

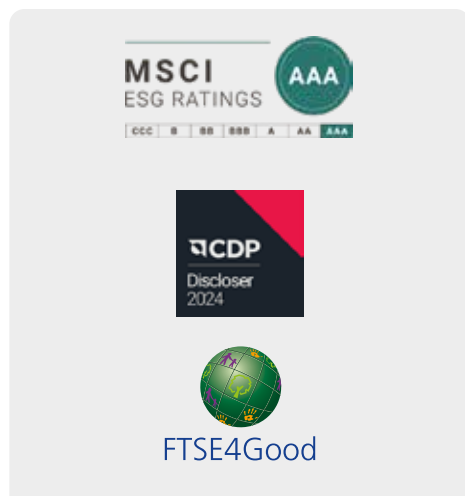
Tracking our progress

We use smart science to create high performance ingredients and technologies that improve lives and aim to have positive global impacts on climate, nature and society over the long term.

Key

- R Links to long-term incentive scheme (PSP)
- B Links to annual bonus scheme

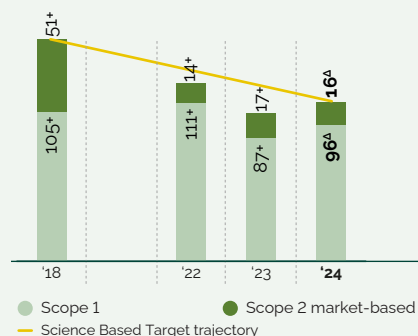
Whilst the focus of our Sustainability Commitment is delivering positive impact, we also understand the value of external ratings to our stakeholders. In 2024, we received an AAA rating from MSCI, and were in the top 5% of companies rated by EcoVadis. We use the submission and feedback process as one mechanism to identify areas for improvement.



Delivering on our sustainability ambitions

Scope 1 and 2 GHG emissions ('000 tonnes CO₂e)

111,831



Definition

Our operational greenhouse gas (GHG) emissions (associated with burning fuels onsite and purchased electricity) in absolute terms.

Target

By 2030, we will have achieved our Science Based Target (SBT), reducing Scope 1 and 2 emissions by 46.2% from our 2018 baseline.

Performance

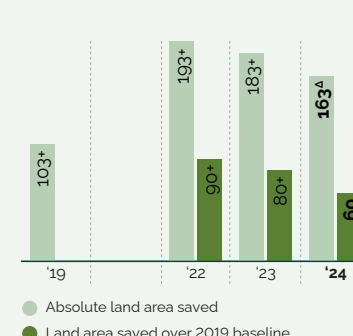
We have reduced our Scope 1 and 2 emissions by 28% since our 2018 baseline ahead of our interim milestone of a 25.2% reduction. While emissions have increased in 2024 following the challenging business environment in 2023, we remain on track to meet our SBTs aligned with 1.5°C, playing our part in transitioning to a low-carbon global economy.

R

See SIR page 21 for details of Assurance ^Δ and Restatements ⁺

Land area saved ('000 hectares)

163,402^Δ



Definition

Land area saved through the application of our crop protection and seed enhancement technologies, using 2019 as our baseline year.

Target

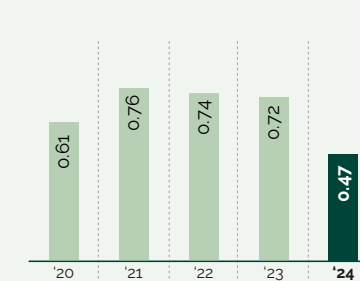
Throughout this decade, the land area saved through the application of our technologies will exceed any increase in land used to grow our raw materials by at least a factor of two, and by 2030 we will save a minimum of 200,000 hectares per year more than in 2019.

Performance

Due to a challenging demand environment in agriculture markets, we did not meet our 2024 interim milestone of saving at least 80,000 hectares per year more than in 2019. However, in the five years from 2020 to 2024, the cumulative absolute land saving of 291,321 hectares exceeded our target of 195,622 hectares.

Total Recordable Injury Rate (TRIR)

0.47



Definition

The number of incidents per 200,000 hours worked where a person has sustained an injury, including all lost time, restricted work and medical treatment cases.

