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 presentation. 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.

Market information
Market sizes and growth rates are company estimates informed by a range of third party sources.

Company growth rates
Future Sector and Business Unit growth rates are management estimates.

Restatement
Sector results for the full year 2020 have been restated to reflect a change in 2021 to the Group’s reporting structure.
Agenda

• Introduction
• Accelerating growth in Consumer Care
• Scaling biotechnology
• Scaling Beauty Actives
• Strengthening Beauty Care
• Accelerating Home Care
• Unlocking the potential of Fragrances and Flavours (F&F)
• Summary

Objectives

• Provide colour on breadth of opportunities in Consumer Care
• Highlight how our innovation and sustainability leadership is creating new revenue streams
• Demonstrate our confidence in delivering strong growth and synergies in F&F
• Meet the new Team
Introduction

Steve Foots – Chief Executive Officer
Our strategic priorities

**Sustainability**
- Supporting customers’ sustainability strategies through:
  - Positive impact sourcing
  - Ingredient transparency
  - R&D – sustainable ingredients
  - Low footprint manufacturing

**Innovation**
- Providing customers with critical ingredients through:
  - Increased R&D investment
  - Expansion in open innovation
  - Rapid investment in biotechnology
  - ‘Big bet’ innovation projects
Transitioning to a pure-play Consumer Care and Life Sciences company

Less carbon intensive

Green House Gas emissions intensity is GHG emissions divided by value added (defined as operating profit before depreciation and employee costs). Performance Technologies and Industrial Chemicals (PTIC) emissions intensity based on sites to be divested and their associated value added.

More IP

Bottom graphs are medium-term expectations.

*Sales growth excludes inflation-related cost recovery.
Created 8 growth businesses – all targeting >1.5x GDP growth

Consumer Care
- Beauty Actives
- Beauty Care
- Home Care
- Fragrances and Flavours

Life Sciences
- Health Care
  - Consumer & Veterinary Health
  - Patient Health
- Crop Care
  - Crop Protection
  - Seed Enhancement

Supported by:
- Industrial Specialties
- Consumer & Veterinary Health
- Patient Health
- Crop Protection
- Seed Enhancement
Development of Consumer Care

Re-shaped portfolio

Portfolio additions

Technology investments

Diversified customer base

More IP

New and Protected Products as % of total sales

Increasing exposure to fast growth countries

Countries with permanent employee presence

NPP is as reported for Consumer Care in 2013 and 2021

Smart science to improve lives™
Consumer Care performance in 2021

Sales well ahead of 2019

Underlying sales growth versus 2019

Excellent sales growth versus 2020

<table>
<thead>
<tr>
<th>Sector</th>
<th>Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beauty Actives</td>
<td>+29%</td>
</tr>
<tr>
<td>Beauty Care</td>
<td>+13%</td>
</tr>
<tr>
<td>Home Care</td>
<td>+8%</td>
</tr>
</tbody>
</table>

Highlights

- Excellent sales performance
  - +18% underlying growth on 2020
  - +17% underlying growth on pre-pandemic 2019
- Growth in NPP to 44% (2020: 38%)
- Strong rebound in Personal Care
- Continued growth in Home Care
- Iberchem integration on track

Reported currency except where stated. Underlying sales are constant currency values adjusted to exclude acquisitions and disposals in the first year of impact.

*Peers are Chr. Hansen, DSM, Givaudan, IFF and Symrise; EBIT margins as reported by the company based on full year 2021 reported results.
Successfully navigating a high inflation environment

**Input costs**

<table>
<thead>
<tr>
<th></th>
<th>~% sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>Raw materials</td>
<td>33%</td>
</tr>
<tr>
<td>Energy</td>
<td>2-3%</td>
</tr>
<tr>
<td>Freight</td>
<td>3%</td>
</tr>
</tbody>
</table>

**~40% costs increasing rapidly**

**Inflation recovery**

- Q1
- Q2
- Q3
- Q4

**Cost recovery every quarter**

**Impact on 2022 sales**

- +3%
- +2%

- 2021 annualisation
- YTD 2022 price increases

**Tailwind in 2022**

+2% YTD 2022 price increases

+3% 2021 annualisation

**~40% costs increasing rapidly**

**Smart science to improve lives™**

CRODA
Meet the presenters

David Shannon
President, Consumer Care

Arnaud Fournial
Managing Director, Beauty Actives

Susanna Casas
Vice President Sales, Personal Care

Nick Challoner
Group Chief Scientific Officer

Yong Chuan Lew
Managing Director, Home Care

Julia Creasey
Group Sustainability Director

Richard Butler
Senior Vice President, F&F

Smart science to improve lives™
Agenda

• Introduction
• **Accelerating growth in Consumer Care**
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• Strengthening Beauty Care
• Accelerating Home Care
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Accelerating growth in Consumer Care

David Shannon, President Consumer Care
Market trends
Mega-trends driving consumers and our customers

1. Digital living
   - Global adoption of digital is driving demand for transparency, speed of adoption of new trends and market disruption.

