



# Environmental Sustainability

## 2020 GOALS

In 2010, P&G declared a set of goals and commitments to reduce our environmental footprint across climate, water and waste. Since then our business has continued to grow, while our teams have developed smarter, more efficient ways to operate. As we close out 2020, we are proud to report that 14 out of 16 goals we set back in 2010 have been achieved. For the two goals we did not achieve, our efforts still drove significant progress—reducing packaging material usage by more than 200,000 metric tons and reducing energy consumption by 19% while in the process saving hundreds of millions of dollars.

### CLIMATE



#### Ensure 70% of machine loads are low-energy cycles

This goal was achieved in 2019 when we reported 70% of machine loads were being done in low-energy cycles.



#### Reduce energy use at P&G facilities by 20% per unit of production by 2020

P&G was able to reduce energy use per unit of production by 19%. While this was just short of goal, we saved hundreds of millions of dollars on our energy conservation efforts in the process.



#### Reduce truck transportation kilometers by 20% per unit of production

This goal was achieved several years early, and we reduced kilometers by more than 25%.



#### Reduce absolute greenhouse gas (GHG) emissions by 30% by 2020

P&G was able to reduce absolute GHG by 52%. We significantly over-delivered on this goal by accelerating efforts on renewable electricity.

*We targeted a 30% reduction in Scope 1 & 2 GHG emissions by 2020, and we overdelivered by achieving a 52% reduction.*



#### Ensure plants are powered by 30% renewable energy

P&G was able to reach 31% renewable energy. This result was a combination of reducing our overall energy use while increasing our use of renewable energy sources.



#### Implement palm oil commitments

We achieved our 2020 goal of 100% Roundtable on Sustainable Palm Oil (RSPO) certified for all palm oil and palm oil derivatives. We're on track to deliver 100% RSPO for palm kernel oil and palm kernel oil derivatives used in our brands by the end of 2021, 12 months ahead of our previous commitment.



#### Have 100% of the virgin wood fibers used in our tissue/towel and absorbent hygiene products be third-party certified by 2015

This target was achieved in 2015, and we have maintained 100% certification since that time.



#### Create technologies by 2020 to substitute top petroleum-derived raw materials with renewable materials as cost and scale permit

This target was achieved in 2018 when we announced we had developed the capability to substitute our top petroleum-derived materials (plastic resin, cleaning agents and acrylates) with renewable materials.

### WATER



#### Provide one billion people with access to water-efficient products

In 2019, we achieved our goal to provide one billion people with access to water-efficient products. The end of the decade doesn't mean the end of this important work. P&G brands, like our Waterless hair care brand, will continue to look for opportunities to help consumers reduce in-home water use.



#### Reduce water use in manufacturing facilities by 20% per unit of production with conservation focused on water-stressed regions

P&G has exceeded this goal since 2015. This past year, P&G achieved a reduction of 27% per unit of production.



#### Reduce packaging by 20% per consumer use

We have avoided the use of more than 200,000 metric tons of packaging since 2010. While we consider this a success, we also acknowledge this is only a 12% reduction. Market driven headwinds negatively impacted our results. This included customer requests for lower case counts that increased the amount of corrugate per consumer use in some markets. Optimizing our packaging designs will remain a key focus going forward.



#### Double use of recycled resin in plastic packaging

We achieved this goal in 2020, using 52,800 tons of recycled resin, which exceeded our target level of 52,000 tons.



#### Ensure 90% of product packaging is either recyclable or programs are in place to create the ability to recycle it

This goal was achieved in 2019. We will continue to report progress versus our 2030 goal of 100% recyclable or reusable packaging globally.



#### Conduct pilot studies in both the developed and developing world to understand how to eliminate landfilled/dumped solid waste

We have implemented a wide range of pilot studies and continue to work in collaboration with many organizations to drive progress toward our 2030 goals on packaging and waste.

### WASTE



#### 100% of plants achieve zero manufacturing waste to landfill by 2020

This goal was achieved in 2020. We estimate that the cumulative cost savings from this effort was more than \$2 billion.



#### Have 100% of our paper packaging contain either recycled or third-party certified virgin content by 2020

We achieved 99.5% with plans in place to address the remaining small fraction (0.5%) of our supply. We will continue to monitor and report the status.

*With 10 years of progress and*

## 14 of 16 goals achieved,

*there's still more work to do.*

