

Particulars

About Your Organisation

1.1 Member Name

The Procter & Gamble Company

1.2 Membership Number

4-0113-10-000-00

1.3 Membership Sector

Consumer Goods Manufacturers

1.4 Membership Category

Ordinary

1.5 Country

United States

2.0 Does your company or organisation produce, process, consume or sell any palm oil or any products containing derivatives of palm oil?

Yes

2.1 Please select all description(s) that describe the palm oil-related activities of your company or organisation. Multiple selections are allowed, and not limited to the primary sector of the member's RSPO membership. You will be required to complete the relevant ACOP section based on your selection(s).

- I own and operate oil palm estate(s) and/or palm oil mill(s)
- I represent a palm oil Independent Smallholder farmer Group
- I own and operate independent palm oil mills
- I own and operate independent palm kernel crushing plants - Processors and/or Traders
- I trade or broker palm oil, palm kernel oil or related products - Processors and/or Traders
- I am a refiner of palm oil or palm kernel oil - Processors and/or Traders
- I am a processor of intermediate (B2B) palm oil, palm kernel oil or related fractions/derivatives - Processors and/or Traders
- I am a B2B distributor or wholesaler of palm oil, palm kernel oil or related products - Processors and/or Traders
- I manufacture final consumer (B2C) products containing palm oil, palm kernel oil or related products. This includes products manufactured by 3rd party contractors - Consumer Goods Manufacturers
- I retail final consumer (B2C) products containing palm oil, palm kernel oil or related products - Retailers
- I operate food retail outlets that use palm oil, palm kernel oil or related products - Retailers
- I am a conservation and environmental NGO supporting the sustainable development of the palm oil industry
- I am a social and human development NGO supporting the sustainable development of the palm oil industry

Processors & Traders

1. Operational Profile

1.1 Please state your company's main activity within the palm oil supply chain.

- Refiner of CPO and PKO
- Palm Kernel Crusher
- Trader with Physical Possession
- Trader without Physical Possession
- Integrated Refiner-Trader-Processor
- Intermediate Products Producer
- Power, Energy and Biofuel Processor
- Animal Feed Producer
- Oleochemicals Producer
- Distribution & Logistics
- Other

Other

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2. Palm Oil and Certified Sustainable Palm Oil Consumption

Information in Section 2.0 - Palm Oil and Certified Sustainable Palm Oil Sourcing is a mandatory declaration in your ACOP. This includes volume data on palm oil, palm kernel oil and related products consumed of individual members, sectors and RSPO members as a whole. ACOP reports without reported volume data will be considered as incomplete and will not be accepted. Incomplete ACOP reports may lead to suspension or termination of RSPO membership.

2.1 Please include details of all certified and uncertified operations using palm oil, palm kernel oil and related products, owned and/or managed by the member and/or all entities that belong to the group.

P&G manufactures consumer products and ingredients made from palm oil (PO) and palm kernel oil (PKO) in the oleochemical operation. P&G Chemicals operation provides the majority of the PKO derivatives in P&G consumer goods products, and also sells and trades derivatives to oleochemical market outside of P&G.

2.1.1 In which markets do you sell goods with palm oil and palm oil-related products?

Europe °,North America °,China,India,Malaysia,Indonesia,Africa °,Latin America °,Rest of the World °

DL.2.0 In order to facilitate ease of reporting and transparency, RSPO members operating within the palm oil demand supply chain can now choose to report palm oil and palm oil product volumes on:

an aggregate level (as in previous ACOP reporting cycles)

2.2 Volumes of uncertified and certified palm oil, palm kernel oil and related product sourced in the year

Description	Tonnes
Crude palm oil, including derivatives refined from CPO (tonnes)	17999.00
Crude palm kernel oil, including derivatives refined from CPKO (tonnes)	89868.00
Crude palm kernel expeller (tonnes)	0.00
Total	107867.00

2.3 Volume of RSPO-certified palm oil, palm kernel oil and related products sourced in the year (tonnes):

Description	Crude Palm Oil (CSPO) and CSPO Derivatives	Crude Palm Kernel Oil (CSPKO) and CSPKO Derivatives	Palm Kernel Expeller (CSPKE)
RSPO Credits from Mill / Crusher	0.00	0.00	0.00
RSPO Credits from Independent Smallholder	0.00	0.00	0.00
Mass Balance (MB)	0.00	0.00	0.00
Segregated (SG)	17999.00	0.00	0.00
Identity Preserved (IP)	0.00	0.00	0.00
Total	17999.00	0.00	0.00

2.4 According to the volume information you have provided in Question PT.2.2 and Question PT.2.3, your company's certified palm oil, palm kernel oil and related products uptake is:

16.69%

2.4.1 Please provide additional information on your certified palm oil, palm kernel oil and related products uptake calculated in PT.2.4. This may include changes due to business environment, evolving nature of operations or variations due to stock positions

In 2022, we continued to maintain 100% physically certified for our palm oil, prioritizing SG supply while balancing with MB model. Our ability to maintain that may be influenced by broader market dynamics, uncertainty, and supply chain availability. For palm kernel oil (PKO), we continue to face significant, broad market challenge on shortage of certified supply as the industry demand outstrips the supply making it difficult for the company to maintain 100% physical certified volume sourcing. While P&G is contributing to developing intervention and solution for the industry (co-chair of the RSPO Shared Responsibility TF, member of Oleo TF), we will be prioritizing certified PKO/PKOD procurement for our Brands and looking for other feedstocks to reduce demand on certified PKO.

