

# Colgate-Palmolive Palm Oil Implementation Plan

Colgate is committed to the transparency of our palm oil supply chain and reporting on our progress and future plans. As detailed in our Policy on Responsible and Sustainable Sourcing of Palm Oils, we will provide biannual updates on our plans and progress through this public implementation plan supporting our activities on palm oil.

## OUR PROGRESS

Colgate recognized the need to source responsibly produced palm oil beginning in 2007 when we became a member of the Roundtable on Sustainable Palm Oil (RSPO). Since that time we have made steady and measurable progress and our strategy and plan will continue to evolve.

Detailed here are key actions Colgate has taken to date:

- Developed a cross-commodity Policy on No Deforestation, highlighting palm oil as one of four commodities to target for implementation (2014)
- Communicated our policy to all our direct palm oil and PKO suppliers (2015)
- Initiated a palm oil membership with Earthworm Foundation to map our supply chain, engage our suppliers and drive transformation in the supply chain (2015)
- Identified all palm oil derivatives in our supply chain (2015)
- Issued a commodity-specific Policy on Responsible and Sustainable Sourcing of Palm Oils (2016)
- Supported transformation work and landscape projects in palm oil sourcing regions including Malaysia, Indonesia, and Latin America; focused on smallholders, conservation & forest management practices, and human rights (2017- ongoing)
- Included 100 percent of palm oil and PKO suppliers in the Engagement for Policy Implementation (EPI) program, working in collaboration with Earthworm Foundation (2018)
- Piloted use of WRI-GFW satellite monitoring system to identify potential deforestation alerts within our supplier's palm oil supply network (2018)
- Conducted a pilot using Starling-Earthworm Foundation satellite monitoring system to enhance our risk management program for palm oil suppliers (2019)
- Joined the Consumer Goods Forum - Forest Positive Coalition (2019)
- Joined the Consumer Goods Forum - Human Rights Coalition (2021)
- Requested information on traceability to mill and plantation from 100% of palm oil and palm kernel oil suppliers (ongoing)
- Engaged 94% of our palm oil derivative's volume suppliers in policy implementation assessment (EPI Lite) and traceability to the mill (2021 - ongoing)

- Encouraged direct suppliers of palm oil and palm kernel oil to increase transparency and holding suppliers accountable to time-bound action plans to transform their supply chain (ongoing)
- Discontinued relations with certain suppliers who are not making adequate progress toward our policy commitments and time-bound action plan (ongoing)
- Committed to procure 100 percent physically certified palm oil and palm kernel oil (ongoing)

As we continue on our journey toward responsible and sustainable sourcing of palm oils, we will strive to make progress across the following areas:

## TRANSPARENCY

- Continue to work with suppliers and external expert organizations to identify potential social or environmental risk in our supply chain and to address those risks through transformation actions
- Understanding that transparency in the sourcing of palm oil is very important in order to understand and address risks, Colgate-Palmolive, in collaboration with our palm oil suppliers, started the journey to achieve 100% transparency of our palm supply chain. Additionally, Colgate through our on the ground jurisdictional and landscape projects has been working with NGOs and other local stakeholders to increase the transparency and traceability of palm mills in our supply chain.
- To support such transparency, we publish our list of direct suppliers for palm oil and PKO and our current mill list. This snapshot reflects our palm oil and PKO supply network refresh of 1H 2021. We will update our direct palm oil and PKO suppliers and mill list every six months.
  - [Colgate-Palmolive's suppliers for palm oil and palm kernel oil and mills](#)
- Colgate with support of Earthworm Foundation has conducted an initial Forest Footprint exercise for our palm oil supply chain in North Sumatra, Indonesia. Please find here a link to our [North Sumatra Forest Footprint](#). Colgate is working with a number of our peers and Earthworm Foundation to engage priority suppliers sourcing from North Sumatra to develop an action plan focused on conservation of remaining forests within and outside of concessions. We will provide updates on progress via this implementation plan moving forward.
- During 2021 and early 2022, we have been in the process of piloting and implementing an improved grievance management process through which we are engaging our suppliers and external stakeholders. Our grievance management process is aligned with the Consumer Goods Forum - Forest

Positive Coalition’s monitoring and response framework (MRF). Please access an overview of our Grievance Management Process via this [Link](#).

## TRACEABILITY

Colgate-Palmolive is committed to 100 percent traceability for all palm oil, PKO and derivatives.

