

## Notice of Annual General Meeting

**Thursday 25 April 2013 at 12 noon**

**to be held at Carlton Towers, Carlton, Goole, East Yorkshire DN14 9LZ**

**This document is important and requires your immediate attention**

If you are in any doubt as to any aspect of the proposals referred to in this document or as to the action you should take, you should seek your own advice from a stockbroker, bank manager, solicitor or accountant or other independent professional adviser duly authorised under the Financial Services and Markets Act 2000 if you are in the United Kingdom, or another appropriately authorised independent adviser if you are in a territory outside the United Kingdom.

If you have sold or otherwise transferred all of your shares in Croda International Plc, you should pass this Notice of Meeting and accompanying documents to the purchaser or transferee, or to the person through whom the sale or transfer was effected, for transmission to the purchaser or transferee. A personalised proxy form for use by holders of ordinary shares, holders of 6.6 per cent. cumulative preference shares and holders of 5.9 per cent. cumulative preference shares in the Company has been despatched with this Notice.

22 March 2013

Dear Shareholder

## **Annual General Meeting**

I am pleased to enclose the Notice convening the forthcoming Annual General Meeting (the "AGM") for shareholders of Croda International Plc, which will be held on Thursday 25 April 2013. The AGM will be at Carlton Towers, Carlton, Goole, East Yorkshire, DN14 9LZ and will commence at 12 noon. Details of the Meeting location are given on page 3 of the Notice. The business to be considered at the AGM is set out in the Notice of AGM, which you can find on pages 3 to 4 of this document. Explanatory notes on each Resolution to be considered at the AGM appear on pages 5 to 6 of this document.

## **Final dividend**

Shareholders are being asked to approve a final dividend of 32.75 pence per ordinary share for the financial year ended 31 December 2012. If shareholders approve the recommended final dividend, this will be paid on 31 May 2013 to all ordinary shareholders who were on the register of members on 3 May 2013.

## **The Board of Directors**

I would like to take this opportunity to make special mention of Resolutions 4 to 11 which relate to the re-election of Directors. In accordance with the UK Corporate Governance Code, all Directors will be standing for re-election this year. Biographical details of each of the Directors are set out on pages 28 and 29 of the Company's Annual Report and Accounts. Each of the Directors being proposed for re-election has been subject to a formal performance evaluation and was considered to be effective in their role and to be committed to making available the appropriate time for Board Meetings and other duties. Further details of the performance evaluation are set out in the Corporate Governance report on page 33 of the Annual Report and Accounts. I believe each of the re-appointments in Resolutions 4 to 11 are in the best interests of the Company.

## **Actions to be taken by shareholders**

All Resolutions for consideration at the Meeting will be decided on a show of hands. Although we like as many shareholders as possible to attend our AGM, I do appreciate that this is not always possible. However, even if you are not able to come to the AGM in person your vote is still important. I would therefore encourage you, regardless of the number of shares you own, to complete, sign and return the accompanying Form of Proxy to our Registrars as soon as possible but, in any event, by no later than 12 noon on 23 April 2013. Alternatively, you may also register your proxy appointment(s) and voting instructions electronically. Please refer to page 7 of the Notice for further details of how to appoint a proxy or proxies, the deadlines for submission and also how to vote electronically. Registration of a proxy appointment will not prevent you from attending and voting at the Meeting if you so wish. CREST members may also choose to use the CREST electronic proxy appointment service in accordance with the procedures set out in the notes to the Notice.

## **Recommendation**

Your Board considers all of the proposed Resolutions set out in this Notice to be put to the AGM to be in the best interests of the Company and its shareholders as a whole. Accordingly, the Directors unanimously recommend that shareholders vote in favour of the Resolutions, as they intend to do in respect of their own beneficial holdings.

## **Questions and Answers**

The AGM provides an opportunity for you to ask questions about the business set out in this Notice and to raise other matters about the business of the Company. I will endeavour to ensure that discussions are kept relevant and that as many shareholders as possible have the opportunity to speak. I do hope that you will be able to attend the Meeting and I look forward to seeing you.

Yours sincerely

**Martin Flower**  
Chairman

# Notice of Annual General Meeting

**Holders of ordinary shares are entitled to attend the meeting and vote on all the resolutions to be proposed at the Annual General Meeting.**

**Holders of 6.6 per cent. cumulative preference shares and of 5.9 per cent. cumulative preference shares are entitled to attend the meeting and vote but only on resolution 19 (being a proposed amendment to the Company's articles of association).**

**Holders of 7½ per cent. cumulative preference shares are not entitled to attend and vote at the meeting.**

**Notice is hereby given that the eighty-eighth Annual General Meeting (the "AGM" or the "Meeting") of Croda International Plc (the "Company") will be held at Carlton Towers, Carlton, Goole, East Yorkshire DN14 9LZ on Thursday 25 April 2013 at 12 noon.**

You will be asked to consider and, if thought fit, to pass the resolutions set out below (the "Resolutions"), of which Resolutions numbered 1 to 15 (inclusive) and 20 will be proposed as Ordinary Resolutions and Resolutions numbered 16 to 19 (inclusive) will be proposed as Special Resolutions.

