

Particulars

About Your Organisation

1.1 Name of your organization

The Procter & Gamble Company

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

- Grower
 - Processor and/or Trader
 - Consumer Goods Manufacturer
 - Retailer and/or Wholesaler
 - Bank and/or Investor
 - Social and/or Development NGO
 - Environmental and/or Conservation NGO
 - Supply Chain Associate
 - Affiliate
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1.3 Membership number

4-0113-10-000-00

1.4 Membership category

Consumer Goods Manufacturers

1.5 Membership sector

Ordinary

Consumer Goods Manufacturer

1. Operational Profile

1.1 Please state your main activity(ies) within the palm oil supply chain. Please select the option(s) that apply to you

- End-product manufacturer
- Food goods manufacturer
- Ingredient manufacturer
- Home & personal care goods manufacturer
- Own-brand manufacturer
- Manufacturing on behalf of other third-party brands
- Biofuels manufacturer
- Other

Other:

2. Palm Oil and Certified Sustainable Palm Oil Use

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 with ingredients made from palm oil (PO) and palm kernel oil (PKO). The P&G Chemical provides the majority of the PKO derivatives in P&G finished products, also sell derivatives to market.

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

Applies globally

2.1.2 In the market(s)/country(ies) where you operate, do you calculate how much palm oil and oil palm product there is in the goods you manufacture?

Yes

2.2 Volumes of palm oil and oil palm products purchased

2.2.1 Total volume of crude and refined palm oil used in the year (tonnes)

33,557.46

2.2.2 Total volume of crude and refined palm kernel oil used in the year (tonnes)

296,609.75

2.2.3 Total volume of palm kernel expeller used in the year (tonnes)

0.00

2.2.4 Total volume of other palm-based derivatives and fractions used in the year (tonnes)

133,128.10

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

463,295.31

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 | - | - | - | - |
| 2.3.2 Book and Claim from Independent Smallholder | - | - | - | - |
| 2.3.3 Mass Balance | 24797.8 | 30030 | - | 95015.2 |
| 2.3.4 Segregated | 8759.66 | - | - | - |
| 2.3.5 Identity Preserved | - | - | - | - |
| 2.3.6 Total volume | 33557.46 | 30030 | - | 95015.2 |

2.4 Volume of RSPO-certified palm oil and oil palm products sold to 3rd party 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 | - | - | - | 23589 |
| 2.4.4 Segregated | - | - | - | - |
| 2.4.5 Identity Preserved | - | - | - | - |
| 2.4.6 Total volume | - | - | - | 23589 |

2.5 According to the information you have provided in this questionnaire, your company has not reached 100% sustainable palm yet by using the four supply chain models (Book and Claim, MB, SG, IP). Do you have plans to immediately cover the gap by using RSPO Credits?

No

2.5.1 When do you plan to cover the gap by using RSPO Credits?

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2.5.2 Please explain why

We cover 100% of PO, POD by RSPO certified material, however as PKO and PKOD are by-products we plan to only use certified products vs. buying RSPO e-credits. We continue to improve our certified PKO/PKOD while having 100% certified PO/POD.

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

2.6.1 Africa

0%

2.6.2 Oceania

0%

2.6.3 Europe

0%

2.6.4 North America

0%

2.6.5 Latin America

0%

2.6.6 Middle East

0%

2.6.7 China

0%

2.6.8 India

0%

2.6.9 Indonesia

0%

2.6.10 Malaysia

0%

2.6.11 Rest of Asia

0%

3. Time-Bound Plan

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

2012

3.2 Year expected to/or started to use any RSPO-certified sustainable palm oil and oil palm products in your own brand products2012

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

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3.3 Year 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

3.3.1 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. By end of 2018, all Palm Oil was moved to SG certified.

All Palm Oil Derivatives have been MB certified and are expected to be all SG certified by 2020. For PKO we have plan to have Y-o-Y increase. For PKO derivatives it will be based on availability and resourcing.

3.4 Year 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

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

We have been sourcing all our palm oil and palm oil derivatives as MB by 2017. We achieved 100% SG Certified for PO by 2018, and PO derivative (incl. palm fractionates) will be SG 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.