- We plan to achieve full traceability of our direct palm and PKO volumes to the plantation by year end 2025 and for our palm oil derivatives supply chains back to the plantation by year-end 2028
- As of our latest traceability exercise for our 2021 volumes of direct palm oil and PKO we have achieved >60% traceability to the plantation

We have engaged 100 percent of our direct suppliers of palm oil and PKO to understand the source of their supply, down to the mill and plantation level.

The percentages in Table 1 below reflects the percentage of palm oil and PKO for each purchasing market that can be traced back to the origin mill. Table 2 reflects our current traceability for palm oil and PKO to the level of the plantation. Identifying the mill and plantation sources for our palm supply allows us to prioritize upstream suppliers for engagement based on associated risk. It also allows us to seek further information and respond if concerns arise against stakeholders within our supply chain.

**Table 1: Colgate Global PO and PKO Traceability to the Mill (2021 volumes)**

Production Market	Palm oil (% Vol.)	Palm Kernel Oil (% Vol.)
North America	N/A	100%
Latin America	100%	100%
Thailand	100%	100%
Europe, Middle East & Africa	99%	99%
Weighted Total	99%	99%

**Table 2: Colgate Global PO and PKO Traceability to the Plantation (2021 volumes)**

Production Market	Palm Oil (% Vol.)	Palm Kernel Oil (% Vol.)
North America	N/A	77%
Latin America	55%	91%

Thailand	82%	95%
Europe, Middle East and Africa	54%	24%
Weighted Total	60%	65%

Our traceability work enables us to identify from which country we source our palm oil and PKO materials. Table 3 shows our percent volumes of palm oil and PKO sourced per country or region of origin.

**Table 3: Colgate Palm Oil and PKO Global Sourcing per Region (2021 volumes)**

Palm Oil and PKO Sourcing Region	% Annual Volume
Malaysia	20%
Indonesia	30%
Latin America	39%
Thailand	11%

For our Palm Oil Derivatives, in 2017 we engaged with our suppliers to begin our traceability journey in partnership with Earthworm Foundation.

We continue to engage an increasing number of our derivative suppliers on traceability of their supply to the mill and as of 2021, we have included suppliers that represent 94% of our global palm and PKO derivative volumes. As shown below, of those derivative volumes included in traceability, we have traced 69% back to the mill.

**Colgate Global Palm Oil Derivatives Traceability to the Mill (2020 volumes)**

	First Refiner	Mill
Colgate Derivatives Volume (focus on 94% of palm oil derivatives total volume)	67%	69%

Based on our current derivative traceability progress and volumes mapped, 50% of our palm derived volume is sourced from Indonesia, 33% from Malaysia, 8% from Latin America and 4% from Thailand.

We will continue to work with our derivative suppliers to increase the traceability percentages and transparency in the derivatives supply network aligned with our derivative traceability goals.

## ACCOUNTABILITY (PROGRESS & VERIFIED COMPLIANCE)

- Continue to reinforce the expectation that all suppliers implement their own NDPE policy at a corporate group level and publish concession maps as legally permitted
- Continue to measure and drive suppliers' conformance with Colgate's Policy on Responsible and Sustainable Sourcing of Palm Oils and NDPE expectations through our EPI program.
- Strengthen work with our direct suppliers and upstream producers to progress NDPE compliance of mills and plantations within and outside of our direct supply chain through use of the NDPE Implementation Reporting Framework (IRF)
- Conveying to suppliers the Forest Positive Coalition ask and expectations
- Strengthen engagement on NDPE Implementation with palm oil and PKO derivative suppliers

### *Palm Oil and PKO Suppliers*

Through our Engagement for Policy Implementation (EPI) program we have engaged 14 of our direct palm oil and PKO suppliers, covering 100% of our direct palm oil and PKO volumes. Since 2020, 100% of our direct palm oil and PKO suppliers have an NDPE policy implemented and are making progress against full implementation of their policies. Engagement with suppliers via EPI focuses on the strengths and weaknesses of each supplier's capacity for reaching full compliance as well as tracking their progress on specific issues. In order to evaluate direct suppliers, we utilize Earthworm Foundation's Engagement for Policy Implementation – Palm oil tool (EPI) via the SupplyShift platform. We use EPI to evaluate and to feedback to our suppliers on their implementation maturity level. The EPI covers an extensive list of policy implementation topics divided into seven sections: Supplier Overview, Palm Oil Policy Commitments, Implementation & Supplier Engagement, Transformation: Social, Transformation: Land and Conservation, Grievance and Non-Compliant Suppliers, and Monitoring & Verification. EPI topics and evaluations are not static and evolve each year to reflect the changing road map towards responsible palm oil.

