

**CSS INDUSTRIES, INC.**

**CORPORATE GOVERNANCE PRINCIPLES**

**(as amended through June 18,2012)**

1. **The Roles of the Board of Directors and the Company's Management.** CSS Industries, Inc.'s ("Company") business is conducted by its officers and its employees and those of its affiliates under the direction of its Chief Executive Officer and is subject to the oversight of its Board of Directors ("Board"). The function of the Board is to assure that the long term interests of the stockholders of the Company are being served.

2. **Board Operations.**

The Board has six scheduled meetings each fiscal year at which it reviews and discusses reports by the Company's management on the performance of the Company, its strategic plans and prospects, as well as immediate issues facing the Company. Directors are expected to attend all scheduled Board meetings and meetings of Board committees of which they are members. In addition to its general oversight of management, the Board also performs a number of specific functions, either as a whole or through its committees, including:

- (a) selection, evaluation and compensation of the Chief Executive Officer and oversight of succession planning for the Chief Executive Officer position;
- (b) counsel and oversight on the selection, evaluation, development and compensation of the Company's other officers and members of its senior management and those of its affiliates;
- (c) reviewing, approving, challenging and monitoring fundamental financial and business strategies and major corporate actions and performances;
- (d) assessing major risks facing the Company and reviewing options for their mitigation; and
- (e) ensuring processes are in place for maintaining the integrity of the Company--the integrity of the financial statements, the integrity of compliance with law and ethics, the integrity of relationships with customers and suppliers, and the integrity of relationships with its employees, with the communities in which its facilities are located and with governmental bodies.

3. **Director Qualifications.**

(a) Directors are expected to possess the highest personal and professional ethics, integrity and values, relevant experience, and be committed to representing the long-term interests of the Company's stockholders. Directors are also expected to have an inquisitive and objective perspective, practical wisdom and mature judgment.

(b) Directors must be willing to devote sufficient time to carrying out their duties and responsibilities effectively.

(c) Directors who also serve as chief executive officer or in equivalent positions of other entities should not serve on more than two boards of public companies in addition to the Company's Board, and other Directors should not serve on more than three other boards of public companies in addition to the Company's Board.

(d) The Board does not believe that arbitrary term limits on a Director's services are appropriate, nor does it believe that Directors should expect to be renominated annually until they reach the mandatory retirement age. Pursuant to the By-Laws of the Company: (i) no Director, other than a Director serving as Chairman of the Company's Board, will be nominated for election to the Board in the calendar year in which such Director reaches or has reached his or her 75<sup>th</sup> birthday, and (ii) a Director serving as Chairman of the Company's Board will not be nominated for election to the Board in the calendar year in which such Director reaches or has reached his or her 80<sup>th</sup> birthday.

#### 4. **Independence.**

(a) A majority of the Directors must be independent directors under the New York Stock Exchange ("NYSE") Corporate Governance Rules ("Rules").

(b) The Board must determine whether a Director is independent under the NYSE Rules. To be considered independent under the NYSE Rules, the Board must determine that a Director does not have any material relationship with the Company, either directly or indirectly as a partner, stockholder or officer of an entity that has such a material relationship. A material relationship can include a commercial, industrial, banking, consulting, legal, accounting, charitable and financial relationship, among others; however, ownership of a significant amount of equity in either the Company or in another entity by itself shall not be a bar to a determination of a Director's independence. In making a determination as to whether a Director is independent under the NYSE Rules, the Board should consider all relevant facts and circumstances. The materiality of a Director's relationship shall be considered both from the standpoint of the Director individually and from the standpoint of persons or organizations with whom the Director is affiliated.

The Board has established the following guidelines to assist it in determining Director independence in accordance with NYSE Rules:

(i) A Director will not be independent if: (1)(A) the Director is a current partner or employee of the Company's internal or external auditor, or (B) an immediate family member of the Director is either (x) a current partner of such a firm or (y) a current employee of such a firm and personally works on the Company's audit, or (C) within the preceding three years the Director or an immediate family member of the Director was a partner or employee of the Company's present or former external auditor and personally worked on the Company's audit within that time; or (2) currently, or within the preceding three years: (A) the Director is or was employed by the Company; (B) an immediate family member of the Director is or was employed by the Company as an executive officer; (C) the Director, or an immediate family member of the Director is or was employed as an executive officer of another entity, as to which any of the Company's executive officers at the same time served on the compensation committee of such other entity; (D) the Director, or an immediate family member of the Director received, during any twelve month period, more than \$120,000 in direct compensation from the Company, other than Director related fees; or (E) the Director is or was an executive officer or otherwise employed by an entity, or an immediate family member of the Director, is or was employed by an entity that made payments to, or received payments from the Company for property or services in an amount which in any of the Company's fiscal years exceeded the greater of \$1 million, or 2% of the other entity's gross revenues.

