

P&G Supplier Citizenship Responsible Beauty





Agenda

- 1. Welcome & Introduction Jamila Belabidi Purchases Director, Global Women Economic Empowerment & Global Supplier Diversity
- 2. Responsible Beauty Overview Riona Bonnet Purchases Director, Responsible Beauty
- 3. Responsible Sourcing Ashley Kuhn Purchases Director, Responsible Beauty
- 4. Supplier Equality & Inclusion Lorena Zambrano Purchases Director, Responsible Beauty
- 5. Q&A





Responsible Beauty Overview



Be a

Positive Force
for Beauty
in the world



Today's Landscape

Sustainable Clean Safe **Natural High-Performing Social Good**





Responsible Beauty

Is a systems-thinking approach with solutions that interact together rather than in isolation or as a static issue.

















-Advisory Council

















Shift is the leading center of expertise on the UN Guiding Principles on Business and Human Rights.



BRANDS

Our brands leverage their voice in communication to promote social and environmental sustainability:

- Incorporate positive environmental cues in production and communication.
- · Promote equality and inclusion.
- Rinse-off products: encourage water conservation behavior amongst consumers.

Promote fair and equal representation in advertising and its production across gender, race, and ethnicity.

Make all P&G Beauty priority communication tools sight- and hearing-impaired accessible by 2025, starting with newly created brand communications in 2021.

Our brands are transparent about ingredients and share the brand's safety science.

INNOVATION & INGREDIENTS

Provide water-efficient products and waterless product innovation to consumers (focus: priority water-stressed markets).

100% of priority botanical ingredients are identified by the Royal Botanic Garden, Kew.

Reduce the environmental footprint of our products, i.e., using fewer ingredients and improving the biodegradability of our rinse-off formulas around the world.

Prioritize the use of responsibly sourced biobased materials or materials prepared using green chemistry principles.

Fuel category-changing innovation by partnering with start ups in emerging 'green areas' such as bio-tech and nature-identical materials, green chemistry and sustainable materials.

Actively seek and become a leader in supporting start ups and cooperatives that are female owned/led.

Ensure we have diverse teams supported by an inclusive environment in all sectors of our research & development enterprise.

Make publicly available game-changing technologies, programs and processes to help the beauty industry have a bigger, positive impact on the world.

SUPPLY CHAIN

Reduce our footprint and strive for circular solutions:

- 100% renewable electricity.
- 50% reduction in greenhouse gas.
- 35% increase in water efficiency.
- 100% of sites are Zero Waste to Landfill.
- · Circular supply chain programs.

Responsible sourcing of priority ingredients of natural origin, including 100% RSPO certified PO/PKO and derivatives by 2022.

Join forces with our External
Business Partners and leverage our
combined scale to drive
environmental sustainability and
social responsibility performance,
programs, and outcomes.

Manufacturing sites in priority waterstress markets / basins for Beauty are locally engaged to help protect water for people and nature.

Become a leader in supporting businesses owned & led by women and diverse groups along all areas of our value chain by 2025.

Create and nurture Kew-inspired gardens to teach employees about biodiversity at all P&G Beauty manufacturing sites.

PACKAGING

100% Recyclable or reusable by 2030. By 2025: 90% of our major packaging platforms will be recyclable or reusable at sectorlevel.

50% reduction in the use of virgin fossil-based plastic by 2025 at sector-level.

Drive significant increase in the use of refills across P&G Beauty via consumer behavior change; new packaging approaches, novel chemistry & new business models.

Promote the use of responsiblysourced bio-based materials and circular materials.

Make P&G Beauty packaging more accessible for people with disabilities starting with including tactile markings for sight-impaired people on our hair care and body wash bottles by 2025.

Responsible Brands: Pantene Japan #HairWeGo

Advocating for change to the challenges LGBTQ+ job seekers face















Aspirational Irresistible, Beautiful











Europe Refillable System

The world's first mass-brand hair care refill & reuse system











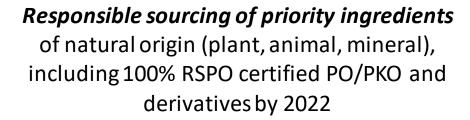


Responsible Souring



Responsible Sourcing Goals







Join forces with our *External Business Partners* and leverage our combined scale to drive environmental sustainability and social responsibility *performance*, *programs*, *and outcomes*



Definition of Responsible Sourcing

Responsible Sourcing is the production and procurement of goods and services in a manner that <u>respects human rights</u>, <u>conserves natural resources</u>, <u>and protects</u> <u>natural ecosystems</u>.