The fundamental components of the Forest Positive Coalition's Approach are a subset of the topics included in EPI assessment. These elements include having a basic NDPE policy that covers all their operations, a basic time-bound action plan, basic progress reporting, a public mill list and a basic grievance and non-compliant supplier process. These foundational elements are the beginning of the journey which we refer to as Maturity Level 1. Our suppliers range in size and scope from global traders to regional and national refiners which results in a wide range of supplier maturity levels. The following tables are summary results of our suppliers' EPI and Level 1 progress tracking.

Performance Group Stratification by % EPI / Level 1 Supplier Scores	
High	85%-100%
Medium	50%-84%
Low	49%-0%

**Supplier Progress on EPI Sections: average scores, all suppliers combined:**

	Policy Commitment		Company Implementation Plan & Engagement		Transformation - Labor & Social		Transformation - Land & Conservation		Grievance & Non-Compliant Suppliers		Verification & Monitoring		EPI Total Score	
	2021	Change	2021	Change	2021	Change	2021	Change	2021	Change	2021	Change	2021	Change
Colgate Suppliers Combined														
Suppliers avg. score on EPI	86%	6%	58%	23%	49%	-15%	42%	-7%	49%	6%	53%	24%	57%	7%

EPI Score Performance group	% Volume	# Suppliers
High	30%	2
Medium	51%	6
Low	19%	5
<b>Total</b>	<b>100%</b>	<b>13</b>

**Supplier Progress on Level 1 Scorecard: average scores, all suppliers combined:**

	Policy	Implementation and Transparency			Grievance Mechanism/Non-compliant Supplier Process		Level 1 Total Score
	NDPE policy	Implementation plan	Progress reporting	Publish mill lists	Grievance mechanism	Non-compliant supplier process	Combined Average
Colgate Suppliers Combined							
Supplier avg. score on Level 1	81%	62%	69%	62%	69%	35%	63%

Level 1 Performance group	% Volume	# Suppliers
High	30%	2
Medium	43%	6
Low	27%	5
<b>Total</b>	<b>100%</b>	<b>13</b>

Following each annual EPI assessment we engage with our suppliers on the results and development of action plans to close identified gaps. We continue to engage and work with suppliers to drive progress against their action plans until the next EPI assessment. We will update supplier progress annually against the above metrics.

In addition to the work on EPI with our suppliers; beginning in 2021, we are also engaging our direct PO and PKO suppliers to better understand upstream producers

and mills NDPE policy implementation and performance against our policy expectations. We are doing this through use of the NDPE Implementation Reporting Framework (IRF) and engagement with our direct suppliers. Work on this area is ongoing and we plan to report progress on mills delivering on their NDPE compliance beginning in 2H 2022.

*Palm and PKO Derivative Suppliers*

Since 2019 Colgate-palmolive has engaged priority derivative suppliers to achieve transparency on their mill and plantation sources. In 2021 we focused on our top 20 derivative suppliers which represent 93% of our derivatives volume. As part of our engagement with our derivative suppliers they have been informed about the content and expectations of our palm oil policy and the Forest Positive Coalition Approach.

<b>Priority Palm Oil / PKO Derivative Suppliers</b>
Wilmar
BASF
Aceites Manuelita S.A
KAO
PT Bina Karya Prima
Green Global Chemical (TOL)
Cremer Oleo
Innospec
Stepan
Galaxy
Oxiteno
ICOF - Musim Mas

<b>Priority Upstream Intermediate Derivative Suppliers</b>
Wilmar
AAA/Apical
IOI Corporation
GAR/Sinarmas
Mewah Group

Beginning in 2021, five of our top 20 direct suppliers and two of our intermediate suppliers have been engaged through the Earthworm Foundation Member Derivative Collective Action Group. Through this group, Colgate is collectively engaging with shared key suppliers, both direct and in-direct. By sharing a consistent, unified message to suppliers and understanding their challenges the collaboration is working

together to achieve faster policy implementation progress. In 2022, the focus of supplier engagement with the Collective Action Group has been on derivative suppliers delivering mill transparency via public and company specific mill lists and taking action on select grievance cases identified in their supply chains.

