



December 2021

Progress on Ensuring Responsible Sourcing of Priority Ingredients

In June of 2020, P&G Beauty launched its [Responsible Beauty Platform](#) along with specific 2030 goals. One of the goals is to ensure responsible sourcing of Beauty's priority ingredients of natural origin (plant, animal, or mineral-derived) by 2030, and to ensure responsible sourcing of palm oil, palm oil derivatives, palm kernel oil and palm kernel oil derivatives by 2022. Beauty is taking specific steps to achieve this goal which are consistent with P&G's overall commitment to respecting human rights, conserving natural resources, and protecting natural ecosystems.

In February 2021, P&G Beauty publicly shared their [Responsible Sourcing Expectations for materials of natural origin](#). This document outlines what P&G Beauty means by responsible sourcing, sets expectations for Beauty's External Business Partners and for Beauty's Buyers, and describes how ingredients are prioritized based on responsible sourcing risk and opportunity.

Priority materials for P&G Beauty currently includes ingredients derived from palm fruit, wood fiber, guar beans, mica, shea nuts, and histidine from U.S. corn. Each priority material feedstock has a responsible sourcing strategy in-progress as follows.

- For palm and wood fibers, Beauty engages in the Company's Programs for [palm](#) and [wood](#) fiber for paper packaging. Beauty achieved 100% RSPO certified palm as of January 2021.
- To support responsible sourcing of histidine derived from U.S. corn, Beauty joined Field to Market: The Alliance for Sustainable Agriculture (FtM), and is partnering with key suppliers on a FtM [continuous improvement project](#) focused on helping corn farmers in Indiana improve soil health.
- On guar bean-derived ingredients sourced from India, Beauty identified a responsible sourcing program for a significant portion of their guar ingredients that is focused on driving good agricultural practices and empowering farmers. There is more work to do with additional suppliers to make sure programs are established across all Beauty supply chains.
- On mica, Beauty is actively conducting due diligence and engaging suppliers to map mica supply chains back to their origin. This supply chain transparency data will inform the mica responsible sourcing strategy going forward.
- On shea, Beauty developed a responsible sourcing strategy for shea ingredients based on the specific risks associated with shea production in West Africa. The strategy includes sourcing from suppliers who provide credible 3rd party verification of our expectations to respect human rights, conserve natural resources, and protect natural ecosystems.