As a member of the Company, you are entitled to appoint a proxy or proxies to exercise all or any of your rights to attend, speak and vote at the Meeting.

- 1 To receive the financial statements of the Company and the Group and the reports of the directors and auditors for the year ended 31 December 2012;
- 2 To approve the directors' remuneration report for the year ended 31 December 2012;
- 3 To declare a final dividend of 32.75 pence per ordinary share;
- 4 To re-elect M S Christie as a director;
- 5 To re-elect A M Ferguson as a director;
- 6 To re-elect M C Flower as a director;
- 7 To re-elect S E Foots as a director;
- 8 To re-elect K Layden as a director;
- 9 To re-elect S Musesengwa as a director;
- 10 To re-elect P N N Turner as a director;
- 11 To re-elect S G Williams as a director;
- 12 To re-appoint PricewaterhouseCoopers LLP as auditors of the Company to hold office until the conclusion of the next general meeting at which accounts are laid;
- 13 To authorise the Audit Committee to determine the remuneration of the auditors on behalf of the Board.

## Political donations

- 14 That the Company, and any company which is or becomes its subsidiary during the period to which this resolution has effect, be authorised for the purpose of Part 14 of the Companies Act 2006, during the period from the date of the passing of this resolution until the conclusion of the Company's next Annual General Meeting, to:
  - (i) make political donations to political parties and/or independent election candidates;
  - (ii) make political donations to political organisations other than political parties; and
  - (iii) incur political expenditure, provided that in each case any such donations and expenditure made by the Company or by any such subsidiary shall not exceed £50,000 per company and together with those made by any such subsidiary and the Company shall not exceed in aggregate £50,000.

## Directors' authority to allot shares

- 15 The Board be generally and unconditionally authorised to allot shares in the Company and to grant rights to subscribe for or convert any security into shares in the Company:
  - (A) up to a nominal amount of £4,465,024 (such amount to be reduced by the nominal amount allotted or granted under paragraph (B) below in excess of such sum); and
  - (B) comprising equity securities (as defined in section 560(1) of the Companies Act 2006) up to a nominal amount of £8,930,048 (such amount to be reduced by any allotments or grants made under paragraph (A) above) in connection with an offer by way of a rights issue:
    - (i) to ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and
    - (ii) to holders of other equity securities as required by the rights of those securities or as the Board otherwise considers necessary,

and so that the Board may impose any limits or restrictions and make any arrangements which it considers necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or any other matter,

such authorities to apply until the end of next year's AGM (or, if earlier, until the close of business on 24 July 2014) but, in each case, during this period the Company may make offers and enter into agreements which would, or might, require shares to be allotted or rights to subscribe for or convert securities into shares to be granted after the authority ends and the Board may allot shares or grant rights to subscribe for or convert securities into shares under any such offer or agreement as if the authority had not ended.

## Disapplication of pre-emption rights

- 16 That subject to the passing of resolution 15, the directors are empowered pursuant to section 570 and 573 of the Companies Act 2006 (the "Act") to allot equity securities (within the meaning of section 560 of the Act) for cash and/or to sell ordinary shares held by the Company as treasury shares for cash, pursuant to the authority conferred by resolution 15 as if section 561(1) of the Act did not apply to any such allotment or sale provided that this power shall be limited to:
  - (i) the allotment of equity securities and sale of treasury shares (but in the case of the authority granted under paragraph (ii) of resolution 15, by way of rights issue only) in connection with an offer of, or invitation to apply for, securities, open for acceptance for a period fixed by the directors:
    - (a) to holders of ordinary shares and other persons entitled to participate in such offer in proportion (as nearly as may be practicable) to their holdings (or, as appropriate, to the number of shares which such other persons are deemed to hold) on a record date fixed by the directors; and
    - (b) to holders of other equity securities, as required by the rights of those securities, or as the directors otherwise consider necessary

subject only to such exclusions or other arrangements as the directors may deem necessary or expedient to deal with legal or practical problems under the laws of any territory or the requirements of any regulatory body or any stock exchange in any territory or in connection with fractional entitlements or any other matter whatsoever; and

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- (ii) (otherwise than pursuant to sub-paragraph (i) of this resolution 16) up to an aggregate nominal value of £699,749,

during the period from the date of passing of this resolution to the conclusion of the next Annual General Meeting of the Company (or, if earlier, until the close of business on 24 July 2014), and so that this power shall enable the Company to make offers or agreements before such expiry which would or might require equity securities to be allotted (and treasury shares to be sold) after such expiry and the directors may allot equity securities in pursuance of such offers or agreements as if the power had not expired. This power shall supersede the previous power to allot equity securities conferred at the Annual General Meeting of the Company held on 26 April 2012 which shall be terminated upon the passing of this resolution but without prejudice to any action taken under such power prior to such termination.

This power applies in relation to a sale of treasury shares which is included as an allotment of equity securities by virtue of section 560(2) of the Act as if all references in this resolution to any such allotment included any such sale and as if in the first paragraph of this resolution the words "pursuant to the authority conferred by resolution 15" were omitted in relation to such sale.

