People Positive

We will apply our innovation to increase our positive impact on society. We are improving the lives of our own employees and people around the world by developing ingredients to improve health and wellbeing as well as encouraging and promoting diversity.

**Highlights**

- >2bn equivalent doses of our vaccine adjuvants sold in 2019, increasing efficacy of the drug formulations
- 44m lives improved through sales of our sun care filters in 2019
- 5,883 1% Club hours volunteered by our employees in 2019
- 31.6% of 1% Club hours spent on STEM activities

People Positive by 2030

<table>
<thead>
<tr>
<th>Objectives</th>
<th>Target</th>
<th>Next steps and definitions</th>
<th>SDGs</th>
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<tr>
<td>Health &amp; Wellbeing: We will use our</td>
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<td>smart science to promote healthy</td>
<td>By 2030, we will contribute to the successful development and commercialisation of 25% of WHO listed pipeline vaccines</td>
<td>The WHO lists 24 diseases for which vaccines are in the pipeline. Those specifically</td>
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<td>lives and wellbeing through the</td>
<td>By 2030, we will protect at least 60 million people annually from potentially developing skin cancer from harmful UV rays,</td>
<td>referenced in SDG target 3.3, are HIV-1, malaria, and tuberculosis. Part of Life</td>
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<td>development and application of our</td>
<td>through the use of our sun care ingredients</td>
<td>Sciences, our vaccine adjuvant business will help us deliver on this target (p30)</td>
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<td>ingredients and technologies.</td>
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<td>Gender Balance: We will achieve</td>
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<td>gender balance in our business by</td>
<td>By 2030, we will achieve gender balance across the leadership roles in our organisation</td>
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<td>focusing on recruitment and</td>
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<td>development opportunities to increase</td>
<td>We are rolling out gender balanced shortlisting recruitment across Croda, with a target of having 80% of shortlists gender</td>
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<td>the number of women in decision-</td>
<td>balanced by 2023 (p30)</td>
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<td>Improving More Lives: We will</td>
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<td>promote our smart science and help</td>
<td>We will establish and fund a Croda Foundation to help improve more lives in our local communities, supported by our</td>
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<td>improve lives using our technologies</td>
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<td>within our local communities, where</td>
<td>technologies</td>
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<td>our science can make a positive</td>
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<td>difference. We aim to create STEM</td>
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<td>provide basic necessities through</td>
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<td>the use and application of our</td>
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Health & Wellbeing

Every day, our smart science is improving lives through improved health and wellbeing. As manufacturers of the widest range of ingredients for the Personal Care industry, most personal care products around the world contain our ingredients. It is important not to underestimate the contribution to health and wellbeing provided by skin care and hair care products. Skin care is often a daily routine and can include moisturising, nutrition, sun protection, use of emollients on skin that is either too dry or too moist, prevention of dermatitis and prevention of skin injuries. Our ingredients have a positive impact on health and wellbeing, for example:

- Our lanolins are used in the major brands of nappy cream worldwide, providing 700 million applications each year.
- Our surfactants provide the necessary purity and mildness in over 270 million bottles of baby shampoos produced each year, delivering up to seven billion applications.
- Every year, we manufacture 500 million daily dosage units of EPA and DHA Omega 3 fish oil concentrates, helping to support good health across life stages and targeted across many health conditions.

In order to increase our positive impact on SDG 3, Good Health and Wellbeing, we have a 2030 objective to promote healthy lives and wellbeing through application of our ingredients and technologies. This will focus on prevention of skin cancer through our sun care business, and prevention of communicable diseases through our vaccine adjuvants.

When assessing our contributions to SDG 3, and how we can increase our positive impact by 2030, we have focused on SDG target 3.3, ending epidemics of communicable diseases such as AIDS and malaria. We will develop adjuvants to be included in 25% of the WHO listed pipeline vaccines to tackle these diseases. We are also focusing on SDG target 3.4, reducing premature mortality from noncommunicable diseases. Here our biggest impact is in the production of sun care filters, to help prevent skin cancer for millions of people every year. By 2030, we want to improve 60 million lives annually through improved health and wellbeing due to protection from skin cancer.

Sun care in Togo

We are delighted to be part of a collaborative project based in Togo, where we donate our Solaveil inorganic UV filters to the National Association of Albinos for use in local production of sunscreens.

For Africans living with albinism, sun protection is paramount for preventing skin lesions, the most serious being skin cancer. Togo is a developing country with around 1,500 residents suffering from albinism.

ANAT (Association Nationale des Albinos du Togo) is the main organisation in Togo for people with albinism, and is run by people with albinism. In order to contribute to the improvement of the living conditions of people with albinism in Togo, ANAT has implemented the following activities:

- Dermatology consultation campaign in two regions in Togo
- Local production of sunscreens
- Awareness campaign for people with albinism and their families.

