

Particulars

About Your Organisation

1.1 Name of your organisation

The Procter & Gamble Company

1.2 What is/are the primary activity(ies) or product(s) of your organisation?

- Palm Oil Grower
- Processor and/or Trader
- Consumer Goods Manufacturer
- Retailer
- Bank and/or Investor
- Social and/or Development NGO
- Environmental and/or Conservation NGO
- Affiliate

1.3 Membership number

4-0113-10-000-00

1.4 Membership category

Consumer Goods Manufacturers

1.5 Membership sector

Ordinary

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
- Food and Non-Food Ingredients Producer
- Power, Energy and Biofuel Processor
- Animal Feed Producer
- Oleochemicals Producer
- Distribution & Logistics
- Other

Other

-

2. Palm Oil and Certified Sustainable Palm Oil Consumption

Information in Section 2 - Palm Oil and Certified Sustainable Palm Oil Sourcing is a mandatory declaration in your ACOP. This includes volume data on palm oil and palm oil products consumed, to enable the RSPO to accurately calculate uptake on a member, sector and total level. ACOP reports without reported volume data will be considered incomplete and will not be accepted.

2.1 Please include details of all operations using palm oil, 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 countries does your company sell goods with palm oil and palm oil products?

Applies globally

2.2 Total volume of all palm oil and palm oil products sourced in the year:

Description	Tonnes
Crude palm oil, including derivatives refined from CPO (tonnes)	15000.0
Crude palm kernel oil, including derivatives refined from CPKO (tonnes)	173034.0
Crude palm kernel expeller (tonnes)	0
Total	188034.0

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

Description	Crude Palm Oil (CPO) and CSPO Derivatives	Crude Palm Kernel Oil (CSPKO) and CSPKO Derivatives	Palm Kernel Expeller (CSPKE)
RSPO Credits from Mill / Crusher	0	0	0
RSPO Credits from Independent Smallholder	0	0	0
Mass Balance (MB)	0.0	0.0	0
Segregated (SG)	15000.0	0.0	0
Identity Preserved (IP)	0	0	0
Total	15000.0	0.0	0

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 and palm oil products uptake is:

7.98%

2.5 What is the estimated percentage of Certified Sustainable Palm Oil in the palm oil and palm oil products sold by your company in the following regions:

Countries/Regions	Percentage
Europe	0.0
North America	0.0
Malaysia	0.0
Indonesia	0.0
China	0.0
India	0.0
Latin America	0.0
Africa	0.0
Rest of World	0.0

3. TimeBound Plan

3.1 Which year did your company achieve/obtain (or expects to achieve/obtain) 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 for PT.3.2 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 for PT.3.3 has not been met, please explain why.

-

3.4 Which year did your company begin (or expects to begin) sourcing only 100% RSPO-certified palm oil and oil palm products.

2025

3.5 If the TimeBound Plan commitments declared above do not cover all countries in which the member sells goods with palm oil or palm oil products, please explain why

-

3.6 How does your company proactively promote RSPO and RSPO-certified sustainable palm oil and oil palm products to your customers?

Our oleochemical business supplies PO and PKO derivatives for P&G internal use and for broad oleochemical markets across multiple industries, from personal care goods to industrial applications, with the operation and management based on our responsible palm sourcing policy. The RSPO P&C is the foundation of the requirements that all our suppliers have submitted their policy and action plan, and committed to comply. P&G believe that promoting RSPO and RSPO certified oil palm products can only be achieved through end-to-end supply chain collaboration, and supply to demand in the markets. We have been actively supporting and participating RSPO standard development and implementation. Since endorsement of the 2018 P&C, we are in the RSPO No Deforestation WG to implement the new standard, the No Deforestation Joint Steering Group to develop the High Forest Cover (HFC) approach to protect the HFC areas in the HFC countries, the Smallholder Interim Group to develop the RSPO Independent Smallholder Standard (RISS, approved in November, 2019) to enable an inclusive, step-wise process to support ISHs to RSPO certification, and the Jurisdictional Working Group to develop the RSPO jurisdictional certification approach for a government supported, multi-stakeholder based system to develop large-scale compliance to P&C and conservation/protection/land use planning. P&G supports the Shared Responsibility Rules approved by the RSPO Board of Governors in November 2019. This will enable collective actions across all member categories, and set clear roles and goals to scale implementation and uptake of RSPO sustainable palm oil. We will meet or exceed the Shared Responsibility requirements, and continue to promote and increase certified sustainable palm derivatives volume to our customers based on demand and in the broad industry forum such as the Consumer Goods Forum.

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)

We are committed to responsible sourcing of palm that does not contribute to deforestation and respects the rights of workers and indigenous peoples. 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 management strategy that governs supplier management, smallholders, and industry engagement. Please visit <https://us.pg.com/environmental-sustainability/> for a full description of our palm commitment.

