

“DOING GOOD BUSINESS”

PZ CUSSONS PLC STATEMENT ON CORPORATE SOCIAL RESPONSIBILITY

At PZ Cussons we believe in doing “good business”. We do not believe that there need be any conflict or inconsistency between being a successful profit-making organisation and, at the same time, running our operations in such a way that they have a positive impact on society. On the contrary, we believe that socially responsible conduct is value enhancing for our shareholders and all of our other stakeholders.

Our good reputation and our continued success as a business is largely dependant on how we discharge our responsibilities, as a Group and as individuals, to all of our stakeholders. Those stakeholders include our shareholders, customers, suppliers, employees, the wider community and the environment.

This Statement on Corporate Social Responsibility sets out the Group’s values and principles in relation to key aspects of corporate social responsibility (CSR). CSR describes how a business:

- recognises the ways in which its actions affect those around it; and
- regulates those actions so that, consistent with sustainable business and development, they have a positive impact.

Doing the “right thing” in business can sometimes seem to involve difficult decisions. This Statement is intended to provide everyone throughout the Group, at all levels within the business, with guidance on how to conduct their business activities and on what “good business” looks like at PZ Cussons. No operating unit or individual will be criticised or penalised in any way for any loss of business which results from adherence to this Statement.

The Statement has its foundation in our CANDO values, being those core values which we believe are embedded in our culture. These values can be found across the Group in every operation and every territory and provide the framework for staff and, ultimately, the Group to develop and succeed.

Courage

We challenge convention, ourselves and each other. We have the strength, willingness and determination to initiate, make things happen and to carry them through.

Accountability

We are all champions of our company. We take personal responsibility for achieving our objectives. We do what we say we

shall do. We do what is right, not merely what is expected. We act with openness, integrity and trust. We ask for help, admit to our mistakes and put things right.

Networking

We are one company across all functions and geographies. We work towards a common goal through co-operation and teamwork.

Drive

We are relentless in our pursuit of success. Together we approach each day with the energy, passion and persistence to exceed expectations.

Oneness

We are all PZ Cussons people. We treat each other with respect regardless of status. We act professionally and together we celebrate our success with understated pride. We are quiet achievers.

In summary, this Statement draws on the values and experience which have made PZ Cussons the company which it is today. It also sets out our intentions and aspirations for the future: that, as the Group develops and grows, we will remain true to our core values and convictions and continue to be a company which our shareholders, our customers, the wider community and our employees and their families can be proud of.

This Statement is formulated by the Corporate Social Responsibility Committee and endorsed by the Board of Directors.

**Richard Harvey, Chairman
PZ Cussons plc**

**Simon Heale, Chairman of the
CSR Committee**

THE ENVIRONMENT

- **We are committed to protecting the environment for the benefit of our employees and the public at large**
- In all decisions we take due account of the potential environmental impact of our operations
- We take responsibility for the potential environmental impact of our actions
- We ensure, as a minimum standard, compliance with all local environmental laws and regulations
- We are committed to continuous improvement of environmental performance
- Specifically, we are committed to reporting and reducing the Group's carbon footprint, minimisation of waste, efficient use of energy, water and other natural resources in the office, factory and warehouse environments and the prevention of pollution
- We challenge our colleagues and the business to pursue innovative approaches to reducing the environmental impact from our products and processes
- Wherever reasonably practicable, we will use raw materials from sustainable and environmentally friendly sources
- We communicate our environmental policy to our shareholders, employees, contractors and interested parties in order to establish an environmentally responsible attitude within our organisation

HEALTH AND SAFETY

- **We provide safe working environments for all our employees, contractors and visitors**
- We ensure, as a minimum, compliance with all relevant Health and Safety laws and regulations at our places of operation
- We are committed to developing the highest standards of occupational Health and Safety across all parts of our Group
- It is the responsibility of all employees to maintain and improve Health & Safety
- We empower and encourage our employees to report accidents, incidents and lapses in best practice and to participate in improvement activities
- We measure and monitor our Health & Safety performance and target continuous improvement
- We conduct risk assessments to identify and eliminate so far as practicable significant Health & Safety related risks which arise from all activities undertaken including periodic reviews to ensure new activities and processes are covered