2. Science to build trust
   - Focus on mental and physical health is driving consumer demand for products with proof of effectiveness, underpinned by science.

3. Sustainable ingredients
   - Consumers looking to make a positive contribution to living more sustainably through the products that they buy.

Accelerated by generational shift

Generation Z.
   - Willing to pay more for purpose-led brands that meet their specific values.
1. Digital living

Digital living is disrupting the market

- Accelerates consumer demand for product and brand transparency
- Increases speed at which new trends are adopted
- Facilitates the creation of new, often independent, brands
- Compresses new product development timescales

Customers need to be agile to be competitive

Customer need:
- Fast innovation
- Ready made formulations to get to market quickly
- Local customer intimacy
- Regulatory expertise

Customer objective:
Shorten time to market

Case study

**Zhuben**
Local China brand
Launch of make-up cleanser

**Croda**
Market-ready full formulation

**Outcome**
R&D cycle 6 months shorter

Product imagery from company websites
2. Science to build trust

Efficacy more important than price for consumers

Customer objective:
Enhance consumer trust in the customer brand

Customer need:
Smart science to create products & formulations with substantiated, proven claims

Customer objective:
Enhance consumer trust in the customer brand

Customer need:
Smart science to create products & formulations with substantiated, proven claims

Source: Euromonitor International’s Beauty Survey, 2020

Case study

“DECIEM is a science-first brand. That’s why each product concept begins in our lab and not in a marketing department.”

Case study

Matrixyl 10% + HA

A high-strength peptide formulation

Product imagery from company websites
3. Sustainable ingredients

Sustainability is as big a driver of choice as performance

<table>
<thead>
<tr>
<th></th>
<th>Millennials</th>
<th>Baby boomers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Green</td>
<td>70%</td>
<td>60%</td>
</tr>
<tr>
<td>Clean</td>
<td>50%</td>
<td>40%</td>
</tr>
<tr>
<td>Conscious</td>
<td>40%</td>
<td>30%</td>
</tr>
</tbody>
</table>

“Cosmetic products using natural ingredients produced from renewable raw materials”

“Safe, non-toxic ingredients that don’t risk human health”

“Holistic understanding of the impact of a product on the planet and people”

Generational shift driving demand for products that contribute to living more sustainably

Customers demanding sustainable ingredients

Case study

Move to botanicals

Customer demand
- Bio-based ingredients
- Positive impact sourcing
- Sustainable manufacturing

Customer benefit
- Fossil-free formulations
- Brands with purpose
- Reduced Scope 3 emissions
- Low footprint formulations

“Cosmetic products using natural ingredients produced from renewable raw materials”

“Safe, non-toxic ingredients that don’t risk human health”

“Holistic understanding of the impact of a product on the planet and people”

Millennials

Baby boomers

Smart science to improve lives™
Croda’s position in the market
Our highly differentiated position in the Consumer Care market

<table>
<thead>
<tr>
<th>Market</th>
<th>Skin Care</th>
<th>Hair Care</th>
<th>Home Care</th>
<th>F&amp;F</th>
</tr>
</thead>
<tbody>
<tr>
<td>Market size:</td>
<td>$140bn</td>
<td>$80bn</td>
<td>$175bn</td>
<td>Fragrance</td>
</tr>
<tr>
<td>CAGR:</td>
<td>5.3%</td>
<td>1.9%</td>
<td>2.5%</td>
<td>market size: $50bn</td>
</tr>
<tr>
<td>CAGR:</td>
<td></td>
<td></td>
<td></td>
<td>CAGR: 5.6%</td>
</tr>
</tbody>
</table>

- **Skin Care**: Market size: $140bn, CAGR: 5.3%
  - Leader in specialities and actives in $23bn personal care ingredients market
  - $11.5bn
  - Commodities
  - $9.5bn
  - Specialities
  - $1.9bn
  - Actives

- **Hair Care**: Market Size: $80bn, CAGR: 1.9%
  - $23bn

- **Home Care**: Market Size: $175bn, CAGR: 2.5%
  - $15bn
  - Surfactants
  - $6bn
  - Specialities