Target

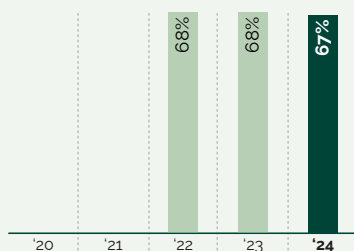
Achieve TRIR of 0.3 by the end of 2026.

Performance

The headline TRIR decreased to 0.47 in 2024 (2023 0.72). This has been a significant step forward following higher TRIR in recent years with new acquisitions being integrated into the Group and is putting us on track for our end of 2026 target. Building on our senior leadership training in 2023 we deployed a Human Performance Programme across the Group, driving employee engagement in SHE improvement across all functions and regions. In 2024, this programme delivered over 2,500 improvement activities and actions.

Purpose and Sustainability Commitment (PSC) score (%)

67%



Definition

The PSC score is a gauge of employee satisfaction measured through employee surveys and expressed as a percentage.

Target

Our target is to improve the PSC score by 8 percentage points against the 2022 baseline by 2026.

Performance

Participation in 2024 was just under 80% of total headcount across the year (consistent with 2023 and 2022). The PSC score for 2024 was also broadly consistent with prior year trends at 67% (2023: 68%). In 2025, we will be evolving the way we survey our people through the introduction of YourVoice, our new employee experience feedback and engagement platform, to gain richer insights and take more meaningful actions that positively impact the experiences and ultimately engagement of our teams.

R



Five years of progress towards our Commitment

Since launching our Commitment in 2020, we have made significant progress towards many of our milestones and 2030 targets. We have learned where we need to focus our efforts to maximise impact, and connected our Purpose and corporate sustainability strategy with our business plans, engaging employees around the world.

These are some of the outcomes of our efforts over the last five years:

Executing our Commitment

Climate Positive

We remain on track to meet our Scope 1 and 2 Science Based Targets (SBTs), with 164,600 MT fewer emissions emitted from our operations over the period. To address our most significant GHG emissions, those embedded in our supply chains, >90% of our key suppliers have been assessed for sustainability progress via EcoVadis and meet our minimum requirements. Of these key suppliers, over 45% have public commitments to decarbonisation that are aligned with SBTi guidance.

Land Positive

Through the use of our crop and seed technologies, 291,321 fewer hectares of land have had to be committed globally for agriculture. From the end of 2024 we are sending zero process waste to landfill from all our manufacturing sites, and our four major manufacturing sites in water-stressed areas of the world have reduced their water use impact by more than 25% since 2018.

People Positive

An estimated 278 million people have been protected from the harmful damage of UV rays through use of our sun protection technologies. All Croda employees are paid a Living Wage, and we are in the final stages of receiving certification from the Fair Wage Network for the work done to date. 41% of our leadership positions are occupied by women.

Collaborating to drive systemic change

The Cambridge Institute of Sustainability Leadership launched a Business Transformation Framework, the final output of the Business Transformation Group, of which Croda was a founder member. The value chain consortium, Action for Sustainable Derivatives, including Croda, helped member companies continually improve their palm derivative supply chain transparency, address grievances and launch an Impact Project to address socioeconomic challenges with smallholder farmers and restore ecosystems in palm supply chains in Indonesia. The World Business Council for Sustainable Development (WBCSD), a community of over 250 leading sustainable businesses, launched its Nature Metrics report for business, the output of the Nature Preparer's group of which Croda was a member.

Engaging our employees

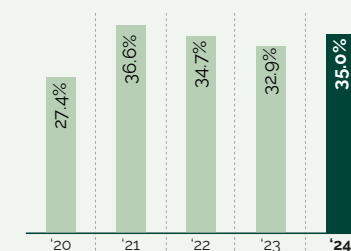
We created a network of sustainability professionals across Croda who have come together to share best practice, understand plans and progress across the organisation, and support each other to deliver our Commitment. Hundreds of Croda employees, from engineers to procurement specialists, from bench chemists to account managers, have been directly involved in executing our Commitment and connecting it to helping our customers deliver on their sustainability strategies. We are now ready to launch our internal Sustainability Academy following successful pilots in 2024, to build the competence and confidence of our teams, and turn hundreds of engaged employees into thousands.

At the halfway point to 2030, we are in the process of refreshing our sustainability strategy. Over the next cycle we will make clear choices on the impacts we will deliver, connecting them to value creation, and will focus on stretching but deliverable objectives.