2.5 What is the estimated percentage of Certified Sustainable Palm Oil in the palm oil, palm kernel oil and related products sold, traded or processed by your company in the following regions:

Countries/Regions	Percentage
Europe	0
North America	100
Malaysia	0
Indonesia	0
China	0
India	0
Latin America	0
Africa	0
Rest of World	0

3. TimeBound Plan

3.1 Which year did your company achieve (or expects to achieve) the RSPO supply chain certification or RSPO trader/distributor licence?

2015

3.2 Which year did your company start (or expect to start) to source any RSPO-certified palm oil and oil palm products?

2016

3.2.1 If the previous target year has not been met, please explain why.

-

3.3 Which year did your company achieve (or expects to achieve) 100% RSPO certification of all palm product processing facilities.

2016

3.3.1 If the previous target year has not been met, please explain why.

-

3.4 Year expected to only source RSPO-certified palm oil and oil palm products.

2025

3.4.1 If target has not been met, please explain why.

-

3.5 If the TimeBound Plan commitments declared above do not cover all countries in which the member operates, please explain why

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4. Actions For Next Reporting Period

4.1 Please outline activities that your company will take in the coming year to promote the production or consumption of certified sustainable palm oil (CSPO)

- Participation in RSPO Working Group or Task Forces
- Support Independent Smallholders (ISH)
- Contribute to the RSPO Smallholder Trainer Academy
- Financial contribution to the RSPO Smallholder Support Fund
- Direct investments in Smallholder Certification projects
- Involvement/direct investments in Jurisdictional/Landscape approach
- Direct/collective investments in conservation and restoration initiatives
- Financial contribution to support members with Remediation and Compensation (RaCP) process, direct/collective investments in conservation and restoration initiatives
- Allocating FTE to promote the production or consumption of certified sustainable oil palm products
- Specific policies and action plans by the member to promote CSPO production or consumption in the upstream or downstream supply chain, including target dates or broader policies that include such efforts
- No activities planned
- Others

Other

P&G is committed to responsibly sourcing palm from suppliers and via supply chains that protect ecosystems from conversion and deforestation, respect human and labor rights, and respect land tenure rights. As member of the Roundtable on Sustainable Palm Oil (RSPO), P&G is committed to ensuring our suppliers meet RSPO Principles and Criteria (P&C) 2018 and continue to drive our palm sustainability program with the three pillar areas of our strategy: Sourcing Fundamentals; Compliance Monitoring and Partnerships and Force for Good Programs. Please visit <https://www.pginvestor.com/esg/environmental/forestry/palm-overview/default.aspx> for comprehensive description of our palm responsible sourcing policy, strategy, and programs and progress to delivering our commitments and goals.

1. Sourcing Fundamentals

- P&G achieved RSPO certification for 100% palm oil, palm kernel oil, and palm derived materials in P&G Brand Products in 2021, and maintained fully certified in 2022. For Palm Oil (PO), we will continue to prioritize procurement for SG certified, with MB (for business continuity only) for materials where SG supply is not available. For PO derivatives, PKO and PKOD, we will maintain 100% certification with MB, and Credits (for business continuity only) to overcome supply chain constraints. We will prioritize Credits to Independent Smallholder Credits in line with our commitment to support smallholders. Our ability to achieve that may be influenced by broader market dynamics and supply availability and uncertainty, but we will continue to engage with our suppliers on plans to achieve and maintain our goals.
- For the PKOD we produce and trade externally in the oleochemical market, we will continue to work with industry stakeholders to promote certified sustainable palm derivatives to our customers. We will meet or exceed the Shared Responsibility requirements and goals established in 2023.
- We recognize that significant shortage of CSPKO supply is posing major challenge to meeting the demand, which will require fundamental, systemic intervention on CSPO supply / demand to increase CSPK production. P&G will continue to contribute to developing solutions with RSPO and industry partnerships. This includes our participation in the RSPO Shared Responsibility WG and Oleo Taskforce, and to leverage RSPO Independent Smallholder Standard (RISS) and Jurisdictional certification approaches to growing availability. We will continue to build partnership in 2023 to establish JA initiative and synergy with our programs to scale supply of CSPO and CSPKO based on the RSPO Jurisdictional Approach (JA) Piloting Framework.

