## **Our Commitment**

We will be the most sustainable supplier of innovative ingredients. We will create, make and sell solutions to tackle some of the biggest challenges the world is facing. By 2030 we will be Climate, Land and People Positive.

We believe our ambitious and public commitment to use our Smart science to improve lives<sup>™</sup> will both inspire and encourage changes in employee behaviour, uniting them in delivering a more sustainable future. We also have important KPIs outside of these three categories, which we believe are crucial to the success of our business and have collectively called our Fundamentals. We consider these targets to represent the required social license to operate in 2030 for a multinational manufacturing company such as Croda.

## Aligning with the SDGs

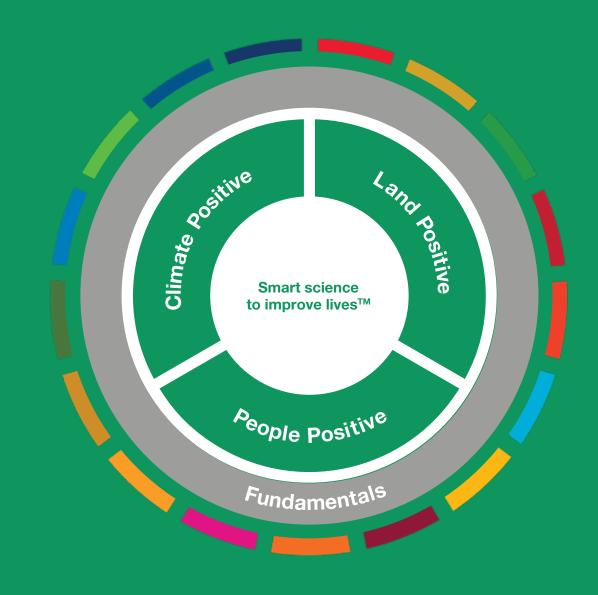
In developing our Commitment, we carefully assessed the impact of our operations, our products and services and that of our entire value chain, whilst considering all stakeholders in our ecosystem. We studied our contribution to each of the SDGs at an individual target level and identified 24 targets out of the 169, across 9 goals, that are drivers of our business strategy – those where we must reduce our negative impact and those where we can make the biggest positive contribution. These were then grouped around the themes of climate, nature and society, hence our Commitment to be Climate, Land and People Positive.

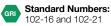
Alignment with SDG 17 applies across our Commitment. Just as partnerships are critical to the success of the UN's Sustainable Development Agenda, achieving our 2030 Commitment is dependent on productive partnerships with all our stakeholders. The remaining SDGs and their targets are no less important, and whilst they are not driving our strategy, we contribute to their achievement through our fundamental objectives, as well as through our Croda Foundation.

## Our journey to 2030

While we are enthusiastic about, and committed to, our 2030 targets, we recognise there are still nine years to this deadline, and we need to ensure we deliver and monitor progress over this time.

During 2020 we developed and approved the intermediate milestones for most of our 2030 targets and more information is provided on these against each of the relevant targets in this report. These are recognised as challenging and industryleading in their own right, and we believe they demonstrate our commitment to the action and investment needed in the short term to ensure we are well on the path to meeting our 2030 targets.





## Material areas

Our Commitment to becoming Climate, Land and People Positive, as well as to our Fundamentals, was developed to be aligned with the objectives of the United Nations Sustainable Development Goals. We have mapped each objective within our material areas to show how they directly contribute to specific targets of relevant SDGs.

For each 2030 Commitment target we have identified the primary SDG to which we are contributing, as well as the specific SDG target references relating to the KPI and where in our value chain they will be impacted: suppliers, our own operations or through use of our products and services. We have then identified the additional SDGs significantly impacted by our work to meet this target. This evaluation aligns with the approach taken by the United Nations Global Compact, with their SDG Ambition initiative for business\*.

		SDG impact			SDG targets by scope		
	Material area	Primary	Additional	Value chain	Operations	Products & services	
	Climate Pos	sitive	4875				
-0	Carbon Cover	×		13.2	7.2	7.3	
	Reducing Emissions	13 ==		13.2	7.2, 9.4, 13.2		
	Sustainable Innovation	8	ALL AND ALL AN	12.2			
+ ~~~	Land Positiv	ve					
<u></u>	Land Use	2=		15.2, 15.5, 12.2		2.3, 2.4	
	Crop Science Innovation	15 II				15.2, 15.3, 13.1	
+	People Posi	itive					
	Health and Wellbeing	3	ATT AND			3.3, 3.4	
	Improving More Lives	SUSTAINABLE DEVELOPMENT GOALS					
	Gender Balance	° <b>₽</b>			5.5		
$\frown$	Fundamenta	als					
$\bigcirc$	Health, Safety & Wellbeing	3	ALL		3.4, 3.9, 8.8		
	Process Safety	3	AND A		3.9, 8.8		
	Environmental Stewardship	6 tit 1000			6.3, 6.4, 12.5		
	Fair Income	*****	ALL	8.5	8.5		
	Supplier Partnership	8		12.6, 12.7			
	Knowledge Management	4 mile 1	ALL DATE OF THE OWNER OWNER OF THE OWNER		4.3		
	Quality	12	AN A		12.2, 12.5		
	Quality Assurance	00	~4IN				
		3 -/\/\$		12.2	3.9	3.9, 14.1	



Strengthen the means of implementation and revitalize the global partnership for

sustainable development.

The partnerships that form our ecosystem are vital in supporting us to achieve our 2030 Commitment.

https://unglobalcompact.org/take-action/sdg-ambition