

## Statement on Modern Slavery – 2025

### Policy Statement

Croda is strongly committed to upholding and respecting human rights. Our Human Rights Policy supports principles set out in the UN Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, and the International Labour Organisation's Fundamental Conventions and states the commitment to respecting everyone's human rights in all aspects of our operations.

We are committed to eradicating modern slavery<sup>1</sup> in all its forms from our business and our supply chains. We ensure that everyone who works for Croda benefits from a working environment in which their fundamental human rights are respected, and we are taking the appropriate steps to ensure that all organisations within our supply chains uphold these principles.

The information within this statement details policies, processes, and actions we have taken to ensure that fundamental human rights are respected, and modern slavery is not taking place in any part of our business and supply chains. This statement covers the activities of all businesses in all jurisdictions within the Croda International plc ("Croda") group of companies and is our Modern Slavery Statement for the year ended 31 December 2024 required under the provisions of the Modern Slavery Act 2015.

### Our Business

Our Purpose is to use Smart science to improve lives™, enabled by our distinctive values-led culture that governs how we work with one another and guides our relationships with all partners. We combine our knowledge, passion, and entrepreneurial spirit to create, make and sell specialty ingredients that are relied on by industries and consumers around the world.

We have a global footprint<sup>2</sup> and operate in two main markets – Consumer Care and Life Sciences. We develop innovative and sustainable ingredients that provide functionality to Consumer Care formulations, enabling customers to differentiate their products. We develop components and systems for the delivery of Active Pharmaceutical Ingredients, enabling delivery of the next generation of biologic drugs and vaccines. We are an innovation partner to crop science companies, developing delivery systems to meet the sustainability challenges and enable next generation solutions.

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<sup>1</sup> Croda defines modern slavery in line with the UK Modern Slavery Act definition: modern slavery encompasses various forms of exploitation, including slavery, servitude, forced or compulsory labor and human trafficking. It is characterized by the exploitation of individuals for personal or commercial gain, often involving coercion or force, resulting in the loss of freedom.

<sup>2</sup> More information about the countries where we operate is available in our website: [Where we operate | Croda](#)

## **2024 Highlights**

Some highlights:

- Sales of £1,628.1m and adjusted profit before tax of £260.0m
- Over 6,000 employees
- 163,402 hectares of land area saved
- 22.8 million lives sustainably improved by Croda Foundation projects
- 0.47 total recordable injury rate
- Accredited living wage employer globally

Croda purchases directly from thousands of suppliers across the globe to meet the product and service needs of our operations. In 2023, 56% of Croda raw material volume was comprised of organic raw materials purchased from bio-based resources. We have an ambitious sustainable innovation target stating that, by 2030, over 75% of our organic raw materials by weight will be bio-based, absorbing carbon from the atmosphere as they grow.

This transition away from petrochemical feedstocks has a positive climate impact and avoids the release of additional fossil carbon into the atmosphere at the end of life of our ingredients. We recognise that our commitment to increase our purchases of raw materials from within global agricultural supply chains creates a high level of responsibility to ensure there are no human rights violations, including modern slavery and human trafficking, within our supplier networks.

Croda has clear public commitments to sustainability which include our aim to be Climate, Land and People positive by 2030. The details of these commitments, our actions to achieve them, and our current progress are contained within the 2024 Croda Sustainability Impact Report.

A complete description of our business model and values as well as our key reporting and policy statements can be found on our website at [www.croda.com](http://www.croda.com).

## **Our Governance**

For many years, Croda has had a well-established Ethics Committee which was responsible for the development, reinforcement, oversight and cascading of the Company's ethics and compliance strategy, Code of Conduct and other policies and procedures related to the ethics and human rights programme. In 2024, Croda combined the Ethics Committee with the Sustainability Committee due to the overlap in their functions.

The Sustainability Committee comprises six members of Croda's Executive Committee and experts from appropriate functions. This includes the Global Compliance Director who has responsibility for the development and strengthening of our human rights programme. The Committee is chaired by the Group General Counsel, Company Secretary and President of Sustainability.

