Childs Farm
Capital Markets Event
4TH July 2023
Welcome to the world of Childs Farm
AGENDA

1. Introduction
2. Global Baby Market
3. Introduction to Childs Farm
4. Childs Farm Overview
5. Our Winning Formula
   1. Elevating the brand proposition
   2. New product development
   3. Leveraging our brand-building playbook to “recruit new mums”
   4. International expansion
6. Financials & Summary
7. Q&A

SPEAKERS

Sarah Pollard
Chief Financial Officer

Andrew Geoghegan
Group Chief Marketing Transformation Officer

Paul Yocum
Group Managing Director of Business Development

Katie Barker
Global Head of Sales and Marketing, Childs Farm
A unique brand in an attractive market

Highly complementary fit for PZ Cussons

Good progress to date, building on strong foundations

Multiple growth levers and on track to triple revenue

Our success with Childs Farm is repeatable
LEVERAGING PZ CUSSONS’ STRATEGY TO GROW CHILDS FARM

BUILD BRANDS

SERVE CONSUMERS

REDUCE COMPLEXITY

DEVELOP PEOPLE

GROW SUSTAINABLY
Global Baby Market
PZ CUSSONS’ BABY BUSINESS IN CONTEXT

FY23 GROUP REVENUE SPLIT

Baby 19%

CATEGORY ATTRACTIVENESS

- Higher margin
- Resilient demand
- Synergies with broader portfolio

Based on unaudited financial results for the year ended 31 May 2023
BABY PERSONAL CARE IS A LARGE CATEGORY GROWING AROUND 10% PER ANNUM BASED UPON OUR GEOGRAPHIC FOOTPRINT

PRIORITY MARKETS OF UK, ANZ, INDONESIA, NIGERIA AND USA

£3.5bn
Size of Baby personal care market

17m
Annual births

WE ARE ALREADY IN 2 OF THE TOP 5 MOST IMPORTANT BABY MARKETS

<table>
<thead>
<tr>
<th>Country</th>
<th>Annual births (m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>India</td>
<td>23.1</td>
</tr>
<tr>
<td>China</td>
<td>10.9</td>
</tr>
<tr>
<td>Nigeria</td>
<td>7.9</td>
</tr>
<tr>
<td>Pakistan</td>
<td>6.7</td>
</tr>
<tr>
<td>Indonesia</td>
<td>4.5</td>
</tr>
</tbody>
</table>

10% growth based upon Euromonitor data 2016-22 and weighted by size of PZ Cussons Baby revenue in each of UK, ANZ, Indonesia, Nigeria and US. Category growth driven primarily by Indonesia and Nigeria. Includes wipes, excludes nappies.
GROWTH DRIVERS DIFFER BY TYPE OF MARKET

DEVELOPING MARKETS DRIVEN BY VOLUME GROWTH...

- Rising disposable incomes
- Growth in birth rates

DEVELOPED MARKETS DRIVEN BY PREMIUMISATION...

- Increasing importance of babies and children
- Branded products

GLOBAL CONSUMER TRENDS:

- “PLAY AND EXPLORATION”
- “PROTECT AND NURTURE”
- SUSTAINABILITY
**WE UNDERSTAND BOTH THE UNIVERSAL FACTORS AND LOCAL NUANCES DRIVING THE CATEGORY**

<table>
<thead>
<tr>
<th>UNIVERSAL FACTORS</th>
<th>LOCAL NUANCES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hygiene, sleep, and comfort</td>
<td><strong>Indonesia</strong></td>
</tr>
<tr>
<td>Importance of a successful recruitment model</td>
<td>Bathing typically a mid-afternoon routine</td>
</tr>
<tr>
<td>Understanding and addressing the evolving needs from newborn to child</td>
<td>Telon oil for warmth and insect repellent</td>
</tr>
<tr>
<td></td>
<td>Baby cologne on clothes and blankets</td>
</tr>
<tr>
<td></td>
<td><strong>Africa</strong></td>
</tr>
<tr>
<td></td>
<td>Importance of local, naturally beneficial ingredients such as cocoa pod ash, shea butter, and palm kernel oil</td>
</tr>
<tr>
<td></td>
<td>Under-developed SPF market</td>
</tr>
</tbody>
</table>
WE HAVE STRONG TECHNICAL AND COMMERCIAL EXPERTISE FROM THE WIDER PZ CUSSONS GROUP

Existing capabilities....