## Company's authority to purchase its own shares

- 17 That the Company be authorised generally and without conditions in accordance with section 701 of the Companies Act 2006 ("the Act") to make market purchases (as defined in section 693(4) of the Act) of its own ordinary shares, provided that:
- (i) the Company may not purchase more than 13,500,000 ordinary shares in the capital of the Company;
  - (ii) the minimum price which the Company may pay for each ordinary share is 10 pence;
  - (iii) the maximum price (excluding expenses) which the Company may pay for each ordinary share is the higher of (a) an amount equal to 105% of the average of the closing middle market price taken from the London Stock Exchange Daily Official List for each of the five business days preceding the date on which the ordinary share is contracted to be purchased, and (b) an amount equal to the higher of the price of the last independent trade of an ordinary share and the highest current independent bid for an ordinary share on the London Stock Exchange Trading Systems;
  - (iv) such authority shall, unless previously renewed, revoked or varied, expire at the conclusion of the next annual general meeting of the Company or 18 months from this passing of this resolution (whichever is the earlier); and
  - (v) the Company may, pursuant to the authority granted by this resolution, enter into a contract to purchase such ordinary shares before the expiry of this authority which would or might be executed wholly or partly after such expiry.

## Notice period for shareholders' meetings

- 18 That a general meeting other than an annual general meeting may be called on not less than 14 clear days' notice provided that the authority for this resolution shall expire at the conclusion of the next annual general meeting.

## Fees of non-executive directors

- 19 That Article 96 of the Articles of Association of the Company be amended so that reference to "£500,000" is deleted and replaced with "£750,000" such that the article states as follows:

## "Fees of non-executive directors

Each of the directors who are not managing or executive directors shall be paid a fee at such rate as may from time to time be determined by the Board provided that the aggregate of all fees so paid to such directors (excluding amounts payable under any other provision of these articles) shall not exceed £750,000 per annum (exclusive of value added tax if applicable) or such higher amount as may from time to time be decided by ordinary resolution of the Company."

## To adopt new Sharesave Scheme rules

- 20 That the directors of the Company be, and are hereby authorised:
- (a) to adopt and establish the Croda International Plc Sharesave Scheme, the principal terms of which are summarised in the appendix to this Notice of Annual General Meeting, and the rules of which are produced to this Meeting and, for the purpose of identification only, initialled by the Chairman of the Meeting, and to do all such acts and things which they may consider necessary or desirable to establish and carry it into effect (including making any amendments to the rules of the Croda International Plc Sharesave Scheme to obtain and/or maintain the approval of HM Revenue and Customs thereto); and
  - (b) to establish further plans based on the Croda International Plc Sharesave Scheme but modified to take account of local tax, exchange control or securities laws in overseas territories, provided that any shares made available under such further plans are treated as counting against any limits on individual or overall participation contained within the Croda International Plc Sharesave Scheme.

## By Order of the Board

### Tom Brophy

Group General Counsel and Company Secretary  
22 March 2013

### Registered Office:

Cowick Hall  
Snaith  
Goole  
East Yorkshire DN14 9AA

Registered in England and Wales No: 206132

# Explanatory notes

## 1 Resolution 1 - Financial statements

The directors are required to present to the Annual General Meeting the audited financial statements and the directors and auditors report for the financial year ended 31 December 2012.

## 2 Resolution 2 - Remuneration report

Listed companies are required to prepare a report on directors' remuneration and to put a resolution to approve the report to the shareholders at the Annual General Meeting. Ordinary shareholders are being asked to approve the remuneration report, a copy of which is set out on pages 42 to 56 of the Annual Report.

## 3 Resolution 3 - Declaration of dividends

The directors are recommending that the ordinary shareholders declare a final dividend of 32.75 pence per ordinary share in respect of the year ended 31 December 2012. The final dividend declared may not exceed the amount recommended by the directors and must be approved by the ordinary shareholders. If approved, the final dividend will be paid on 31 May 2013 to ordinary shareholders who were on the Register of Members at close of business on 3 May 2013.

## 4 Resolutions 4 - 11 - Re-election of directors

These resolutions concern the re-appointment of directors. All of the directors are standing for re-election at this AGM in accordance with the UK Corporate Governance Code. Biographical details of the directors appear on pages 28 and 29 of the Annual Report. The Board considers that each non-executive director is independent in character and judgement. This follows an evaluation during the year that confirmed that each of the directors makes an effective and valuable contribution to the Board and demonstrates commitment to the role (including making sufficient time available for Board and committee meetings and other duties as requested). The Board is recommending that shareholders should re-elect them.

## 5 Resolutions 12 and 13 - Appointment and remuneration of auditors

The Company is required to appoint auditors at each general meeting at which accounts are presented to shareholders. Resolution 12 proposes the appointment of PricewaterhouseCoopers LLP as the Company's auditors until the conclusion of the next Annual General Meeting. It is normal practice for a company's directors to be authorised to determine the level of the auditors' remuneration for the ensuing year. Resolution 13 proposes to give such authority to the Audit Committee.