In 2024, the Sustainability Committee met quarterly in support of Croda's culture of integrity, honesty, and openness, and to promote the importance of respecting human rights across the group and among our supply chain partners. The work of the Sustainability Committee is demonstrative of the top-level commitment to respecting and upholding human rights.

### **Our Policies in Relation to Human Rights and Modern Slavery**

Croda is strongly committed to upholding and respecting human rights. In our Code of Conduct we set the standard to protect the human rights of every person involved in our operations and supply chain, and we also commit to:

- ensuring that no forced, trafficked or child labour is used in any of our operations or supply chains through effective due diligence, monitoring, and auditing;
- taking immediate action if any evidence of the use of forced, trafficked, or child labour is found, and supporting the victims of these situations;
- creating a safe working environment free from bullying and harassment.

In 2016, we designed a Modern Slavery policy with the aim of ensuring that we take all appropriate steps to reduce the risk of modern slavery taking place within Croda's supply chains.

In 2020, Croda introduced its Human Rights Policy that supports the principles set out in the UN Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights and the International Labour Organisation's Fundamental Conventions and states the commitment to respecting everyone's human rights in all aspects of our operations.

Croda's Human Rights Policy identifies the following as being specific areas of responsibility:

- Equality and Diversity
- Freedom of association and collective bargaining
- Fair wages
- Health and safety
- Labour rights
- Zero-tolerance approach towards forced labour and modern slavery
- Zero-tolerance approach towards child labour.

In 2021, Croda designed a Supplier Due Diligence Policy for Modern Slavery with a focus on supplier participation in the EcoVadis assessment process. This policy strengthens our approach by clearly defining our requirements for supplier due diligence assessments, determining supplier risk, acceptable scoring, and expectations for Corrective Action Plans (CAPs) for areas needing performance improvement.

In 2022, Croda carried out a revision of its Supplier Code of Conduct, this document outlines our expectations for suppliers, including alignment with our sustainability ambitions and key principles. As an international business with suppliers and representatives throughout the world, Croda wants to ensure that those organisations with whom we interact, our suppliers and their representatives,

live up to our values and standards and share this responsibility. Croda is in the process of refreshing its Supplier Code of Conduct. The new version is expected to be released in 2025.

In 2024, Croda embarked upon a journey to further develop and strengthen its human rights programme. Croda began this journey by carrying out a top-down risk assessment of the global organisation, identifying Croda's salient human rights risks. This exercise was supported by a steering group, comprising employees from a wide range of countries / functions. External human rights specialists supported the exercise. This allowed Croda to identify areas of focus such that Croda can take a risk-based approach to its human rights journey, tackling what it considers to be its more pertinent risks first.

To complement the top-down risk assessment, Croda is engaging with the countries within which it has operations to better understand the human rights risks bespoke to those countries. Croda is taking a risk-based approach, starting in countries that may be considered to be higher-risk from a human rights perspective.

Croda's small compliance team spent some time in Brazil in 2024 considering human rights issues, looking both internally at Croda's operations and externally (i.e. into the supply chain).

In 2025, the compliance team will look to further embed human rights policy and procedure into the organisation in order to roll out the human rights programme. Certain functions will be critical to the roll-out. For example, the procurement team will be integral in implementing our due diligence procedures which will look at suppliers in our higher-risk supply chains and service provision in high-risk locations. Embedding the programme will also include additional training for the whole organisation and more detailed training for specific functions. The roll-out of our programme will include tracking against KPIs. As we identify potential human rights issues, we will look to develop specific KPIs that will help us to effectively track mitigation in line with our human rights programme.

### **Addressing Modern Slavery within Croda Operations**

Croda has more than 6,000 employees working at our 92 sites worldwide. Our people are a priority within our global strategy and focus on a sustainable environment.

