CRODA

Gender Pay Gap Report **CRODA**

Croda is a business with innovation at its heart, diversity of thought and ideas is therefore critical to our long-term success. A crucial part of diversity within Croda is gender, we are therefore on a mission to improve our gender balance and at the same time to promote the exciting career opportunities available in the chemical industry to both men and women.



Inclusion at Croda

Smart Science to Improve Lives™

We combine our knowledge, passion and entrepreneurial spirit to create a positive difference to the environment and to society.

Over the last 12 months, our organisation has been on a journey to align our activities around a broader purpose. This is to improve lives through using smart science.

To drive this progress, we have established 'Our Commitment' a set of stretching 2030 targets to be the most sustainable supplier of innovative ingredients. We will create, make and deliver solutions to tackle some of the biggest challenges the world is facing. By 2030, we will be Climate, Land and People Positive.

One of our targets is to increase the representation of women at Croda, across all levels and roles, but particularly in senior leadership positions. An outline of how we are doing is provided within the progress section of this document.



Gender Pay Gap at Croda

The gender pay gap sets out a Company's difference in the pay between men and women, using a variety of statistical measures.

It is not a review of 'equal pay', which is specifically a woman receiving the same compensation for the same or similar job.

The data:

Mean gender pay gap – this is the difference in the average hourly or bonus pay for women when compared to men

Median gender pay gap – this is the middle point of the reviewed workforce, comparing the person who is at the mid-point of the data

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We are confident that our gender pay gap is not an equal pay issue but is a result of a lack of female representation across our business at senior levels and particularly in production roles which represent the bulk of the workforce between the 25th and 75th percentile. Addressing this issue will require a long-term approach but we have already begun work to increase the number of females working in production and in senior positions

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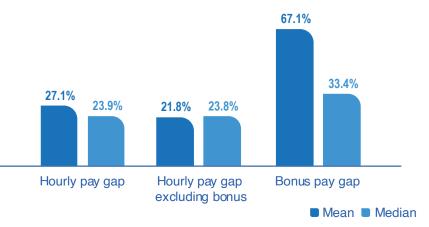
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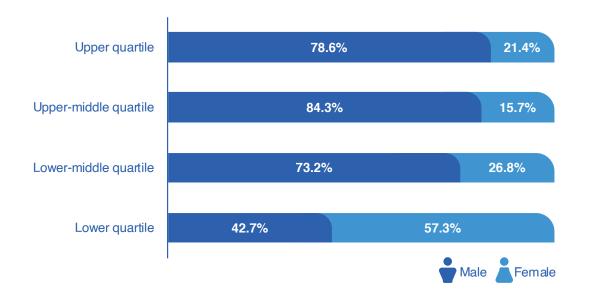
Croda Europe – UK Gender Pay Gap Results 2019



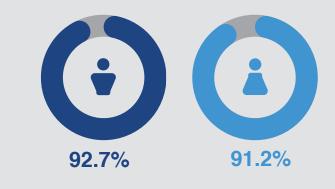
Pay and Bonus pay gap



Population of men and women in each pay quartile



Proportion of employees receiving a bonus



Progress & Plans

Leadership

With our commitment to increasing female representation, we are particularly focussed on balancing the representation at senior levels. We have made progress against our commitment, with an increase of 14% females in senior manager and leader roles between Q4 2018 and Q4 2019.



Recruitment

After a trial in Europe, we implemented balanced shortlisting on a global basis. We have tracked progress against this since Q2 2019 and report this information to the Board quarterly. We are working towards our target of achieving balanced shortlists for 80% of roles by 2023. One success area is in our production roles. Since Q4 2018, we have increased the number of females in production roles by using balanced shortlisting and changing the way we advertise.



Learning and development

- Further improving our talent and succession planning processes to help identify and nurture talent early in their career e.g. mentoring programmes
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- Continuing to invest in our STEM activities to encourage a wide range of applicants to apply for roles in our business.

Culture

- In a number of our locations, we are progressing workplace redesigns, site relocations and opening new offices and facilities.
- To ensure our workplaces are inclusive, we have engaged our work force to ensure that we are creating spaces that enable our employees to come to work and give their best.
- We are finding ways to reduce shift work (especially night work) and to examine the feasibility of part-time and job share arrangements in our production facilities
- Improving family friendly policies including flexible working, Parental leave and other benefits; in 2019 we introduced a new Global Parental Leave Policy and many of our global locations have introduced flexible working

