

Croda International Plc

Sustainability Data Pack

October 2020

Sustainability targets 2015-2020

Material Area	Target	Progress
Climate Action	By 2020, reduce total Group energy intensity by 5% from 2015 baseline.	We achieved this target a year early, with a 13% reduction in energy intensity at the end of 2019 compared to 2015.
	By 2020, generate 27% of the Group's total energy requirements from non-fossil fuel sources.	In 2019, 22.7% of our energy was from non-fossil sources which, for the first time, was externally verified by Avieco, formerly Carbon Smart. While we missed our five year headline target, significant progress was made during the period transitioning our indirect scope 2 emissions, with a 67% increase in the absolute amount of non-fossil based scope 2 energy between 2015 and 2019, now representing >70% of our indirect energy consumption.
	By 2020, reduce total Group scope 1 and 2 carbon intensity by 10% from 2015 baseline.	2019 emissions intensity*: 292 tCO ₂ e/£m. Between 2015 and 2019, our GHG emissions intensity has fallen by 28.5%, illustrating how we are decoupling growth from our environmental impact.
Environmental Stewardship	By 2020, reduce total Group VOC emissions by 10% from 2015 baseline.	We achieved this target a year early, with a 13.7% reduction in VOC emissions since our 2015 baseline. Our Group VOC emissions are very small, continuing to reduce these will form part of our overall GHG emissions reduction target.
	By 2020, reduce total Group water withdrawal by 10% from 2015 baseline.	Between 2015 and 2019, our total water withdrawal reduced by 17.4%, due to water saving initiatives across our manufacturing sites.
	By 2020, reduce Group waste to landfill by 10% from 2015 baseline.	In 2019 we achieved a 27% reduction from our 2015 baseline. 10 of our 19 manufacturing sites sent zero waste to landfill in 2019.
Process Safety	By 2020, conduct an independent review of our Process Risk Reviews (PRR) for high hazard processes.	Completion date now set for 2023 in order to avoid reassessing some PRRs before they had reached their five-year interval for resubmission.
Health, Safety and Wellbeing	By 2020, achieve a sustained OSHA Total Recordable Injury Rate (TRIR) in the top quartile of chemical manufacturing companies with more than 1,000 employees.	We achieved this target a year early, with a TRIR rate of 0.55 at the end 2019.
	By 2020, top management, regional leadership teams, business leadership teams and all operations management shall conduct regular behavioural safety observations.	Completed 2018. Through the implementation of the Safety Leadership Programme, the participation of senior management in safety increased markedly, with regular participation in audits, and extension of safety risk awareness to offices and laboratories as well as manufacturing sites.

*Our chosen measure of GHG emission intensity divides our GHG emissions (market-based scope 2 emissions) by value added. Value added is defined as operating profit before depreciation and employee costs at 2015 constant currency.

Sustainability targets 2015-2020

Material Area	Target	Progress
Product Stewardship	By 2020, only supply RSPO certified palm oil ingredients subject to the feasibility of the supply chain.	Palm has been a focus for us for the last eight years. In 2019: over 99% of our global palm derivatives are RSPO Supply Chain Certified. We fully expect to complete the transformation to 100% RSPO-Certified Supply Chains in 2020.
	By 2020, work with a third party independent organisation to increase traceability of our palm derived raw materials ensuring progression towards zero deforestation in our palm oil supply chains.	In 2019 we became founder members of Action for Sustainable Derivatives. Through this we have strongly encouraged other companies to join the coalition in order to harmonise requirements on transparency and risk monitoring in order to better support commitment to deforestation-free and responsible sourcing.

Our 2030 Commitment, Climate, Land and People targets

	Objective	Target	Commentary
Climate Positive	Carbon Cover By 2030 use of our products will avoid four times the carbon emissions associated with our business, our 4:1 carbon cover.	By 2030, use of our products will avoid four times the carbon emissions associated with our business, our 4:1 carbon cover.	During 2019, we had case studies of four of our products externally verified, this showed that 850,500 tonnes of CO ₂ will be avoided throughout the use of these four products sold during 2019.
	Reducing Emissions We will achieve our Science Based Targets (SBT) by reducing our emissions in line with limiting the global temperature rise to 1.5°C above pre-industrial levels, maximising the use of renewable energy in our operations.	By 2030, we will have achieved our SBT, in line with limiting global warming to 1.5°C. Thereafter, by 2050 we will be a net zero organisation.	Top 10 emitting sites will have decarbonisation roadmaps by end 2020. Internal price of carbon being added to CAPEX approval process by end of this year
	Sustainable Innovation We will accelerate the transition to bio-based products, moving away from fossil/petrochemical feedstocks.	By 2030, over 75% of our organic raw materials by weight will be bio-based, absorbing carbon from the atmosphere as they grow.	In 2019, 63% of our organic raw materials were from bio-based sources.
Land Positive	Land Use We will save more land than we use. We will increase agricultural land use efficiency, protect biodiversity and improve food security by sourcing sustainably and inspiring innovation in our agrochemical businesses.	By 2030, the land area saved through the improved yields and crop resilience as a result of the use of our crop protection ingredients, seed treatments and new technologies will exceed that used to grow our raw materials.	No quantifiable progress against this yet.
	Crop Science Innovation We will invest in innovation projects and partnerships to support crop and seed enhancement in mitigating the impact of a changing climate and land degradation.	Through to 2030 we will bring an average of two Crop technological breakthroughs to market each year that are in alignment with our SBTs and which help our customers mitigate the impact of climate change and land degradation. By 2030, we will have established three new partnerships to contribute to the recovery of compromised farmland. We will work with customers, universities and business councils to achieve this.	During 2020 we have launched our microplastic free film coating for sunflower seed, from Incotec