Through our top-down and bottom-up human rights risk assessments we have identified the following areas of focus from a human rights perspective:

- Safety, health and environmental risks
- Fair wages
- Gender equality
- Freedom of association and collective bargaining
- Bullying and harassment
- Discrimination

We take steps to manage these human rights risks within our own operations as follows:

- Our HR team plays a key role in preventing human rights infringements within our own operations. The team carry out regular listening groups across the organisation in order to identify any human rights issues.
- We have conducted pulse surveys for a number of years which ask questions of the global organisation to ensure employees enjoy a safe and healthy working environment. We are in the process of replacing our pulse surveys with a tool called “My Voice”. Employees answer questions anonymously through the tool and responses are considered by their line management. The questions are intended to identify any potential issues within the organisation, including human rights.
- Our Executive Committee members and senior managers conduct regular listening groups with employees from different departments and varying seniorities to identify potential improvement areas. These listening groups are planned into senior leadership travel agendas so our leadership can take the opportunity, whilst travelling, to obtain views from around the organisation.
- As a chemicals company, we have robust health and safety standards, we provide regular training on these topics, conduct regular audits and conduct regular risk assessments.
- Croda is committed to creating an inclusive work environment where everyone can fulfil their potential in a workplace that recognises the value of diversity.
- We provide fair working conditions for all employees including terms and conditions of employment, remuneration, working hours, health and safety, resting time, holiday entitlements and benefits. These are applied according to territory-specific statutory requirements.
- As a result of a number of years of work carried out with the Fair Wage Network, we are a living wage employer globally and have received the relevant accreditation. Our focus will now be on looking into service provision and taking steps towards establishing whether our regular contractors are paid a Living Wage.
- In the last 12 months, Croda has been working on raising awareness of human rights within the organisation. A short training video has been rolled out across the entire business, the tone being set from the top with the executive delivering the human rights message. This will be followed up with more bespoke training in 2025 to areas of the business which may be higher risk from a human rights perspective. For example, higher risk countries and higher risk functions.

### **Addressing Modern Slavery within Croda Supply Chains**

Croda purchases directly from thousands of suppliers across the globe to meet the product and service needs of our operations. Croda considers our supply chain to be an integral part of our own operations. We therefore want to ensure that those organisations with whom we interact, our suppliers and their representatives, live up to our values and standards and share this responsibility.

Through our top-down and bottom-up human rights risk assessments we identified the following areas of focus from a human rights perspective:

- Safety, health and environmental risks
- Forced labour, modern slavery and child labour
- Working conditions

We are taking steps to manage these risks within our supply chain as follows:

- Our sustainable sourcing team carry out visits to our highest risk suppliers’ production facilities. During these visits they have conversations to better understand our suppliers’ environmental and human rights practices.
- In 2024, we developed a due diligence methodology to help us to assess the human rights risks associated with the purchase of raw materials and the engagement of service providers. Our due diligence will be carried out taking a risk-based approach, our intention being to start with high-risk raw materials and service providers operating in high-risk countries and/or carrying out high-risk activities. With regards to service provision, we will look to ask specific questions when onboarding new service providers, including questions regarding migrant workers<sup>3</sup>, fair wages / compensation, labour rights, modern slavery and child labour.

Raw Materials

We have categorised our raw material suppliers into high risk, medium risk and low risk suppliers having considered the level of risk of the raw material (i.e. bio-based raw materials and minerals are considered to be higher risk), country of purchase and country of origin. We have identified 300 Tier 1 suppliers as falling into our “high-risk” category and 400 of our Tier 1 suppliers as falling into our “medium-risk” category. Enhanced due diligence will take place in respect of these suppliers, different steps being taken depending upon the level of risk.

We will focus initial due diligence on palm and soy suppliers. The steps we will take will complement our EUDR programme.

In the table below, we provide information on the country of origin of our highest risk feedstocks:

Feedstock	Top Countries of origin
Palm	Malaysia, Indonesia
Soy	USA, Malaysia, Brazil
Corn	USA
Rapeseed	Netherlands, Germany

<sup>3</sup> Migrant workers are individuals who are to be engaged, are engaged or have been engaged in a remunerated activity in a State of which they are not nationals.