## 6 Resolution 14 - Political donations

This Resolution enables the directors to incur expenditure of up to £50,000 in aggregate in respect of the activities identified in the relevant provisions of Resolution 14 (including any such expenditure by a subsidiary company) without unintentionally breaching the provisions of the Articles. **It is not proposed or intended to alter the Company's policy of not making political donations, within the normal meaning of that expression.** However, without the authorisation contained in this Resolution, some of the Company's activities may inadvertently fall within the prohibition contained in the Company's Articles and the Company's ability to communicate its views effectively to political audiences and to relevant interest groups could be inhibited without such authority. The authority sought will, if granted, last until the conclusion of the next Annual General Meeting of the Company when the directors intend to seek renewal of this authority. The Company will continue its policy of not giving any cash contributions to any political party. Any expenditure which may be

incurred under authority of this resolution will be disclosed in next year's Annual Report. During 2012, no donations were made by the Company or its subsidiaries for political purposes.

## 7 Resolution 15 - Renewal of Directors' authority to allot shares

Under section 551 of the Companies Act 2006, the directors of the Company may only allot shares or grant rights to subscribe for or convert any securities into shares if authorised to do so. The Company's Articles of Association give a general authority to the Directors to allot shares.

This Resolution, which complies with guidance issued by the Association of British Insurers, will, if passed, authorise the directors to allot ordinary shares or grant rights to subscribe for or convert any securities into ordinary shares up to an aggregate nominal amount of £4,465,024 (representing 44,650,240 ordinary shares of 10p each and being approximately 33% of the current issued share capital, excluding shares held in treasury, as at 7 March 2013, the latest practicable date prior to publication of this notice) and up to an additional amount not exceeding £4,465,024 in the case of allotments in connection with a rights issue. This additional authority represents approximately 33% of the issued ordinary share capital, excluding shares held in treasury, as at 7 March 2013. On this date the Company held 4,646,198 ordinary shares in treasury, representing 3.43% of the issued ordinary share capital of the Company, excluding shares held in treasury. The directors have no present intention to exercise either of the authorities sought under this Resolution. However, the directors may consider doing so if they believe it would be appropriate in respect of business opportunities that may arise consistent with the Company's strategic objectives. If the directors do exercise the authorities, they intend to follow ABI recommendations concerning their use (including as regards the directors standing for re-election in certain cases). The authorities will last until the earlier of 24 July 2014 and the conclusion of the next AGM.

## 8 Resolution 16 - Disapplication of pre-emption rights

This is a special resolution to renew the directors' authority to allot shares for cash without first offering them to existing shareholders in proportion to their existing holdings. In addition, subject to a waiver by way of special resolution, or in the Articles of Association, treasury shares must in the first instance be offered for sale to existing shareholders in proportion to their holdings. As with the allotment of shares for cash, the directors consider that it is in the interests of the Company, in certain circumstances, for the directors to be able to sell treasury shares for cash without having to offer them to existing shareholders first. Therefore, the directors' authority to allot equity securities for cash on a non-pre-emptive basis pursuant to this special resolution will also cover the sale for cash of any share held by the Company as treasury shares.

Although there is currently no intention to make use of this authority, its renewal would provide the directors with continued flexibility to act in the best interests of shareholders when opportunities arise and, in respect of treasury shares, also give the Company the ability to sell treasury shares quickly and cost-effectively. The authority sought is limited to allotments or sales in connection with pre-emptive offers and offers to holders of other equity securities if required by the rights or those shares or as the Board otherwise considers necessary, or otherwise up to an aggregate nominal amount of £699,749, which is 5% of the issued ordinary share capital, including shares held in treasury, as at 7 March 2013, the latest practicable date prior to publication of this notice. In relation to the exercise of this authority, the directors would have regard to the guidelines published by the investment committees of the Association of British Insurers and the National Association of Pension Funds. In respect of the aggregate nominal amount, the directors confirm their intention to follow the provisions of the Pre-Emption Group's Statement of Principles

# Explanatory notes

regarding cumulative usage of authorities within a rolling 3-year period where the Principles provide that usage in excess of 7.5% should not take place without prior consultation with shareholders. This authority will last until the earlier of 24 July 2014 and the conclusion of next year's AGM.

## 9 Resolution 17 - Company's authority to purchase its own shares

Resolution 17 is a special resolution seeking to renew the authority to purchase up to 10% of the Company's issued ordinary shares (excluding treasury shares). The maximum price to be paid on any occasion for each ordinary share will be the higher of (a) an amount equal to 105% of the average of the closing middle market price taken from the London Stock Exchange Daily Official List for each of the five business days preceding the date on which the ordinary share is contracted to be purchased, and (b) an amount equal to the higher of the price of the last independent trade and the highest current independent bid on the London Stock Exchange Trading Systems. The minimum price to be paid on any occasion for each ordinary share will be 10 pence. In exercising this authority the directors will comply with the rules of the London Stock Exchange and the guidelines of the Association of British Insurers on the purchase of own shares. This authority will expire on the date of the AGM of the Company in 2014 or, if earlier, on 25 October 2014.

As at 7 March 2013, the latest practicable date prior to publication of this notice the total number of outstanding options to subscribe for new ordinary shares was just over 1,995,500. This represents approximately 1.47% of the Company's issued ordinary share capital (excluding treasury shares) on that date and would represent 1.57% of the Company's issued ordinary share capital (excluding treasury shares) in the event that the proposed new authority to repurchase shares were to be exercised in full.