3.4.2 Which markets do these commitments cover?Applies globally

3.5 Does your company use RSPO-certified sustainable palm oil and oil palm products in goods you manufacture on behalf of other companies?No

3.6 Does your company have a Time-Bound Plan to only use RSPO-certified sustainable palm oil and oil palm products in the goods you manufacture on behalf of other companies?No

3.7 When do you expect all products you manufacture to only contain RSPO-certified sustainable palm oil and oil palm products?N/A

4. Trademark Use**4.1 Do you use or plan to use the RSPO Trademark on your own brand products?**No

4.2 Please select the countries where you use or intend to apply the Trademark.

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4.2.1 Please state the year that you started using the RSPO Trademark or the year you plan to start using the RSPO Trademark.

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4.3 Please explain why

- 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
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Other:

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

4.4 Have you uploaded information and images of products using the RSPO Trademark to the RSPO mobile app?

5. 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 achieved 100% segregated procurement for traceable sustainable palm oil by 2018, and is on tract for 100% palm oil derivatives (incl. palm fractionates) by 2020. This is accelerated from earlier plan of 2020 for palm oil. We will buy MB to cover the volume which are not SG certified. ,P&G Continue to work aggressively with our key PKO supplier to drive RSPO certification. ,P&G Drive transparency by publicly disclosing our palm sourcing mills, conducting mill risk assessment via WRI GFW Pro tool and prioritization for industry-wide effort to address NDPE risks and verification especially in the 3rd party, independent supply chain. ,P&G We will strengthen our supply chain grievance approach in governing supply chain compliance to our responsible sourcing policy.

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.

- Continue developing the Oil Palm Data Warehouse to manage and analyse the smallholder traceability and information database with MIMOS - We will focus on establishing the P&G Centre for Sustainable Small-owners (CSS)partnering with Malaysia Institute for Supply Chain Innovations (MISI), International Plant Nutrition Institute (IPNI) and key agronomic capabilities. It aims to improve productivity and livelihood of the farmers through creation of the Learning Farms to implement and scale up solutions for best agricultural practices, crop recovery program and nutrient management program, in addition to meeting our responsible sourcing commitments. We will also support the implementation of the new RSPO Independent Smallholder Standard and Smallholder Academy where possible within our Smallholders Program. CSS will continue to engage and trace more collection centers for scaling up the independent smallholder program. ,P&GImproving the Livelihood of the Smallholder is one of our sustainability priority projects in P&G's 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 ,P&G As member of RSPO 2018 P&C Review Taskforce, we contributed to developing the improved Standard incorporating the no deforestation, peat and exploitation (NDPE) requirements. The 2018 P&C is now the fundamental requirements to the P&G palm responsible sourcing policy. P&G is members of the No Deforestation TF and the No Deforestation Joint Steering Group to actively support implementation of High Carbon Stock Approach (HCSA) and further developing the High Forest Cover (HFC) procedure for the new P&C. ,P&G As member of RSPO Smallholder Interim Group and the Smallholder Standing Committee, we contribute to develop the independent smallholder standard toward completion by 2019 and implement the new RSPO smallholder strategy approved in 2017. ,P&G As member of RSPO Jurisdictional Approach Working Group, we contribute to develop the new jurisdictional approach to engage and enable large scale structure and system toward RSPO certification and management system. This is critical to addressing the challenges facing the 3rd party supply chain. ,P&G P&G is serving in the RSPO Board of Governors (BoG) to contribute to advancing RSPO's mission and strategy, continuing to grow the positive impacts of sustainable palm oil. ,P&G As a member of the HCSA SG to continues to support development and implementation of the high-carbon stock approach and large-scale HCS/HCV mapping to assess and protect forest. Support further development and incorporation of the high-forest-cover landscape/country and simplified smallholder approach with RSPO. ,P&G We are member 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.

6. Non-Disclosure of Information

6.1 Information in the sections above are mandatory declarations in your ACOP. For confidentiality purposes, members may choose not to display volume data in Section 2 publicly; however, RSPO reserves the right to utilise the member's data on an aggregate basis for sectoral and total analysis. Please check this box if the member chooses to have the data in Section 2 displayed publicly.