1. Supplier Management - We are committed to deliver 100% RSPO certification for all palm derived materials in P&G Brand products by 2022. The PO and PO derivatives are already 100% RSPO certified with PO as SG certified in 2019 and we're targeting to convert PO derivatives to SG certified from Mass Balance by end 2020. For PKO and PKO derivatives we have a glidepath that targets the conversion by end of 2022. Our ability to achieve that may be influenced by broader market dynamics and supply availability as impacted by the COVID-19 pandemic, but we have already engaged with our suppliers on plans to achieve this goal. - For the PKO derivatives we produce and trade in the oleochemical market, we will continue to promote and increase certified sustainable palm derivatives volume to our customers. We will meet or exceed the Shared Responsibility requirements and goals as they are established in 2020. - 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 the No Deforestation and Peat policy. We will advance work to develop Supplier Enterprise-wide Monitoring System. This will include evaluation and selection of existing monitoring systems and participating in multi stakeholder efforts to develop a process for grievance alerts and ensuring appropriate follow up actions. - Respecting human rights is fundamental to how we manage our business, and we recognize the systemic challenge on migrant workers and rights for the palm supply chain and the industry. To strengthen the Social policy compliance with our joint venture partner FGV, we have created and continue to advance a long-term partnership with Fair Labor Association (FLA), aiming to develop a credible, transparent and verifiable means to tackle the challenge building upon the FLA's Principles of Fair Labor and Responsible Sourcing for Companies with Agricultural Supply Chains with specific benchmarks and KPIs. The social interventions with the FLA/FGV drives the increase of certified palm plantations and thus certified palm volumes at our JV partner FGV which will be supplied to P&G.

2. Independent smallholder program The P&G Smallholders Program is focused on the independent smallholders within our oleo-chemicals supply chain in Malaysia. It has two strategic objectives: 1) Develop the capability and enable the capacity of independent smallholders to be sustainable suppliers meeting P&G Palm Responsible Sourcing Policy which is based on the RSPO RISS, 2) Improve independent smallholders' livelihood through yield increase, a key element of our Ambition 2030 program. In 2019: - P&G reached the milestone in establishing the Center for Sustainable Small-owners (P&G-CSS) where we strategically partnered with the Malaysia Institute for Supply Chain Innovation (MISI), a member of the MIT Global SCALE Network. The P&G-CSS is the key operational structure to drive the independent smallholder program with on-the-ground resources to achieve its objectives. - To advance traceability and sustainability compliance for the program, P&G-CSS signed on-boarding agreement with 15 Collection centers (CC) in Johor, Malaysia, and these CCs are critical Fresh Fruit Bunches (FFB) aggregation points representing a network of 4,500 smallholders - the critical priority to building the base and scaling mechanism for practice improvement. - Implementing the Best Agricultural Practice (BAP) is key to yield improvement. While continuing the optimized harvesting frequency, we completed soil and tissue samplings and implemented fertilizer plan for improved nutrient management for the starting 12 Learning Farms, and created supply chain financing mechanism for fertilizer procurement to support independent smallholders. - The RSPO Smallholder Academy is key to enable the RSPO smallholder strategy. We have supported four field officers in P&G-CSS to become the Academy's first batch of master trainers. They will not only play crucial role in training our smallholders but also support scaling of the RSPO training program on capacity building. - Driving the independent smallholders toward RSPO certification is a crucial goal to sustaining compliance to our responsible sourcing policy, improved practices, and access to the certified market and benefits. P&G-CSS contributed to and partnered with RSPO to assess feasibility and auditability of the RSPO Independent Smallholder Standard (RISS). We continued to develop training and compliance plans in preparation for the RISS certification. - P&G has been partnering with MIMOS - Malaysia's National R&D Centre to develop the Oil Palm Data Warehouse (OPDW). We have completed the first phase of OPDW with track and trace capability from our oleo-chemicals operations to independent smallholders in the P&G Smallholders Program. 1210 independent smallholders' profile with 1224 farm assessments have been uploaded into OPDW, analyzed and reported through P&G Palm Responsible Sourcing Policy for Smallholders Scorecard and build readiness for RISS certification. We are excited that the OPDW traceability capability has enabled us to trace about 98% of our palm sourcing to mills. In 2020, we will focus on achieving the following. - Prepare and enable the first 250 independent smallholders in our program towards RISS certification in batches into the eligibility, Milestone A and B phase audit process. - Continue development of 30 Learning Farms and train 100 smallholders on good agricultural practices through Field Days - Expand our Program to on-board seven new CC on top of current 15 CC - Create certification and sustainability awareness among smallholders through regular engagements, awareness campaigns and training modules - Further enhance the digital capability of OPDW and P&G's traceability to mills analysis to strengthen our transparency and supply chain risk profiling

