

Particulars

About Your Organisation

1.1 Name of your organization

P&G

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

- Oil Palm Growers
 - Palm Oil Processors and/or Traders
 - Consumer Goods Manufacturers
 - Retailers
 - Banks and Investors
 - Social or Development Organisations (Non Governmental Organisations)
 - Environmental or Nature Conservation Organisations (Non Governmental Organisations)
 - Affiliate Members
 - Supply Chain Associate
-

1.3 Membership number

4-0113-10-000-00

1.4 Membership category

Ordinary

1.5 Membership sector

Consumer Goods Manufacturers

Consumer Goods Manufacturers

Operational Profile

1.1 Please state what your main activity(ies) is/are within manufacturing

- Home & Personal Care Goods

Operations and Certification Progress

2.1 Please include details of all operations using palm oil, majority owned and/or managed by the member and/or related entities

2.1.1 In which markets where you operate, do you manufacture goods with palm oil and oil palm products?

- Applies Globally

2.1.2 In which markets where you operate, do you calculate how much palm oil and oil palm product there is in the goods you manufacture?

- Applies Globally

2.2 Volumes of palm oil and oil palm products (Tonnes)

2.2.1 Total volume of Crude and Refined Palm Oil used in the year (Tonnes)

24,136

2.2.2 Total volume of Crude and Refined Palm Kernel Oil used in the year (Tonnes)

372,149

2.2.3 Total volume of Palm Kernel Expeller used in the year (Tonnes)

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2.2.4 Total volume of other palm-based Derivatives and Fractions used in the year (Tonnes)

138,951

2.2.5 Total volume of all palm oil and oil palm products used in the year (Tonnes)

535,236

2.3 Volume of palm oil and oil palm products used in the year in your own brand products that are RSPO-certified (in tonnes):

Description	Crude and Refined Palm Oil	Crude and Refined Palm Kernel Oil	Palm Kernel Expeller	Other palm-based derivatives and fractions
2.3.1 Book and Claim from Mill / Crusher*	603.00	-	-	2,730.00
2.3.2 Book and Claim from Independent Smallholder*	-	-	-	-
2.3.3 Mass Balance	23,533.00	29,999.00	-	86,634.00
2.3.4 Segregated	-	-	-	-
2.3.5 Identity Preserved	-	-	-	-
2.3.6 Total volume	24,136.00	29,999.00	-	89,364.00

2.4 Volume of RSPO certified sustainable palm oil and oil palm products sold to other RSPO certified companies (in tonnes)

Description	Crude and Refined Palm Oil	Crude and Refined Palm Kernel Oil	Palm Kernel Expeller	Other palm-based derivatives and fractions
2.4.1 Book and Claim from Mill / Crusher	-	-	-	-
2.4.2 Book and Claim from Independent Smallholder	-	-	-	-
2.4.3 Mass Balance	-	-	-	-
2.4.4 Segregated	-	-	-	-
2.4.5 Identity Preserved	-	-	-	-
2.4.6 Total volume	-	-	-	-

2.5 What is the percentage of RSPO Certified Sustainable Palm Oil in the total palm oil used by your company in the following regions:

2.5.1 Africa	--
2.5.2 Australasia	--
2.5.3 China	--
2.5.4 Europe (incl.Russia)	--
2.5.5 India	--
2.5.6 North America	--
2.5.7 South America	--
2.5.8 Indonesia	--
2.5.9 Malaysia	--
2.5.10 Middle East	--
2.5.11 Rest of Asia	--

Time-Bound Plan

3.1 Date of first supply chain certification (planned or achieved)

2012

3.2 Date expected to/or started to use any RSPO certified sustainable palm oil and oil palm products in your own brand products

2012

If target has not been met, please explain why:

We have been sourcing RSPO certified products from 2012 and use them for corporate reporting and not for branding.

3.2.1 Referring to 3.2, in which markets where you operate do these commitments cover?

3.3 Date expected to be using 100% RSPO certified sustainable palm oil and oil palm products from any supply chain option in your own brand products

2014

If target has not been met, please explain why:

We achieved 100% certified Palm Oil & Palm Oil Derivatives via Green Palm Certificates and MB since FY1314. In 2017, more than 97% of our Palm Oil and Palm Oil Derivatives has been MB certified. For PKO we have plan to have Y-o-Y increase. For PKO derivatives it will be based on availability and resourcing.