- **F&F**: Fragrance market size: $50bn, CAGR: 5.6%
  - $9bn
  - Mature markets
  - $6bn
  - Emerging markets
  - Inc $3bn naturals

- **Hair Care**
  - Market Size: $80bn, CAGR: 1.9%

- **Fragrance**
  - Market size: $50bn, CAGR: 5.6%
  - Fragrance ingredients market

- **Home Care**
  - Market Size: $175bn, CAGR: 2.5%

- **Skin Care**
  - Market size: $140bn, CAGR: 5.3%

**Design 16/03**
Creating more focused businesses

Iberchem Group comprises Iberchem Fragrances and Scentium Flavours; flavours are sold into food and drink markets.

*Iberchem Group comprises Iberchem Fragrances and Scentium Flavours; flavours are sold into food and drink markets.*
Unrivalled breadth of technologies

- **Beauty Actives**
  - 16,300 product / customer combinations
  - peptides | botanicals | plant cell cultures | fermentation

- **Beauty Care**
  - 23,250 product / customer combinations
  - UV filters | surfactants | emulsifiers | proteins | emollients | rheology modifiers

- **Home Care**
  - 2,500 product / customer combinations
  - proteins | surfactants | probiotics | odour neutralisers

- **F&F**
  - 36,500 fragrance references / 18,000 flavour references
  - +200 new references per month

Formulation Academy
# Targeting high-growth niches

<table>
<thead>
<tr>
<th>Croda Market</th>
<th>Skin Care</th>
<th>Hair Care</th>
<th>Home Care</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Beauty Actives</strong></td>
<td>Anti-aging 8.9% Beauty Actives market 5.3%</td>
<td>Salon 3.7% Hair Care market 1.9%</td>
<td>Fabric 6% Home Care market 2.5%</td>
</tr>
<tr>
<td><strong>Beauty Care</strong></td>
<td>Sun Care 4.3% Beauty Care market 3.2%</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Home Care</strong></td>
<td></td>
<td></td>
<td>Naturals 10% Emerging Markets 8% Fragrance market 5.6%</td>
</tr>
<tr>
<td><strong>F&amp;F</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Key:**
- Coloured segments = Croda niches
- Percentages = CAGR 2021-2025

**Smart science to improve lives™**
Croda’s strategy and how we will succeed
Future vision

To be the world’s most **responsive, innovative** and **sustainable** solution provider in consumer care markets

**TODAY**
- Recognised #1/#2 positions – Ingredients provider
- Market leader in prestige Beauty Actives
- Inconsistent growth in **Beauty Care**

**FUTURE**
- Global leader – Sustainable solutions provider in premium markets
- Delivering sustainable ingredients & data
- Leading **formulation** & application technologies

**£750m** Revenue | 25% RoS

**£1bn** revenue by 2025 | Improving RoS
Consumer Care strategy on a slide

**Smart science to improve lives™**

To be the world’s most **responsive**, **innovative** and **sustainable** solution provider in consumer care markets

**Responsive**
- Enhance customer intimacy
- Full formulation capability

**Innovative**
- Drive innovation in premium markets
- Scale biotechnology

**Sustainable**
- Develop more sustainable ingredients
- Support with greater transparency

**Fast-grow China**

**Croda Purpose**

**Consumer Care vision**

**Strategy to Strengthen to Grow Consumer Care**
Responsive – strengthening Consumer Care through customer intimacy

Unrivalled customer intimacy

- Direct-to-customer selling model / no distributors
- Global presence – 114 countries
- 45 innovation centres
- Broad customer base – >6,000 customers

Growing share of regional/indie customers

Croda as innovation partner to regional/indie customers

- Critical active ingredient for front-of-pack performance claims
- Speciality functional ingredients
- Broad support – formulation, trends, regulations

Case study

- Rapidly growing indie brand
- North Asia head office
- Salon-exclusive hair care products
- Leveraged Croda formulation design to access US market
Responsive – previous formulation capability
Responsive – formulation capability now

- Global reach / local agility
- Leverage formulation science
- Full, bespoke solutions
- Claims testing
- Data generation

**Expertise centres**
- Liverpool – ingredient characterisation
- Paris – textures
- Singapore – sensory

**One-stop shops**
- Regional Formulation Academy, site formulation, claims, fragrance

**Country formulation labs**
Responsive – a typical Croda formulation lab
Innovative – accelerating innovation in Consumer Care