3. Industry standard and approach development Developing and driving harmonization of industry standards and approaches is crucial to P&G and the industry as a whole to deliver the P&G Palm Responsible Sourcing Policy and industry common goals and support social aspirations of the palm community. P&G has been member of the High Carbon Stock Approach Steering Group (HCSA SG), RSPO's No Deforestation Taskforce (NDTF), No Deforestation Joint Steering Group (NDJSG), Smallholder Interim Group (SHIG), Smallholder Standing Committee (SHSC), Jurisdictional Working Group (JWG), to enable implementation of the P&C 2018, and development of RSPO Independent Smallholder Standard (RISS), and the Jurisdictional approach and certification process. 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 2020 are outlined below: - Implementing the RSPO Smallholder Strategy is key to improve the livelihood, drive inclusion and participation of more smallholders in the RSPO system. As member of the Smallholder Interim Group, we contributed to develop the RSPO Independent Smallholder Standard (RISS) — a more simplified, inclusive process, with stepwise approach to support continuous improvement of practice and productivity, and enable market support to the smallholders to advance the milestones toward 100% RSPO compliance. We are very excited that the RISS was approved by RSPO in 2019. We are proud that four of our field officers in our Program were trained to the Academy's Master Trainer in the SH Academy program. Going forward we will focus on contributing to implementation of RISS in our ISH program and the industry, developing the simplified integrated HCS-HCV tool and approach supporting the no deforestation requirement, and supporting our Master Trainers on the smallholder strategy implementation for the broader industry. - For the fifth consecutive year, P&G sponsored the Linking and Learning program at the RSPO Roundtable 17 meeting in Bangkok, Thailand, bringing smallholders to share their experiences on RSPO, and to be updated on the RSPO strategy and programs to support them. We are committed to continuing the support to the smallholders who produces 40% of the palm oil globally. As member the RSPO Smallholder Standing Committee we will contribute to overseeing the implementation of the RSPO Smallholder Standard and Strategy as a whole. - Implementing No Deforestation, Peat and Exploitation (NDPE) Policy with the 2018 RSPO P&C is critical to enabling and verifying NDPE compliance for P&G and the industry. As member of HCSA SG, RSPO NDTF and NDJSG, we

are contributing to the transition into integrated HCS and HCV process for No Deforestation, development of High Forest Cover (HFC) landscape/countries procedure into the RSPO P&C. We will continue to support and contribute to these areas to drive effective and credible implementation of the P&C. - We believe that jurisdictional approaches offer a strategic, multi-stakeholder based means and opportunity to help reward positive efforts of regions/states to establish robust responsible sourcing basins. To enable development and advancement of responsible practices at regional level, P&G has been member of the Jurisdictional Working Group to develop the process and certification system that incorporate HCS-HCV mapping at large scale for protection and land-use planning, step-wise approach for continuous improvements, and strong governance structure under the jurisdictional entity. We are looking forward to completing the public consultation, refining and finalizing the system by November 2020 in collaboration with the JWG members. We also joined the Tropical Forest Alliance to learn more about emerging efforts in our key sourcing regions of Indonesia and Malaysia. Going forward, we will look to support jurisdictional efforts by preferentially sourcing oil from these efforts when it is feasible to do so. - P&G is member of the Consumer Goods Forum Palm Oil Working Group to mobilize resources in driving industry progress on NDPE policy and goals, as well as enabling alignment and development of standards and methodologies. We are supporting the priorities to increase transparency by developing sector-wide deforestation monitoring system and implement the Forced Labor Priority Industry Principles to strengthen social responsibility in palm oil supply chain. In 2020, we will be contributing to CGF Forest Positive Palm Oil Coalition of Action (CoA) and completion of its Roadmap to drive action and positive change of the industry.

5. Shared Responsibility

The Board of Governors of the Roundtable on Sustainable Palm Oil (RSPO) approved new Shared Responsibility rules on 31 October 2019, requiring all members to share sustainability requirements and obligations. Reporting of Shared Responsibility indicators will be done through several channels, including ACOP. As the implementation of Shared Responsibility reporting is still on-going and in development, the Shared Responsibility section in ACOP is not yet final and may change in future ACOP cycles. For more information on Shared Responsibility, please go to <https://rspo.org/news-and-events/news/what-are-the-new-shared-responsibility-rules> or email the ACOP team at acop@rspo.org

Labour & Labour Rights

5.1 Does your company have a publicly-available policy covering Labour & Labour Rights?

Yes

5.1.1 Does the policy cover:

- No discrimination
- Wage and working conditions
- Freedom of association
- No child labour
- No harassment
- No forced or trafficked labour

5.1.2 Has your company previously uploaded or linked its Labour & Labour Rights policy in previous ACOP reporting cycles?

Yes

Ethical Conduct & Human Rights

5.2 Does your company have a publicly-available Policy covering Ethical Conduct & Human Rights?

Yes

5.2.1 Does the policy cover:

- Recruitment
- Contractors
- Sub-Contractors & Third-Party Contractors

5.2.2 Has your company previously uploaded or linked its Ethical Conduct & Human Rights policy in previous ACOP reporting cycles?

Yes

Land Use

5.3 Does your company have a publicly-available Policy covering Land Use?

Yes

5.3.1 Does the policy cover:

- Free Prior and Informed Consent (FPIC)
- Compensation

5.3.2 Has your company previously uploaded or linked its Land Use policy in previous ACOP reporting cycles?

Yes

Occupational Health & Safety**5.4 Does your company have a publicly-available Policy covering Occupational Health & Safety?**

Yes

5.4.1 Has your company previously uploaded or linked its Occupational Health & Safety policy in previous ACOP reporting cycles?