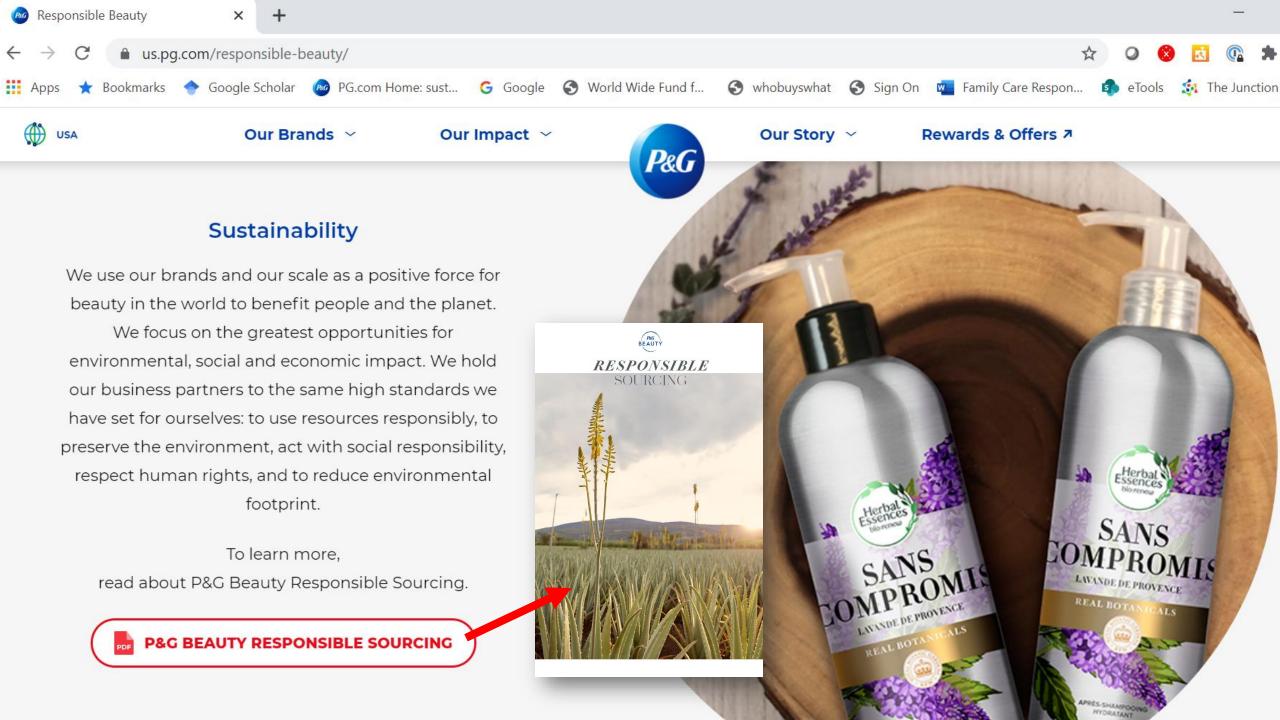




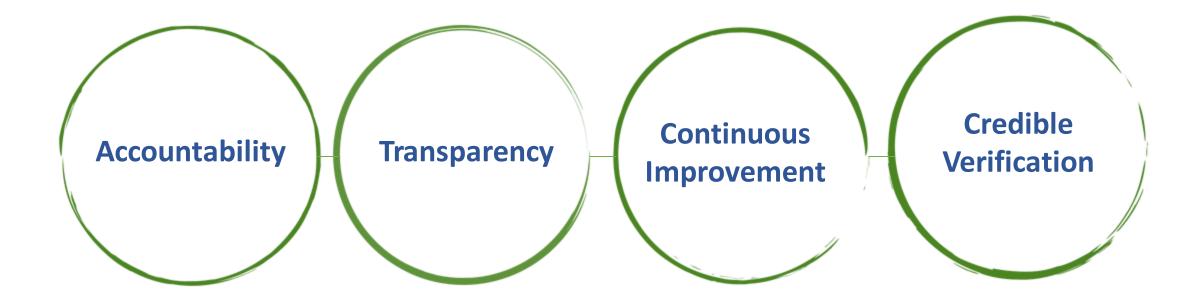








Supplier Expectations







Responsible sourcing of priority ingredients

of natural origin (plant, animal, mineral), including 100% RSPO certified PO/PKO and derivatives by 2022



Beauty Priority Materials

Current Beauty Prioritized Material List

List is dynamic and subject to change



Guar bean derivatives



Palm (PO/PKO/POD/PK ODs)



Corn derivatives from the U.S.