In 2022, to further evaluate derivative suppliers performance against our policy expectations and against elements of the Forest Positive Coalition’s Approach we conducted a self-assessment of ten derivative suppliers (61% of derivative volume). These elements included having a basic NDPE policy, a basic implementation plan, a public mill list and a basic grievance process. The results of this initial assessment are shown below. We plan to conduct a regular assessment on progress on which we will report in future updates of this implementation plan.

	Policy	Implementation and Transparency		Grievance Mechanism	Derivatives Total Score
Colgate Derivative Suppliers Combined	NDPE policy	Implementation plan	Public Mill list	Grievance mechanism	Combined Average
Derivatives Supplier avg. score	78%	33%	33%	37%	45%

## CERTIFICATION & VERIFICATION

- Maintaining 100% of our direct palm oil and PKO volumes as physically certified sustainable palm oil
- Continue to purchase increasing volumes of physically certified sustainable palm oil derivatives with the goal of reaching 100% by 2023

As indicated above, Colgate-Palmolive will strive to procure only palm oil, PKO and palm oil derivatives certified by the RSPO or equivalent standard. For full year 2021 our sourcing of certified oils was as follows:

	Palm Oil & Palm Kernel Oil %	Palm Oil % Derivatives	Total
Certified Oils (% by weight)	100%	51%	77%
Book and Claim Certificate (% by	0%	19%	9%



weight)			
<b>Total Coverage</b>	<b>100%</b>	<b>70%</b>	<b>86%</b>

## TRANSFORMATION & LANDSCAPE ENGAGEMENT

- Continue and accelerate support of landscape projects driving transformational change in the palm oil industry

To date, Colgate has prioritized engagement on deforestation and smallholder challenges in Indonesia and Malaysia, and is also engaged in projects in Latin America. Our prioritization and selection criteria for landscape projects includes the following criteria:

- Colgate has a significant supply from the production area
- Ability to engage and have a positive impact on multiple stakeholders
- Potential to address systemic issues in the landscape
- Ability to impact across multiple commodities in the landscape

Colgate is currently participating in 4 landscape projects in the following areas:

- Indonesia, Riau
- Indonesia, Aceh
- Malaysia, Sarawak
- Mexico, Chiapas

Key elements, actions and goals of each of the landscape projects are presented below:

<b>Name of the initiative:</b>	<b>Area for Priority Transformation - Aceh</b>
Location of the initiative	Indonesia, Aceh (Aceh Tamiang, Aceh Selatan, Subulussalam, and Aceh Singkil)
Project timeframe:	2021-2025
Colgate-Palmolive participation since:	2020 (pre-landscape project)
Other partners involved:	Lead sponsors: Mars, Nestlé. Associated funders: Hershey, Musim Mas. Contributors: Colgate-Palmolive, Reckitt, ADM, The Clorox Company, Vandermoortele, Fuji Oil, Avril, Bunge, Givaudan. Partners: Subulussalam District Government, National Land Agency, PT Asdal Prima Lestari, Pr Laot Bangko, KUD Sadakata, Aceh Singkil Land College.
Type of contribution	Disbursed financial support

Goals of the initiative that contribute to forest positive elements:	<p><i>Forest protection and restoration</i></p> <p>Reducing deforestation rate and transforming the supply chain by the installation of monitoring, traceability, and NDPE compliance systems.</p> <ul style="list-style-type: none"> <li>- 2 deep monitoring cases were investigated.</li> <li>- 100% HCS/HCV concession identified and in the process to be protected in 2 new companies. Indicative area 5,840 ha in 2 districts: Subulussalam and Aceh Singkil.</li> <li>- 2,000 ha of remaining forests/HCVs in process of being protected in 8 targeted villages (5 new villages).</li> <li>- In partnership with the Mullion Group, providing carbon accounting.</li> </ul>
	<p><i>Resilient farmers</i></p> <p>Developing participatory land use, and land tenure; promoting conflict resolution. Helping farmers to adopt Good Agricultural and Best Management Practices.</p> <ul style="list-style-type: none"> <li>- 1,000 farmers trained on palm oil GAP.</li> <li>- 2 FBUs supported on alternative livelihood.</li> </ul>
Goals of the initiative that contribute beyond forest positive elements:	<p><i>Work and families</i></p> <p>Addressing plantation labor issues and improving farmers working conditions.</p> <ul style="list-style-type: none"> <li>- 400 workers engaged via activities with companies and the government.</li> </ul>
	<p><i>Community rights</i></p> <ul style="list-style-type: none"> <li>- 8 communities engaged through Participatory Mapping and Land Tenure Studies (PM-LTS); (5 new communities and continued work with 3).</li> <li>- 2 communities received a conflict resolution plan.</li> </ul>
	<p><i>Stakeholder support, capacity building</i></p> <p>Securing government's support and building capacity.</p> <ul style="list-style-type: none"> <li>- 1 collective action plan agreed in one target district.</li> <li>- 5 stakeholders implement agreed Collective action plans (CAP).</li> <li>- 1 government policy related to NDPE updated in 1 district.</li> <li>- 1,000 Kumacaya signals about environmental issues logged since the beginning of the project.</li> </ul>