3.4 Date expected to be using 100% RSPO certified sustainable palm oil and oil palm products from physical supply chains (Identity Preserved, Segregated and/or Mass Balance) in your own brand products

2020

If target has not been met, please explain why:

We have been sourcing most (> 97%) of our palm oil and palm oil derivatives as MB since 2016. We are on track to be 100% Segregated Certified for PO by 2018, and for PO derivative (incl. palm fractionates) by 2020; these are accelerated from the original target of 2020 for palm oil. For PKO and PKO derivatives, we will continue to improve certified material sourcing while focusing on our smallholder program to improve their livelihood. For reference, the PO derivatives in the Table in Section 2.3 includes PKO derivatives that we used in P&G products.

3.5 Referring to 3.3 and 3.4, In which markets where you operate do these commitments cover?

Applies Globally

3.6 Does your company use RSPO certified sustainable palm oil and oil palm products in goods you manufacture on behalf of other companies?

No

3.7 Does your company have a Time-Bound Plan to only use RSPO certified palm oil and oil palm products in the goods you manufacture on behalf of other companies?

No

Trademark Related**4.1 Do you use or plan to use the RSPO Trademark on your own brand of products?**

No

Please explain why

Lack of consumer awareness and pull.

We view the current review of RSPO P&Cs as a critical opportunity to strengthen the existing standards and ultimately build even greater credibility and adoption of RSPO across the industry.

Actions for Next Reporting Period

5.1 Outline actions that you will take in the coming year to promote the use of RSPO certified sustainable palm oil and oil palm products along the supply chain

-- Please visit www.us.pg.com/sustainability for a full description of our palm commitment. Key highlight include:

Our palm sustainability program is guided by the broader three pillar management strategy that governs supplier management, smallholders, and industry engagement.

1. Supplier Management

- P&G is on track to source 100% segregated procurement for traceable sustainable palm oil by 2018, and by 2020 for palm oil derivatives (incl. palm fractionates). This is accelerated from earlier plan of 2020 for palm oil. We will buy MB to cover the volume which are not SG certified.
- Continue to work aggressively with our key PKO supplier to drive RSPO certification
- Drive transparency, risk assessment and prioritization for industry-wide effort to address NDPE risks and verification in the 3rd party, independent supply chain.

2. Smallholder Program

- P&G will continue to drive progress on the P&G smallholder management framework with key partners to improve the practices, productivity and livelihood of independent smallholders in our key PKO supply chain in Malaysia.
 - Scale up program to expand to engage and trace more collection centers and associated smallholders in collaboration with the Malaysia Institute for Supply Chain Innovations (MISI)
 - Develop Oil Palm Data Warehouse to manage the smallholder traceability and information database with MIMOS
 - Partner with the International Plant Nutrition Institute (IPNI) to improve the productivity and livelihood of the farmers through creation of Model Farms to apply and scale up best agricultural practices, crop recovery program and nutrient management program
 - Continue to build and apply the smallholder risk assessment model (SHRAM) to prioritize and manage risk efficiently, and explore multi-stakeholder solution for water level management for farms on peat, and disease control

'Improving the Livelihood of the Smallholder has been called out as one of the Companies sustainability priority projects in the recently launched Ambition 2030 program, visit (<https://us.pg.com/sustainability/at-a-glance/our-goals>) for more details. This lays out the company's future sustainability vision and goals and shows our long term commitment to driving sustainable practices in the P&G supply chain.'

3. Industry Standard and Methodology Influencing

- As a member of the HCSA SG to continue to support development and implementation of the high-carbon stock approach to assess and protect forest. Support further development of the approach to address challenges for high-forest-cover landscape/country and inclusion of smallholders, and integration of HCSA to RSPO P&C revision process.
- As member of RSPO 2018 P&C Review Taskforce to improve the relevance and effectiveness of the most recognized sustainability standard for palm oil, and fundamental element of our commitment. Actively support incorporation of NDPE commitments as member of the No-Deforestation sub-group and the Human Right Working Group. Drive and contribute, as member of the Smallholder Interim Group (SHIG) to developing an inclusive smallholder standard and enabling the new RSPO smallholder strategy approved in 2017.
- P&G is member of the Sustainable Landscapes Working Group (SLWG) (formerly the Traceability Working Group) to advance an industry traceability platform at landscape level and to promote implementation of supply shed risk assessment and verification as a strategy to advance supply chain risk assessment, especially for the 3rd-party independent palm oil mills. The key next focus is for the members to develop implementation plan of pilots that include governance framework that will allow execution to move forward.
- We are also part of the CGF Palm Oil Working Group to mobilize resources in driving industry progress on policy and goals, as well as alignment on standards and methodologies.

