



AMBITION 2030



100% of our leadership brands will enable and inspire responsible consumption.

65% of our leadership brands have met milestone one of their 2030 journey. You can read more about these efforts <u>here</u>.

100% of our consumer packaging will be recyclable or reusable.

Today, 73% of our consumer packaging is recyclable or reusable (vs. 55% last year). We continue our efforts to work towards 100% recyclable or reusable packaging. You can read more about these efforts on our <u>ESG Portal</u>.

We will reduce our use of virgin petroleum plastic in packaging by 50% vs a 2017 baseline.

During fiscal year 2020-21, we increased our use of recycled resin by 32%, using a total of 70,100 metric tons of recycled resin and achieving a global average of 9% recycled resin across all forms of plastic packaging. However, during fiscal year 2020-21 we also experienced outsized growth in several categories that occurred prior to implementation of planned increases in use of post-consumer recycled (PCR) plastic. This resulted in our total corporate usage of virgin petroleum plastic increasing by about 3% versus our 2017 baseline. As we are beginning to implement our planned increases in PCR in these categories and other businesses over the next couple of years, we anticipate getting back onto our glidepath to deliver our 50% reduction goal by 2030. You can read more about our efforts on our ESG Portal and on our webpage at Mapping our Impact.

We will build even greater trust through transparency, ingredient innovation and sharing our safety science.

Our Brand websites and PG.com offer more information than ever before about our ingredients, making it easy to discover what we do use in a product as well as what we do not use. You can read more about our efforts on PG.com.

We will find solutions so no P&G packaging will find its way to the ocean.

Plastic waste in our environment is a serious problem, especially when it ends up in our rivers and oceans. It's a complex global challenge that requires a comprehensive, collaborative approach across the entire plastics lifecycle. We have partnerships with the Alliance to End Plastic Waste, Closed Loop Partners, The Recycling Partnership among others and initiatives like Planet Kind, Recycle on Us, Beyond 34 and many more to help increase recycling and curb the flow of plastics into our oceans. You can read more about these efforts on our ESG Portal.

We will protect water for people and nature in priority basins.

We kicked off a partnership with the Bonneville Environmental Foundation (BEF) Business for Water Stewardship (BWS) program through which we are funding six projects in California's Sacramento River and American River basins that aim to have a long-term positive impact on freshwater ecosystems and water supply for communities and businesses. These projects, combined, expect to restore more than three billion liters of water to people and nature. You can read more about these efforts here.

We will collaborate on and invest in natural climate solutions that improve and restore critical ecosystems and support local communities.

We have been working diligently with our NGO partners on developing several large projects that we expect to announce in the Spring of 2022. We are putting the critical planning necessary into these projects to ensure they preserve and protect the habitats and communities in which they reside. Once announced, those projects will keep us on track to achieve our goal.

We will purchase 100% renewable electricity globally, cut GHG emissions in half at P&G sites* and be carbon neutral for the decade.

We currently purchase 98% renewable electricity globally. We reduced energy use at our facilities by 21% per unit of production vs. a 2010 baseline. We also reduced GHG emissions from P&G sites **by 56%** from a 2010 baseline. We also announced our intention to achieve net zero greenhouse gas emissions across our operations and supply chain, from raw material to retailer by 2040. Our <u>Climate Transition Action Plan</u> provides additional detail on our climate efforts.

P&G sites will deliver a 35% increase in water efficiency* and source at least five billion liters of water from circular sources*.

We have increased water efficiency in our operations by 25% per unit of production and sourced 3.1 billion liters of water from circular sources. You can read more about our comprehensive efforts on water on our <u>ESG portal</u>.

We will advance at least 10 significant supply chain partnerships to drive circularity on climate, water or waste.

Supply chain partnerships can help drive innovation and impacts at scale. Over the past year, we have focused on two initiatives that will help drive both innovation and scale across the value chain:

Holy Grail 2.0: This value chain partnership is seeking to transform the ability to sort post-consumer packaging waste and enable much greater sorting and improved quality of recovered materials. You can read more about this partnership <u>here.</u>

Product Supply Innovation Center: P&G established a new Product Supply Innovation Center (PSIC) in Kronberg, Germany to leverage P&G innovation and serve as the hub for collaboration with a network of local suppliers, tech companies, R&D institutions, and top universities. This network will focus on developing solutions that are global, scalable, and modular to decarbonize its supply chain. With the new PSIC, we aim to accelerate innovation, transformation, and implementation of intelligent supply chain operations with new solutions from one of the world's leading markets for sustainability innovation and industry. We see the formation of the PSIC as a key step in unlocking impactful supply chain partnerships.

We will protect and enhance the forests we depend upon

We use 100% certified pulp in Family Care – for every tree we use at least one is regrown. We will also achieve 75% FSC certification, our preferred certification, by 2022 with an ambition to reach 100% FSC by 2030. You can find a detailed description of our comprehensive forestry efforts on our <u>ESG portal</u>.

We will improve the lives of palm smallholders by increasing yields from existing lands.

We are committed to the responsible sourcing of palm oils. We are members of RSPO (Roundtable on Sustainable Palm Oil) and are committed to RPSO's 2018 Principles and Criteria (P&C's). As of 2021, all P&G consumer brands use 100% RSPO certified palm oils. We have driven significant progress in our efforts to improve the lives of palm smallholders. To learn more about these efforts, click here.

We will integrate social and environmental sustainability as a key strategy in our business plans.

We have made important progress on our integration of social and environmental sustainability as a key strategy in our global businesses. On an annual basis, our collective global businesses CEOs engage with our senior company leadership on their organizational units' sustainability strategies to declare and drive progress on our Ambition 2030 goals. Our annual employee survey results in 2021 report that 79% of our employees agree that sustainability is a business priority in their OUs which reflects strong progress on strategy integration.

Will educate employees across all levels.

During our Earth Week celebration in April, we launched the It's Our Home campaign to show how small actions at home can make a world of difference for our planet. Through this global campaign, P&G and our brands are committing to using our voice, reach, innovation and expertise to make sustainability irresistible for all. To bring "It's Our Home" to life across the Company, we invited all P&Gers to JOIN THE MOVEMENT and encourage our employees to come together to do more and do better for the planet, our home.

We invest in educating and inspiring our employees on an ongoing basis through an annual Earth Week summit in the spring. All employees are invited to attend and be inspired by an all-star line up of internal and external speakers, leaders, and visionaries, around the world who galvanize and empower our people to deliver our Ambition 2030 goals and raise the bar for our global organization. The theme this year was focused on constructively disrupting what gets in the way of sustainable growth.

We will reward progress and integrate recognition in the individual's performance assessment.

We are now linking Executive Pay to ESG progress. P&G's Board has modified our annual incentive program to include an ESG Factor to be applied to bonus payouts for our most senior executives. The ESG Factor will be determined based on fiscal year progress towards several of our long-term E&I and Sustainability goals as outlined in our Citizenship Report. The ESG Factor will adjust the final bonus payout higher or lower based on results.

We have now completed our third annual Global "It's Our Home" Ambition 2030 reward and recognition all employee awards program. Importantly, this year the awards program was led in partnership with all of our businesses and regions around the world who owned the nomination and recognition process to continue to drive the integration into business strategies and action plans. We recognized hundreds of employees and teams from around the world.

Our annual employee survey results in 2021 report that **72%** agree that "my manager empowers me to contribute to my organization's sustainability efforts" which is a very strong baseline result.

* Against a 2010 baseline