Yes

Climate Change & Greenhouse Gas (GHG)**5.5 Does your company have a publicly-available policy covering Climate Change & Greenhouse Gas (GHG)?**

Yes

5.5.1 Does the policy cover:

- Identification and assessment of GHG
- Public reporting of GHG footprint
- Monitored implementation plan to reduce or minimise GHG emissions

5.5.2 Has your company previously uploaded or linked its Climate Change & Greenhouse Gas policy or report in previous ACOP reporting cycles?

Yes

Complaints & Grievances**5.6 Does your company have a Complaints & Grievances Mechanism?**

Yes

5.6.1 Is your Complaints & Grievances mechanism in line with the RSPO's grievance mechanism? For details of the RSPO's grievance mechanism, please go to <https://askrspo.force.com/Complaint/s/>

Yes

Smallholders**5.7 Does your company support oil palm independent smallholder groups?**

Yes

5.7.1 Does this support cover:

- Fair and transparent dealings with Smallholders
- Improved Smallholder livelihoods

5.7.2 How is your company supporting them?

The P&G Smallholders Program is focused on the independent smallholders within our oleo-chemicals supply chain in Malaysia. It has two strategic objectives: 1) Develop the capability and enable the capacity of independent smallholders to be sustainable suppliers meeting P&G Palm Responsible Sourcing Policy which is based on the RSPO P&C, 2) Improve independent smallholders' livelihood through yield increase, a key element of our Ambition 2030 program. In 2019: - P&G reached the milestone in that Center for Sustainable Small-owners (P&G-CSS) where we strategically partnered with the Malaysia Institute for Supply Chain Innovation (MISI), a member of the MIT Global SCALE Network was established. The mission of P&G-CSS is key operational structure to drive the independent smallholder program to achieving its objectives. - To advance traceability and sustainability compliance for the program, P&G-CSS signed on-boarding agreement with 15 Collection centers (CC) in Johor, Malaysia, and these CCs are critical Fresh Fruit Bunches (FFB) aggregation points representing a network of 4,500 smallholders, the critical priority to building the base and scaling mechanism for practice improvement. - Implementing the Best Agricultural Practice (BAP) is key to yield improvement. While continuing the optimized harvesting frequency, we completed soil and tissue samplings and implemented fertilizer plan for improved nutrient management for the starting 12 Learning Farms, and created supply chain financing mechanism for fertilizer procurement to support independent smallholders. - The RSPO Smallholder Academy is key to enable the RSPO smallholder strategy. We have supported four field officers in P&G-CSS to become the Academy's first batch of master trainers. They will not only play crucial role in training our smallholders but also support scaling of the RSPO training program on capacity building. - Driving the independent smallholders toward RSPO certification is a crucial goal to sustaining compliance to our responsible sourcing policy, improved practices, and access to the certified market and benefits. P&G-CSS contributed to and partnered with RSPO to assess feasibility and auditability of the RSPO Independent Smallholder Standard (RISS). We continued to develop training and compliance plans in preparation for the RISS certification. - P&G has been partnering with MIMOS - Malaysia's National R&D Centre to develop the Oil Palm Data Warehouse (OPDW). We have completed the first phase of OPDW with track and trace capability from our oleo-chemicals operations to independent smallholders in the P&G Smallholders Program. 1210 independent smallholders' profile with 1224 farm assessments have been uploaded into OPDW, analyzed and reported through P&G Palm Responsible Sourcing Policy for Smallholders Scorecard and build readiness for RISS certification. We are excited that the OPDW traceability capability has enabled us to trace about 98% of our palm sourcing to mills. In 2020, we will focus on achieving the following. - Prepare and enable the first 250 independent smallholders in our program towards RISS certification in batches into the eligibility, Milestone A and B phase audit process. - Continue development of 30 Learning Farms and train 100 smallholders on good agricultural practices through Field Days - Expand our Program to on-board seven new CC on top of current 15 CC - Create certification and sustainability awareness among smallholders through regular engagements, awareness campaigns and training modules - Further enhance the digital capability of OPDW and P&G's traceability to mills analysis to strengthen our transparency and supply chain risk profiling

6. Challenges

6.1 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

As stated in PT4.1, our PO and PO derivatives are already 100% RSPO certified with PO as SG certified in 2019 and we're targeting to convert PO derivatives to SG certified from Mass Balance by 2020. For PKO and PKO derivatives we have a glidepath that targets the conversion by end of 2022. However, the availability of certified PKO volume to meet the demand is a 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 and trading volume, which is a major hurdle for procurement planning.

6.2 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?

