

Board Diversity and Inclusion Policy

1. Purpose and Scope

This Board Diversity and Inclusion Policy (the “Policy”) sets out the approach to diversity of the Board of Croda International Plc (the “Board”). The Policy applies to the Board of Croda International Plc (the “Company”). The Policy does not apply to diversity in relation to employees of the wider Croda Group, which is covered by the Group Policy on Managing Diversity.

2. Policy Statement

The Board is committed to greater diversity within our business. The diversity of our people – whether in terms of ideas, skills, knowledge, experience, ethnicity, gender, or any other measure - is very important for the continuing long term success of the Company. This also applies when it comes to the makeup of the Board to ensure that it is well equipped to lead the business effectively, embraces new ideas and makes good use of differences in experiences, backgrounds and perspectives to satisfy all the different stakeholders we have as a global organisation.

In accordance with its terms of reference, our Nomination Committee (the “Committee”) regularly reviews the structure, size and composition of the Board and recommends candidates to fill Board vacancies as they arise. In considering the composition of the Board the Committee will consider, amongst other things, the skills, knowledge, experience and diversity of the Board.

3. Measurable objectives

At any given time the Board may seek to improve one or more aspects of its diversity and measure progress accordingly. In identifying suitable candidates for appointment to the Board, the Committee will:

- For all Non-Executive Director appointments, and where appropriate Executive Director appointments, use open advertising or the services of external executive search firms to facilitate the search;
- If using executive search firms, only use firms that have signed up to the Voluntary Code of Conduct for Executive Search Firms;
- Ensure balanced shortlists (in terms of ethnic and gender diversity) for all Non-Executive Director and when appropriate for Executive Director appointments;
- Consider candidates from a wide range of backgrounds, and candidates without public company board experience;
- Consider candidates on merit and against objective criteria and with due regard for the benefits of diversity on the Board; and
- Ensure that no unlawful discrimination occurs at any stage in the selection process on the grounds of age, disability, gender reassignment, marriage and civil partnership, maternity, pregnancy, race, religion or belief, sex or sexual orientation.

On gender diversity, the Board is committed to the targets set out by the FTSE Women Leaders Review for a minimum of 40% women’s representation on Boards and to have at least one woman in the Chair or Senior Independent Director role on the Board, and/or one woman in the Chief Executive Officer of Finance Director Role.

On ethnic diversity, the Board is committed to meeting or exceeding the objectives of the Parker Review for FTSE 100 Boards to have at least one director from a minority ethnic group on the Board.

Whilst the Board is committed to the targets set by the FTSE Women Leaders Review and Parker Review, there may be times of change in Board composition which result in temporary periods where some of the targets cannot be achieved.

The Board recognises the importance of developing diversity in the senior management roles within the Group and supports and oversees the Group's objectives of achieving gender balance in all leadership roles by 2030 and of doubling the number of women in leadership positions. The Board will oversee the development of a 2025 target aligned to increasing the number of ethnically diverse employees in leadership positions. These targets are underpinned by a range of policies and activities within the Group to help provide mentoring and development opportunities for employees from a range of diverse backgrounds to ensure unbiased career progression opportunities.

4. Monitoring and reporting

The Committee will report annually, in the corporate governance section of the Company's Annual Report, on the process it has used in relation to Board appointments. Such report will include a summary of, and progress against, the objectives in the Policy.

5. Review of the Policy

The Committee will review the Policy annually, which will include an assessment of the effectiveness of the Policy. The Committee will discuss any revisions that may be required and recommend any such revisions to the Board for approval.

Updated and approved by the Board on 24 February 2023