More innovation resource

- 2020
- 2021 +50%

Expansion in open innovation partners

- 2020 / 531
- 2021 / 579

Big bet projects

- Chemistry
- Biotech
- Formulation science

More IP

- 2020 / 38%
- 2021 / 44%

New and Protected Products as % of total sales
Sustainable – how we will win through sustainability

2011 2021 2021 2030

Bio-based ingredients

By 2030 – 75% bio-based raw materials

Positive impact sourcing

In 2021 – 65% suppliers’ audited for sustainable practices

Sustainable innovation

In 2021 – 88% of new products contribute to priority UN SDGs

Sustainable manufacture

By 2030 – SBT delivers 35% reduction in product carbon footprint

* by value. Audited by Ecovadis

Smart science to improve lives™
Achieving fast growth in China

World's fastest growing Personal Care market (£bn)

- 2020-25 CAGR: 9.3%

Already established as a market leader

- High level of Croda brand recognition
- Iberchem top tier 2 F&F company in China

In China for China – local footprint

- Capitalise on Indie fragmentation
- Expanded commercial and technical teams

Fast grow China

- Leading digital omnichannel
- Iberchem synergies
Delivering faster, more consistent growth and an even stronger profit margin

**Faster, more consistent sales growth**

Driven by:
- Mega-trends – science and sustainability
- More responsive, decentralised model
- Higher growth Home Care and F&F businesses
- Iberchem synergies
- Expansion in China

**Investment focused on new growth opportunities**
- £10m – sulfate-free surfactants, 2x sales since 2017
- £30m – fabric care proteins, 4x sales in 2021
- £30m – botanicals and fragrances in China

**Improving return on sales**

>25% operating margin
- Increasing NPP
- Richer business mix
- Bio-based surfactants profitability

**Sales**

- £1bn business by 2025
- Underlying Personal Care 3.2% CAGR 2011-21

**Margin**

- >5% CAGR
- + synergies

**Investment**

+ synergies

**Growth drivers**

1. Mega-trends – science and sustainability
2. More responsive, decentralised model
3. Higher growth Home Care and F&F businesses
4. Iberchem synergies
5. Expansion in China

*21R is reported Consumer Care sales in 2021 including acquisition and Home Care sales
Key takeaways

• Highly differentiated market position
• Fast-growing niches
• Sustainability + Innovation
• Increased customer proximity
• Faster, more consistent sales growth
• Stronger profit margins
Agenda

• Introduction
• Accelerating growth in Consumer Care
• **Scaling biotechnology**
  • Scaling Beauty Actives
  • Strengthening Beauty Care
  • Accelerating Home Care
  • Unlocking the potential of Fragrances and Flavours
• Summary
Scaling biotechnology

Dr Nick Challoner, Group Chief Scientific Officer
What is biotechnology?

- Use of microorganisms as factories for creation of products
- Sustainable way to produce existing materials
- Exciting way to create materials not produced by chemical processes
- In the early stages of industrialisation
- Chemical industry disruptor
Why are we scaling biotechnology?

Increasing sustainability and innovation

Chemistry: New raw materials and processes

Biocatalysis: Biotechnology

Fermentation

Alignment with customer direction
Differentiated new product launches
Greater bio-based content
Strengthen to Grow Consumer Care
How are we scaling biotechnology?

2011  Heritage supported by investment  2021  2021  Focused biotechnology strategy  2025

- Adding expertise
- New product development
- Large scale manufacture
- Smart partnerships / M&A

Plus numerous open innovation projects, smart partnerships and TIG opportunities

Daresbury
Ditton
Scaling our biotechnology footprint

**Highlights**

- 5 biotech R&D laboratories across 5 countries
- >50 dedicated biotech specialists
- Increasing number of external biotech partnerships through open innovation and smart partnerships
- 2 manufacturing locations with ongoing investment in scale and breadth of capability
Biotechnology platforms – our big bets

**Sustainable actives**
- More biotech-derived actives
- Focus on performance-led claims
- Skin and hair care applications

**Sustainable surfactants**
- Low carbon intensity
- High biobased content
- Supports customer sustainability transition

**Sustainable peptides**
- New classes of peptides
- Anti-wrinkle skin care ingredients
- Increased focus on sustainability

**Sustainable fragrance molecules**
- Bio-derived fragrance molecules and ingredients
- Transition away from fossil-based
Biotechnology discovery and development process

Discovery

- Personal Care customers
- Home Care customers

Collect → Isolate → Purify → Screen

Scale-up → Evaluate

Consumer Care

Development
Biotechnology innovations

**Sustainable actives**

**Anti-dandruff solution**

Anti-dandruff active produced by a fungus isolated from sea foam

**Sustainable surfactants**

**Glycolipids**

Glycolipids produced by micro-organisms identified and developed to make speciality biosurfactants