2. Compliance Monitoring

- RSPO P&C, Supply Chain Standard and RISS certifications is a fundamental element in driving and verifying compliance to the P&G Palm Responsible Sourcing Policy, but it is not the only element. We believe an industry wide monitoring system based on use of aerial/satellite imagery, concession maps, and knowledge of HCV/HCS areas would help ensure consistent enforcement of our policy. We continue to work with our technical partner - Earthqualizer to deploy satellite/mapping technology to track deforestation, development on peat and fires. During 2022, we monitored approximately 15 million hectares of P&G supplier landbanks across Indonesia, Malaysia, and Papua New Guinea, tracked supply chains to over 1,600 plantations and determined that 99.98% of supply chain landscapes monitored were free of deforestation or conversion issues. We also collaborated further with Earthqualizer to develop and test the draft Verified Deforestation Free (VDF) framework for assessing our supply chain toward VDF. In 2023, we will continue to advance the collaboration in exploring application of the VDF framework for assessing compliance toward upcoming regulation.
- At P&G respect for Human Rights is fundamental to the way we manage our business. We support the U.N. Guiding Principles for Business and Human Rights which respects and honors the principles of internationally recognized human rights including (i) Those rights expressed in the International Bill of Human Rights (i.e., Universal Declaration of Human Rights and the International Covenants on Economic, Social and Cultural Rights and Civil and Political Rights) and (ii) The principles concerning fundamental rights as set out in the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work. Please see P&G Human Rights Policy Statement. In 2019, recognizing the need to strengthen the Social Policy Compliance at our joint venture partner FGV we choose to step in to support their journey of change. This included enrolling the support of experts like the Fair Labor Association (FLA). FLA worked with

FGV to establish an action plan (published in March 2020) and progress reports in September 2020 and March 2021. An Independent External Assessment was conducted by FLA end 2021/2022 and the findings and associated corrective action plan published in July 2022. P&G remains engaged with FGV to support and monitor on-going progress for workers at FGV.

- As member of Consumer Goods Forum (CGF) Forest Positive Coalition (FPC), we have been collaborating with FPC members, and community of supply chain partners and technical experts to develop the industry-aligned Monitoring and Response Framework (MRF) to improve efficiency and effectiveness of the process, which was launched in March 2022. We are piloting the MRF with Earthqualizer as part of the VDF framework mentioned above.

3. Partnerships & Force for Good

P&G is committed to playing a positive role within the communities and environments in which we live, and work and where we source our materials. This takes us beyond Responsible Sourcing and Compliance Monitoring to become a catalyst for driving and achieving positive outcomes for communities, individuals, and the environment. Below capture the key programs and progress made.

- Independent Smallholder (ISH) program – In line with our Ambition 2030 goal, P&G established the Center for Sustainable Small-Owners (CSS) in 2019 to (1) Promote sustainable and responsible palm agricultural practices at smallholder level, (2) Improve sustainable farming practices that lead to increased yields (30-50%) and ultimately boost the livelihoods of farmers and the wellbeing of families and communities, and (3) Increase smallholder produced certified Palm via RSPO Independent Smallholder Standard (RISS). The Program focused on selected group of independent smallholders and FFB dealers in the Batu Pahat and Pontian districts of the state of Johor, Malaysia whom we have identified to be in our palm kernel oil supply chain. Through P&G Smallholders Program, we have supported our independent smallholder-partners to establish Pertubuhan Tani Niaga Lestari Negeri Johor (PERTANIAGA) in 2020 where they have went on to become the first smallholder association in Malaysia to be certified with RISS Milestone B certification in 2021. By end of 2022, 306 PERTANIAGA smallholders are certified with RISS Milestone B and as part of their continuous improvement process, their learning farms have demonstrated yield increase of +48% and income increase of 39% vs. check farms. In 2023, P&G will focus on supporting RISS certification of 640 PERTANIAGA smallholders, and target to diffuse sustainability and best management practices (BMP) to 1600 smallholders across Johor and beyond, driving progress toward our target to expanding BMP implementation to 8000 smallholders by 2025.

- Rimba collective - P&G is committed to supporting programs to protect and restore ecosystems and communities. We recognize that delivering ambitious goals we need to engage with multi-stakeholder program, and foster these programs during the early stage of their development. This is why we became a founding member of the RIMBA Collective (RC) announced in April 2021 to support long-term, sustainable conservation and restoration of forests and ecosystem services, aiming to provide US\$ 1 Billion to protect or restore 500,000 hectares of tropical forest landscapes, supporting 32,000 individuals in forest communities in Southeast Asia over 25 years, starting in Indonesia. Three RC projects with 34,000 Hectares were kicked off in 2022. In 2023, we will continue to support RC to expand implementation more projects and enable more participation from the industries.

