for nature.

This year we have engaged all our stakeholders in reviewing our material impacts. The insight gained has focused our attention and encouraged us to continue our ambitious journey to become Climate, Land and People Positive by 2030.

TS Croda has a unique culture which combines our heritage with a diverse and global footprint. Our values are a manifestation of this; we encourage our people to be 'responsible' and 'innovative' and to work 'together'.

We are responsible and 'do what we say we will do'; delivering on our promises is something which is evident in our financial and non-financial performance this year. This year we have reached our target of ensuring all employees earn a Living Wage globally and continue to enjoy largely positive scores in our employee engagement surveys.

As a leading innovator we encourage the broad range of thinking made possible in a company that values diversity, enhancing the solutions that we deliver for customers and the communities that we serve. We are pleased to have exceeded both the Board gender and ethnic diversity ambitions of the Hampton-Alexander and Parker Reviews for the start of 2022 and we also increased the proportion of leadership positions held by women to 36% this year.

At Croda, we share a clear sense of Purpose to use our Smart science to improve lives™ that ensures everyone pulls together to achieve our goals. Read more about our culture and diversity and inclusion on page 36.



Tracy Sheedy is Group Human Resources Director

 See Delivering value through our culture P36

Combining science and sustainability at Alban Muller

Through our Sederma business we are the leading innovator in the skin care market and the number one supplier of anti-ageing ingredients. We are also a leader in natural extracts sourced from plants, under our Crodarom brand. This year we acquired Alban Muller, a privately owned company that combines science and natural extracts, broadening the natural ingredients offering in our Beauty Actives business.

Alban Muller's natural active and functional ingredients create a significant growth opportunity to meet changing consumer requirements in a skin care market that is growing 9% per year. The acquisition is also a good example of where we expect to continue to allocate capital in consumer markets.

Alban Muller product Cytokalmine™ is a natural concentrate for sensitive skin with proven soothing and antioxidant effects. This new product, launched in 2021, is 100% naturally derived from by-products of pomegranate food production. The production of natural active ingredients using locally sourced by-products is a good example of how Alban Muller delivers beauty ingredients that are more sustainable than alternative products.

Christiano Lubrano, Research & Development Director at Alban Muller, said: "The integration with Croda presents the perfect opportunity to combine our scientific botanical knowledge with Croda's existing expertise to create new natural ingredients for customers; both more innovative and natural."



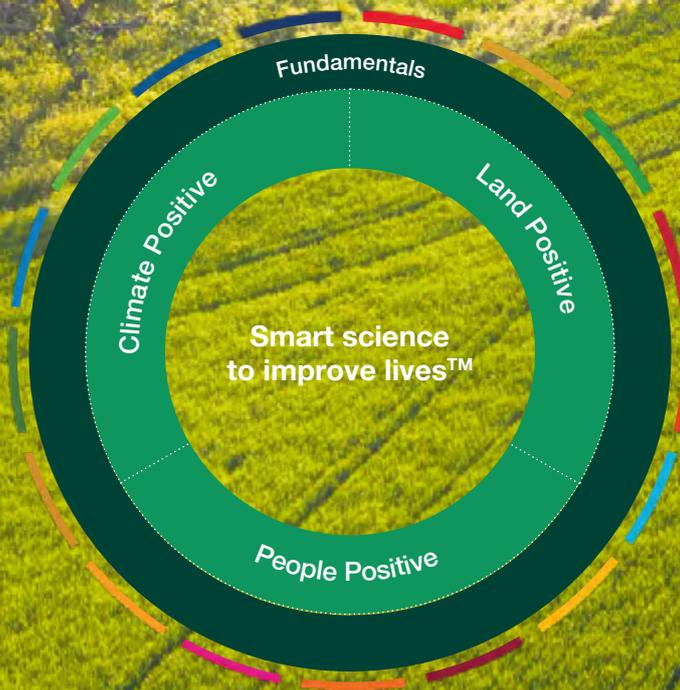
Sustainability + Innovation = Growth

Climate Positive:

We will continue to reduce our carbon footprint and increase our use of bio-based raw materials, whilst the benefits in use of our ingredients will enable more carbon to be saved than we emit through our operations and supply chain.

People Positive:

We will apply our innovation to increase our positive impact on society. We are improving the lives of our own employees and people around the world by developing ingredients to improve health and wellbeing as well as encouraging and promoting diversity.



Land Positive:

Our products will enable more land to be saved than is used to grow our bio-based raw materials. Our innovation will help customers to protect biodiversity and to mitigate the impact of climate change and land degradation, increasing the availability of land suitable for growing crops.

Fundamentals:

Our social licence to operate is built on trust and is the foundation of everything we do. We consider all stakeholders in our ecosystem and strive to adopt best practices in environment, labour and human rights, safety, ethics and sustainable procurement.



See Sustainability P30