<b>Name of the initiative:</b>	<b>Landscapes Transformation in Riau</b>
Location of the initiative	Indonesia, Riau (Bengkalis, Siak, Pelalawan, and Indragiri Hulu)
Project timeframe:	2020-2025
Colgate-Palmolive participation since:	2019 (pre-landscape project)
Other partners involved:	<p>Associated funders: PZ Cussons, LVMH, Oleon, Reckitt.  Contributors: Colgate, Nestlé.  Partners: PT Surya Bratasena Plantation, Pelalawan District Government, Indragiri Hulu District Government, SBP Palm Oil Mill &amp; Plantation, PT. Mitra Agung Swadaya, MAS Palm Oil Mill, PT Surya Bratasena Plantation, SMKN 1 High School Pangkalan Kuras.</p>
Type of contribution	Disbursed financial support
Goals of the initiative that contribute to forest positive elements:	<p><i>Forest protection and restoration</i>  Fostering forest protection and restoration and replanting oil palm, with a minimum 10% increased productivity.  - 2 new companies identify and start the process to protect 100% HCS/HCV inside their concession in 2022.  - 17 villages are in process of protecting HCV/HCS (6 new communities and continued work with 11 engaged in 2021).  - In partnership with the Mullion Group, providing carbon accounting.</p> <p><i>Resilient farmers</i>  Helping farmers to diversify their income and improve food security through Good Agricultural Practices.  - 1,000 farmers trained on palm oil GAP (500 new farmers trained in 2022; continued capacity-building for 500 farmers that began training in 2021).  - 2 FBUs supported on alternative livelihood (1 new in 2022).</p>
Goals of the initiative that contribute beyond forest positive elements:	<p><i>Work and families</i>  Improving people's working and training palm oil suppliers on better practices.  - 400 workers engaged through activities with companies and the government.</p>

	<p><i>Community rights</i></p> <p>Reducing social conflict and increasing land tenure security.</p> <ul style="list-style-type: none"> <li>- 17 communities (6 new communities and continued work with 11 engaged in 2021) engaged through Participatory Mapping and Land Tenure Studies (PM-LTS).</li> <li>- Managed the conflicts in 4 communities (2 new communities).</li> </ul>
	<p><i>Stakeholder support and capacity building</i></p> <p>Securing government's support and building capacity.</p> <ul style="list-style-type: none"> <li>- 1 new Collective Action Plan submitted to the Siak district government and approved.</li> <li>- Pelalawan district government, EF, Indonesian Community Mapping Network (JKPP - Jaringan Kerja Pemetaan Partisipatif), and CORE consortium (consisting of Proforest, Rainforest Alliance, and Daemeter) agreed to collaborate in mapping smallholder plantations inside the forested areas in the Pelalawan district.</li> <li>- 2,000 Kumacaya signals were recorded about the environmental issues (1,000 new signals).</li> </ul>

<b>Name of the initiative:</b>	<b>Sabah Landscapes Programme</b>
Location of the initiative	Malaysia, Sabah (Beluran, Telupid, Tongod , Kinabatangan, and parts of Lahad Datu).
Project timeframe:	2021-2025
Colgate-Palmolive participation since:	2021
Other partners involved:	<p>Associated funders: Reckitt, PZ Cussons.</p> <p>Contributors: Colgate, ADM, Groupe Rocher, Givaudan, Nestlé.</p> <p>Partners: IJM Plantation Berhad, Malaysian Palm Oil Board, Sabah Wildlife Department, Seratu Atai, MEGES Nature Farm Enterprise, Agroviet Citra Trading.</p>
Type of contribution	Disbursed financial support