- WWF Malaysia tiger conservation – In 2021 P&G kicked off a 2-year Sponsor Partnership with WWF- Malaysia as part of our Conserve-Restore-Protect force for good program to protect endangered Malayan Tigers and their forest landscape homes in the Central Forest Spine of Peninsular Malaysia. By end of 2022, the program achieved 1) Protect: Poaching is reduced 60% in Temenggor, Perak State through 40 days/month WWF SMART patrols. In total, 7,235 km was patrolled on foot, 14,357 km by motorbike and 5,613 km by boat, removed 35 snares (old) while discovering hunting hides/platforms, bullet casings, mist nets and camp sites. 2) Restore: WWF and MYCAT (Malaysia Conservation Alliance for Tigers) will restore degraded forest areas with a long-term aim of creating ecological ‘wildlife corridors’ for tigers and other species. 2,655 trees were planted on 10ha, with additional 1,099 trees were planted at formerly planted sites while maintaining the 25ha of existing plants planted by MYCAT and Pahang Forestry Department with survival rate of 72%. 3) Produce: used satellite and stakeholder mapping of three primary linkages to understand land use and their connectivity to species habitat. In 2023, P&G will continue to partner with WWF to advance the program, while exploring funding to scale the impact in longer term.

- Industry standard and approach development: P&G has been member of the High Carbon Stock Approach Steering Group (HCSA SG), No Deforestation Joint Steering Group (NDJSG), Smallholder Standing Committee (SHSC), Jurisdictional Working Group (JWG), Shared Responsibility Working Group (SRWG), and Assurance Standing Committee (ASC) to enable the review for 2023 P&C and the Independent Smallholder Standard (RISS), development of the Jurisdictional Approach Certification System, increase of sustainable certified material supply/demand and strengthening the assurance system and governance. As a member of the RSPO Board of Governors, we are contributing to strengthen RSPO’s impact in continuously transforming the industry and expanding sustainable palm oil to a norm. Key highlight of the progress and focus for 2023 are outlined below: i) In 2022, the EU Deforestation Regulation development presented an important opportunity for RSPO to communicate the sustainability benefits from Standard and certification, and enable members to address challenges and move toward compliance. As BoG member and Co-chair of SH Standing Committee, P&G contributed to strategy development and support the public affairs effort to engage with stakeholders, build understanding of RSPO and awareness of key issues (e.g., smallholder traceability and mapping), and bridge improvement opportunities to the P&C review and interventions. Going forward, P&G will continue to support and enable RSPO to be a knowledge base and partner for future development relevant to sustainable palm oil. ii) P&G is in the Review Steering Group of 2023 P&C and RISS contributing to initiate and ensure a coordinated, comprehensive and joint approach to the review, and decision making in the event that consensus cannot be achieved at the TF level. This is critical to strengthen the credibility of the Standards, Certification and the assurance of the schemes. iii) As Jurisdictional Working Group member, P&G contributed to drive development of the JA certification system, including being a proponent of the Resolution “RSPO prioritises jurisdictional approach to accelerate the transformation of sustainable palm oil standards, the inclusion of independent smallholders and engagement with local communities.” passed in the 2022 GA to enable the resources

required to accelerate the RSPO JA. In 2023, P&G will continue to focus on making progress and implementing these efforts critical to scaling RSPO impacts at jurisdictional / landscape level.

Consumer Goods Manufacturers

1. Operational Profile

1.1 Please state your company's main activity within the palm oil supply chain.

- Food Good Manufacturer - own brand
- Food Good Manufacturer - third-party brand
- Home & Personal Care Good Manufacturer - own brand
- Home & Personal Care Good Manufacturer - third-party brand
- Ingredient Manufacturers
- Biofuels
- Other

Other

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2. Palm Oil and Certified Sustainable Palm Oil Consumption

Information in Section 2.0 - Palm Oil and Certified Sustainable Palm Oil Consumption - is a mandatory declaration in your ACOP. This includes volume data on palm oil, palm kernel oil and related products consumed, to enable the RSPO to accurately calculate uptake of individual members, sectors and RSPO members as a whole. ACOP reports without reported volume data will be considered as incomplete and will not be accepted. Incomplete ACOP reports may lead to suspension or termination of RSPO membership.

2.1 Please list down all operations and subsidiaries using palm oil, palm kernel oil and related products that are owned and/or managed by the member, including those under Group Membership

P&G manufactures consumer products and ingredients made from palm oil (PO) and palm kernel oil (PKO) in the oleochemical operation. P&G Chemicals operation provides the majority of the PKO derivatives in P&G consumer goods products, and also sells and trades derivatives to oleochemical market outside of P&G.