- Engagement with business partners or consumers on the use of CSPO
- Engagement with government agencies
- 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

-

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

P&G 2019 Citizenship Report via <https://us.pg.com/citizenship2019/>

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

-

2. Palm Oil and Certified Sustainable Palm Oil Consumption

Information in Section 2 - Palm Oil and Certified Sustainable Palm Oil Consumption - is a mandatory declaration in your ACOP. This includes volume data on palm oil and palm oil products consumed, to enable the RSPO to accurately calculate uptake on a member, sector and total level. ACOP reports without reported volume data will be considered incomplete and will not be accepted.

2.1 Please list down all operations and subsidiaries using palm oil 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?

Applies globally

2.2.5 Total volume of all palm oil and palm oil products (palm-content only) used in your company's own-brand products and in products produced by your company for third-party brands in the year:

Description	Tonnes
Total volume of crude/refined palm oil (tonnes)	46651.0
Total volume of crude/refined palm kernel oil (tonnes)	147049.0
Total volume of palm kernel expeller (tonnes)	0.0
Total volume of palm oil/palm kernel oil derivatives and fractions (tonnes)	124089.0
Total	317789.0

2.2.6 Please estimate the percentage of derivatives and fractions (reported in Question CG.2.2.4) 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	47.0
Palm kernel oil-based derivatives and fractions	53.0

2.3 Volume of RSPO-certified palm oil and palm oil products used in your company's own brand products and in products produced by your company for third-party brands in the year (tonnes):

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	0.0	0.0	0.0	0.0
RSPO Credits from Independent Smallholder	0.0	0.0	0.0	0.0
Mass Balance (MB)	11324.0	57950.0	0.0	59539.0
Segregated (SG)	35327.0	0.0	0.0	0.0
Identity Preserved (IP)	0.0	0.0	0.0	0.0
Total	46651.0	57950.0	0.0	59539.0

2.3.1 Please estimate the percentage of RSPO-certified derivatives and fractions (reported in Question CG.2.3) 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 derivatives.

Description	Percentage
Certified Palm oil-based derivatives and fractions	99.0
Certified Palm kernel oil-based derivatives and fractions	1.0

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

51.65%

2.4.1 If your company has not reached 100% usage of sustainable palm oil through the four supply chain models (RSPO Credits, MB, SG or IP), do you have any plans to cover the gap using RSPO Credits?

No

2.4.2 Please explain why you do not intend to cover the gap using RSPO Credits

We are committed to deliver 100% RSPO certification for all palm derived materials in P&G Brand products by 2022. The PO and PO derivatives are already 100% RSPO certified with PO as SG certified in 2019 and we're targeting to convert PO derivatives to SG certified from Mass Balance by 2020. For PKO and PKO derivatives we have a glidepath that targets the conversion by end of 2022. Our ability to achieve that may be influenced by broader market dynamics and supply availability and impact by the COVID-19 pandemic, but we have already engaged with our suppliers on plans to achieve this goal.

2.5 Please estimate the regional distribution of your company's RSPO certified palm oil and palm oil-products usage (as declared in Question CG.2.3) in the following countries/regions:

Countries/Regions	Percentage
Europe	0.0
North America	0.0
Malaysia	0.0
Indonesia	0.0
China	0.0
India	0.0
Latin America	0.0
Africa	0.0
Rest of World	0.0

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 for CG.3.2 has not been met, please explain why.

-

3.3 Which year did your company begin (or expects to begin) using 100% RSPO-certified sustainable palm oil and palm oil products from any supply chain option in own-brand products.

2022

3.3.1 If the previous target year for CG.3.3 has not been met, please explain why.

We are committed to deliver 100% RSPO certification for all palm derived materials in P&G Brand products by 2022. All our PO and PO derivatives were 100% RSPO certified since FY13/14 via GreenPalm certificates and Mass Balance. We converted all PO to SG certified in 2019 and we're targeting to convert PO derivatives to SG certified from Mass Balance by 2020. For PKO and PKO derivatives we have a glidepath that targets the conversion by end of 2022. Our ability to achieve that may be influenced by broader market dynamics and supply availability and impact by the COVID-19 pandemic, but we have already engaged with our suppliers on plans to achieve this goal.

3.4 Which year did your company begin (or expects to begin) using 100% 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 for CG.3.4 has not been met, please explain why.

All our PO and PO derivatives were 100% RSPO certified since FY13/14 via GreenPalm certificates and Mass Balance. We converted all PO to SG certified in 2019 and we're targeting to convert PO derivatives to SG certified from Mass Balance by 2020. For PKO and PKO derivatives we have a glidepath that targets the conversion by end of 2022. While we are improving certified PKO/PKOD material sourcing and compliance to our responsible sourcing policy, we are continuing to dedicate resources to drive our Ambition 2030 Independent Smallholder program to improve their yield and livelihood.

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

-

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 vegetable oil 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)

We are committed to responsible sourcing of palm that does not contribute to deforestation and respects the rights of workers and indigenous peoples. 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 management strategy that governs supplier management, smallholders, and industry engagement. Please visit <https://us.pg.com/environmental-sustainability/> for a full description of our palm commitment.

