

The Right Honourable Vince Cable
Secretary of State for Business, Innovation & Skills
Department for Business Innovation & Skills
1 Victoria Street
LONDON
SW1H 0ET

1 February 2013
TMB/SR

Dear Mr Cable,

Thank you for your letter dated 29 January 2013.

We fully support greater diversity within our business. A greater diversity of ideas, skills, knowledge, experience, and - not least - gender throughout our organisation is very important for the continuing long term success of Croda. This also applies when it comes to the makeup of our Board to ensure that it is well equipped to lead the business effectively, embrace new ideas and satisfy all the different stakeholders we have as a global organisation and member of the FTSE 100.

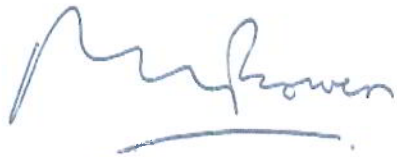
Whilst we do have women in a number of senior roles including on our Executive Committee, we want to encourage more to join the business and progress within it. To achieve this, we are developing initiatives to create an environment where the next generation of women in our business have the opportunity to become future leaders, both at senior management level and on the Board.

Over the coming months our Nomination Committee will be looking closely at the balance and composition of the Board as part of its succession planning. The term of our longest serving Non-Executive Director, Stanley Musesengwa, is due to expire in May 2014. As usual every effort will be made to appoint a new Non-Executive Director whose skills and experience will not only be of significant benefit to Croda but will also be complementary to existing Board members and enhance the Board's overall effectiveness.

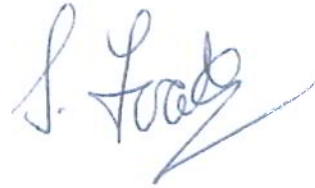
The Committee will ensure that the specification for a new Non-Executive Director is equally suited to both female and male applicants. We especially wish to attract and encourage talented women candidates to the role and, as with all our Board appointments, we will appoint search consultants that have signed up to the voluntary code on diversity and instruct them to compile a long list of candidates that includes a good proportion of strong women candidates. Regarding all future appointments to the Board, whether for Non-Executive or Executive positions, we will continue to carefully consider the benefits of greater diversity, including gender diversity, whilst ensuring that we fulfil our obligations to our shareholders to recruit the best person to the relevant role.

We hope that we have addressed the issues raised in your letter. We would be happy to discuss any continuing concerns you may have.

Yours sincerely,

A handwritten signature in blue ink that reads "M. Flower". The signature is fluid and cursive, with a horizontal line underneath the name.

Martin Flower
Chairman

A handwritten signature in blue ink that reads "S. Foots". The signature is cursive and includes a long, sweeping horizontal line at the end.

Steve Foots
Group Chief Executive