Newly-formed ‘Parentology Council’ to formally share understanding and best practice

- UNDERSTANDING OF SKIN AND HAIR
- SUSTAINABILITY
- FRAGRANCE KNOW-HOW
- EXPERT RELATIONSHIPS (e.g. Sleep Experts, Paediatric Dermatologists)

INTSIGHTS

- CORE BRAND AND RANGES
- INNOVATION
- CONSUMER CONNECTIONS
- REVENUE GROWTH MANAGEMENT
Introduction:
a few words from our founder
A few words from our founder

Joanna Jensen
Founder of Childs Farm
Overview

Childs Farm

Childs Farm Overview
Childs Farm today

Revenue
£14m

Market share in UK
13%

Industry-leading Net Promoter Score
43

>100,000 total distribution points in the UK:

High Street

Grocery

Online

FY23 revenue. Market share based upon total Child and Baby category for 52 weeks ended 10 June 2023. See appendix for further details on Net Promoter Score.
Childs Farm product split

FY23 sales

SUN

BABY

CHILD
Our Consumer – The Mindful Mum
Wants to do right by her child, herself and the planet

Demographics
• 25-44 (30-40)
• ABC1 (50-74k)
• Educated with a bachelors degree or masters degree
• Lives in the suburbs of key cities

Touchpoints
• Social media: Facebook & Instagram
• Web: researching
• Word of mouth
• In store: Boots & Tesco

Motivations & Usage
• 2.7 frequency of purchase
• Has a child with sensitive or reactive skin
• Prefers products that are natural and sustainable

3.7m households in the UK buy baby/child specific hair/skincare of which only 1.6m households are currently aware of Childs Farm

98% of parents are open to the Childs Farm proposition

Unweighted base: Children aged 0-7 in HH (Nat rep) (n=171)
ONS 2021 data
Quant U&A data: April 2023
### Key Childs Farm brand attributes dominate share of importance for purchasing

The following table illustrates the relative share of importance of each attribute when purchasing baby/child hair and skin care products.

<table>
<thead>
<tr>
<th>Attribute</th>
<th>Relative Share of Importance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proven to be good for sensitive skin</td>
<td>16</td>
</tr>
<tr>
<td>Good value for money</td>
<td>12</td>
</tr>
<tr>
<td>Proven to be good for skin conditions</td>
<td>10</td>
</tr>
<tr>
<td>Made with natural ingredients</td>
<td>8</td>
</tr>
<tr>
<td>Whether it's a trusted brand</td>
<td>8</td>
</tr>
<tr>
<td>Its available in stores I use</td>
<td>6</td>
</tr>
<tr>
<td>It smells good</td>
<td>4</td>
</tr>
<tr>
<td>Promotions available</td>
<td>4</td>
</tr>
<tr>
<td>It is cruelty free</td>
<td>2</td>
</tr>
<tr>
<td>Contains active ingredients to make it really effective</td>
<td>2</td>
</tr>
<tr>
<td>Recommended by a doctor</td>
<td>2</td>
</tr>
<tr>
<td>Recommended by other parents</td>
<td>2</td>
</tr>
<tr>
<td>Recommended by other family members</td>
<td>2</td>
</tr>
</tbody>
</table>

Unweighted Base: Total Sample (Category Buyers) (n=1011)

*How important are the following relative to each other, when buying baby/child hair and skin care products?*
There is clear white space to win
More effective than medicinal brands, plus fun and engaging for the children

We believe we can beat these with a combination of:
1. Better or equal performance
2. Addition of the fun factor!
3. Fragrance differentiation

Typical / Direction Pricing

Introduction
Global Baby Market
Introduction to Childs Farm
Childs Farm Overview
Our Winning Formula
Financials & Summary
Q&A
Brand strength provides the potential for expansion into adjacent categories over time.

