Cautionary statement and definitions

Cautionary statement
This review is intended to focus on matters which are relevant to the interests of shareholders in the Company. The purpose of the review is to assist shareholders in assessing the strategies adopted and performance delivered by the Company and the potential for those strategies to succeed. It should not be relied upon by any other party or for any other purpose. Forward looking statements are made in good faith, based on a number of assumptions concerning future events and information available to the Directors at the time of their approval of this report. These forward looking statements should be treated with caution due to the inherent uncertainties underlying such forward looking information. The user of this review should not rely unduly on these forward looking statements, which are not a guarantee of performance and which are subject to a number of uncertainties and other facts, many of which are outside the Company’s control and could cause actual events to differ materially from those in these statements. No guarantee can be given of future results, levels of activity, performance or achievements.

Adjusted results
Unless otherwise stated, all performance data refers to adjusted results. These are stated before exceptional items and amortisation of intangible assets arising on acquisition, and tax thereon. The Board believes that the adjusted presentation (and the columnar format adopted for the Group income statement) assists shareholders by providing a meaningful basis upon which to analyse underlying business performance and make year-on-year comparisons. The same measures are used by management for planning, budgeting and reporting purposes and for the internal assessment of operating performance across the Group. The adjusted presentation is adopted on a consistent basis for each half year and full year results.

Sector restatement
Sector results for half year 2020 have been restated to reflect the Group’s new reporting structure.

Constant currency results
All data is at reported currency rates unless otherwise stated. Reported currency results reflect current year performance translated at reported rates (actual average exchange rates). Constant currency results: these reflect current year performance for existing business translated at the prior year’s average exchange rates and include the impact of acquisitions. For constant currency profit, translation is performed using the entity reporting currency. For constant currency sales, local currency sales are translated into the most relevant functional currency of the destination country of sale (for example, sales in Latin America are primarily made in US dollars, which is therefore used as the functional currency). Sales in functional currency are then translated into Sterling using the prior year’s average rates for the corresponding period. Constant currency results are reconciled to reported results in the Finance Review.

Underlying sales
Underlying sales reflect constant currency values adjusted to exclude the impact of acquisitions. They are reconciled to reported sales in the Finance Review.

Other definitions
• Return on sales is adjusted operating profit divided by sales, at reported currency.
• Net debt comprises cash and cash equivalents (including bank overdrafts), current and non-current borrowings and lease liabilities.
• The leverage ratio is the ratio of net debt to Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) adjusted to include EBITDA from acquisitions is the last 12 month period. EBITDA is adjusted operating profit plus depreciation and amortisation.
• Free cash flow is EBITDA less movements in working capital, net capital expenditure, payment of lease liabilities, non-cash pension expense, and interest and tax payments.

Alternative performance measures (APMs)
We use a number of APMs to assist in presenting information in this presentation in an easily analysable and comparable form. We use such measures consistently at the half year and full year and reconcile them in the Finance Review accompanying these results.

Front cover images: Top: two thirds of Avanti employees work in scientific roles. Bottom: one third of Iberchem employees are in R&D roles.

Smart science to improve lives™
Agenda

• Record performance
• Excellent first half financial results
• Moving to faster growth markets
• Q&A
Record performance

Steve Foots – Chief Executive Officer
# Record performance driven by accelerated strategic implementation

<table>
<thead>
<tr>
<th>Record performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Reported sales up 39% on H1/20</td>
</tr>
<tr>
<td>• Underlying sales up 27% on H1/20; up over 10% on H1/19</td>
</tr>
<tr>
<td>• Record adjusted profit before tax, up over 50% on H1/20</td>
</tr>
<tr>
<td>• Return on sales 25.9% (2020: 24.0%)</td>
</tr>
<tr>
<td>• Interim ordinary dividend up 10% to 43.5p (2020: 39.5p)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Accelerated strategic implementation</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Strong underlying growth across all sectors</td>
</tr>
<tr>
<td>- Benefitting from significant capital investment over last 12 months, together with increased innovation</td>
</tr>
<tr>
<td>• Successful delivery from recent acquisitions</td>
</tr>
<tr>
<td>- Iberchem and Avanti performing well</td>
</tr>
<tr>
<td>- Integration and synergy delivery on track</td>
</tr>
<tr>
<td>• Continued success in building the Life Sciences platform</td>
</tr>
<tr>
<td>- Over £40m invested in Health Care capacity expansion in H1/21</td>
</tr>
</tbody>
</table>
Excellent first half results…