Castor	India, Indonesia
Wheat	Spain, Belgium
Sunflower	Netherlands
Sesame	Mexico
Olive	Malaysia, Italy
Sugar	India, Malaysia
Shea	Malaysia
Wood	Finland, USA
Coconut	Malaysia, Philippines
Linseed	Canada, Brazil

### Service Providers

Similar to raw material suppliers, we will take a risk-based approach to the due diligence carried out against service provision.

We have identified the following categories of service providers as those that present an inherently high risk of having human rights violations: (i) construction employees; (ii) security guards, cleaners and canteen employees; and (iii) logistics and transportation companies' employees.

We have developed a process whereby we will ask human rights questions of these service providers when onboarding and maintain our scrutiny on this issue by regular listening groups / service provider reviews. For existing service provision within these categories, we have developed a process for ensuring we understand any human rights risks via listening groups and service provider reviews. These procedures will be rolled out globally.

Taking a risk-based approach, we will start due diligence of service provision in high-risk countries. We have carried out this exercise in Brazil as a pilot of the programme. We will look to China and India next, in particular our construction projects.

Guidance documents, questionnaires, risk assessment templates have been designed to facilitate this process. The ILO indicators of forced labour have been taken into consideration in the creation of these documents.

This due diligence process will inform and shape our risk assessments and controls. As we carry out due diligence and find issues, we will better establish a remediation process for salient human rights infringements, developing a remediation network internally and with the support of external service providers. Our current draft remediation plan is yet to be tested and is something that we will develop over time as we learn through the process. To date, Croda has not found any significant issues to remediate. We have provided a short overview of cases we have received via our whistleblowing channel that touch upon human rights topics in the "Routes to raise concerns" section below.

## **Procurement Leadership**

Using natural resources brings with it the responsibility to ensure there are no associated negative social or environmental impacts as well as the opportunity to advocate for, and contribute to, positive change. This can only be possible through intimate knowledge of our supply chains, collaboration with all parties within them, and complete transparency and traceability throughout.

Our global procurement teams, led by our Global Head of Procurement and Sustainable Sourcing, receive continuous information and education to help them engage with suppliers to improve sustainability practices within their operations and supply chains, including the mitigation of modern slavery. This is at the very heart of SDG 17, Partnership for Goals where effective collaboration in the supply chain results in a greater positive impact.

## **Industry initiatives, multi-stakeholder collaborations**

Recognising that rightsholder engagement is paramount for the success of our human rights programme, we are engaging with stakeholders and looking at consultation processes to align / take a joined-up approach to risk mitigation.

Croda has a partnership with EcoVadis for sustainability monitoring. Suppliers are assessed, including how they ensure the prevention of human rights violations within their operations and supply chains.

Croda is a member of the Together for Sustainability (TfS) initiative which delivers a powerful and independent due diligence procedure in the supply chain. Its framework and tools enable a robust and consistent assessment of the sustainability performance of chemical suppliers and producers, and roadmaps for improvements. As part of our human rights due diligence process, we plan to use TfS as a supply chain auditor, to carry out on-site audits on our highest risk suppliers.

Croda is a founder member of the Action for Sustainable Derivatives (ASD), a collaborative initiative driven by users to transform their supply chains by increasing transparency, monitoring risks, engaging the sector, and generating on-the-ground impacts. Through our work with ASD, we have put in place a dedicated grievance policy for deforestation and human rights abuses.

## **Routes to raise concerns**

Croda encourages people to raise concerns and speak up, whether internal or external. Croda has several tools to help with this - Croda's grievance procedure, Croda's near-miss reporting tool and the anonymous whistleblowing system. These tools help us to understand any human rights and modern slavery concerns. Anything reported through these tools is thoroughly investigated and where issues are found, remedial actions are taken, and mitigation steps are put in place from the learnings.