Our 2030 Commitment, Climate, Land and People targets

	Objective	Target	Commentary
People Positive	Health & Wellbeing We will use our smart science to promote healthy lives and wellbeing through the development and application of our ingredients and technologies.	By 2030, we will contribute to the successful development and commercialisation of 25% of WHO-listed vaccines.	Over 2 billion equivalent doses of our vaccine adjuvants were sold in 2019, increasing efficacy of the drug formulations.
		By 2030, we will protect at least 60 million people annually from potentially developing skin cancer from harmful UV rays, through the use of our sun care ingredients.	44 million lives improved through sales of our sun care filters in 2019.
	Gender Balance We will achieve gender balance in our business by focusing on recruitment and development opportunities to increase the number of women in decision-making positions.	By 2030, we will achieve gender balance across the leadership roles in our organisation.	2019: 33.4% female employees Group-wide, 22.7% female leaders and 22.2% female Executive Committee members.
	Improving More Lives We will promote our smart science and help improve lives using our technologies within our local communities, or where our science can make a positive difference. We aim to create STEM educational opportunities and provide basic necessities through the use and application of our ingredients.	We will establish and fund a Croda Foundation to help improve more lives in our local communities, supported by our technologies.	5,883 1% Club hours volunteered by our employees in 2019. 31.6% of 1% Club hours spent on STEM activities..

Our 2030 Commitment, Fundamentals targets

	Target	Commentary
Health, Safety & Wellbeing We will protect the health, safety and wellbeing at work of all of our people and contractors.	By 2030, we will achieve an OSHA Total Recordable Injury Rate in the top 10% for the chemical industry	2019 TRIR 0.55 down from 0.72 in 2018
	By 2030, we will achieve a 30% increase in positive responses to the wellbeing areas in our Global Employee Culture Survey	No quantifiable progress against this yet.
Process Safety We will protect the health and safety of all of our people, contractors and the communities in which we operate.	By 2030 we will have zero significant process safety incidents per year. We will continue to investigate and apply learnings from minor incidents and near misses.	2019: No incidents of significant severity
Environmental Stewardship We will protect the natural environment through the responsible management of our water consumption and waste production.	By 2025, we will eliminate waste to landfill across our operations	27% reduction in waste to landfill since 2015.
	By 2030, we will reduce our water use impact by 50% from our 2018 level	17.4% reduction in total water withdrawal since 2015
Fair Income We will contribute to sustainable and inclusive economic growth by ensuring that everyone working at Croda sites receive a fair income.	By 2030, everyone working at Croda locations, including temporary and permanent employees, and all contractors will receive a living wage that is monitored and reviewed annually.	In 2018 we became a UK Living Wage employer. During 2019 we started work on understanding what would constitute a Living Wage at each of our locations.

Our 2030 Commitment, Fundamentals targets

	Target	Commentary
<p>Supplier Partnership We will ensure that all of our key suppliers are operating safely, ethically and responsibly, and will promote the equitable sharing of benefits within the supply chain</p>	By 2030, we will ensure that all key suppliers are responding to EcoVadis and engaging with us to improve practices.	By the end of 2019, 96 of our suppliers had engaged with us through the EcoVadis platform.
<p>Knowledge Management We will manage our intellectual capital, ensuring employees acquire the knowledge and skills needed to promote the sustainable development of our business and promote lifelong learning opportunities for all.</p>	By 2025, 100% of our employees will receive a minimum of one week's training per year.	105,579 training hours completed by our employees in 2019.
<p>Quality Assurance We will maximise our resource efficiency and minimise all types of waste energy, water and materials across our operations.</p>	By 2030 we will achieve a 99.5% Right First Time (RFT) rate compared with 2018 levels.	2019: All major locations globally are now certified to ISO 9001.

Our 2030 Commitment, Fundamentals targets

	Target	Commentary
<p>Product Stewardship We will take a leadership role in life cycle assessment of our ingredients and their impact on the life cycle of our customers' products. Helping the markets in which we operate move towards more circular economies and reducing consumer and employee exposure to chemical hazards.</p>	By 2030, we will have conducted full life cycle assessments for our top 100 ingredients.	
<p>Responsible Business: We will verify and maintain our position as the most sustainable supplier of innovative ingredients within our industry.</p>	By 2023, we will achieve an EcoVadis score of at least 85.	We are within the top 1% of chemical companies assessed by EcoVadis. In 2019 we were awarded Gold Status for the fifth time with a score of 77/100.
	By 2030, we will achieve 'outstanding' CSR performance ratings across all themes within the EcoVadis assessment	

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