1. Supplier Management - We are committed to deliver 100% RSPO certification for all palm derived materials in P&G Brand products by 2022. The PO and PO derivatives are already 100% RSPO certified with PO as SG certified in 2019 and we're targeting to convert PO derivatives to SG certified from Mass Balance by end 2020. For PKO and PKO derivatives we have a glidepath that targets the conversion by end of 2022. Our ability to achieve that may be influenced by broader market dynamics and supply availability as impacted by the COVID-19 pandemic, but we have already engaged with our suppliers on plans to achieve this goal. - For the PKO derivatives we produce and trade in the oleochemical market, we will continue to promote and increase certified sustainable palm derivatives volume to our customers. We will meet or exceed the Shared Responsibility requirements and goals as they are established in 2020. - 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 the No Deforestation and Peat policy. We will advance work to develop Supplier Enterprise-wide Monitoring System. This will include evaluation and selection of existing monitoring systems and participating in multi stakeholder efforts to develop a process for grievance alerts and ensuring appropriate follow up actions. - Respecting human rights is fundamental to how we manage our business, and we recognize the systemic challenge on migrant workers and rights for the palm supply chain and the industry. To strengthen the Social policy compliance with our joint venture partner FGV, we have created and continue to advance a long-term partnership with Fair Labor Association (FLA), aiming to develop a credible, transparent and verifiable means to tackle the challenge building upon the FLA's Principles of Fair Labor and Responsible Sourcing for Companies with Agricultural Supply Chains with specific benchmarks and KPIs. The social interventions with the FLA/FGV drives the increase of certified palm plantations and thus certified palm volumes at our JV partner FGV which will be supplied to P&G.

2. Independent smallholder program The P&G Smallholders Program is focused on the independent smallholders within our oleo-chemicals supply chain in Malaysia. It has two strategic objectives: 1) Develop the capability and enable the capacity of independent smallholders to be sustainable suppliers meeting P&G Palm Responsible Sourcing Policy which is based on the RSPO RISS, 2) Improve independent smallholders' livelihood through yield increase, a key element of our Ambition 2030 program. In 2019: - P&G reached the milestone in establishing the Center for Sustainable Small-owners (P&G-CSS) where we strategically partnered with the Malaysia Institute for Supply Chain Innovation (MISI), a member of the MIT Global SCALE Network. The P&G-CSS is the key operational structure to drive the independent smallholder program with on-the-ground resources to achieve its objectives. - To advance traceability and sustainability compliance for the program, P&G-CSS signed on-boarding agreement with 15 Collection centers (CC) in Johor, Malaysia, and these CCs are critical Fresh Fruit Bunches (FFB) aggregation points representing a network of 4,500 smallholders - the critical priority to building the base and scaling mechanism for practice improvement. - Implementing the Best Agricultural Practice (BAP) is key to yield improvement. While continuing the optimized harvesting frequency, we completed soil and tissue samplings and implemented fertilizer plan for improved nutrient management for the starting 12 Learning Farms, and created supply chain financing mechanism for fertilizer procurement to support independent smallholders. - The RSPO Smallholder Academy is key to enable the RSPO smallholder strategy. We have supported four field officers in P&G-CSS to become the Academy's first batch of master trainers. They will not only play crucial role in training our smallholders but also support scaling of the RSPO training program on capacity building. - Driving the independent smallholders toward RSPO certification is a crucial goal to sustaining compliance to our responsible sourcing policy, improved practices, and access to the certified market and benefits. P&G-CSS contributed to and partnered with RSPO to assess feasibility and auditability of the RSPO Independent Smallholder Standard (RISS). We continued to develop training and compliance plans in preparation for the RISS certification. - P&G has been partnering with MIMOS - Malaysia's National R&D Centre to develop the Oil Palm Data Warehouse (OPDW). We have completed the first phase of OPDW with track and trace capability from our oleo-chemicals operations to independent smallholders in the P&G Smallholders Program. 1210 independent smallholders' profile with 1224 farm assessments have been uploaded into OPDW, analyzed and reported through P&G Palm Responsible Sourcing Policy for Smallholders Scorecard and build readiness for RISS certification. We are excited that the OPDW traceability capability has enabled us to trace about 98% of our palm sourcing to mills. In 2020, we will focus on achieving the following. - Prepare and enable the first 250 independent smallholders in our program towards RISS certification in batches into the eligibility, Milestone A and B phase audit process. - Continue development of 30 Learning Farms and train 100 smallholders on good agricultural practices through Field Days - Expand our Program to on-board seven new CC on top of current 15 CC - Create certification and sustainability awareness among smallholders through regular engagements, awareness campaigns and training modules - Further enhance the digital capability of OPDW and P&G's traceability to mills analysis to strengthen our transparency and supply chain risk profiling