9 IN 10 consumers are interested in product extensions.
Our winning formula
The brand was ripe for acceleration

1. ELEVATING THE BRAND PROPOSITION
2. NEW PRODUCT DEVELOPMENT
3. LEVERAGING THE PZC PLAYBOOKS TO “RECRUIT NEW MUMS”
4. INTERNATIONAL EXPANSION
1. Elevating the brand proposition
We have a clear mission to unlock the world for children with sensitive skin

Core Brand Belief: Care without fun takes the joy out of childhood
Connection between a parent and child is precious. Love lives in these moments, and imagination runs free. But when you have sensitive skin it’s not like that. Touch becomes a source of stress not solace and the playful world of imagination is out of reach. We open this up, using the magic of fragrance, foam & fun in sustainable products proven to work on sensitive skin. We unlock a world of imagination & kindness to release moments of joy.

We are 
funbelievably kind.
Everything we do, starts with serving our parents’ everyday need occasions.

**Bathroom**
- Fruity Fun • Fragrant magic
- Splash • Bubbles • Scrummy scents
- Bathtime chaos • Pop of a bubble
- Giggles/belly laughs

**Nursery**
- Delicate • Precious • Calm • Cosy
- Velvety bubbles • Gentle massage
- Sleepy magic • Sweet dreams • Giggles
- Tiny toes • Sprinkle of magic

**Child bedroom**
- Happy skin • Fragrant magic
- Fuss-free skincare • Independence
- Giggles • Story telling • Sweet dreams
- Sleepy magic • Sprinkle of magic

**Outdoors**
- Sunny Fun • Safety Protection
- Adventure • Giggles • Beach day chaos
- Sandy toes • Family time • Holiday
Combined with deeper understanding of a baby/child’s skin, our products deliver on more occasions and needs.
A diverse product range of superior experiences

A complete offering for new-borns to children across all personal care sub-categories & formats

Baby
Calm and gentle, nurturing products for newborns & babies, a more muted colour palette representing reassuring quality

Child
Making every bath time fun with reassuringly gentle products and packaging that stimulates the imagination

Suncare
We bring our fun outdoors with sun care clearly highlighting our SPF protection and proven sensitive skin formulas

OatDerma™
Superior nourishment infused with colloidal oatmeal for dry & itchy skin with calming packaging focusing on the benefits of Oats

SlumberTime™
Our distinctive Lavender & Moon milk fragrance and proven 3-step routine packaged in a giftable and recognisable purple packaging to meet consumer sleep cues
Sustainability has been top of Joanna's vision from the start and we continue that today.

16 million bottles prevented from going into the ocean

*from June 2020 - May 2023
All of this gives us a right to win against our key competitors

<table>
<thead>
<tr>
<th>Childs Farm</th>
<th>Minimum 95% Natural Origin</th>
<th>Responsibly &amp; ethically sourced</th>
<th>No animal testing</th>
<th>Vegan</th>
<th>PCR content/ Sustainable packaging</th>
<th>CarbonNeutral Plus organisation</th>
<th>Only sustainable palm oil derivatives</th>
<th>B Corp</th>
<th>Not Made in China</th>
</tr>
</thead>
<tbody>
<tr>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>100%</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Aveeno Baby</td>
<td>✗</td>
<td>✓</td>
<td>✗</td>
<td>✗</td>
<td>50%</td>
<td>✗</td>
<td>✓</td>
<td>✗</td>
<td>✓</td>
</tr>
<tr>
<td>Johnson’s</td>
<td>✗</td>
<td>✓</td>
<td>✗</td>
<td>✗</td>
<td>✗</td>
<td>✓</td>
<td>✓</td>
<td>✗</td>
<td>✓</td>
</tr>
<tr>
<td>Dove</td>
<td>✗</td>
<td>✓</td>
<td>✗</td>
<td>✗</td>
<td>100%</td>
<td>✗</td>
<td>✓</td>
<td>✗</td>
<td>✓</td>
</tr>
<tr>
<td>nala’s baby</td>
<td>✓</td>
<td>✗</td>
<td>✓</td>
<td>✓</td>
<td>✗</td>
<td>✗</td>
<td>✗</td>
<td>✗</td>
<td>✓</td>
</tr>
</tbody>
</table>
2. New Product Development
PZ Cussons Approach to Innovation

Brand/Business Need
Informed by Brand Planning

Consumer Need
Informed by Insight

Technical Possibilities
Led by R&D

OPPORTUNITY/INSIGHT-LED

SOLUTION-LED

REMARKABLE INNOVATION
Successful launch of SlumberTime

The 1st 3 step routine to calm both babies skin & their senses

Our 3-step routine

bath + massage + mist = restful nights sleep
A Strong Early Response

#1 Rate of Sales SKU in Baby in Boots and Tesco

+10% Incremental category sales in Boots and Tesco

15% of total D2C revenue with 70% of customers new to the site
3. Leveraging our brand-building playbook to recruit new Mums
Significant growth in total distribution under PZ Cussons’ ownership

We have grown distribution across our existing customers....