Yes - Display Publicly

7. Application of Principles & Criteria for all member sectors

7.1 Related to company's procurement or operations, do you have organisational policies that are in line with the RSPO P&C? Select all relevant options.

7.1.A Water, land, energy and carbon footprints

File: --

Link: Please visit <https://us.pg.com/environmental-sustainability/> for the policies relevant to the above

7.1.B Land use rights

File: --

Link: Please visit <https://us.pg.com/environmental-sustainability/> for the policies relevant to the above

7.1.C Ethical conduct and human rights

File: --

Link: Please visit <https://us.pg.com/policies-and-practices/human-rights-statement/>;
https://www.pg.com/citizenship2018/static/PDF/pg_citizenship_report_2018_ethics_corporate_responsibility.pdf;
<https://www.theconsumergoodsforum.com/initiatives/social-sustainability/key-projects/palm-oil/> for the policies relevant to the above

7.1.D Labour rights

File: --

Link: Please visit <https://us.pg.com/policies-and-practices/human-rights-statement/>;
<https://us.pg.com/policies-and-practices/supplier-sustainability-guidelines/> for the policies relevant to the above

7.1.E Stakeholder engagement

File: --

Link: Please visit <https://us.pg.com/policies-and-practices/supplier-sustainability-guidelines/> for the policies relevant to the above

7.1.F None of the above. Please explain why.-

7.2 What best practice guidelines or information has your organisation 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?

Meeting the RSPO P&C is key to our palm responsible sourcing policy. The 2018 P&C is now the fundamental to the policy and aligned with all of our suppliers. They have provided their action plan as to how they will meet our responsible sourcing requirements. We actively work with our palm suppliers to execute our goals, and we have reached 100% SG certified PO and the progress is on track to reaching 100% SG PO derivatives by 2020. Related link: www.us.pg.com/sustainability.

8. Greenhouse Gas (GHG) Footprint**8.1 Are you currently reporting any GHG footprint?**Yes

8.1.1 Please upload your publicly available GHG reportFile: --

8.1.1.1 OR please insert the URL to the GHG section of your corporate website.Link: www.us.pg.com/sustainability; <https://www.pg.com/citizenship2018/index.html#/Environmental-Sustainability>

8.2 Please explain and justify why you are not calculating your GHG footprint. Please include any future plans you may have to calculate your GHG footprint.

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8.3 What methodology are you using to calculate your GHG footprint?

It is based on Life Cycle Assessment of our category products modelled in Simapro software. For Scope 2 GHG emissions, we followed the WRI/WBCSD GHG Accounting protocol.

9. Support for Oil Palm Smallholders

9.1 Are you currently supporting any oil palm Independent Smallholder groups?

Yes

9.2 How are you supporting them?

Please see details in section 5.1 as well as www.us.pg.com/sustainability

9.2.1 Do you have any future plans to support oil palm Independent Smallholders?

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9.2.2 When do you plan to start your support for oil palm Independent Smallholders?

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10. Challenges

10.1 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?

- 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
- Others

Other:

As related to our input for Q. 3.7 above, by 2020 we will achieve 100% RSPO SG for all PO and POD. However, the availability of certified PKO volume to meet the demand is a challenge in the market. We are continuing to work with our suppliers to increase and establish a time-bound plan for all CPKO supply.

10.2 In addition to the actions already reported in this ACOP, how has your organisation supported the vision of RSPO to transform the market for sustainable palm oil in other ways?

- Engagement with business partners or consumers on the use of CSPO
 - Engagement with government agencies
 - Promotion of CSPO outside of RSPO venues eg trade workshops industry associations
 - Promotion of physical CSPO
 - Providing funding or support for CSPO development efforts
 - Research & Development support
 - Stakeholder engagement
 - Others
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Other:

10.3 Please attach or add links to any other information from your organisation on your palm oil policies and activities (e.g.: sustainability reports, policies, other public information)

<https://www.pg.com/citizenship2018/index.html#/>