Under the Companies (Acquisition of Own Shares) (Treasury Shares) Regulations 2003 (the "Regulations") the Company is allowed to hold its own shares purchased in the market in treasury as an alternative to cancelling them. Shares held in treasury may subsequently be sold for cash, transferred for the purposes of employee share schemes or cancelled.

The directors will only purchase the Company's shares from the market if they believe that such purchases will improve earnings per share and will be in the best interests of the shareholders generally. It is the intention of the directors that any such shares purchased will be held as treasury shares, provided that the number of treasury shares does not at any one time exceed 10% of the Company's issued share capital (excluding treasury shares). This would give the Company the ability to re-issue treasury shares quickly and cost-effectively and provide the Company with additional flexibility in the management of its capital base.

## 10 Resolution 18 - Notice period for shareholders' meetings

The Companies (Shareholder Rights) Regulations 2009 require that all general meetings must be held on 21 days' notice unless shareholders agree to a shorter notice period which is subject to a minimum of 14 days. Prior to August 2009 we were able to call general meetings (other than annual general meetings) on 14 days' notice and this resolution is being proposed so that we can continue to be able to do so. In order to be able to call a general meeting on less than 21 clear days' notice the Company must make an electronic means of voting available to all shareholders for the meeting. This condition is met by the Company providing the facility for shareholders to appoint a proxy via an online shareholder portal operated by our registrars. It is not the Company's intention to use the shorter notice period as a matter of routine but only when the flexibility is merited by the business of the meeting and is thought to be in the interests of shareholders as a whole.

## 11 Resolution 19 - Fees of non-executive directors

Resolution 19 is required to increase the aggregate amount of fees the Company can pay to its non-executive directors. The current limit of £500,000 per annum has not been changed since 2007. In order to provide the Company with sufficient flexibility to increase the number of non-executive directors in the future without breaching the aggregate fee limit, the shareholders are being asked to increase the aggregate limit to £750,000.

## 12 Resolution 20 - To adopt new Sharesave Scheme Rules

For a number of years we have operated an all employee sharesave scheme approved by HM Revenue & Customs known as the Croda International Plc Savings-Related Share Option Scheme 1983 through which employees make regular savings to enable them to buy shares in the Company. The current scheme expires on 25 May 2013, after which no further options under that scheme may be granted and we need to adopt a new scheme to enable us to continue to offer this benefit to employees. Accordingly, resolution 20 seeks approval for the introduction of a replacement scheme, being the Croda International Plc Sharesave Scheme. The main provisions of this Scheme are summarised in the appendix on pages 10 to 11 of this document.

# Notes

## 1 Entitlement to attend and vote

To be entitled to attend and vote at the Annual General Meeting (and for the purpose of the determination by the Company of the votes they may cast), shareholders must be registered in the Register of Members of the Company at 6 p.m. on 23 April 2013 (or, in the event of any adjournment, 48 hours before the time of the adjourned meeting). Changes to the Register of Members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.

## 2 Appointment of proxies

- (i) Members are entitled to appoint a proxy to exercise all or any of their rights to attend and to speak and vote on their behalf at the meeting. A shareholder may appoint more than one proxy in relation to the Annual General Meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. A proxy need not be a shareholder of the Company. A proxy form which may be used to make such appointment and give proxy instructions accompanies this notice. If you do not have a proxy form and believe that you should have one, or if you require additional forms, please contact our registrars, Capita Registrars, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU. Alternatively you may choose to vote online by logging on to [www.capitashareportal.com](http://www.capitashareportal.com) and selecting the "Proxy Voting" link. If you have not previously registered to use the portal you will require your investor code ("IVC"), which can be found on your share certificate or dividend tax voucher.
- (ii) To be valid any proxy form or other instrument appointing a proxy must be received by post or (during normal business hours only) by hand at the Company's registrars, Capita Registrars, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU or online at [www.capitashareportal.com](http://www.capitashareportal.com) or, in the case of CREST members, by utilising the CREST electronic proxy appointment service in accordance with the procedures set out below, and in each case no later than 12 noon on 23 April 2013.
- (iii) The return of a completed proxy form, other such instrument or any CREST Proxy Instruction (as described in paragraph 3 below) will not prevent a shareholder attending the Annual General Meeting and voting in person if he/she wishes to do so.
- (iv) In accordance with section 149 of the Companies Act 2006 ("2006 Act"), the right to appoint proxies does not apply to persons nominated to receive information rights under section 146 of the 2006 Act (a "Nominated Person"). Any Nominated Person to whom this notice is sent may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the Annual General Meeting. If a Nominated Person has no such proxy appointment right, or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.
- (v) The statement of the rights of shareholders in relation to the appointment of proxies in paragraphs 1 and 2 above does not apply to Nominated Persons. The rights described in these paragraphs can only be exercised by shareholders of the Company.

