

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION

**PZ Cussons Plc ("PZ Cussons", the "Company" or the "Group")**

**Update on Settlement Agreement with Former Chief Executive Officer**

Background

Following the announcement on 12 December 2019 of the retirement of the Chief Executive Officer Alex Kanellis on 31 January 2020, certain matters were brought to the attention of the Company. These related to a number of cash withdrawals and payments made by Mr Kanellis over a period of years. These actions had not previously been disclosed to the Board and, if substantiated, indicated behaviours inconsistent with what would be expected of a senior member of management.

As soon as it became aware of the alleged activities, the Board immediately initiated an independent investigation, led by external law firm Addleshaw Goddard LLP, which is now complete. A report has been presented to and considered by the PZ Cussons Board. The Board is now in a position to conclude that Mr Kanellis' conduct fell short of that which could reasonably be expected from the Chief Executive Officer and constituted repeated breaches of his duties as a Director of the Company. The Board is satisfied that the financial amounts involved are not material in the context of the Group and that there is no impact on or requirement to restate the financial statements for the current or any prior periods.

Settlement Agreement with Mr Kanellis

During the period of the investigation, Mr Kanellis (who had in the meantime been placed on garden leave) retired as previously announced. The settlement agreement between the Company and Mr Kanellis dated 11 December 2019 required certain representations to be reconfirmed by Mr Kanellis before payments due upon his retirement could be made. As a result of facts coming to light as part of this investigation, the Board believes that Mr Kanellis could not in the circumstances reconfirm those representations. As a consequence, the Remuneration Committee has determined that no payments will be made directly to Mr Kanellis in connection with his retirement.

An updated Section 430(2B) Companies Act 2006 Statement relating to remuneration payments to Mr Kanellis will be published in the Investors section of the Company's website.

Further Actions

As part of good governance, the Board has instructed a firm of independent accountants to perform a review of Controls and Compliance, focusing on specific areas highlighted by Addleshaw Goddard's report. This external review, and the Board's prompt actions in dealing with these conduct issues as soon as they were brought to its attention, emphasise the critical importance that the Board attaches to appropriate conduct across the entire Group.

The person responsible for arranging this announcement on behalf of PZ Cussons is Sam Plant, Corporate Services Director.

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