Mica



Shea Derivatives



Wood Pulp





Join forces with our *External Business Partners* and leverage our combined scale to drive environmental sustainability and social responsibility *performance*, *programs*, *and outcomes*

Supplier Ecosystem Longevity Program (SELP)

ESG Resilience & Continuous Improvement

Objectives

- 1. Identify areas for continuous improvement
- 2. Create shared value-growth opportunities
- 3. Incorporate ESG performance as part of the Best Total Value equation

Our Partners









Supplier Ecosystem



Supply Chain Transparency

Capabilities and processes necessary to support claims, manage risk, and ensure compliance e.g. new and upcoming mandatory due diligence

"What's in our products?

How were they made?

Who do we trust?

What can we believe?

What's marketing, and what's legit?

What is the law?

Most importantly, what are the

implications for our health?"

SARA BROWN, BUSINESS OF FASHION

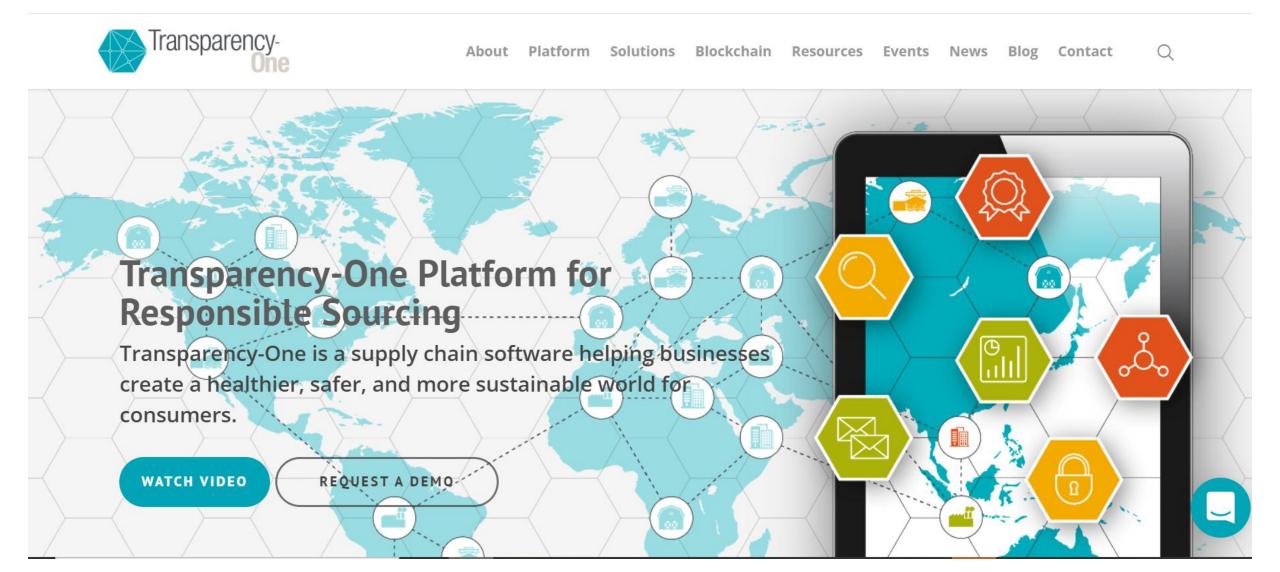


Responsible Sourcing Operating Principle

Transparency: We expect our EBPs to be transparent in the practices they use, and in the physical supply chain of the goods and services they provide to P&G Beauty, such that we have a sufficient level of traceability to assess risk and compliance. In turn, we will be transparent with our stakeholders regarding the steps we take to ensure responsible sourcing in our supply chain ecosystem.