- **Sales**: +38.8% to £934.0m. Higher volumes, increased prices and acquisitions more than offsetting currency headwind.
- **Return on sales**: +1.9ppts to 25.9%. Growth in higher value niches; positive operating leverage.
- **Adjusted operating profit**: +49.8% to £242.1m. Higher sales and improved business mix.
- **Free cash flow**: -46.8% to £42.7m. Increased capex; demand driven working capital build.
….recovered to above pre-pandemic levels

H1/21 underlying sales well ahead of H1/19

<table>
<thead>
<tr>
<th></th>
<th>Consumer Care</th>
<th>Life Sciences</th>
<th>Performance Technologies</th>
<th>Group</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1/21</td>
<td>10.2%</td>
<td>14.5%</td>
<td>10.6%</td>
<td>10.4%</td>
</tr>
</tbody>
</table>

NPP as % sales benefiting from recovery and acquisitions

<table>
<thead>
<tr>
<th></th>
<th>H1/19</th>
<th>H1/20</th>
<th>Acquisition &amp; lipid impact</th>
<th>H1/21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Existing business</td>
<td>28.3%</td>
<td>27.2%</td>
<td>-1.1%</td>
<td>37.7%</td>
</tr>
<tr>
<td>H1/20</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Acquisition &amp; lipid</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>impact</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

H1/21 underlying volume and price/mix higher than H1/19

<table>
<thead>
<tr>
<th></th>
<th>Price / mix</th>
<th>Volume</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumer Care</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Life Sciences</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Performance</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Technologies</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Group</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Increased profit generation from life science and consumer markets

Proportion of adjusted operating profit from life science and consumer markets

H1/19 78%
H1/21 85%

Sector sales data is presented on an underlying basis excluding lipid system sales to provide a like-for-like comparison.
All sectors delivering strong growth

**Consumer Care**
- Performance driven by strong improvement in Personal Care, particularly Beauty Actives
- Capturing new market share with sustainable ingredients
- Iberchem and other acquisitions performing to plan; integration programmes progressing well

**Life Sciences**
- Excellent performance in Life Sciences; underlying Crop Care sales up double-digit percentage
- Outstanding Health Care sales; increased guidance for lipid system sales
- Improving return on sales due to continued growth in higher value-added niches

**Performance Technologies**
- Performance Technologies recovering strongly; exposed to sustainability-driven niches
- Strategic review progressing well
- 15.6% return on sales, a significant improvement on H2/20 return on sales of 10.9%
Excellent first half financial results

Jez Maiden – Group Finance Director
## Record performance supported by continued investment

<table>
<thead>
<tr>
<th></th>
<th>H1/21</th>
<th>H1/20</th>
<th>% change</th>
<th>% change constant currency</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Adjusted results, £m</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sales</td>
<td>934.0</td>
<td>672.9</td>
<td>38.8%</td>
<td>46.9%</td>
</tr>
<tr>
<td>Operating profit</td>
<td>242.1</td>
<td>161.6</td>
<td>49.8%</td>
<td>58.7%</td>
</tr>
<tr>
<td>Return on sales</td>
<td>25.9%</td>
<td>24.0%</td>
<td>190bps</td>
<td>-</td>
</tr>
<tr>
<td>Profit before tax</td>
<td>229.5</td>
<td>152.5</td>
<td>50.5%</td>
<td>59.5%</td>
</tr>
<tr>
<td>Basic earnings per share</td>
<td>124.0p</td>
<td>88.8p</td>
<td>39.6%</td>
<td>48.0%</td>
</tr>
<tr>
<td>Ordinary dividend per share</td>
<td>43.5p</td>
<td>39.5p</td>
<td>10.1%</td>
<td>-</td>
</tr>
<tr>
<td>Free cash flow</td>
<td>42.7</td>
<td>80.2</td>
<td>(46.8)%</td>
<td>-</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>H1/21</th>
<th>H1/20</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Adjusted PBT reconciliation to IFRS, £m</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adjusted PBT</td>
<td>229.5</td>
<td>152.5</td>
</tr>
<tr>
<td>Exceptional items</td>
<td>(8.6)</td>
<td>(2.7)</td>
</tr>
<tr>
<td>Amortisation of intangible assets</td>
<td>(16.8)</td>
<td>(4.9)</td>
</tr>
<tr>
<td>Reported PBT</td>
<td>204.1</td>
<td>144.9</td>
</tr>
</tbody>
</table>
Strong price and volume growth complemented by acquisitions