.....And added new customers.

- April 2023
- June 2023
- Sept 2023
- Oct 2023

[Bars showing distribution growth]
Brought together in a social led game plan focused on recruiting new mums

+46% Follower growth in 10 months

Followers and engagement are ahead of the competition

Engagement rate = (likes + comments + shares) / followers

<table>
<thead>
<tr>
<th>Brand</th>
<th>Followers (k)</th>
<th>Engagement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Childs Farm</td>
<td>160k</td>
<td>1.1%</td>
</tr>
<tr>
<td>My Little Coco</td>
<td>150k</td>
<td>0.2%</td>
</tr>
<tr>
<td>Dove Baby</td>
<td>140k</td>
<td>0.1%</td>
</tr>
<tr>
<td>Nala’s Baby</td>
<td>130k</td>
<td>0.4%</td>
</tr>
<tr>
<td>Aveeno Baby</td>
<td>120k</td>
<td>0.5%</td>
</tr>
<tr>
<td>Johnson’s Baby</td>
<td>110k</td>
<td>0.3%</td>
</tr>
</tbody>
</table>
Build an authentic credible partnership with an ambassador to endorse our proposition & products

Combined reach of over 4 million

Stories Engagement: 3.2%

15 pieces of tier 1 press coverage

UK & Ireland PR event
70+ organic story mentions
Childs Farm’s first ever TV Commercial
4. International expansion
Ambition to establish Childs Farm as the No.1 choice for our mindful mums across key international markets

In markets with a proven right to win

Targeted retail channels, focusing on brand experience and discovery

Leverage ‘differentiated dualism’: sensitive skin + fun

Targeting upper premium tier in the category

Utilise our provenance, founder and British cache

Partnering with best-in-class distributors and agencies to optimise our strategy based on local market insights
The UK is just the beginning...

Today

<table>
<thead>
<tr>
<th>Market</th>
<th>Size</th>
</tr>
</thead>
<tbody>
<tr>
<td>UK</td>
<td>£0.2bn (c.13% share)</td>
</tr>
<tr>
<td>ANZ</td>
<td>£0.5bn</td>
</tr>
<tr>
<td>Ireland</td>
<td>£1.4bn</td>
</tr>
<tr>
<td>Thailand</td>
<td>£0.6bn</td>
</tr>
<tr>
<td>Middle East</td>
<td></td>
</tr>
<tr>
<td>DE</td>
<td></td>
</tr>
<tr>
<td>AU</td>
<td></td>
</tr>
<tr>
<td>Spain</td>
<td></td>
</tr>
<tr>
<td>India</td>
<td></td>
</tr>
<tr>
<td>CH</td>
<td></td>
</tr>
<tr>
<td>USA</td>
<td></td>
</tr>
</tbody>
</table>

Market sizes exclude nappies and includes wipes and are based on Euromonitor data and management estimates.
In Germany our product beats the leading brand 2 to 1 in a blind test

<table>
<thead>
<tr>
<th>Definitely prefer Childs Farm</th>
<th>Somewhat prefer Childs Farm</th>
<th>Both equally</th>
<th>Somewhat prefer Weleda</th>
<th>Definitely prefer Weleda</th>
</tr>
</thead>
<tbody>
<tr>
<td>17</td>
<td>19</td>
<td>46</td>
<td>16</td>
<td>2</td>
</tr>
</tbody>
</table>

Statistically significant preference of Childs Farm over Weleda Derma

Source: Ayton in-home Usage study, Kids Moisturiser Product Comparison Germany December 2022
Online-first approach to the £1bn US market

- **Online**
- **Regional launch**
- **National launch**

**FY24**
- June Amazon launch
- July-Aug DTC Launches

**FY25+**
- Wegmans
- Meijer
- Target
Partnership and endorsement from the leading US distributor

“Once I saw the data and the background of how it has grown in the UK….I can see in the US that, because of Joanna and what she’s built, how we can succeed. So we’re really excited to launch in the US.”