## 3 Electronic proxy voting through CREST

- (i) CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual. CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a service provider(s),

should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

- (ii) In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications, and must contain the information required for such instruction, as described in the CREST Manual (available via [www.euroclear.com/CREST](http://www.euroclear.com/CREST)). The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID RA10) by 12 noon on 23 April 2012. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Application Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
- (iii) CREST members and, where applicable, their CREST sponsors, or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider, to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
- (iv) The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

## 4 Voting rights

As at 7 March 2013 (being the last practicable date before the publication of this Notice) the Company's issued share capital consisted of 139,949,969 ordinary shares, carrying one vote each. Croda International Plc holds 4,646,198 ordinary shares in treasury and so the total number of voting rights at that date was 135,303,771.

## 5 Corporate representatives

Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.

## 6 Website publication of audit concerns

Under section 527 of the Companies Act 2006 members meeting the threshold requirements set out in that section have the right to require the Company to publish on a website a statement setting out any matter relating to: (i) the audit of the Company's accounts (including the auditor's report and the conduct of the audit) that are to be laid before the Annual General Meeting; or (ii) any circumstance connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with section 437 of the Companies Act 2006. The Company may not require the shareholders requesting any such website publication to pay its expenses in complying with sections 527

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or 528 of the Companies Act 2006. Where the Company is required to place a statement on a website under section 527 of the Companies Act 2006, it must forward the statement to the Company's auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the Annual General Meeting includes any statement that the Company has been required under section 527 of the Companies Act 2006 to publish on a website.

## 7 Questions

Any member attending the meeting has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the meeting but no such answer need be given if (a) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information, (b) the answer has already been given on a website in the form of an answer to a question, or (c) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.

## 8 Website

A copy of this notice, and other information required by s311A of the Companies Act 2006, can be found on the Company's website at [www.croda.com/AGM](http://www.croda.com/AGM).

## 9 Inspection of documents

Copies of the service contracts of the executive directors and the letters of appointment of the non-executive directors are available for inspection at the registered office of the Company during usual business hours on any week day (Saturdays, Sundays and public holidays excepted) from the date of this notice of AGM until the close of the AGM and will be available for inspection at the place of the AGM from 11.45 a.m. on the date of the AGM until the close of the AGM.

A copy of the draft form of the rules of the Croda International Plc Sharesave Scheme and the Company's existing memorandum and articles of association and a copy of the Company's articles of

association marked to show the amendments proposed to be made pursuant to resolution 19 will also be available for inspection at the registered office of the Company and at the offices of Eversheds LLP, One Wood Street, London EC2V 7WS during normal business hours on any week day (Saturdays, Sundays and public holidays excepted) from the date of this notice of AGM until the close of the AGM, and will be made available for inspection at the place of the AGM from 11.45 a.m. on the date of the AGM until the close of the AGM.

## 10 Addresses

You may not use any electronic address provided in either this Notice of Meeting or any related documents (including the Proxy Form) to communicate with the Company for any purposes other than those expressly stated.

## 11 Shareholders' statement and AGM business

Under section 338 and section 338A of the Companies Act 2006, shareholders meeting the threshold requirements in those sections have the right to require the Company i) to give to shareholders of the Company entitled to receive notice of the AGM, notice of a resolution which may properly be moved and is intended to be moved at the AGM and/or ii) to include in the business to be dealt with at the AGM any matter (other than a proposed resolution) which may be properly included in the business. A resolution may properly be moved or a matter may properly be included in the business unless (a) (in the case of a resolution only) it would, if passed, be ineffective (whether by reason of inconsistency with any enactment or the Company's constitution or otherwise), (b) it is defamatory, or (c) it is frivolous or vexatious. Such a request may be in hard copy or electronic form and must identify the resolution of which notice is to be given or the matter to be included in the business, must be authorised by the person or persons making it, must be received by the Company not later than 14 March 2013, being the date six clear weeks before the AGM, and (in the case of a matter to be included in the business only) must be accompanied by a statement setting out the grounds for the request.

# AGM information

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## Attending the meeting

If you are attending the AGM please bring your attendance card with you. It authenticates your right to attend, speak and vote at the AGM and will speed your admission. You may also find it useful to bring this Notice and the 2012 Annual Report and Accounts in order that you may refer to them at the AGM. All joint shareholders may attend and speak at the AGM. However, only the first shareholder listed on the Register of Members is entitled to vote.

## Questions

All shareholders and their proxies have the right to ask questions at the AGM. The Company must cause to be answered any such question relating to the business being dealt with at the AGM but no such answer need be given if (a) to do so would interfere unduly with the preparation of the AGM or involve the disclosure of confidential information, (b) the answer has already been given on a website in the form of an answer to a question, or (c) it is undesirable in the interests of the Company or the good order of the AGM that the question be answered. The Chairman may also nominate a Company representative to answer a specific question after the AGM.

## Not attending the meeting

Whoever you appoint as a proxy can vote, speak or abstain from voting as he or she decides on any other business which may validly come before the AGM. This includes proxies appointed using the CREST service. Details of how to complete the appointment of a proxy either electronically or on paper are given in the notes to this Notice and in the accompanying Form of Proxy.