Sales, £m

Constant currency sales +47%

Underlying sales +27%

14% 13% 20% -8%

934.0

HY/20 reported currency

HY/21 reported currency

Existing business

Lipid systems

Avanti

Iberchem

Underlying sales +27%

Acquisitions +20%

19%

8%

6%

14%

Parfex sales reported in Iberchem. Alban Muller’s sales contribution less than one percentage point of first half growth
Excellent growth across all sectors

**Consumer Care**
- Growth in sales %: +46%
- Growth in operating profit %: +23%
- Return on sales (%): -480bps, 24.6%

**Life Sciences**
- Growth in sales %: +61%
- Growth in operating profit %: +98%
- Return on sales (%): +720bps, 39.3%

**Performance Technologies**
- Growth in sales %: +15%
- Growth in operating profit %: +18%
- Return on sales (%): +50bps, 15.6%

**CRODA**
- Growth in sales %: +39%
- Growth in operating profit %: +50%
- Return on sales (%): +190bps, 25.9%
## Significant improvement in Consumer Care

### Strong sales recovery in all business units

<table>
<thead>
<tr>
<th>Category</th>
<th>Growth Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beauty Actives</td>
<td>+26%</td>
</tr>
<tr>
<td>Beauty Effects</td>
<td>+11%</td>
</tr>
<tr>
<td>Beauty Formulation</td>
<td>+8%</td>
</tr>
<tr>
<td>Home Care</td>
<td>+5%</td>
</tr>
<tr>
<td>Fragrances*</td>
<td>+13%</td>
</tr>
</tbody>
</table>

### Good volume recovery, price growth and Iberchem contribution

<table>
<thead>
<tr>
<th>Component</th>
<th>Growth Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Price / mix</td>
<td>+7%</td>
</tr>
<tr>
<td>Volume</td>
<td>+11%</td>
</tr>
<tr>
<td>Acquisitions</td>
<td>+38%</td>
</tr>
<tr>
<td>Currency</td>
<td>-10%</td>
</tr>
<tr>
<td>Total</td>
<td>+46%</td>
</tr>
</tbody>
</table>

### Highlights
- Rapid Personal Care improvement
  - Resurgence in Actives
  - Good demand in Effects and Formulation
  - Margin improvement from enriched mix
- Personal Care underlying sales +8% on pre-pandemic level
- Slower growth in Home Care
- Iberchem integration progressing well
  - Continuing pre-acquisition growth trajectory
- Lower return on sales reflects dilution effect of Iberchem

*H1/20 comparator is before Croda ownership.
Outstanding performance in Life Sciences

Strong sales growth in the existing business

<table>
<thead>
<tr>
<th></th>
<th>Underlying sales</th>
<th>Acquisitions</th>
<th>Currency</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Existing</td>
<td>+17%</td>
<td>+23%</td>
<td>-9%</td>
<td>+61%</td>
</tr>
<tr>
<td>Lipid systems</td>
<td>+30%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Acquisitions</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Currency</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Highlights

- Sales growth through organic expansion and leveraging acquired technologies
- Outstanding Health Care performance
  - Vaccine adjuvant sales increased over two thirds
  - Speciality excipient sales up over two thirds
  - US$100m lipid system sales
- 180% increase in Avanti sales year-on-year*
- Exceptional growth and margin – will moderate with demand and new capacity

*H1/20 comparator is before Croda ownership.