2.1.1 In which markets does your company sell goods with palm oil and oil palm products?

Europe °,North America °,China,India,Malaysia,Indonesia,Africa °,Latin America °,Rest of the World °

DL.2.0 In order to facilitate ease of reporting and transparency, RSPO members operating within the palm oil demand supply chain can now choose to report palm oil and palm oil product volumes on:

an aggregate level (as in previous ACOP reporting cycles)

2.2 Total volume of uncertified and certified palm oil, palm kernel oil and related products purchased for use in your company's own-brand and third-party brand products

Description	Tonnes
Total volume of crude palm oil (tonnes)	18507.00
Total volume of crude palm kernel oil (tonnes)	118015.00
Total volume of palm kernel expeller (tonnes)	0.00
Total volume of crude palm oil/palm kernel oil-based derivatives and fractions (tonnes)	201650.00
Total	338172.00

2.2.1 Please estimate the percentage of derivatives and fractions (reported in Question CG.2.2) derived from palm oil or from palm kernel oil. The default split for volumes is assumed to be 80% palm oil-based derivatives and 20% palm kernel oil-based derivatives.

Description	Percentage
Palm oil-based derivatives and fractions	46
Palm kernel oil-based derivatives and fractions	54

2.3 Please estimate the regional distribution of your company's uncertified and certified palm oil, palm kernel oil and related products sales (as declared in Question 2.2) in the following countries/regions.

Countries/Regions	Percentage
Europe	40
North America	21
Malaysia	0
Indonesia	0
China	14
India	8
Latin America	4
Africa	0
Rest of World	13

2.4 Volume of RSPO-certified palm oil, palm kernel oil and related products purchased for use in your company's own-brand and third-party brand products in the year:

Description	Crude/Refined Palm Oil (CSPO)	Crude/Refined Palm Kernel Oil (CSPKO)	Palm Kernel Expeller (CSPKE)	Certified Derivatives and Fractions
RSPO Credits from Mill / Crusher	0.00	0.00	0.00	0.00
RSPO Credits from Independent Smallholder	0.00	500.00	0.00	7350.00
Mass Balance (MB)	11324.00	117162.00	0.00	170369.00
Segregated (SG)	7183.00	353.00	0.00	23931.00
Identity Preserved (IP)	0.00	0.00	0.00	0.00
Total	18507.00	118015.00	0.00	201650.00

2.4.1 Please estimate the percentage of RSPO-certified derivatives and fractions (reported in Question CG.2.4) derived from RSPO-certified palm oil or from RSPO-certified palm kernel oil. The default split for volumes is assumed to be 80% palm oil-based derivatives and 20% palm kernel oil-based

Description	Percentage
Certified Palm oil-based derivatives and fractions	46
Certified Palm kernel oil-based derivatives and fractions	54

2.5 According to the volume information you have provided in Question 2.2 and Question 2.4, your company's certified palm oil and palm oil products uptake is:

100.00%

2.5.1 Please provide additional information on your certified palm oil, palm kernel oil and related products uptake. This may include your usage of RSPO Credits to cover gaps in certified uptake, changes due to business environment, variations due to stock positions or efforts to support independent smallholders beyond volume commitments.

We continued in 2022 to deliver 100% RSPO certification for all PO, PKO and derived materials. Our ability to maintain that may be influenced by broader market dynamics and supply availability, and will continue to engage with our suppliers to achieve our sourcing plans. Specifically for palm kernel oil and palm kernel oil derivatives, we continue to face significant, broad market challenge on shortage of certified supply as the industry demand outstrips the supply making it difficult for the company to maintain 100% certified volume sourcing. While P&G is contributing to developing intervention and solution for the industry (co-chair of the RSPO Shared Responsibility TF and member of Oleo TF) and scaling RISS certification (co-chair of Smallholder Standing Committee), we will be prioritizing certified PKO/PKOD procurement for our Brand product use. For the volume of Credits purchased to overcome supply chain constraints, we will continue to prioritize ISH credits in line with commitment to support to ISH and their livelihood.

2.6 Please estimate the regional sales volume distribution of your company's RSPO certified palm oil, palm kernel oil and related products (as declared in Question 2.4) in the following countries/regions:

Countries/Regions	Percentage
Europe	40
North America	21
Malaysia	0
Indonesia	0
China	14
India	8
Latin America	4
Africa	0
Rest of World	13

3. TimeBound Plan

3.1 Which year did your company achieve (or expects to achieve) the RSPO supply chain certification?

2012

3.2 Which year did your company begin (or expects to begin) using RSPO-certified sustainable palm oil and palm oil products in own-brand products

2014

3.2.1 If the previous target year has not been met, please explain why.

-

3.3 Which year did your company begin (or expects to begin) using only RSPO-certified sustainable palm oil and palm oil products from any supply chain option in own-brand products.

2021

3.3.1 If the previous target year has not been met, please explain why.

-

3.4 Which year did your company begin (or expects to begin) using only RSPO-certified sustainable palm oil and palm oil products from physical supply chain options (Identity Preserved, Segregated and/or Mass Balance) in own-brand products.