Goals of the initiative that contribute to forest positive elements:	<p><i>Forest protection and restoration, supply chain transformation</i></p> <p>Reducing deforestation by companies and communities, including no new land clearings for palm oil development. Protecting elephant range.</p> <ul style="list-style-type: none"> <li>- 2,500 ha covered by engagement with local communities and stakeholders to address forest loss happening outside known concessions.</li> <li>- Human-Elephant Conflict (HEC) mitigation activities in the 9,547 Ha elephant-ranging area.</li> </ul> <p>Ensuring that palm oil mills have action plans to address NDPE issues and are traceable to plantations.</p> <ul style="list-style-type: none"> <li>- 56 mills engaged to progress on TTP reporting.</li> <li>- 10 mills engaged to progress on NDPE.</li> <li>- 3 new mills supported in SH inclusion activities.</li> </ul> <p>In partnership with the Mullion Group, providing carbon accounting.</p>
Goals of the initiative that contribute beyond forest positive elements:	<p><i>Resilient farmers</i></p> <p>Implementing smallholder inclusiveness in companies.</p> <ul style="list-style-type: none"> <li>- Livelihood improvement through good agricultural practices, income diversification, sustainability and conservation initiatives. 1200 farmers reached.</li> </ul>
	<p><i>Work and families</i></p> <p>Improving welfare and working conditions for workers, ensuring the well-being of children and young persons.</p> <ul style="list-style-type: none"> <li>- Improved welfare and working conditions for &gt;20,000 migrant workers.</li> <li>- Ensured the well-being of at least 4000 children and young persons are protected.</li> <li>- Identified 4 high-risk suppliers (mills). A local refinery has been engaged to explore the roll out Child Risk Assessment Framework (CRAF) toolkit and customized child labour trainings with these mills.</li> </ul> <p>Formalizing collaboration with government agencies.</p>

<b>Name of the initiative:</b>	<b>The Chiapas Landscape</b>
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Location of the initiative	Mexico, Chiapas (Marques de Comillas and La Encrucijada).
Project timeframe:	2018-2025
Colgate-Palmolive participation since:	2021
Other partners involved:	Contributors: Colgate, Grupo Bimbo, Nestlé, Oleofinos, Partners: Comisión Nacional de Áreas Naturales Protegidas, Reserva de la biósfera La Encrucijada, ESI A.C.,
Type of contribution	Disbursed financial support
Goals of the initiative that contribute to forest positive elements:	<p><i>Forest protection and restoration, supply chain transformation</i></p> <ul style="list-style-type: none"> <li>- Creating and testing a model for communal land ownership that respects FPIC and is compliant with the La Encrucijada Management Program.</li> <li>- Developing legally protected mangrove wetlands/marshes free from agricultural encroachment, as well as forest area under voluntary conservation agreements, reforested mangroves, and riparian buffer zones.</li> <li>- Implementing the mechanisms for monitoring and verifying no-deforestation/responsible expansion for palm oil mills. Developing financial credit procedures for replanting and fertilization.</li> </ul> <p><i>Resilient farmers</i></p> <p>Improving smallholder farmers' livelihoods.</p> <ul style="list-style-type: none"> <li>- Empowering farm members, including women, increasing their income and food security and providing technical assistance and access to credit.</li> <li>- Implementing agroecological practices in the La Encrucijada Biosphere Reserve to decrease agrochemical use and improve soil and riparian area management.</li> <li>- Implementing cocoa diversification, agrosilvopastoral systems, planting with native species, as well as the Holistic Farm Plan (HFP).</li> </ul>
Goals of the initiative that contribute beyond forest positive elements:	<p><i>Work and families</i></p> <p>Improving welfare and working conditions for migrant workers.</p> <ul style="list-style-type: none"> <li>- Improving the working conditions for community members.</li> </ul>

	- Providing financial education to community members
	<i>Community rights</i> Implementing water sanitation programs in rural communities.

In addition to the above Landscape projects; in Latin America, Colgate has 2 social thematic projects spanning 2021 and 2022, both focused on palm oil supply chains in Guatemala.