Continued move to higher value, lower volume niches

<table>
<thead>
<tr>
<th>Year</th>
<th>Underlying sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>28%</td>
</tr>
<tr>
<td>2017</td>
<td>30%</td>
</tr>
<tr>
<td>2018</td>
<td>30%</td>
</tr>
<tr>
<td>2019</td>
<td>31%</td>
</tr>
<tr>
<td>2020</td>
<td>32%</td>
</tr>
<tr>
<td>H1/21</td>
<td>39%</td>
</tr>
</tbody>
</table>

Highlights

- Underlying sales growth of +11ppnts
Strong recovery in Performance Technologies

Good sales growth in both business units

<table>
<thead>
<tr>
<th>Smart Materials</th>
<th>Energy Technologies</th>
</tr>
</thead>
<tbody>
<tr>
<td>+18%</td>
<td>+10%</td>
</tr>
</tbody>
</table>

Half year sales growth driven by volumes

<table>
<thead>
<tr>
<th>Price / mix</th>
<th>Volume</th>
<th>Acquisitions</th>
<th>Currency</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>+3%</td>
<td>+18%</td>
<td>0%</td>
<td>-6%</td>
<td>+15%</td>
</tr>
</tbody>
</table>

Highlights

- Continued improvement in sales
  - Recovery in industrial markets
  - Next generation applications
  - Sustainability-driven demand
- Smart Materials – built on improved 2020 sales
- Energy Technologies – progressive improvement plus new EV applications
- Underlying sales 11% above pre-pandemic levels
- Operating leverage driving margin improvement
Lower cash generation reflecting higher investment

<table>
<thead>
<tr>
<th>Cash flow, £m</th>
<th>H1/21</th>
<th>H1/20</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBITDA</td>
<td>280.3</td>
<td>193.4</td>
</tr>
<tr>
<td>Working capital</td>
<td>(98.4)</td>
<td>(13.5)</td>
</tr>
<tr>
<td>Capital expenditure</td>
<td>(81.6)</td>
<td>(50.9)</td>
</tr>
<tr>
<td>Interest &amp; tax</td>
<td>(56.9)</td>
<td>(48.2)</td>
</tr>
<tr>
<td>Other</td>
<td>(0.7 )</td>
<td>(0.6 )</td>
</tr>
<tr>
<td>Free cash flow</td>
<td>42.7</td>
<td>80.2</td>
</tr>
<tr>
<td>Dividends</td>
<td>(71.8)</td>
<td>(65.0)</td>
</tr>
<tr>
<td>Acquisitions</td>
<td>(55.5)</td>
<td>-</td>
</tr>
<tr>
<td>Other cash movements</td>
<td>5.4</td>
<td>(12.4)</td>
</tr>
<tr>
<td>Net cash flow</td>
<td>(79.2)</td>
<td>2.8</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>£m</th>
<th>H1/21</th>
<th>FY/20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net debt</td>
<td>866.3</td>
<td>800.5</td>
</tr>
<tr>
<td>Leverage ratio</td>
<td>1.7x</td>
<td>1.8x</td>
</tr>
</tbody>
</table>

Working capital outflow driven by sales increase, £m

- Pro-rata increase in working capital: (72.2)
- Increase in contingency stock: (20.3)
- Other increase: (5.9)
- H1/21 working capital investment: (98.4)

Deploying capital to drive current and future growth

- Capital expenditure of over £80m
  - Targeted investment to drive future growth
  - >£40m invested in Health Care capacity
- £56m invested in acquisitions
  - Accelerating transition to sustainable ingredients
Guided by a clear capital allocation policy

<table>
<thead>
<tr>
<th>Capital allocation policy</th>
<th>Application in H1/21</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1</strong> Reinvest for organic growth</td>
<td><strong>1</strong> &gt;£80m invested to drive future organic growth</td>
</tr>
<tr>
<td><strong>2</strong> Provide regular returns to shareholders</td>
<td><strong>2</strong> 10% increase in ordinary interim dividend</td>
</tr>
<tr>
<td><strong>3</strong> Acquire complementary technologies / adjacencies</td>
<td><strong>3</strong> £56m invested in natural actives and high-end fragrance acquisitions</td>
</tr>
<tr>
<td><strong>4</strong> Maintain appropriate balance sheet/return excess capital</td>
<td><strong>4</strong> Leverage reduced to 1.7x EBITDA</td>
</tr>
</tbody>
</table>

Leverage target: 1-2x
Moving to faster growth markets

Steve Foots – Chief Executive Officer
Rapid implementation of strategic priorities over last 12 months