2022

3.4.1 If the previous target year has not been met, please explain why.

2.3% of our total (100% certified) volume was achieved from procurement of Independent Smallholder Credits to support smallholder and their livelihood, and/or overcome supply chain constraints.

4. Trademark Use

4.1 Does your company use or plan to use the RSPO Trademark in own-brand products?

No

4.3 Please explain why your company does not plan to use the RSPO Trademark in own-brand products

- Challenging reputation of palm oil
- Confusion among end-consumers
- Costs of changing labels
- Difficulty of applying for RSPO Trademark
- Lack of customer demand
- Limited label space
- Low consumer awareness
- Low usage of palm oil
- Risk of supply disruption
- Others

Others

Cross application of multiple feedstocks for producing the same ingredients in same products makes it challenging to labelling of palm derivatives

5. Actions for Next Reporting Period

5.1 Please outline activities that your company will take in the coming year to promote the production or consumption of certified sustainable palm oil (CSPO)

- Participation in RSPO Working Group or Task Forces
- Support Independent Smallholders (ISH)
- Contribute to the RSPO Smallholder Trainer Academy
- Financial contribution to the RSPO Smallholder Support Fund
- Direct investments in Smallholder Certification projects
- Involvement/direct investments in Jurisdictional/Landscape approach
- Direct/collective investments in conservation and restoration initiatives
- Financial contribution to support members with Remediation and Compensation (RaCP) process, direct/collective investments in conservation and restoration initiatives
- Allocating FTE to promote the production or consumption of certified sustainable oil palm products
- Specific policies and action plans by the member to promote CSPO production or consumption in the upstream or downstream supply chain, including target dates or broader policies that include such efforts
- No activities planned
- Others

Other

P&G is committed to responsibly sourcing palm from suppliers and via supply chains that protect ecosystems from conversion and deforestation, respect human and labor rights, and respect land tenure rights. As member of the Roundtable on Sustainable Palm Oil (RSPO), P&G is committed to ensuring our suppliers meet RSPO Principles and Criteria (P&C) 2018 and continue to drive our palm sustainability program with the three pillar areas of our strategy: Sourcing Fundamentals; Compliance Monitoring and Partnerships and Force for Good Programs. Please visit <https://www.pginvestor.com/esg/environmental/forestry/palm-overview/default.aspx> for comprehensive description of our palm responsible sourcing policy, strategy, and programs and progress to delivering our commitments and goals.

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2. Compliance Monitoring

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FGV to establish an action plan (published in March 2020) and progress reports in September 2020 and March 2021. An Independent External Assessment was conducted by FLA end 2021/2022 and the findings and associated corrective action plan published in July 2022. P&G remains engaged with FGV to support and monitor on-going progress for workers at FGV.

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3. Partnerships & Force for Good

P&G is committed to playing a positive role within the communities and environments in which we live, and work and where we source our materials. This takes us beyond Responsible Sourcing and Compliance Monitoring to become a catalyst for driving and achieving positive outcomes for communities, individuals, and the environment. Below capture the key programs and progress made.

- Independent Smallholder (ISH) program – In line with our Ambition 2030 goal, P&G established the Center for Sustainable Small-Owners (CSS) in 2019 to (1) Promote sustainable and responsible palm agricultural practices at smallholder level, (2) Improve sustainable farming practices that lead to increased yields (30-50%) and ultimately boost the livelihoods of farmers and the wellbeing of families and communities, and (3) Increase smallholder produced certified Palm via RSPO Independent Smallholder Standard (RISS). The Program focused on selected group of independent smallholders and FFB dealers in the Batu Pahat and Pontian districts of the state of Johor, Malaysia whom we have identified to be in our palm kernel oil supply chain. Through P&G Smallholders Program, we have supported our independent smallholder-partners to establish Pertubuhan Tani Niaga Lestari Negeri Johor (PERTANIAGA) in 2020 where they have went on to become the first smallholder association in Malaysia to be certified with RISS Milestone B certification in 2021. By end of 2022, 306 PERTANIAGA smallholders are certified with RISS Milestone B and as part of their continuous improvement process, their learning farms have demonstrated yield increase of +48% and income increase of 39% vs. check farms. In 2023, P&G will focus on supporting RISS certification of 640 PERTANIAGA smallholders, and target to diffuse sustainability and best management practices (BMP) to 1600 smallholders across Johor and beyond, driving progress toward our target to expanding BMP implementation to 8000 smallholders by 2025.

- Rimba collective - P&G is committed to supporting programs to protect and restore ecosystems and communities. We recognize that delivering ambitious goals we need to engage with multi-stakeholder program, and foster these programs during the early stage of their development. This is why we became a founding member of the RIMBA Collective (RC) announced in April 2021 to support long-term, sustainable conservation and restoration of forests and ecosystem services, aiming to provide US\$ 1 Billion to protect or restore 500,000 hectares of tropical forest landscapes, supporting 32,000 individuals in forest communities in Southeast Asia over 25 years, starting in Indonesia. Three RC projects with 34,000 Hectares were kicked off in 2022. In 2023, we will continue to support RC to expand implementation more projects and enable more participation from the industries.