By working alongside a consultant, our technical expertise has been key to developing a formulation for ANAT’s sunscreen project.

We will continue to work with ANAT on their important sun protection project, contributing to the health and wellbeing of this community in Togo.

“"The Croda Personal Care team prides itself on our passion to understand and protect the skin from harm. Our innovation aims to not only provide the best ingredients to shield us from the sun’s harmful rays, but also increase consumer awareness that effective solar protection brings significant health benefits.""}

Simon Bennett

Sales Director Personal Care, Eastern Europe, Middle East and Africa

Employee at ANAT facility in Togo

References:

https://anatogo.org/
Biosector
At the end of 2018 we acquired Biosector, a leading adjuvant specialist for vaccines. Adjuvants are critical components of vaccines enabling a higher efficacy and improved safety profile while potentially reducing the antigen concentration.

This acquisition is fully aligned with our Purpose of using Smart Science to Improve Lives™ by advancing disease prevention. It is estimated that, each year, our adjuvant facility in Denmark supplies ingredients that are used in over two billion vaccines globally. We have acquired a strong pipeline of innovative, next generation vaccine adjuvants, that will be beneficial to the pharmaceutical industry in tackling more challenging pathogens.

Through partnering with our customers we will be able to positively contribute to SDG 3, Good Health and Wellbeing, aimed at the successful development and commercialisation of many of the World Health Organisation (WHO) listed pipeline vaccines, including those targeting HIV-1, malaria, and tuberculosis. As an example, this year we have introduced QS-21, an adjuvant for use in human vaccines. This is a purified and potent plant extract included in projects to prevent malaria.

Gender Balance
As a business with innovation at its heart, diversity of thought and ideas is critical to our long-term success. We have, therefore, set stretching targets to double the number of women in leadership positions by the end of 2025. To help us achieve this target we are working to achieve balanced candidate shortlists for all internal and external recruitment.

In 2019 we began to measure and report the gender balance of shortlists in recruitment for the first time. This has encouraged us to think more carefully about how we advertise roles and select candidates; we recently changed our approach to how we advertise production roles in the UK to successfully attract more women to apply. In addition, we have included elements of diversity and unconscious bias training in our corporate training programmes. Through these actions, we are already seeing an improvement in our gender balance and are confident that we will be able to meet our target of having 80% of shortlists gender balanced across all roles by 2023.

2018 saw us establish a global Diversity and Inclusion (DiI) Committee whose remit is to be a conduit both from and to senior leaders within the business on a range of DiI issues. During 2019, the Committee has reviewed and recommended several global DiI related training programmes, facilitated listening groups within their locations, as well as developing material for publication on our intranet.

We have also worked to develop our female talent through bespoke development plans and training programmes for women. This has helped them to realise their own authentic leadership style and to develop specific areas of focus to encourage them to aspire to the next organisational level.

Improving More Lives
We are committed to supporting and engaging with the communities in which we operate. In 2019 our employees donated 5,883 hours of 1% Club time, volunteering within their local communities, with 31.6% of this spent on STEM activities, encouraging the next generation of scientists.

We feel that to maximise our contribution to the SDGs we can do more, and have set ourselves the target of establishing and funding a Croda Foundation, to act as a philanthropic enterprise. The Foundation will be set up as an independent charitable trust, based in the UK but with a global reach, run and administered by an independent Board of Trustees. The Foundation will be solely funded by Croda and have a small number of dedicated employees.

In 2019, a group of our future business leaders were tasked with defining what our Croda Foundation will look like and clarifying the project selection criteria. This work is still ongoing, but we know that the projects funded must improve lives within our local communities, where our science can make a positive difference.

1% Club community volunteering
Our 1% Club enables employees to give 1% of their work time to volunteering within their local communities. 2019 saw a diverse range of community engagement through the 1% Club, including:

- A team from Croda Canada cleaning up a pond close to their office at Marta Payne Park in Vaughan, Ontario
- An employee from Croda Inc. helping at the North Texas Food Bank
- A team from Croda Singapore taking part in the inaugural Earth Day Beach Clean-up event
- Employees at Croda Germany volunteering at the Children’s Summer Festival organised by ‘Die Arche’, an organisation who help underprivileged children and young people
- Our Croda Middle East team preparing food for people staying at a local hostel over Ramadan.

Solar panels on the solar storage facility at Gouda
Our manufacturing site in Gouda, the Netherlands, has partnered with Goudse Panelen, an energy co-operative that has developed a sustainable solar energy system in the town. Solar panels were installed, these will generate around 188MWh of electricity per year.

These panels can be ‘bought’ by local residents, who then receive a reduction in their energy bill related to the number of panels they have. The scheme is particularly attractive for those living in rented accommodation or apartments, without available roof space. We are very proud to be involved in developing a sustainable local community and hope to increase the number of solar panels installed in the future.