(ii) Service by a Company Director as an executive officer of a charitable organization as to which the charitable contributions made by the Company and the Farber Foundation to such charitable organization are less than the greater of two percent of that organization's total annual charitable receipts or \$1 million per annum, shall not be considered a material relationship that would impair a Director's independence.

(c) The Company shall not make any loans or extensions of credit to Directors or executive officers of the Company.

##### 5. **Size of Board and Selection Process.**

The Directors are elected each year by the stockholders at the Annual Meeting of Stockholders. The stockholders may propose nominees for consideration by the Nominating and Governance Committee by submitting the names and supporting information of such nominees to: Corporate Secretary, CSS Industries, Inc., 1845 Walnut Street, Suite 800, Philadelphia, PA 19103. The Board upon the recommendation of its Nominating and Governance Committee proposes a slate of nominees to the stockholders for election to the Board. The Board also determines the number of Directors on the Board provided that there are at least three. Between Annual Meetings of Stockholders, the Board may elect Directors to serve until the next Annual Meeting.

6. **Meetings of the Board of Directors.**

(a) Selection of Meeting Agenda Items - The Chairman of the Board shall establish the agenda for the Board meetings. Any Director may request inclusion of an item on the agenda.

(b) Regular Attendance of Non-Directors at Board Meetings - At the invitation and approval of the Chairman of the Board, other non-directors may attend or give presentations before the Board.

(c) Executive Sessions - The Directors shall convene in executive session (without the presence of any non-Directors) as often as is appropriate. Executive sessions may be requested by the Chairman of the Board as well as by the Chief Executive Officer with all of the members of the Board being present. In addition, Directors of the Board who are not members of the management of the Company shall meet at regularly scheduled executive sessions, without the Chief Executive Officer or any other Director who is a member of the Company's management being present, to discuss any matter or recommend any action as such Directors shall deem advisable consistent with the powers of the full Board. The Chairman of the Nominating and Governance Committee of the Board shall preside at these executive sessions.

7. **Committees of the Board of Directors and other Board of Directors Matters**

(a) Number of Committees - The Board of Directors shall designate one or more Board Committees, as is necessary. There are four standing Committees: Executive, Audit, Human Resources and Nominating and Governance. The current charters of all of these Committees, other than the Executive, are published on the Company's website. The Executive Committee's responsibilities are set forth in the By-Laws of the Company. The Chairs of each of the Committees shall report the substance of the matters considered at their meetings to the Board following each meeting of the respective Committee.

(b) Committee Meeting Frequency and Length - The Committee Chair, in consultation with Committee members, shall determine the frequency and length of Committee meetings. The Executive Committee shall convene on an as-needed-basis.

(c) Reporting of Concerns to the Audit Committee - Anyone who has a concern about accounting, internal accounting controls or auditing matters concerning the Company may communicate that concern to the Audit Committee. All such concerns when received will be forwarded to the Chairman of the Audit Committee.

(d) Access to Independent Advisors - The Board and its Committees shall have the right at any time to retain independent financial, legal or other advisors.

(e) Director Orientation - The Chairman of the Board and the Chief Executive Officer of the Company shall be responsible for providing an orientation for new Directors, and for periodically providing materials or briefing sessions for all Directors on subjects that would assist them in discharging their duties.

(f) Directors Compensation - The form and amount of Director compensation shall be set by the Board at each Organizational Meeting. The Board shall consider information it deems relevant, including the form and amount of such compensation paid by other entities to its directors in making its determination. Director compensation, as such, shall only be payable to Directors who are then not employees of the Company.

(g) Annual Performance Evaluation - The Board and its standing Committees shall conduct a self-evaluation at least annually to determine whether they are functioning effectively.

## 8. Officers.

(a) Officer Selections - The Board of Director shall select an individual or individuals to hold the positions and designations of Chairman of the Board and Chief Executive Officer, as well as select other individuals to hold the officer positions and designations as provided in the By-Laws of the Company.

(b) Chief Executive Officer Evaluation - The Human Resources Committee shall review the performance of the Chief Executive Officer, in executive session, without the presence of any Director who is a member of the Company's management other than the Chairman of the Board being present, and shall determine a specific set of performance objectives for the Chief Executive Officer.

(c) Management Development and Succession Planning - The Chief Executive Officer shall review annually the performance of the officers and other members of the senior management of the Company and of its affiliates and shall discuss their future potential with the Human Resources Committee of the Board of Directors.

(d) Board Access to Senior Management - The Directors shall at all times have access to the officers and other management of the Company and its affiliates.