<table>
<thead>
<tr>
<th>Purpose</th>
<th>Sector</th>
<th>Group</th>
</tr>
</thead>
<tbody>
<tr>
<td>Smart science to improve lives™</td>
<td>Sustainability</td>
<td>Expand Life Sciences</td>
</tr>
<tr>
<td></td>
<td>Innovation</td>
<td>Strengthen Consumer Care</td>
</tr>
<tr>
<td></td>
<td>Growth</td>
<td>Refine Performance Technologies</td>
</tr>
</tbody>
</table>

- **Sustainability**
  - Scaling patient health technologies
  - Meeting sustainability challenges of crop care customers

- **Innovation**
  - Sustainability-driven sector
  - Entered fragrance market
  - Strengthening natural actives

- **Growth**
  - Greater focus on high-tech markets
  - Reduced cyclical
  - Strategic review progressing well
2021 performance benefiting from prior year investments

**August 2020 Avanti acquisition**

- COVID-19 drugs and vaccines
  - 180% increase in sales year-on-year
  - Key role in first global applications of mRNA
  - At least $200m sales in 2021
  - Supporting 25 COVID-19 projects

**Lipid system applications**

- mRNA drugs and vaccines
- Non-mRNA technologies
- Next generation gene therapies

**November 2020 Iberchem acquisition**

- Strong organic growth in H1 2021
  - Sales up 13%
  - Integration programme progressing well
  - Expecting €48m annual revenue synergies by 2025

- Access to superior fragrance growth rates in emerging markets

**Fragrance market CAGR 2020-2024**

- Global
- Western Europe
- North America
- ME & Africa
- Latin America
- Eastern Europe
- Asia-Pacific

H1/20 comparator sales was before Croda ownership

Fragrance market CAGR 2020-2024; source: Euromonitor 2020
Focused on fast growth markets of the future

**Life Sciences**
We reach customers worldwide with our ingredients to deliver health care solutions, protect crops and enhance seeds; from our vaccine technologies to microplastic-free seed coatings, we are using our smart science to improve lives everywhere.

- Crop Protection
- Seed Enhancement
- Consumer & Veterinary Health
- Patient Health

**Consumer Care**
Our smart science is helping our customers, large and small, to create formulations with improved environmental profiles for thousands of personal and home care products while delivering clear benefits to consumers.

- Beauty Actives
- Beauty Care (Effects & Formulation)
- Home Care
- Fragrances (Iberchem)
Building a world class drug delivery business…

**Patient health**

**Speciality excipients**
- Market estimate
  - c$0.6bn for injectable excipients
  - High single digit CAGR
- Croda positioning
  - Leader in purification technology
  - Broadest range of high purity excipients
  - “The leading provider of excipients for parenteral formulation by market value” – Kline

**Lipid systems**
- Market estimate
  - c$1bn
  - Currently doubling each year
- Croda positioning
  - Avanti + Croda = world leading position
  - Avanti 50-year track record in lipids
  - Croda commercial GMP production

**Preventative health**

**Vaccine adjuvants**
- Market estimate
  - c$0.5bn for vaccine adjuvants pre COVID-19
  - Vaccine market doubled 2019-21
- Croda positioning
  - World class manufacturing
  - Market leading quality credentials
  - Future opportunities for infectious / non-infectious diseases

Smart science to improve lives™
...with bigger, bolder innovation projects...

**Patient health**

**Speciality excipients**
- Supporting 25 COVID-19 projects
- Biologics = 9 of top 10 selling drugs in 2020
- Expanding speciality excipient portfolio
  - 8 launched in the last 12 months
  - Over 50 products

**Lipid systems**
- Supporting 25 COVID-19 projects
- 200+ lipid products in phase 1-3 clinical trials
- Similar number in research
- Reinforce leading position through R&D & capacity investment

**Preventative health**

**Vaccine adjuvants**
- Supporting 50 COVID-19 projects
- Next generation adjuvant technologies
- Increasing collaboration with Avanti
- Participating in the fight against other World Health Organisation-listed diseases

---

**……with bigger, bolder innovation projects…**
…and rapid operational scale-up

Avanti, US
- 2x employees
- 2x lipid capacity
- £40m investment
- On stream in Q3