Reasons for Non-Disclosure of Information

6.1 If you have not disclosed any of the above information, please indicate the reasons why

Other

- Others:

Disclosed all the information.

Application of Principles & Criteria for all members sectors

7.1 Related to your sourcing, do you have (a) policy/ies, that are in line with the RSPO P&C such as:

- Water, land, energy and carbon footprints
 - No file was uploaded
 - Related link: www.us.pg.com/sustainability
- Land Use Rights
 - No file was uploaded
 - Related link: www.us.pg.com/sustainability
- Ethical conduct and human rights
 - No file was uploaded
 - Related link: www.us.pg.com/sustainability
- Labour rights
 - No file was uploaded
 - Related link: www.us.pg.com/sustainability
- Stakeholder engagement
 - No file was uploaded
 - Related link: www.us.pg.com/sustainability
- None of the above

7.2 What best practice guidelines or information has your organization provided in the past year to facilitate the uptake of RSPO certified sustainable palm oil and oil palm products? What languages are these guidelines available in?**Comment:**

Meeting the RSPO P&C is fundamental to the no-deforestation commitments and goals on our palm supply chain. We have made our policies and goals clear to each of our suppliers. They have provided their action plan as to how they will meet our sustainable sourcing requirements. We actively work with our palm suppliers to execute our goals, and the progress is on track to reaching 100% SG certified PO by 2018, and PO derivatives by 2020.

Related link: www.us.pg.com/sustainability

7.3 Your answers above indicate that you are not yet using 100% RSPO certified palm oil and oil palm products. Do you have plans to immediately cover the gap using Book & Claim?

No

Please explain why

We achieve 100% PO and POD mostly by MB (97%) and small amount by B&C (3%) . PKO and PKOD not economical supply/availability.

GHG Footprint**8.1 Are you currently reporting any GHG footprint?**

Yes

Related link: www.us.pg.com/sustainability

Support for Smallholders**9.1 Are you currently supporting any independent smallholder groups?**

Yes

Yes. Details is provided in Section 5.1 above

Challenges

1 What significant economic, social or environmental obstacles have you encountered in the production, procurement, use and/or promotion of CSPO and what efforts did you make to mitigate or resolve them?

As high volume user of PKO and PKO derivatives, it is critical to ensure the broad, diverse palm oil mills that provide kernels for our PKO supply are engaged and prioritized to managing and addressing the identified challenges. The palm oil supply chain includes a large number of 3rd party, independent mills, smallholders and small growers that are common source of many buyers. It is challenging to engage this complex supply network and to drive towards the goals of meeting RSPO P&C and NDPE policies. We initiated and continued to make progress on the program for small holders in Malaysia along with our major supply partners and multi-stakeholders to understand how we can best engage with smallholders to improve practices, productivity and livelihoods. We continue to share and scale successful learning from our initial pilots across our supply chain. We participate in the industry forums to develop supply shed risk assessment & verification process, and drive an efficient approach toward the sustainable sourcing requirements. It is crucial to establishing and implementing concerted effort supported by multi-stakeholders, such as the jurisdictional approach initiated by RSPO and landscape level framework in order to scale up and accelerate the process. Finally, we view the current review of RSPO P&C as a critical opportunity to strengthen the existing standards and ultimately build even greater credibility and adoption of RSPO across the industry.

2 In addition to the actions already reported in this ACOP how has your organization supported the vision of RSPO to transform markets in other ways? (e.g. Funding; Engagement with key stakeholders; Business to business education/outreach)

We have always supported the vision and have started via small holder program in Malaysia to enable them to meet RSPO standards. As a sponsor of the RSPO RT13, 14 and 15 meetings, P&G enabled smallholders from Latin America, Africa and SE Asia to promote and facilitate sharing and learning of best practices and capability-building training through posters, videos and class room training to help improve the livelihoods of the smallholders across the geographies. In RT15, we presented our learning about water level management and disease control from our smallholders pilots, and potential means to mitigate the challenges at large scale.

3 File -Please attach or add links to any other information from your organisation on your policies and actions on palm oil (EG: sustainability reports, policies, other public information)

- No files were uploaded

Link: us.pg.com/sustainability