**Acylated amino acids**

Amino acid surfactants created using synthetic engineering biology of identified microorganisms
Key takeaways

• Why are we scaling biotechnology?
  – Support ongoing focus on niche innovations and sustainable new products

• How are we scaling biotechnology?
  – Focused investment in areas with maximum impact for Croda and customers

• What is the customer impact?
  – Catalyst for customer innovation and ongoing sustainability transition
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Scaling Beauty Actives

Arnaud Fournial, Managing Director Beauty Actives
Accelerating growth through alignment with global mega-trends

Mega-trends already a reality in the market

Product imagery from company websites
Beauty Actives – the leading global innovator

100% portfolio using science to build trust

Science

Sustainability

sederma

Highly-differentiated actives
Peptides and biotechnology

Alban Muller

Botanical actives
Local sourcing

CRODAROM

Botanical extracts
Traceability

CRODAROM

Broadest portfolio in the industry

Smart science to improve lives™
Leader in the innovative technologies of the future

$1.9bn active ingredients market

CAGR 2020-2025

<table>
<thead>
<tr>
<th>Croda position</th>
<th>Peptides</th>
<th>Botanicals</th>
<th>Biotech</th>
<th>Total skin care</th>
</tr>
</thead>
<tbody>
<tr>
<td>Croda position #1</td>
<td>7.2%</td>
<td>6.3%</td>
<td>8.2%</td>
<td>5.3%</td>
</tr>
</tbody>
</table>

Croda ranked #1 for fastest-growing Beauty Active technologies

Peptides
- The leading technology for anti-aging products.
- Sederma supplies 80% of new products containing a peptide
- Continuous efficacy improvements / broader range
- Next-generation bio-based / biotech-derived peptides

Botanicals
- Ingredients derived from plants – organic, sustainably sourced
- Huge portfolio; covering full range of market needs
- 42% of sector-wide product launches in 2020

Biotechnology
- Selling 50+ biotech-derived products; c33% portfolio
- Multiple platforms – plant cell cultures and fermentation
- Sustainability benefits – minimum impact, maximum purity / safety

Technology leadership built through many years of investment
Continuous innovation for the future

Peptides
- Existing portfolio
  - Greener peptides
- Novel products
  - Biomimetic peptides

Biotechnology
- Third generation
  - Plant Cell Culture
- Marine microorganisms
  - Fermentation
- Natural-origin peptides
  - Synthetic biology

Encapsulation
- Biodegradable capsules

80% R&D pipeline is ‘green’
Science at the heart of new claims generation

Screen new actives

- Peptide
- Biotech
  - Plant Cell Culture
  - Micro-organisms
- Botanicals

>300 methods

Analyse market trends

>130 projects/year

Position in the market

Demonstrate performance

- In vitro – proof of concept
  - >700 In vitro tests/year

- In vivo – validation
  - >120 patents
### Beauty Actives innovations driving growth

<table>
<thead>
<tr>
<th><strong>SILVERFREE™</strong></th>
<th><strong>MAJESTEM™</strong></th>
<th><strong>VENUCEANE™</strong></th>
<th><strong>CYTOKALMINE™</strong></th>
<th><strong>PHYTESSENCE™</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Active ingredient delivering 30% reduction in grey hair</td>
<td>Edelweiss stem-cell-derived active ingredient for face and neck lifting</td>
<td>Marine-biotech-derived active to repair sun damage</td>
<td>Anti-inflammatory pomegranate extract for sensitive skin</td>
<td>Naturally sourced hazel for hair vitality</td>
</tr>
</tbody>
</table>

- **Peptide**
- **Biotechnology**
- **Botanicals**
Accelerating growth at an even stronger profit margin

**Strong return on sales**
- NPP >70% sales
- Highly differentiated
- Above sector-average margin

**Fast sales growth**
**Driven by:**
- Deep scientific expertise for unparalleled efficacy
- Expanding sustainable ingredients
- Botanicals leader – enhanced by Alban Muller acquisition
- Biotech leader
- China expansion

**Investing in Asia and reinforcing technology leadership**
- Expansion in China
- Reinforcing biotechnology capabilities
- Acquisition of new technologies and natural ingredients
Key takeaways

- #1 in fastest-growing active technologies
- Market leading innovation
- Clever science driving further expansion
- 80% of pipeline green
- Leading position in Asia with continued investment
- Fast sales growth and strong margins
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Strengthening Beauty Care