## Enquiries

Capita Registrars maintain the Company's share register. If you have any enquiries about the Meeting or about your Croda International Plc shareholding, you may contact Capita:

by telephone to the Shareholder helpline:

(from the UK) - **0871 664 0300** \*

(from outside the UK) - **+ 44 20 8639 3399**

\* Calls to this number cost 10p per minute plus network extras; lines are open 8.30am to 5.30pm, Monday to Friday.

or in writing to:

Capita Registrars  
The Registry  
34 Beckenham Road  
Beckenham  
Kent  
BR3 4TU

E-mail enquiries:

[ssd@capitaregistrars.com](mailto:ssd@capitaregistrars.com)

You may also contact Croda International Plc at the following corporate address:

Company Secretariat  
Cowick Hall  
Snaith  
Goole  
East Yorkshire  
DN14 9AA

## Data Protection Statement

Your personal data includes all data provided by you, or on your behalf, which relates to you as a shareholder, including your name and contact details, the votes you cast and your Reference Number (attributed to you by the Company). The Company determines the purposes for which and the manner in which your personal data are to be processed. The Company and any third party to which it discloses the data (including the Company's Registrars) may process your personal data for the purposes of compiling and updating the Company's records, fulfilling its legal obligations and processing the shareholder rights you exercise.

# Appendix

## The Croda International Plc Sharesave Scheme ("SAYE Scheme")

### Status of the SAYE Scheme

The SAYE Scheme is designed to be capable of approval by HM Revenue & Customs ("HMRC") under Schedule 3 to the Income Tax (Earnings and Pensions) Act 2003 ("ITEPA").

### Eligibility

Participation in the SAYE Scheme will be offered to all employees, (including full-time executive directors) of the Company and its participating subsidiaries who satisfy certain criteria. The criteria are that:

- the employee must have been employed for a continuous period to be determined by the board of directors of the Company or a duly appointed committee thereof ("Board") (not exceeding five years ending on the date of grant of the relevant option); and
- the employee's earnings from employment are general earnings (or would be if there were any) for a tax year in which the employee is ordinarily resident in the United Kingdom.

In addition, certain other employees of any subsidiary of the Company nominated by the Board may be permitted to participate in the SAYE Scheme.

Eligible employees may however only participate if they are not prohibited under the relevant legislation relating to HMRC approved SAYE schemes from being granted an option by virtue of having (or having had) a material interest in the Company.

### Issue of Invitations

Invitations under the SAYE Scheme ("Invitations") may be issued to eligible employees on any day the Board chooses, subject to the provisions of the model code on directors' dealings in securities as set out in the Listing Rules ("Model Code") or any statute, order or regulation which may prohibit the Company from issuing an Invitation at any particular time. If there is any provision of the Model Code, or any statute, order or regulation which prohibits the issue of an Invitation on a particular date, then such Invitation may be issued during the period of 42 days commencing immediately after the business day following the time that such prohibition shall cease to have effect.

Each eligible employee who receives an Invitation may, within 21 days from the date of Invitation (or such shorter period not being less than 14 days as the Board may determine), apply for an option.

### "Save-As-You-Earn" Contract and Grant of Options

An eligible employee who wishes to be granted an option must enter into a save-as-you-earn contract ("SAYE contract") with an approved savings body selected by the Board. Under the SAYE contract, the eligible employee will save a regular sum each month for three or five years (such period to be selected at the discretion of the Board on or prior to issuing the Invitations) of not less than £5 nor more than £250 per month (or such greater amount as may from time to time be permitted by ITEPA). Employees who complete an SAYE contract will be entitled to a bonus from the building society or bank provided that such a bonus is payable in respect of the SAYE contract concerned. The bonus is fixed at the inception of the SAYE contract.

An option to acquire ordinary shares in the Company ("Shares") will be granted to each eligible employee who enters into an SAYE contract. The number of Shares subject to such an option will be that number of Shares which have an aggregate option price not exceeding the projected proceeds of the SAYE contract concerned (including the bonus, if available, subject to any scaling back - as described below).

No consideration is payable for the grant of an option.

### Scaling Back

If there are insufficient Shares available to fully satisfy all applications received for an option from eligible employees, the Board may scale down the applications by taking one or more prescribed steps approved by HMRC and set out in the rules of the SAYE Scheme to reduce the amount of savings made under each SAYE contract or otherwise reduce the proceeds derived from each SAYE contract so as to ensure that the options are granted over such number of Shares as does not exceed the number of Shares available to satisfy those options.

### Option Price

Subject to the constraints set out below, the option price per Share subject to an option will be selected by the Board.

The Board may, in its discretion, either issue Invitations to apply for options which state the option price per Share being offered to eligible employees or which do not include such a statement.

If the Board decides to issue Invitations which state the option price per Share, then the option price must not be less than eighty per cent. (or such other percentage as may from time to time be permitted by ITEPA) of the market value of a Share on the day on which the Invitations to apply for options are issued provided that, in the case of an option to subscribe for Shares, the option price per Share subject to an option selected by the Board shall not be less than the greater of (i) the nominal value of a Share and (ii) an amount equal to eighty per cent. (or such other percentage as may from time to time be permitted by ITEPA) of the market value of a Share on the day on which Invitations to apply for options are issued.

