13th October 2021

Re: Notification of Publication of Indicative Forest Footprint Evaluation for North and East Kalimantan (30-9-21)

Dear Ms. Ginger Cassidy

Thank you for your letter addressed to Mr. David Taylor (September 30th, 2021). Let me take this opportunity to assure you that at P&G we take the issue of protecting eco-systems and ensuring respect for the rights of workers, communities, and indigenous peoples in our supply chains extremely seriously.

Importantly, I would like to clarify that we do not source wood pulp from tropical rainforests anywhere across the globe. This means that we do not source pulp from South East Asia, Indonesia or North and East Kalimantan. Our wood pulp sourcing geographies are transparently shared at our ESG Investor Portal: Wood Pulp Data & Metrics

With respect to palm oils our P&G Responsible Palm Sourcing Policy directly prohibits deforestation and conversion of high-conservation-value (HCV) and high-carbon-stock (HCS) forests, Intact Forest landscapes (IFL) and new development on peatlands.

P&G’s responsible palm approach starts with clear policies, expectations, and goals, shared transparently. We disclose our supply chain, including Tier 1 (direct suppliers) and palm oils mills lists at P&G Palm Sourcing. Our rigorous compliance monitoring program includes our partnership with Earthqualizer, which allows us to monitor environmental impacts proactively in our supply chains, providing visibility beyond mills to plantations. We know that it is important to go further, and we welcome and encourage anyone to report any concerns to us. We share the outcomes of investigations with complainants and our actions publicly at P&G Palm Oils Grievance Tracker.

We believe that it is essential that the rights of local stakeholders are respected. We expect our suppliers to ensure Free, Prior and Informed Consent (FPIC) is secured from indigenous and local communities and that the rights of environmental and land rights defenders are respected and protected. We recognise that these are complex topics and there is always more for all of us to learn from experts. We are currently engaged with Landesa, an acknowledged expert in land rights, to help further inform our approach on FPIC. We have invited several civil society groups, including RAN and Friends of Earth, to be part of this engagement process.

Beyond our direct supply chain, we continue to support conservation efforts in palm producing areas through partnerships with civil society, communities, and companies. This includes our role as one of the founding members of RIMBA Collective, which has ambitious goals to conserve, restore and protect forest and peat landscapes and work hand-in-hand with communities in South East Asia. RIMBA Collective has a specific focus on Indonesia. Additionally, in 2021 we announced our support for the work of WWF in Malaysia on Tiger Landscapes conservation, which includes a focus on protecting and restoring landscapes and key forest linkages in the Malaysian Central Forest Spine.

We will review with interest the full findings of the report you are publishing on Forest Footprint Evaluation for North and East Kalimantan. As I am sure you are aware our P&G Palm Sourcing Team has a regular monthly engagement with RAN via Gemma Tillack (RAN Forest Policy Director) and we look forward to continuing meaningful discussion with you on this topic.

You can find additional information related to our ongoing work on a range of ESG topics, including forestry as part of our commitment to transparency at: P&G ESG Portal - Forestry

Sincerely

Dr Siân Morris, Corporate Science and Sustainability Senior Director