Biosector
- 2x capacity
- £5m investment
- On stream now

United Kingdom
- New lipid capacity
- £15m investment
- On stream now

United States
- 2x speciality excipients
- £30m investment
- On stream now

Japan
- 1.5x speciality excipients (and Personal Care)
- £15m investment
- On stream this year

Denmark
- 2x capacity
- £5m investment
- On stream now

€72m acquisition

$185m (+ up to $75m) acquisition

Biosector

Avanti, US

Japan

Denmark

United States

United Kingdom

Biosector
Moving to fast growth consumer markets

**Superior growth rates in Croda’s high value technologies**

CAGR 2020 - 2025

- Global Beauty: 4.2%
- Peptides: 7.2%
- Botanicals: 6.3%
- Biotech: 8.2%

**Exposed to accelerating sustainability product launches**

- Total launches: Purple bars
- % with claims: Green bars

**Generational shift driving demand for clean & conscious beauty**

Generational segmentation of beauty buyers, 2019

- Green: Millennials: 80%, Baby boomers: 20%
- Clean: Millennials: 60%, Baby boomers: 40%
- Conscious: Millennials: 50%, Baby boomers: 50%

**Doubled presence in fastest growth China market**

- Croda presence
  - Q2 2019: x2 since Q2 2019

- China Personal Care market 2020-2025 (£bn)
  - 2020-25 CAGR: 9.3%

Beauty Care sub-category growth; source: Kline, Croda estimates.
Sustainability product launches from Mintel.
Croda “presence” excludes Performance Technologies and Industrial Chemicals.
China Personal Care market growth: Euromonitor.
### Winning with sustainability

#### Increasing demand for bio-based ingredients
- ECO plant operating well since March
- 10x Personal Care customers
- 2x Home Care customers

#### Renaissance in mild surfactants
- Clean beauty / Sulfate free demand
- Legislation change
- Renaissance in very mild surfactants
- New specialist, multi-national and ‘white label’ customers

#### Leader in biotech-derived skin actives
Market leading Majestem® face and neck skin sagging technology:
- Recreates skin tension
- Derived from edelweiss cell culture
- 50 Sederma biotech products

#### Innovative proteins for clothes care
- ‘Hero’ ingredient for Unilever’s Comfort relaunch – ‘pro-fibre’, ‘biodegradable’ technology
- £20m+ technology investment
Winning with innovation

Acquisition of natural actives leader

- Croda already botanicals market leader
- €25m Alban Muller acquisition
- 100% natural actives
- Local farmer partners, ‘green’ extraction

Move to sustainable actives

- Naturals-focused innovation
- Ameyezing™ from Sederma
  - Origins in wild ginger
  - Combats dark eye circles

More innovation power

- More than doubled R&D resource
- Rapidly investing in biotechnology
- New UK biotechnology centre
- Appointed Group Head of Biotechnology

Transformative impact of biotechnology

- Roll-out biotech surfactants in 2022
- Developing biotech-derived platforms
- Opportunities across all core markets
- Enhances sustainability ambitions
Winning with Iberchem

Parfex – moving to ECO fragrances

- €45m fine fragrance acquisition
- Accelerates transition to natural raw materials
- New Creation Centre for "haute parfumerie" and natural fragrances
- Biodegradable fragrances launched

Expanding in Brazil

- New Iberchem team recruited
- New customer applications lab
- Designed new production site
- Croda R&D and back-office support

Leveraging mutual strengths in China

- Asia growing as proportion of sales
- Strong demand in China
- Co-locating Iberchem with Croda botanicals expansion

Opportunities in mature markets

- Increasing market fragmentation
- 'White label' opportunities
- Fragrances in Croda formulations
- Leveraging Croda team in North America
### Refining to grow Performance Technologies

<table>
<thead>
<tr>
<th>Recovering strongly</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Smart Materials: building on increased sales in 2020</td>
</tr>
<tr>
<td>• Energy Technologies: outpacing broader recovery</td>
</tr>
<tr>
<td>• Supporting sustainability-driven transition</td>
</tr>
<tr>
<td>• Rewitec – European wind energy trials; China growth</td>
</tr>
<tr>
<td>• New Shanghai innovation centre</td>
</tr>
<tr>
<td>• Completing UK polymer investment</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Establishing the right ownership structure</th>
</tr>
</thead>
<tbody>
<tr>
<td>• PTIC strategic review progressing well</td>
</tr>
<tr>
<td>• Up to 75% of PTIC could form separate entity</td>
</tr>
<tr>
<td>• Will be set up to succeed independently</td>
</tr>
<tr>
<td>• Strategic review concludes end of 2021</td>
</tr>
<tr>
<td>• Expect proceeds of any divestment to be reinvested</td>
</tr>
</tbody>
</table>
Built on a strong sustainability strategy