3. Industry standard and approach development Developing and driving harmonization of industry standards and approaches is crucial to P&G and the industry as a whole to deliver the P&G Palm Responsible Sourcing Policy and industry common goals and support social aspirations of the palm community. P&G has been member of the High Carbon Stock Approach Steering Group (HCSA SG), RSPO's No Deforestation Taskforce (NDTF), No Deforestation Joint Steering Group (NDJSG), Smallholder Interim Group (SHIG), Smallholder Standing Committee (SHSC), Jurisdictional Working Group (JWG), to enable implementation of the P&C 2018, and development of RSPO Independent Smallholder Standard (RISS), and the Jurisdictional approach and certification process. 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 2020 are outlined below: - Implementing the RSPO Smallholder Strategy is key to improve the livelihood, drive inclusion and participation of more smallholders in the RSPO system. As member of the Smallholder Interim Group, we contributed to develop the RSPO Independent Smallholder Standard (RISS) — a more simplified, inclusive process, with stepwise approach to support continuous improvement of practice and productivity, and enable market support to the smallholders to advance the milestones toward 100% RSPO compliance. We are very excited that the RISS was approved by RSPO in 2019. We are proud that four of our field officers in our Program were trained to the Academy's Master Trainer in the SH Academy program. Going forward we will focus on contributing to implementation of RISS in our ISH program and the industry, developing the simplified integrated HCS-HCV tool and approach supporting the no deforestation requirement, and supporting our Master Trainers on the smallholder strategy implementation for the broader industry. - For the fifth consecutive year, P&G sponsored the Linking and Learning program at the RSPO Roundtable 17 meeting in Bangkok, Thailand, bringing smallholders to share their experiences on RSPO, and to be updated on the RSPO strategy and programs to support them. We are committed to continuing the support to the smallholders who produces 40% of the palm oil globally. As member the RSPO Smallholder Standing Committee we will contribute to overseeing the implementation of the RSPO Smallholder Standard and Strategy as a whole. - Implementing No Deforestation, Peat and Exploitation (NDPE) Policy with the 2018 RSPO P&C is critical to enabling and verifying NDPE compliance for P&G and the industry. As member of HCSA SG, RSPO NDTF and NDJSG, we

are contributing to the transition into integrated HCS and HCV process for No Deforestation, development of High Forest Cover (HFC) landscape/countries procedure into the RSPO P&C. We will continue to support and contribute to these areas to drive effective and credible implementation of the P&C. - We believe that jurisdictional approaches offer a strategic, multi-stakeholder based means and opportunity to help reward positive efforts of regions/states to establish robust responsible sourcing basins. To enable development and advancement of responsible practices at regional level, P&G has been member of the Jurisdictional Working Group to develop the process and certification system that incorporate HCS-HCV mapping at large scale for protection and land-use planning, step-wise approach for continuous improvements, and strong governance structure under the jurisdictional entity. We are looking forward to completing the public consultation, refining and finalizing the system by November 2020 in collaboration with the JWG members. We also joined the Tropical Forest Alliance to learn more about emerging efforts in our key sourcing regions of Indonesia and Malaysia. Going forward, we will look to support jurisdictional efforts by preferentially sourcing oil from these efforts when it is feasible to do so. - P&G is member of the Consumer Goods Forum Palm Oil Working Group to mobilize resources in driving industry progress on NDPE policy and goals, as well as enabling alignment and development of standards and methodologies. We are supporting the priorities to increase transparency by developing sector-wide deforestation monitoring system and implement the Forced Labor Priority Industry Principles to strengthen social responsibility in palm oil supply chain. In 2020, we will be contributing to CGF Forest Positive Palm Oil Coalition of Action (CoA) and completion of its Roadmap to drive action and positive change of the industry.

6. Shared Responsibility

The Board of Governors of the Roundtable on Sustainable Palm Oil (RSPO) approved new Shared Responsibility rules on 31 October 2019, requiring all members to share sustainability requirements and obligations. Reporting of Shared Responsibility indicators will be done through several channels, including ACOP. As the implementation of Shared Responsibility reporting is still on-going and in development, the Shared Responsibility section in ACOP is not yet final and may change in future ACOP cycles. For more information on Shared Responsibility, please go to <https://rspo.org/news-and-events/news/what-are-the-new-shared-responsibility-rules> or email the ACOP team at acop@rspo.org

Labour & Labour Rights

6.1 Does your company have a publicly-available policy covering Labour & Labour Rights?

Yes

6.1.1 Does the policy cover:

- No discrimination
- Wage and working conditions
- Freedom of association
- No child labour
- No harassment
- No forced or trafficked labour

6.1.2 Has your company previously uploaded or linked its Labour & Labour Rights policy in previous ACOP reporting cycles?

Yes

Ethical Conduct & Human Rights

6.2 Does your company have a publicly-available Policy covering Ethical Conduct & Human Rights?

Yes

6.2.1 Does the policy cover:

- Recruitment
- Contractors
- Sub-Contractors & Third-Party Contractors

6.2.2 Has your company previously uploaded or linked its Ethical Conduct & Human Rights policy in previous ACOP reporting cycles?

