

# PZ Cussons Environmental Policy

## Introduction

PZ Cussons is on a mission to be Good 4 Business in every aspect of our organisation. It's part of our heritage and our culture to operate with integrity and to make a positive social and environmental impact across our value chain.

The principles of Good 4 Business are integral to how PZ Cussons conducts its operations globally and are key to the results which the organisation has delivered in the past and to its continued success and development in the future.

We recognise that business has an impact on the environment. As such, we have an obligation to play a part in conserving the planet's precious natural resources and in safeguarding the environment for future generations as well as ensuring that we limit any negative impact on the lives of those in our communities and our customers. We will achieve this by committing to the following Principles:

### **Principle 1 – Integration into our Group strategy**

We will ensure that a consideration of the environmental impact of our operations is always an integral part of the Group's corporate strategy and that the Group's social, environmental and economic activities are aligned. Where appropriate, we will reflect environmental targets and principles in objectives and performance measures set for management.

### **Principle 2 - Regulatory Compliance**

At a minimum, we comply - and expect our suppliers to comply - with all relevant local environmental laws and regulations. We take responsibility for the potential environmental impact of our actions and will terminate business relationships with suppliers involved in illegal or improper environmental business practices.

### **Principle 3 – Target Setting**

We are committed to setting tangible, meaningful and impactful targets across all our operations, based on up-to-date and globally recognised methodologies, in respect of the reduction of our environmental impact. Currently, our targets focus on reducing carbon dioxide emissions, landfilled waste and water consumption, on packaging optimisation and on sourcing sustainable palm oil.

### **Principle 4 – Resource Efficiency & Continuous Improvement**

Based on our established targets, we will continue to seek to reduce our environmental impact across our direct factories through the following practices:

- New technologies and process improvements to reduce energy and water consumption in the production process

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- Minimisation, wherever possible, of our generation of waste and, in situations where we cannot reduce waste, recycling, redirection and reuse
- Continual improvements to our packaging design, use and disposal through light-weighting, structure and design optimisation and elimination of excess packaging formats
- Work with other stakeholders to reduce waste, water and energy throughout the supply chain, including collaboration with suppliers, retailers and Government agencies

### **Principle 5 - Sustainable sourcing**

We recognize that, for certain ingredients, the biggest environmental impacts lie outside of our direct manufacturing operations. We will establish strategies to address our usage of commodities which may be identified as contributing to significant deforestation, including palm oil, paper and pulp, and to ensure that our use of resources such as water, fuel and electricity is efficient. We are committed to sustainable and ethical farming practices within our palm oil plantation business.

### **Principle 6 - Management Systems & Reporting**

We will establish robust processes and policies across the entire business to ensure the long-term effectiveness of our focus on reducing our environmental impact.

We believe in conducting business in a transparent manner. As such, we are committed to publically disclosing our environmental impact on an annual basis via our corporate website and reports to shareholders. Our reports to the Carbon Disclosure Project (CDP) will further ensure that our targets are independently and objectively assessed against recognised and consistent reporting methodologies.

### **Principle 7 – Education & Training**

We believe that everybody has a part to play in the responsible management of our environment. We will communicate our environmental policy to all our stakeholders in order to establish an environmentally responsible attitude within our organisation and with the ambition to empower our stakeholders to act responsibly and in consideration of their own environmental impact.

We will actively encourage our suppliers and joint ventures to establish their own environmental impact targets. As a representative of industry, we also advocate public policy to tackle key environmental issues which are relevant to our operations. Where appropriate, we will partner with NGOs or experts to develop our policy on specific issues and to facilitate change.

We will continue to proactively review and assess this Policy through horizon mapping, trend tracking and intelligence gathering.



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This Environmental Policy is formulated by the PZ Cussons Plc Good 4 Business Committee and endorsed by the Board of Directors.

**Good 4 Business Committee  
PZ Cussons Plc**