Scott Emerson, CEO and founder, The Emerson Group

The Emerson Group
A Consumer Products Equity Organization

Partnership and endorsement from the leading US distributor
Ambition to triple revenue over five years with operating profit margins reaching 20%+

- **FY23**
  - UK: Significant headroom: 1 in 2 consumers buying the category aren’t aware of Childs Farm

- **Transform trading markets**
  - Existing footprint with improvements already made

- **Must win markets**
  - US market is 5x the size of the UK and leading distributor secured; Highly successful consumer testing in Germany (similarly-sized to the UK market)

- **Test, learn explore**
  - 9 in 10 Childs Farm consumers are interested in other products

- **Adjacencies**
  - Significant opportunity in, and interest from, India and Spain

- **FY28**
  - £40m+
CHILDS FARM - A HIGHLY SUCCESSFUL ACQUISITION

- A unique brand in an attractive market
- Highly complementary fit for PZ Cussons
- Good progress to date, building on strong foundations
- Multiple growth levers and on track to triple revenue
- Our success with Childs Farm is repeatable
Today’s Speakers

Sarah Pollard
Chief Financial Officer

Andrew Geoghegan
Chief Marketing Transformation Officer

Paul Yocum
Managing Director, Business Development

Katie Barker
Global Head of Sales and Marketing, Childs Farm

**Experience at PZ Cussons:**
- **2+ years**
- Board member and Executive Director at PZ Cussons, co-leading the strategic transformation of the Group
- Over 20 years of experience in commercial finance

**Overview:**
- Responsible for driving growth across the Group’s portfolio through brand building
- Marketing Week Top 100 Most Effective Marketer; and Marketing Week columnist
- Responsible for overseeing Childs Farm as well as expansion of other Group brands in to new markets
- 20+ years in leadership positions at P&G
- Responsible for sales and marketing of Childs Farm
- Previously worked in marketing and product development within PZ Cussons’ Beauty business

**Previous experience:**
- Tesco
- Diageo
- Unilever
- Diageo
- Pepsico
- P&G
- Swarovski
- Liz Earle
- The Body Shop
- Nomad Foods
Significant headroom for UK growth given half of Households buying the category are not currently aware of Childs Farm

5.6m Households have children aged 0-7 years

3.7m Households buy baby/child specific hair/skin care

1.6m Households aware of Childs Farm

0.5m Households buy Childs Farm regularly

28.1m total HH in UK*
Unweighted Base: Children aged 0-7 in HH (Nat Rep) (n=171)
* ONS 2021 data
Quant U&A Data: April 2023
We have established a PZ Cussons ‘Parentology Council’ to share understanding and best practice

<table>
<thead>
<tr>
<th>INSIGHTS</th>
<th>CORE BRAND AND RANGES</th>
<th>INNOVATION</th>
<th>CONSUMER CONNECTIONS</th>
<th>REVENUE GROWTH MANAGEMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>What are the trends across Baby markets in our existing and new markets?</td>
<td>How can we better use our portfolio of brands across our markets?</td>
<td>Packaging innovations</td>
<td>Which messages tend to be most powerful?</td>
<td>Pricing and promotion learnings</td>
</tr>
<tr>
<td>Competitor intelligence</td>
<td>Where are potential supply chain synergies?</td>
<td>Prioritisation to leverage R&amp;D</td>
<td>Learnings from advocacy and influencers</td>
<td>Tiering and pack price architecture</td>
</tr>
</tbody>
</table>
Net Promoter Score analysis

Source: Strategy&, August 2021
Disclaimer

Cautionary note regarding forward-looking statements
This announcement contains certain forward-looking statements relating to expected or anticipated results, performance or events. Such statements are subject to normal risks associated with the uncertainties in our business, supply chain and consumer demand along with risks associated with macro-economic, political and social factors in the markets in which we operate. Whilst we believe that the expectations reflected herein are reasonable based on the information we have as at the date of this announcement, actual outcomes may vary significantly owing to factors outside the control of the PZ Cussons Group, such as cost of materials or demand for our products, or within our control such as our investment decisions, allocation of resources or changes to our plans or strategy. The PZ Cussons Group expressly disclaims any obligation to revise forward-looking statements made in this or other announcements to reflect changes in our expectations or circumstances. No reliance may be placed on the forward-looking statements contained within this announcement.