Driving innovation

New and Protected Products (NPP) sales (%)

35.0%



Definition

New and Protected Products (NPP) are sales protected by virtue of being newly launched, protected by intellectual property or by unique quality characteristics.

Target

We seek to drive NPP sales growth at least as fast as total sales over the cycle.

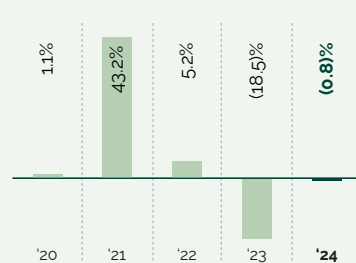
Performance

NPP grew 6% at constant currency and are now 35% of total Group sales (2023: 33%), with increases in the proportion of NPP sales in all businesses.

R

Focused on driving earnings growth and increasing returns

Sales growth (constant currency) **(0.8)%**



Definition

Total sales growth measured at constant currency.

Target

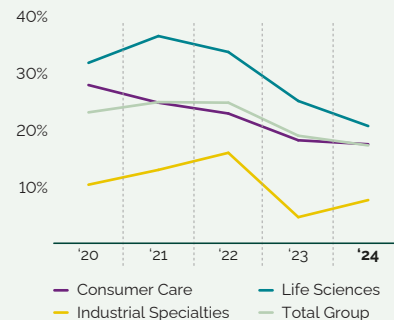
Mid-single digit percentage growth in Consumer Care and high-single digit percentage growth in Life Sciences.

Performance

Group sales were down 1% at constant currency, but increased by 2% when adjusting for the benefit of Covid-19 lipid sales in the prior year. At constant currency, sales in Consumer Care were up by 7%, with Industrial Specialties up by 2% and Life Sciences down by 6% (excluding Covid-19 lipid sales in the prior year).

B

Adjusted operating margin **17.2%**



Definition

Adjusted operating profit as a percentage of sales.

Target

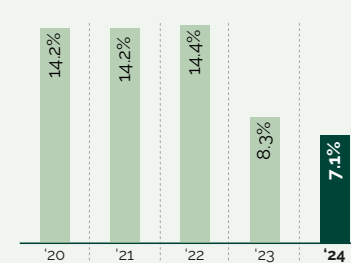
Adjusted operating margin over the medium term at or above 25% in Consumer Care and at or above 30% in Life Sciences, dependent on the mix of growth in the two businesses.

Performance

The adjusted operating profit margin fell to 17.2% (2023: 18.9%). Recent declines primarily reflect volume declines across our core markets through 2023 (leading to low utilisation and reduced overhead coverage), the absence of high-margin Covid-19 lipid sales (which peaked at around \$200m in 2021 and were nil in 2024, as well as continued investment in our business).

B

Return on invested capital (ROIC) **7.1%**



Definition

Adjusted operating profit after tax divided by the average adjusted invested capital. Adjusted invested capital represents net assets adjusted for net debt, earlier goodwill written off to reserves, accumulated amortisation of acquired intangible assets and the net pension asset/liability.

Target

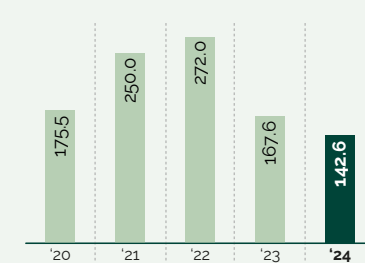
ROIC of at least two times cost of capital.

Performance

Post-tax ROIC reduced to 7.1% (2023: 8.3%), with lower adjusted operating profit after tax accompanied by an increase in invested capital. This reflects heightened capital investment, including the Pharma investment programme which is nearing completion. With ROIC below target, our focus is on delivering value from recent investments.

R

Adjusted basic earnings per share (EPS) **142.6p**



Definition

Adjusted profit after tax attributable to owners of the parent, divided by the average number of shares in issue during the year.

Target

At least mid-single digit percentage EPS growth per annum.

Performance

EPS reduced to 142.6p (2023: 167.6p) reflecting lower operating profit, partly due to the benefit of Covid-19 lipid sales in the prior year. While net finance costs were higher, reflecting higher average debt levels through 2024, the effective tax rate was lower at 23.0% (2023: 23.9%).

B