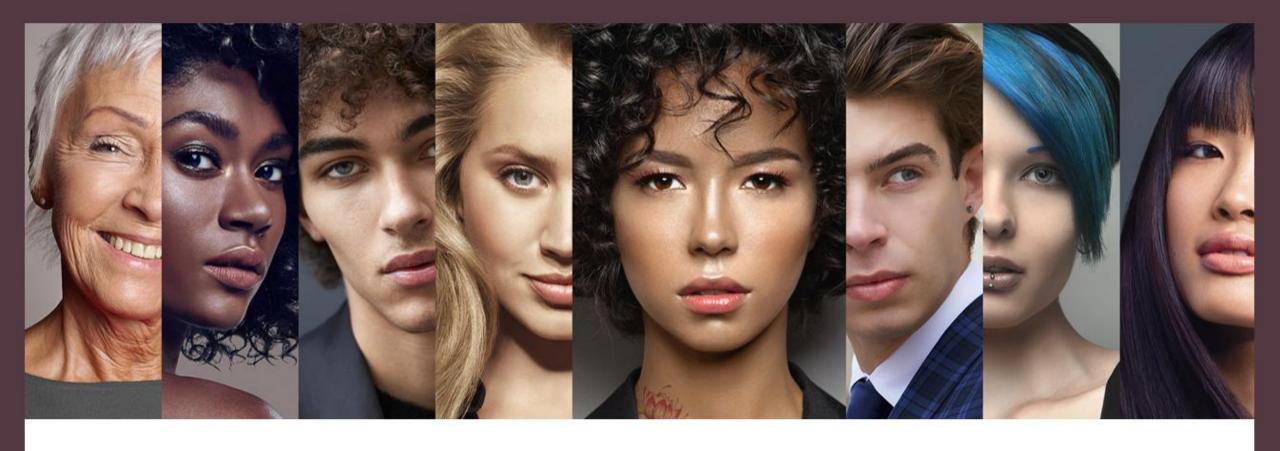
TransparencyOne Video





Supplier Diversity





Supplier Diversity – Beauty Care



Global Strategy for

Equality & Inclusion

For Our Employees

For Our Brands

For Our Partners

For Our Communities



For Our Partners

- Join forces with our External Business Partners and leverage our combined scale to drive environmental sustainability and social responsibility performance, programs, and outcomes.
- Become a leader in supporting businesses owned & led by women and diverse groups along all areas of our value chain by 2025.



Beauty – Supplier Diversity



Vision

Build equality and inclusion into key areas of our supply and value ecosystem, through more equitable spending, support and advocacy of diverse owned and led suppliers.

Definitions and Scope

Owned

>51%
Minority/Women
Owned/managed/
controlled

Led

Minority/Women
in Leadership
Positions
(CEO or 50% board
representation)

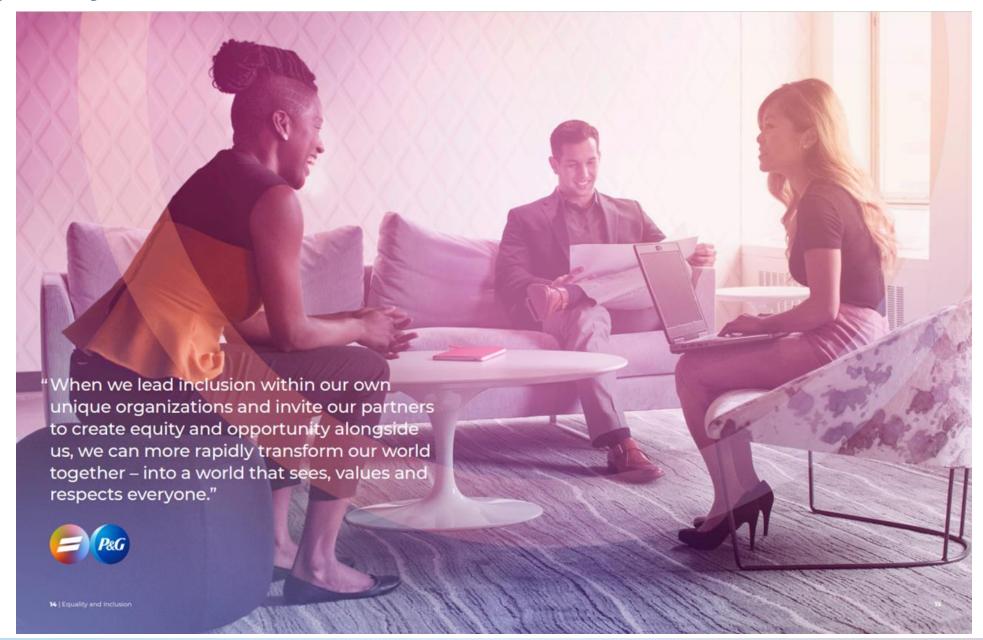
Empowered

Continuous improvement programs targeting minorities and women

- US focus: spend with Diverse Suppliers (Women, ethnic minorities, LGBTQ+, PwD, veterans)
- Focus outside the US: spend with Women Suppliers.



Equality & Inclusion





Thank you!