- WWF Malaysia tiger conservation – In 2021 P&G kicked off a 2-year Sponsor Partnership with WWF- Malaysia as part of our Conserve-Restore-Protect force for good program to protect endangered Malayan Tigers and their forest landscape homes in the Central Forest Spine of Peninsular Malaysia. By end of 2022, the program achieved 1) Protect: Poaching is reduced 60% in Temenggor, Perak State through 40 days/month WWF SMART patrols. In total, 7,235 km was patrolled on foot, 14,357 km by motorbike and 5,613 km by boat, removed 35 snares (old) while discovering hunting hides/platforms, bullet casings, mist nets and camp sites. 2) Restore: WWF and MYCAT (Malaysia Conservation Alliance for Tigers) will restore degraded forest areas with a long-term aim of creating ecological ‘wildlife corridors’ for tigers and other species. 2,655 trees were planted on 10ha, with additional 1,099 trees were planted at formerly planted sites while maintaining the 25ha of existing plants planted by MYCAT and Pahang Forestry Department with survival rate of 72%. 3) Produce: used satellite and stakeholder mapping of three primary linkages to understand land use and their connectivity to species habitat. In 2023, P&G will continue to partner with WWF to advance the program, while exploring funding to scale the impact in longer term.

- Industry standard and approach development: P&G has been member of the High Carbon Stock Approach Steering Group (HCSA SG), No Deforestation Joint Steering Group (NDJSG), Smallholder Standing Committee (SHSC), Jurisdictional Working Group (JWG), Shared Responsibility Working Group (SRWG), and Assurance Standing Committee (ASC) to enable the review for 2023 P&C and the Independent Smallholder Standard (RISS), development of the Jurisdictional Approach Certification System, increase of sustainable certified material supply/demand and strengthening the assurance system and governance. As a member of the RSPO Board of Governors, we are contributing to strengthen RSPO’s impact in continuously transforming the industry and expanding sustainable palm oil to a norm. Key highlight of the progress and focus for 2023 are outlined below: i) In 2022, the EU Deforestation Regulation development presented an important opportunity for RSPO to communicate the sustainability benefits from Standard and certification, and enable members to address challenges and move toward compliance. As BoG member and Co-chair of SH Standing Committee, P&G contributed to strategy development and support the public affairs effort to engage with stakeholders, build understanding of RSPO and awareness of key issues (e.g., smallholder traceability and mapping), and bridge improvement opportunities to the P&C review and interventions. Going forward, P&G will continue to support and enable RSPO to be a knowledge base and partner for future development relevant to sustainable palm oil. ii) P&G is in the Review Steering Group of 2023 P&C and RISS contributing to initiate and ensure a coordinated, comprehensive and joint approach to the review, and decision making in the event that consensus cannot be achieved at the TF level. This is critical to strengthen the credibility of the Standards, Certification and the assurance of the schemes. iii) As Jurisdictional Working Group member, P&G contributed to drive development of the JA certification system, including being a proponent of the Resolution “RSPO prioritises jurisdictional approach to accelerate the transformation of sustainable palm oil standards, the inclusion of independent smallholders and engagement with local communities.” passed in the 2022 GA to enable the resources

required to accelerate the RSPO JA. In 2023, P&G will continue to focus on making progress and implementing these efforts critical to scaling RSPO impacts at jurisdictional / landscape level.

Shared Responsibility

The Board of Governors of the Roundtable on Sustainable Palm Oil approved new Shared Responsibility rules on 31 October 2019, requiring all members to share sustainability requirements and obligations. Reporting of Shared Responsibility (SR) requirements will be done through ACOP and MyRSPO. As the process of verification of the reports is in development, the Shared Responsibility section in ACOP may change in future ACOP cycles. Evidence to show compliance to the SR requirements shall be uploaded via your membership profile in MyRSPO. Please login to your MyRSPO account and upload the relevant policies, plans and relevant reports there. If you do not have a policy or your policy does not cover all items, you will be required to provide a Declaration of Support for the relevant policy items in your MyRSPO profile. Additional information on the required policies and plans applicable to all sectors as well as the annual uptake targets for supply chain actors can be found on <https://rspo.org/members/shared-responsibility> or email the Shared Responsibility team at sharedresponsibility@rspo.org.

Information & Public Availability

1.1 Does your organisation have organisational management documents publicly-available?

Yes

Ethical Conduct & Human Rights

1.2 Does your organisation have a publicly-available Policy covering Ethical Conduct & Human Rights?

Yes

1.2.1 Does the policy cover:

- Ethical conduct for contractors
- Ethical conduct for recruitment
- Respect of human rights, including for suppliers and sub-Contractors

Legal Compliance

1.3 Does your organisation comply with all applicable legal requirements?

Yes

1.4 Does your organisation require its third party contractors to comply with legal requirements, i.e. including a clause on legal compliance in the contracts?