Yes

Land Use

6.3 Does your company have a publicly-available Policy covering Land Use?

Yes

6.3.1 Does the policy cover:

- Free Prior and Informed Consent (FPIC)
- Compensation

6.3.2 Has your company previously uploaded or linked its Land Use policy in previous ACOP reporting cycles?

Yes

Occupational Health & Safety**6.4 Does your company have a publicly-available Policy covering Occupational Health & Safety?**

Yes

6.4.1 Has your company previously uploaded or linked its Occupational Health & Safety policy in previous ACOP reporting cycles?

Yes

Climate Change & Greenhouse Gas (GHG)**6.5 Does your company have a publicly-available policy covering Climate Change & Greenhouse Gas (GHG)?**

Yes

6.5.1 Does the policy cover:

- Identification and assessment of GHG
- Public reporting of GHG footprint
- Monitored implementation plan to reduce or minimise GHG emissions

6.5.2 Has your company previously uploaded or linked its Climate Change & Greenhouse Gas policy or report in previous ACOP reporting cycles?

Yes

Complaints & Grievances**6.6 Does your company have a Complaints & Grievances Mechanism?**

Yes

6.6.1 Is your Complaints & Grievances mechanism in line with the RSPO's grievance mechanism? For details of the RSPO's grievance mechanism, please go to <https://askrspo.force.com/Complaint/s/>

Yes

Smallholders**6.7 Does your company support oil palm independent smallholder groups?**

Yes

6.7.1 Does this support cover:

- Fair and transparent dealings with Smallholders
- Improved Smallholder livelihoods

6.7.2 How is your company supporting them?

The P&G Smallholders Program is focused on the independent smallholders within our oleo-chemicals supply chain in Malaysia. It has two strategic objectives: 1) Develop the capability and enable the capacity of independent smallholders to be sustainable suppliers meeting P&G Palm Responsible Sourcing Policy which is based on the RSPO P&C, 2) Improve independent smallholders' livelihood through yield increase, a key element of our Ambition 2030 program. In 2019: - P&G reached the milestone in that Center for Sustainable Small-owners (P&G-CSS) where we strategically partnered with the Malaysia Institute for Supply Chain Innovation (MISI), a member of the MIT Global SCALE Network was established. The mission of P&G-CSS is key operational structure to drive the independent smallholder program to achieving its objectives. - To advance traceability and sustainability compliance for the program, P&G-CSS signed on-boarding agreement with 15 Collection centers (CC) in Johor, Malaysia, and these CCs are critical Fresh Fruit Bunches (FFB) aggregation points representing a network of 4,500 smallholders, the critical priority to building the base and scaling mechanism for practice improvement. - Implementing the Best Agricultural Practice (BAP) is key to yield improvement. While continuing the optimized harvesting frequency, we completed soil and tissue samplings and implemented fertilizer plan for improved nutrient management for the starting 12 Learning Farms, and created supply chain financing mechanism for fertilizer procurement to support independent smallholders. - The RSPO Smallholder Academy is key to enable the RSPO smallholder strategy. We have supported four field officers in P&G-CSS to become the Academy's first batch of master trainers. They will not only play crucial role in training our smallholders but also support scaling of the RSPO training program on capacity building. - Driving the independent smallholders toward RSPO certification is a crucial goal to sustaining compliance to our responsible sourcing policy, improved practices, and access to the certified market and benefits. P&G-CSS contributed to and partnered with RSPO to assess feasibility and auditability of the RSPO Independent Smallholder Standard (RISS). We continued to develop training and compliance plans in preparation for the RISS certification. - P&G has been partnering with MIMOS - Malaysia's National R&D Centre to develop the Oil Palm Data Warehouse (OPDW). We have completed the first phase of OPDW with track and trace capability from our oleo-chemicals operations to independent smallholders in the P&G Smallholders Program. 1210 independent smallholders' profile with 1224 farm assessments have been uploaded into OPDW, analyzed and reported through P&G Palm Responsible Sourcing Policy for Smallholders Scorecard and build readiness for RISS certification. We are excited that the OPDW traceability capability has enabled us to trace about 98% of our palm sourcing to mills. In 2020, we will focus on achieving the following. - Prepare and enable the first 250 independent smallholders in our program towards RISS certification in batches into the eligibility, Milestone A and B phase audit process. - Continue development of 30 Learning Farms and train 100 smallholders on good agricultural practices through Field Days - Expand our Program to on-board seven new CC on top of current 15 CC - Create certification and sustainability awareness among smallholders through regular engagements, awareness campaigns and training modules - Further enhance the digital capability of OPDW and P&G's traceability to mills analysis to strengthen our transparency and supply chain risk profiling

7. Challenges

7.1 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

As stated in section CG 5.1, our PO and PO derivatives are already 100% RSPO certified with PO as SG certified in 2019 and we're targeting to convert PO derivatives to SG certified from Mass Balance by 2020. For PKO and PKO derivatives we have a glidepath that targets the conversion by end of 2022. However, the availability of certified PKO volume to meet the demand is a 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 and trading volume, which is a major hurdle for procurement planning.

7.2 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?

- Engagement with business partners or consumers on the use of CSPO
- Engagement with government agencies
- 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

-

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

P&G 2019 Citizenship Report via <https://us.pg.com/citizenship2019/>