Susanna Casas, VP Sales Personal Care and Business Lead Beauty Care
New focused businesses for unrivalled speed and agility

**New focused businesses**

- **Skin Care**
  - Solar
  - Formulation ingredients
  - Formulation Academy
- **Hair Care**
  - Hair

**Strengthening Beauty Care**

- **Innovative**
  - Focus on differentiated ingredients
  - Improving NPP
- **Responsive**
  - Enhance customer intimacy
  - Full formulation capability
- **Sustainable**
  - Meet customer demand for sustainable ingredients
## Winning with innovative and sustainable ingredients

### Solar
- **Sun care 4.3% CAGR**
  - Strong demand for sustainable alternatives
  - Enable ‘front of pack’ claims
    - #1 in sustainable UV filters
    - ‘Reef safe’
    - >1.5x market growth
    - High margin
    - Customer all-mineral trend
    - Combined solar and skin care offer
    - Significant opportunity in China and US

### Hair
- **Professional hair care 3.7% CAGR**
  - Enable ‘front of pack’ claims
    - Broadest sustainable ingredient portfolio
    - Meets ‘free-from’ demand
    - >1.5x market growth
    - High margin
    - Multinationals replacing commodity ingredients
    - Leverage anti-ageing expertise
    - Capacity expansion in areas of strong demand
Formulation ingredients – winning market share with sustainable surfactants

#1 in sustainable surfactants

Critical for >90% of Consumer Care formulations

- Solutions for sulfate-free systems
  - "Clean Beauty"
  - 2x sales since 2017

- ECO surfactants made from bioethanol
  - Identical performance
  - 6x sales in Beauty Care in 2021
  - Growing price differential

- Demand for sustainable ingredients
- Winning market share
- 75% of our raw materials will be biobased by 2030

ECO sales growth and plant efficiency driving profitability

ECO sales CAGR > 75%

- Operating safely and reliably
- Capacity unlocked for downstream expansion
- Sales CAGR > 75%

Product imagery from company websites

Smart science to improve lives™
## Beauty Care sustainable innovation driving growth

<table>
<thead>
<tr>
<th>Solar Care</th>
<th>Hair Care</th>
<th>Hair Care</th>
<th>Formulation ingredients</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Solaveil™ MicNo™</strong>&lt;br&gt;Mineral solar protection with unrivalled transparency on the skin, ideal for facial protection</td>
<td><strong>Rejuvasoft™</strong>&lt;br&gt;Sulfate-free, silicone-free, vegan suitable high performance conditioner base</td>
<td><strong>Keramatch™ V</strong>&lt;br&gt;Vegan alternative to Keratin, strengthening and revitalising hair</td>
<td><strong>Syncrowax™</strong>&lt;br&gt;100% natural, vegan alternative to beeswax providing an excellent sensory experience</td>
</tr>
</tbody>
</table>
Enhancing responsiveness with full formulation capability

Croda’s unique positioning

- Primary label claim
- Formulation ingredients
- Sensory benefits
- Fragrance

= >1,500 market-ready full formulations

Indies

Limited formulation capability

**Croda offer:**
- Complete formulations - Proven label claims
- Regulatory compliance

Larger customers

Regular upgrade to product range

**Croda offer:**
- New concept formulations
- New ingredients for existing products

Enhancing Croda’s full formulation capability

Formulation Academy

Data generation | claims substantiation

Product imagery from company websites

Smart science to improve lives™
Delivering more consistent sales at an even stronger profit margin

**Beauty Care sales (£m)**
- 2.4% CAGR 2011-21

**Growth drivers**
- More consistent growth
  - Driven by:
    - Higher-growth Solar and Hair Care
    - Increasing focus on sustainable ingredients
    - ECO ‘white space’ sales
    - Full formulation capability

**Improving return on sales**
- Refining portfolio
- Increased focus on differentiated ingredients
- Improving NPP – over 30% sales in 2021
- ECO profitability

**Modest investment**
- Capacity expansion in areas of strong demand
- Fill-in technologies in Solar and Hair Care
- Modest resource increases for Formulation Academy
Key takeaways

- Refocused and reinvigorated business model
- Innovation driving NPP
- Growing demand for sustainable alternatives
- Further differentiation through full formulation capability
- Improving margins and more consistent growth
Agenda

- Introduction
- Accelerating growth in Consumer Care
- Scaling biotechnology
- Scaling Beauty Actives
- Strengthening Beauty Care
- **Accelerating Home Care**
- Unlocking the potential of Fragrances and Flavours
- Summary
Accelerating Home Care