Amongst this, our Whistleblowing Policy plays an important role. We encourage all our employees, third parties we work with and our suppliers, to report any suspected wrongdoing or breaches of any



of our policies. Our whistleblowing tool, the Speak Up system, offers an anonymous route to reporting any potential infringement.

In 2024, we received 43 reports from whistleblowers. In total we investigated and closed 28 cases during the year. 15 cases are currently under investigation.

Amongst these, 32 cases were considered as having a potential impact on human rights in that the cases concerned allegations of discrimination, SHE issues, employee relations matters and concerns regarding sexual harassment. We continue to investigate 13 of these cases. 3 cases could not be investigated due to a lack of information. Of the remaining 16 cases, our thorough investigations concluded that there were issues to be addressed in only 5 of those cases. All 5 cases concerned employee relations issues.

Croda also worked with the Action for Sustainable Derivatives (ASD) to publish our Grievance Policy in the palm derivatives sector. Croda defines a grievance as any complaint, allegation or concern we identify that is inconsistent with the Croda Supplier Code of Conduct, our Responsible Palm Sourcing Policy, or any relevant Croda corporate policies on governance and human rights. Grievances may cover both environmental and social concerns.

During 2024, 5 grievances related to human rights were received through Croda's palm grievance process. Of these, 1 has been resolved with the support of RSPO and 4 are currently being investigated.

## **Communications**

Croda communicates progress on its human rights programme internally and externally through this annual Modern Slavery Statement. In addition, Croda will report on human rights within its annual sustainability report.

## **Our Plans for 2025**

### **Double materiality assessment**

With the support of an external consultant, we completed our first double materiality assessment, capturing our material impacts on planet and society as well as the financial risks and opportunities relevant to both Croda and our stakeholders. This was validated and approved by our Executive Sustainability Committee in Q3 2024, identifying, among others, the importance of progressing our human rights due diligence in our crop-based supply chains. More information is available in our 2024 [Sustainability Impact report](#).

### **Human rights programme**

Croda's main areas of focus for 2025/2026 include:

- Training relevant functions on the human rights' due diligence process.
- Conducting human rights due diligence on our Tier 1 palm and soy suppliers.
- Conducting human rights due diligence on our highest risk service providers.
- Conducting additional bottom-up human rights risk assessments in high-risk locations.

## **European Deforestation Regulations (EUDR)**

EUDR requires Croda, our suppliers and our customers to undertake due diligence against certain specific raw materials and demonstrate that EU traded materials are produced free from deforestation, with no human rights violations, and in compliance with the laws of the country of origin.

In response to this regulation, Croda has written a global policy and created a robust plan of action for carrying out due diligence, which is being embedded by members of the project team. Our planning will enable us to do the following:

1. Execute traceability and origin mapping for plots of land used to generate our EUDR raw materials. This includes geolocation coordinates, timing of production, and proof of legality.
2. Perform risk assessments.
3. Mitigate risk from smallholder exclusion while de-risking supply chains.
4. Create and submit official due diligence statements to demonstrate compliance.
5. Perform risk mitigation activities.

## **2025 Sustainability Milestones**

Since launching our Commitment in 2020 we have been striving to meet several milestones on our journey to become Climate, Land and People Positive by 2030. In 2024, we narrowly missed hitting our milestone for all key suppliers to achieve a minimum of the average score from EcoVadis (or equivalent), with > 90% of our key suppliers, which provide 80% of our raw material volumes, meeting this requirement. This milestone directly relates to our due diligence and risk mitigation efforts to ensure there are no human rights violations within our supply chains.

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This Modern Slavery Statement was approved by the Board of Directors of Croda International Plc.

For and on behalf of Croda International Plc and its subsidiaries\*



Steve Foots  
**Chief Executive Officer**

May, 2025

\*Subsidiary companies of Croda International Plc meeting the criteria to require the preparation of an annual slavery and human trafficking statement, in accordance with section 54 of the Modern Slavery Act 2015, that are included within the scope of this Croda International Plc statement: Croda Europe Limited.