PRODUCT TESTING AND CONSUMER SAFETY

- **The health and safety of our consumers is our paramount consideration. We will never compromise it for any reason**
- We do not use raw materials if we believe they pose risk of harm to consumers, even if there is no regulatory or legal restriction on their use
- We regularly assess products, formulations, raw materials, packaging and labelling to ensure the health and safety of our consumers, our employees and all other stakeholders
- It is a fundamental responsibility of all businesses throughout the Group to ensure that consumers can trust the safety and quality of our products
- We evaluate our suppliers to ensure that their production facilities, procedures and products are of a consistent and appropriate quality and meet our Group standards
- We do not conduct any animal testing or commission others to conduct any animal testing unless required by law. In the few regulatory environments and very small number of cases where there is a legal requirement, we work with our supplier base and the regulatory authorities to find ways to avoid animal testing

BUSINESS CONDUCT AND ETHICS

- **We demonstrate ethical behaviour in our business activities and in our dealings with third parties**
- As employees, we have the courage to challenge any business practices, whether within or outside the Group, which we believe to be wrong or inconsistent with our CANDO values
- We comply with the relevant laws and regulatory standards in all countries in which we operate
- We value our relationships with our customers, suppliers and other business partners and we demonstrate respect and integrity in our dealings with them
- We recognise the diversity of the different countries in which we operate and we show respect for different cultures and religions in our business practices
- We strongly condemn and shall have no involvement whatsoever in forced labour, child slavery or any practice which is exploitative of children or exposes them to risk of harm. We will not work with third parties who are involved in any such practices
- We reject corruption in all its forms including extortion and bribery. We forbid the making or receiving of any bribe or the offer of anything of value to any government official or private party for the purposes of obtaining improper advantage. We avoid real or potential conflicts of interest
- We do not enter into arrangements which restrict or potentially restrict fair competition in our relationships with customers, suppliers and competitors
- We expect our suppliers and contractors to demonstrate similar high ethical standards and we take due account of this when establishing or continuing business relationships

OUR EMPLOYEES

- **We treat each other with respect and all employees have the right to expect that their dignity will be fully respected in the workplace**
- We are committed to creating an environment in which all employees have the opportunity to reach their full potential
- We work together as a multi-cultural meritocracy where individual contribution is expected, appreciated and rewarded. We do not practice favouritism; the advancement and reward of employees is based entirely on their individual performance, potential and demonstration of our CANDO values
- We do not discriminate in any aspect of employment on grounds of race, religion, colour, ethnic or national background, age, disability, political affiliation, union membership, gender, sexual orientation or marital status
- We do not tolerate physical, sexual, racial, psychological, verbal or any other form of harassment or abuse
- We value diversity in our employees' backgrounds, talent, insight, education and experience and believe this contributes to our continued success by increasing innovation, enriching decision making and improving communications with our stakeholders
- We will not employ any person below the local legal working age and we will not, in any circumstances, employ anyone below the age of 16
- In all of our operations we guarantee wages which, at a minimum, meet all relevant local legal standards
- We encourage and promote a healthy balance between our employees' working and personal lives and we respect the commitments which our employees have outside of the work place. We respect the rights of all to rest and leisure including periodic paid holidays and the reasonable limitation of working hours
- We respect the right of employees to join (or not join) a trade union and employees may make a free choice without fear of reprisal or intimidation
- We are committed to timely and effective two-way communication with our employees

LOCAL COMMUNITY AND CHARITY

- **We recognise our responsibilities to society and, in particular, to the local communities in which we operate. We are committed to enriching the lives of our local communities**
- Wherever we operate, we ensure that our activities do not have any material adverse environmental or social impact upon local communities
- We encourage, promote and support involvement by our Group businesses and employees in local community and charitable initiatives through the allocation of financial and other resources
- We prioritise community and charitable initiatives which are:
 - relevant to the local communities in which we operate
 - relevant to our products or the businesses which we carry out across the Group
 - related to the provision of fresh water, sanitation, health and hygiene and education
- We support our employees' involvement in community initiatives and charities through matching contributions and flexibility over working hours