David Shannon, President Consumer Care
Julia Creasey, Group Sustainability Director
Yong Chuan Lew, Managing Director Home Care
Sustainability the key driver in Home Care markets

**Winning market share**
- Accelerating growth in ECO bio-based surfactants
- 100% bio-based with no sacrifice in performance
- MNCs and indies
- To deliver >3x market growth

**Sustainable innovation**
- Probiotics
- Biosurfactants

**New fast growth niches**
- Longer lasting clothes, sustainable fabric care and protection
- Synergies with botanicals and fragrances for sensory benefits
- Faster growth in China and emerging markets
- Expand capacity for growth
- To deliver >3x market growth

**Sustainable innovation**
- New claims & benefits
Sustainable innovation drives full life cycle benefits for customers

**Upstream Scope 3 benefits**

- **2022**
  - Corn feedstock
  - 2021: 2.14kgCO₂e/kg
  - 2030: -11%
  - 2021: -6%

- **2023**
  - Sugarcane feedstock
  - 2030: 0.66kgCO₂e/kg
  - 2021: -9%

**Renewable energy**

**Customer fabric softener formulation**

- Including Croda’s: ECO surfactants
- Fabric care proteins

**Downstream Scope 3 benefits**

- **Croda proteins double the lifetime of clothing**
  - Protects 195kg clothes
  - Extends lifetime
  - Avoids 19.5kg emissions to manufacture clothes
  - 1kg Croda ingredient
  - 130,000l of water
  - -450kg CO₂
  - -130,000l of water

**Science Based Targets**

- Driving ambitious corporate climate action

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Smart science to improve lives™
Accelerating sales growth at an even stronger profit margin

Improving return on sales
- Technology-focus drives margin expansion
- NPP growing rapidly – 26% (2020: 17%)

Scaling up technology platforms
- £30m fabric care expansion to meet strong demand
- Opportunities to strengthen biotechnology

Accelerating growth
Driven by:
- Technology-driven niches
- Meet consumer demands
  - Performance benefits
  - Sustainability benefits
Key takeaways

- 2 platforms delivering improved efficacy, sustainability and consumer benefits
- Croda technology driving industry innovation
- Investment to meet growing demand
- Double digit percentage sales growth with improving margins
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Unlocking the potential of F&F

Richard Butler, Senior Vice President Fragrances and Flavours
The leading tier 2 F&F company

- Unrivalled geographic reach
- Customers want breadth of portfolio
- Consolidation reducing tier 2 competitors
- Customers want independent supplier

Bubble sizes represent total sales. Brand images from company websites
Strongly differentiated in the tier 2 landscape

Tier 1
- Focused on large accounts
- High R&D costs
- Agility and pace
- Tier 1-like services
- Scale

Tier 2 & 3
- Lack of global reach
- Specialised product portfolio

Customer diversity
Tailor-made products & proactive marketing proposal
Cost effective R&D
Global Reach
Compliance
Total

Limited relevance ➔ Strong relevance

Compliance
Tier 1
Tier 2 & 3
Global Reach
Cost effective R&D
Tailor-made products & proactive marketing proposal
Customer diversity
Opportunities in new customer segments

**A typical Iberchem customer**
- Local family-owned companies
- Flexible and agile business model
- Fast to customer
- Rely on suppliers for trends/regulatory

**A typical customer of a tier one F&F company**
- Large international corporations
- Complex internal structure
- Working with core-list system
- Trend/regulation setter

**A typical existing Croda ingredient customer**
Growth drivers

Global fragrance market

- Fragrance market CAGR 2020-2024
- Expected to reach $58.8bn in 2024
- 5.6% global CAGR
- Driven by Emerging Markets

Three growth drivers plus acquisition opportunities

1. Iberchem standalone organic growth plan
   - Double-digit % CAGR

2. Sales synergies
   - €48m by 2025

3. Parfex
   - Growth plan

Acquisition opportunities
- Selective technology or geography

Iberchem strong EM presence

- Asia 36%
- Europe 18%
- Middle East 16%
- Africa 23%
- LatAm 7%

25% of total Iberchem sales to China

Iberchem global footprint

- Present in ~120 countries
- 1,000 FTEs

Smart science to improve lives™
1. Iberchem standalone organic growth – unrivalled agility and pace