**Ingredient transparency**
- 199 suppliers assessed by EcoVadis
- New Global Head of Sustainable Sourcing
- Meets consumer requirements for ethical sourcing

**Decarbonisation roadmap**
- Roadmaps for 90% of emissions created
- Benefits customers’ scope 3 emissions
- New carbon price to inform internal decision-making

**1.5 degree pathway verified**
- SBTi verification
- Most challenging 1.5°C pathway
- 3rd chemical company globally

**Ranked number one for ESG**
- Most sustainable international company
- #1 of 1,000 companies assessed
- Based on 230 ESG indicators
## Summary

### Record first half year

- Strong underlying growth across all sectors
- Successful delivery from recent acquisitions
- Continued success in building Life Sciences platform

### Outlook for full year 2021

- Continued underlying growth across all sectors
- Customer restocking expected to moderate
- Continued benefits from acquisitions
- At least $200m lipid system sales
- Expect adjusted PBT significantly ahead of market expectations
Additional information
Proforma full year 2020 performance

<table>
<thead>
<tr>
<th>2020 adjusted results, £m</th>
<th>As reported</th>
<th>New structure</th>
<th>Proforma</th>
<th>As reported</th>
<th>New structure</th>
<th>Proforma</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumer Care</td>
<td>475.9</td>
<td>527.8</td>
<td>666.6</td>
<td>136.5</td>
<td>146.5</td>
<td>171.0</td>
</tr>
<tr>
<td>Life Sciences</td>
<td>401.6</td>
<td>392.5</td>
<td>410.5</td>
<td>129.4</td>
<td>124.5</td>
<td>127.5</td>
</tr>
<tr>
<td>Performance Technologies</td>
<td>416.4</td>
<td>373.6</td>
<td>373.6</td>
<td>54.0</td>
<td>48.9</td>
<td>48.9</td>
</tr>
<tr>
<td>Industrial Chemicals</td>
<td>96.4</td>
<td>96.4</td>
<td>96.4</td>
<td>(0.3)</td>
<td>(0.3)</td>
<td>(0.3)</td>
</tr>
<tr>
<td>Group</td>
<td>1,390.3</td>
<td>1,390.3</td>
<td>1,547.1</td>
<td>319.6</td>
<td>319.6</td>
<td>347.1</td>
</tr>
</tbody>
</table>

Proforma sales and operating profit show the 2020 outcome had Iberchem and Avanti been owned for the full year, not including changes in allocation of central and indirect costs.
Significant headroom with long maturities

Significant headroom*, £m ....

Net debt: £866
Cash: £105
Undrawn committed: £306

...with long maturities*

Total committed funding: £1,228m

# IAS19 deficit on retirement benefits

<table>
<thead>
<tr>
<th></th>
<th>31 Dec 2020</th>
<th>30 Jun 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Market value of assets</td>
<td>1,536.8</td>
<td>1,470.7</td>
</tr>
<tr>
<td>Value of liabilities</td>
<td>(1,569.1)</td>
<td>(1,468.9)</td>
</tr>
<tr>
<td>Deficit pre tax</td>
<td>(32.3)</td>
<td>1.8</td>
</tr>
<tr>
<td>Deferred tax</td>
<td>7.0</td>
<td>(0.5)</td>
</tr>
<tr>
<td>Deficit post tax</td>
<td>(25.3)</td>
<td>1.3</td>
</tr>
</tbody>
</table>
Additional financial information

**Currency translation**

- Adverse profit impact in H1/21; primarily “local” currencies versus GBP

- H1 2021 average rates:
  - $1.388 (H1 2020: $1.261)
  - €1.152 (H1 2020: €1.145)

- Average annual impact:
  - £1.3m per $cent pa
  - £1.0m per €cent pa

- US$ and € represent 75% of currency translation exposure