Yes

Complaints & Grievances

1.5 Does your organisation have a Grievance Mechanism that is accessible to all affected parties?

Yes

1.5.1 Is your Grievance mechanism in line with the principles of the RSPO's Complaints System?

Yes

Land Use & FPIC

1.6 Does your organisation have a publicly-available policy covering Commitment to respect Free Prior and Informed Consent (FPIC) in the Palm Oil Supply chain?

Yes

1.6.1 Does your organisation have a procedure in place to identify legal, customary or user rights, and people entitled to compensation?

Yes

Smallholders

1.7 Does your organisation support oil palm smallholders (groups)?

Yes

1.7.1 Does your organisation report on the actions to support the inclusion of smallholders?

Yes

Labour & Labour Rights

1.8 Does your organisation have a publicly-available policy covering Labour & Labour Rights?

Yes

1.8.1 Does the policy cover:

- No discrimination and equal opportunities
- Pay and working conditions at least at legal or industry minimum standards and are sufficient to provide decent living wages (DLW)
- Freedom of association and Collective bargaining
- Protection of children, as well as the workforce of suppliers and third-party contractors
- Prevention of all forms of harassment, including sexual harassment
- No forced or trafficked labour

Occupational Health & Safety

1.9 Does your organisation have a publicly-available Policy covering Occupational Health & Safety?

Yes

1.9.1 Does your organisation have a Standard Operating Procedure (SOP) for Occupational Health & Safety?

Yes

Waste Management

1.10a Does your organisation have a waste management plan that includes reduction, recycling, reusing and disposal based on the hazardous characteristics?

Yes _____

1.10a.1 Is this plan implemented?

Yes _____

Water Management

1.11 Does your organisation have a water management plan to promote efficient use and continued availability of water sources?

Yes _____

1.11.1 Is this plan implemented?

Yes _____

Energy Use

1.12 Does your organisation have an energy use plan to improve the efficiency of the fossil fuels used and to optimise renewable energy?

Yes _____

1.12.1 Are there records of implementation of the plan ie. monitoring and reporting?

Yes _____

Climate Change & Greenhouse Gas (GHG)

1.13 Does your organisation have a publicly-available policy covering Climate Change & Greenhouse Gas (GHG) including identification and assessment of GHG emissions and implementation of a plan to reduce or minimise them?

Yes _____

Claims and labels

1.15 Does your organisation promote the use of off-product RSPO claims and labels?

Yes _____

Challenges and Support

1.1 What significant obstacles or challenges has your company encountered in the promotion of certified sustainable palm oil (CSPO)? What efforts has your company taken to address these obstacles or challenges?

- Awareness of RSPO in the market
- Difficulties in the certification process
- Certification of smallholders
- Competition with non-RSPO members
- High costs in achieving or adhering to certification
- Human rights issues
- Insufficient demand for RSPO-certified palm oil
- Low usage of palm oil
- Reputation of palm oil in the market
- Reputation of RSPO in the market
- Supply issues
- Traceability issues
- No challenges faced
- Others

Others

P&G's use of palm materials is skewed to PKO and PKOD due to the nature and function of the products we manufacture. Availability of certified PKO volume to meet the demand has been a significant, increasing challenge in the market. The challenge is exacerbated due to lack of tracking in RSPO system (supply chain certification and PalmTrace) on certified PKO supply, trading volume, and potential loss of certified kernels in the supply chain, which is a major hurdle for procurement planning and ability to meet our goals. There is limited availability of PKO/PKOD in the external market despite of the rising premiums. While P&G is collaborating with RSPO and business peers to exploring solutions (RSPO Shared Responsibility WG, Oleo TF) to address the challenge, we believe a fundamental balance on more certified palm oil supply/demand will need to be achieved to increase CSPK volume for CSPKO.

1.2 In addition to the actions already reported in this ACOP report, what other ways has your company supported the vision of the RSPO to transform markets to make sustainable palm oil the norm?

- Communication and/or engagement to transform the negative perception of palm oil
- Engagement with business partners or consumers on the use of CSPO
- Engagement with government agencies
- Engagement with peers and clients
- Promotion of CSPO through off product claims
- Promotion of CSPO outside of RSPO venues such as trade workshops or industry associations
- Promotion of physical CSPO
- Providing funding or support for CSPO development efforts
- Research & Development support
- Stakeholder engagement
- No actions taken
- Others

Others

-

1.3 If your company has any other publicly-available reports or information regarding its palm oil-related policies and activities, please provide the links here

<https://www.pginvestor.com/esg/environmental/forestry/palm-overview/default.aspx>