1. Wide product portfolio
   - 36,500 fragrance references
   - 18,000 flavour references

2. Global platform
   - 120 countries
   - 83% emerging markets
   - 25% sales to China

3. Fast to customers
   - 3,800 customers
   - +1,000 in last 3 years
   - Top 10 customers = 22% revenue

4. Customer-driven R&D
   - +200 new references / month
2. Sales synergies on track

Complementary geographic footprint and customer networks

Customers

- Shared
- Croda
- Iberchem

<table>
<thead>
<tr>
<th>Region</th>
<th>Croda</th>
<th>Iberchem</th>
</tr>
</thead>
<tbody>
<tr>
<td>Europe &amp; the Americas</td>
<td>73%</td>
<td>25%</td>
</tr>
<tr>
<td>Asia, Middle East &amp; Africa</td>
<td>27%</td>
<td>75%</td>
</tr>
</tbody>
</table>

Global reach

- Leveraging fragrances in emerging and fast growth markets
  - M East, Africa, China, Indonesia, India
- Leveraging Croda ingredients in large, mature markets
  - W Europe, N America, Japan, Korea

Full formulation capability

- Claims
- Sensory
- Fragrance

2021 progress

- Sales visits: 700
- Samples requested: 1,300
- New customers: 50
- Projects created: 240
2. Sales synergies – something for everyone

Our unique combination offers Tier 1 strength
- Global reach
- Strong R&D
- Sustainability

Combined with Tier 2 agility
- Direct selling model
- Local customer intimacy
- Responsive and focused

Plus
- Unmatched ingredient portfolio
- Unmatched formulation expertise
- True Brand partner capability

Winning with MNCs / regional majors
- Confidence and credibility
- Local manufacturing
- Alignment on Sustainability

Winning with SMEs
- Personalised solutions
- Brand support services
- Regulatory support

Winning with Indies
- Creative input
- Trend data
- Full formulation offer

Case study

<table>
<thead>
<tr>
<th>The customer</th>
<th>History</th>
<th>Croda ownership</th>
<th>Why</th>
</tr>
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<tbody>
<tr>
<td>Spanish home and personal care brand owner</td>
<td>Long-term target customer for Iberchem</td>
<td>£0.5m of new sales</td>
<td>Croda strength + Iberchem responsiveness = more attractive partner</td>
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</tbody>
</table>
2. Case Study – full formulation capability in action

A recent project with a large regional Personal Care brand owner and contract manufacturer in Turkey

Customer seeks to develop a new facial care range
- Iberchem/Beauty Care & Beauty Actives engaged

Croda researches the key trends in the relevant market with examples
- Wellness
- Hygiene
- Nature
- Sustainability

Fragranced base formulations supplied to meet the identified trends
- Skin cream
- Skin gel
- Face mask
- Cleanser
- Facial scrub

Customer benefits from a total solution at pace
- Fragrance creativity
- Ingredient claims
- Market trends
### 3. Parfex growth plan

<table>
<thead>
<tr>
<th>Natural fragrances</th>
<th>Sustainable innovation</th>
</tr>
</thead>
</table>
| • Fast-growing naturals trend  
  - 9.6% CAGR forecast to 2025  
• New natural collections  
• 2x sales and customers  
• Premium skin care and fine fragrance | • Reduced energy and water use  
• Biodegradable delivery systems  
• Bio-based raw materials |

<table>
<thead>
<tr>
<th>Complementary technologies</th>
<th>New Creation Centre at Grasse, France</th>
</tr>
</thead>
</table>
| • Fragrance encapsulation  
• Odour neutralising technologies  
• NeoLift – facilitating lower dosage levels in fragrances  
• Bio-aromatic molecules | • Fine perfumery  
• Natural fragrances |
Three growth drivers creating a €400m business by 2025

**Growth drivers**
1. Iberchem standalone organic growth plan
2. c€48m sales synergies by 2025
3. Parfex growth plan

**Margin**
Margin broadly in line with peers
- Agile model
- Lean corporate centre

**Investment**
Investment drives synergies
- Sales force
- Geographic expansion

Underlying sales are constant currency values adjusted to exclude acquisitions and disposals in the first year of impact.
Key takeaways

- Strong market differentiation
- Exciting standalone growth trajectory
- Sales synergies on track
- Additional benefits from full formulation capability

F&F site visit – Iberchem, Murcia, Spain
11-12 May 2022
Summary

David Shannon, President Consumer Care
Accelerating growth in Consumer Care

Medium-term growth rates are management forecasts

£1bn sales by 2025

>25% operating margin
Summary

• Highly differentiated global leading position
• Fast-growing niches
• Sustainability + Innovation
• Increased customer proximity
• Accelerating sales growth and stronger profit margin