If the Board decides to issue Invitations which do not state the option price per Share, then the option price must not be less than eighty per cent. (or such other percentage as may from time to time be permitted by ITEPA) of the market value of a Share on the day on which the option is granted provided that, in the case of an option to subscribe for Shares, the option price per Share subject to an option selected by the Board shall not be less than the greater of (i) the nominal value of a Share and (ii) an amount equal to eighty per cent. (or such other percentage as may from time to time be permitted by ITEPA) of the market value of a Share on the day on which the option is granted.

The option price (as well as the number of Shares under option and their nominal value) may be adjusted by the Board in the event of any capitalisation issue or rights issue (other than an issue of Shares pursuant to the exercise of an option given to the shareholders of the Company to receive shares in lieu of a dividend) or any other variation in the share capital of the Company, including (without limitation) any consolidation, subdivision or reduction of capital. Any such adjustment will require the prior approval of HMRC.

### Scheme Limits

On any date, no option may be granted under the SAYE Scheme if as a result the aggregate nominal value of Shares issued or issuable pursuant to options granted during the previous ten years under the SAYE Scheme or any other employee's share scheme or profit sharing scheme or employee share ownership plan adopted by the Company would exceed ten per cent. of the nominal value of the ordinary share capital of the Company in issue at that date.

For the avoidance of doubt, any Shares already in issue when placed under option or subject to an option which has lapsed or been surrendered shall be disregarded for the purpose of the above limit.

# Appendix

## Exercise and Lapse of Options

Options are not transferable and (except in the circumstances described below) an option may normally only be exercised within a period of six months following the maturity of the relevant SAYE contract by a person who remains a director or employee.

Where an option holder dies before the maturity of his SAYE contract, his personal representatives may exercise his option within a period of twelve months from the date of his death. Where an option holder dies within a period of six months following the expiry of his SAYE contract without having exercised his option, his personal representatives may exercise his option within a period of twelve months from the date of expiry of the SAYE contract.

An option holder may exercise his option within a period of six months of ceasing to be an employee of the Company and its subsidiary undertakings where the cessation occurs as a result of:

- death, injury, disability, redundancy (within the meaning of the Employment Rights Act 1996) or retirement on reaching the age of 60 or at any other age at which the option holder is bound to retire in accordance with his contract of employment; or
- his employing company or business being disposed of by the Company (or any subsidiary of the Company).

Where an option holder reaches the age of 60, but remains in employment he may exercise his option within a period of six months after reaching such age.

Options will lapse upon cessation of employment of the option holder in any other circumstances not referred to above.

An option holder may exercise his option within a limited period following a take-over of the Company or the passing of a resolution for the winding up of the Company.

In certain circumstances option holders may release their rights under options in consideration of the grant to them of equivalent rights over shares in an acquiring company which gains control of the Company.

The number of Shares acquired on exercise will in any event be limited by reference to the proceeds accrued under the relevant SAYE contract up to the date of exercise.

## Other Option Terms and Issues of Shares

The SAYE Scheme provides the facility for the exercise of options to be satisfied by either the issue of Shares, the transfer of ordinary shares in the capital of the Company held by an existing shareholder who has agreed to satisfy the exercise of the option or by the transfer of ordinary shares in the capital of the Company held in treasury.

Options are not capable of transfer or assignment.

Until options are exercised, option holders have no voting or other rights in relation to the Shares subject to those options.

Shares allotted pursuant to the exercise of an option will rank *pari passu* in all respects with the Shares already in issue but shall not rank for any dividends or other distribution payable by reference to a record date preceding the date of allotment. For so long as the Company's ordinary shares are listed on the Official List maintained by the UK Listing Authority, the Company will use its best endeavours to procure that the Shares issued following exercise of any options are admitted to the Official List as soon as practicable after allotment.

Benefits obtained under the SAYE Scheme are not pensionable

## Amendments

The SAYE Scheme is administered by the Board. The Board may amend the provisions of the SAYE Scheme. However, no amendment to a key feature of the SAYE Scheme shall have effect until HMRC has approved such amendment.

Furthermore, the rules of the SAYE Scheme which relate to:

- the persons to whom options may be granted;
- the limits on the number of Shares which may be issued under the SAYE Scheme;
- the maximum entitlement of any option holder;
- the basis for determining an option holder's entitlement to Shares or options; and
- the basis for determining the adjustment of any option granted under the SAYE Scheme following any increase or variation in the share capital of the Company cannot be amended to the advantage of any option holder or potential option holder without the prior approval of the shareholders of the Company except for minor amendments to benefit the administration of the SAYE Scheme, to take account of any change in legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment for any option holder, the Company or any subsidiary undertaking of the Company from time to time.

In addition no amendment may be made to subsisting options which will have an adverse effect on such options except with the written consent of such option holders who hold options over at least 75% of the total number of shares subject to all subsisting options under the SAYE Scheme or if the amendment is a minor amendment to benefit the administration of the SAYE Scheme, to take account of any change in legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment for any option holder, the Company or any subsidiary undertaking of the Company from time to time.

## Termination

The SAYE Scheme may be terminated at any time by resolution of the Board and shall in any event terminate on the tenth anniversary of its adoption by the Company so that no further options can be granted under the SAYE Scheme after such termination. Termination shall not affect the outstanding rights of existing option holders.