

Making a difference to

Sustainable supply chains

Working together to address the world's needs must be done ethically and responsibly, by businesses that understand they are accountable for the impact of how they operate and what they produce.

Transparency and trust are critical in our consumer-driven world

Today's digitally empowered and environmentally aware consumers expect more from products and services than ever before. More choice and control, more visibility, more and quicker access to information and more robust sustainability credentials.

Increasingly, these expectations apply to businesses as well as the products they deliver. We must operate transparently, ethically and with social accountability, taking greater responsibility for our supply chains and the traceability and impact of our products and operations. All of this must be done with a focus on improving product performance and value.

Our opportunities to make a difference

With ever greater emphasis on sustainability, performance and value, at Croda we are well positioned to continue to build on our already extensive product claims substantiation capabilities to help customers make the right choices for their consumers. This goes hand-in-hand with our reputation as a supplier of high quality, high performance bio-based ingredients, aiming to exceed our customers' requirements.

Increasingly, the sustainability of our solutions is not just measured on our operational performance, but on that of our whole supply chain. We therefore, for example, continue to identify, prioritise and address supply chain risks, which is overseen by our Ethics Committee. We are also working with specialists

to assess and improve physical supply chains, such as palm oil derivatives, giving us an opportunity to lead our industry on transparency of provenance.

Striving to be a sustainable business also means active management of the key risks that could affect the reliability of our service. This gives us an opportunity to continually raise our performance, and that of our suppliers, in the areas of ethics, human rights, process safety, product safety, quality assurance and business continuity. In parallel, we are ensuring that manufacturing sites are certified against appropriate safety, environment, quality and Good Manufacturing Practice (GMP) standards, as well as meeting consumer demands for certifications such as halal and kosher.

Croda Personal Care High performance, bio-based

Our heritage is built on bio-based raw materials, with 61% of the materials we use today originating from such sources. Sustainability touches every area of our business, particularly the Personal Care sector where it is central to how we design our ingredients, source our raw materials and the way we work with our customers. Increasingly, this encompasses the benefits in use of our ingredients that add value to our customers' products, targeting premium, performance-led solutions for accelerating future growth.

As part of our focus on diversity and inclusion, we also recognise that not all performance benefits are relevant in all areas of the market. We are now working to understand the different needs of consumers in different cultures and parts of the world. For instance, our African Centre of Excellence is carrying

out extensive research and testing into consumer sun care needs in Sub-Saharan Africa in order to develop the right ingredients for the market.

Minimising negative environmental impact

IRB by Sederma is one of the leaders in the development of cosmetic actives created from plant cell cultures. This offers the industry high performance and naturally derived active ingredients that avoid the over exploitation of land and natural resources and the destruction of ecosystems. Our acquisition of 'blue biotechnology' specialists Nautilus will also allow us to explore the marine environment as a sustainable alternative to the conventional manufacturing of personal care ingredients.

In addition, our significant investment in our Atlas Point manufacturing site in North America will produce an

ECO range of 100% bio-based, 100% renewable non-ionic surfactants, the widest range commercially available and certified to meet the criteria of the USDA BioPreferred® programme.

Sustainable sourcing and traceability

Extending our sustainability focus out to the supply chain, Crodarom is engaging in the development of 'win-win' partnerships, supporting the diversification of farming businesses that can offer ethically sourced ingredients with assured provenance and purity. Additionally, for many years now we have received peer recognition for our progressive work to deliver products containing certified sustainable palm oil derivatives. We have worked closely with the Roundtable for Sustainable Palm Oil to achieve certification across our manufacturing sites to support the production of deforestation-free sustainable palm oil.