For the first project we are sponsoring work with GREPALMA, the Guatemalan palm industry organization, to develop an internal standard for all members to ensure minimum performance related to sustainability primarily focused on social risks. The project focused on building capacity within the six participating producer companies focused on Human rights defenders, Community health and safety (related to company impacts), FPIC and consultation process, and Freedom of association and collective bargaining. Beyond capacity building, mechanisms to monitor progress and guidance materials were developed and private sector and civil society relationships were developed resulting in multi stakeholder collaboration on the project

The second project was conducted in partnership with Colgate’s supplier Agocaribe and the Advisory for Social License to Operate (ASLO) to conduct a Human Rights assessment and capacity building project that could become a template for when initiating human rights work with other palm producers in the region. The project included desktop research as well as field visits to better understand potential social risks on the ground and impacts.

We also continue to partner with our key strategic suppliers to drive changes on the ground and transform practices. In collaboration with Wilmar, Business for Social Responsibility (BSR) and several palm oil buyers, we continued our support of collective actions to improve working conditions and livelihoods of workers across the wider palm oil supply chain in Indonesia. This project included a series of workshops to heighten awareness on wages, employment contract status and grievance mechanisms in Indonesia. A key deliverable from this project with BSR and Wilmar is a new Child Protection Policy Implementation Manual that is being rolled out in plantations in Indonesia and Malaysia beginning in late 2021.

Aligned with our commitment to engage beyond supply chains and to drive transformation of the palm oil industry, Colgate will continue to evaluate opportunities to further engage in landscape projects.

## MONITORING & RESPONSE

- Execute Implementation of satellite monitoring systems across our supply chain in all high-risk production landscapes
- Alignment of Colgate's monitoring and response actions and grievance management process with the Forest Positive Coalitions Monitoring and Response Framework
- Implement human rights due diligence processes across supply chain operations in forest risk commodities, including palm oil

Beginning in 2021 we implemented a formal spatial monitoring solution, with Earthqualizer, to monitor our palm oil supply chain in southeast Asia. We are also working with our direct palm oil and PKO suppliers to ensure they have monitoring mechanisms implemented and currently 100% of our Indonesia and Malaysia palm oil and PKO supply is covered under satellite monitoring, representing approximately 50% of our global palm oil and PKO volume and 90% of our global mills.

As detailed in our overarching No Deforestation Policy, we have implemented a [Forest-Based Commodities Grievance Procedure](#) to track actions and progress of non-compliance cases identified by spatial monitoring as well as grievances raised to Colgate by third parties. As a member of the Forest Positive Coalition we have incorporated the timebound steps and requirements of the CGF's Monitoring and Response Framework (MRF) for deforestation and peat development non-compliances for our palm oil supply chain. As it relates to no-deforestation and peat development monitoring, we are currently applying the MRF to prioritized monitoring alerts that occur inside known concessions or plantations (MRF scenario 1 cases). Aligned with the coalition we are reporting on the following KPIs since inception of the MRF in 2022 through the period 1Q 2022.

For the first quarter of 2022, 47 mills (<4% of Colgate's global mills) in Colgate's palm oil supply chain were potentially associated with new deforestation and peat development grievances, this included both cases identified by spatial monitoring of Colgate-Palmolive's supply chain conducted by Earthqualizer and grievances raised by third parties to Colgate-Palmolive. This calculation was based on the number of mills supplying PO/PKO with confirmed or suspected links to a deforestation or peat development identified through spatial monitoring of Colgate-Palmolive's supply chain or by way of grievance cases raised by third parties.

For the first quarter of 2022, we responded to three deforestation and peat grievance cases utilizing the MRF steps and requirements. Of these cases, suppliers were engaged within process timeframes and in line with the MRF steps and requirements. All cases remained under investigation (MRF Step 2) at the end of Q1 2022, with two cases (67%) exceeding MRF timeframes for progression to action planning (Step 3). As part of our grievance case management, we record the dates on which the steps of our grievance procedure are completed for each case entered into our grievance log. These steps are aligned with the steps outlined in the MRF. The dates are used



to calculate the number of days a case remains in each step of the procedure. This information is then used to determine adherence with the timeframes noted in the MRF.

As part of our grievance management process, we maintain a log of active grievance cases and we engage directly with our suppliers to understand the issues and work together with suppliers, grievance raisers and other stakeholders to address non-compliances with our NDPE Policy. We will continue to regularly review our grievance management process and to identify and report on additional KPI and reporting metrics to measure the impact of our grievance management process.

Through our membership in the CGF - Human Rights Coalition we are working collectively to engage and implement a human rights due diligence process with our shared palm oil suppliers and upstream producer groups. Progress on this initiative is ongoing and will be provided in future implementation plan updates.