IT'S OUR HOME | WATER POSITIVE FUTURE

P&G Strategy Toward a Water Positive Future

June 2022

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P&G STRATEGY TOWARD A WATER POSITIVE FUTURE

Water connects everything, and all of us – people, wildlife and nature depend on it. Water scarcity affects every continent on our planet, yet the impact is not felt equally.[1] Some aren't seeing the effects in their communities while others are facing extreme water stress every day. In fact, nearly one-third of people already live in water-stressed regions, and two-thirds of the global population are projected to by 2025.[2]

At P&G, we want to help build a **water positive future** where water can sustain people and nature today and for generations to come. Over the last decade, our water strategy has evolved alongside our growing understanding of the complex challenges facing the world's water resources and where we can have the greatest impact. Our efforts have expanded from the four walls of our facilities to a focus on partnering to address broader water challenges.

We invite you to learn more about our company actions and progress throughout our Water Strategy detailed here.

1 https://www.unwater.org/water-facts/scarcity/
2 https://www.unwater.org/app/uploads/2021/12/SDG-6-Summary-Progress-Update-2021_Version-July-2021a.pdf

INTRODUCTION

Working toward a **Water Positive Future** requires widespread solutions – from manufacturing and product innovations that improve consumers' lives in a sustainable way, to rethinking about how people use water and P&G products in homes, communities and cities, to restoring water for people, wildlife, and nature. It also requires innovative thinking across manufacturing, consumer use and beyond.

While there is no simple solution for the world's water crisis, we are determined to address shared water challenges within water-stressed areas where we operate because we know it's where we can make the biggest difference.

Our **Water Strategy Toward a Water Positive Future** includes restoring water in 18 water-stressed areas around the world for people and nature, responding to water challenges through innovation and partnerships, and reducing water in our operations.

Together, we can create a future that protects our planet, our common home, for generations to come.

For more information and ongoing updates about our commitments and progress, please see our ESG Investor Portal.

"Creating a ripple effect toward a water positive future requires widespread solutions – from manufacturing and product innovations that improve consumers' lives in a sustainable way, to restoring water for nature, wildlife, and communities. While there will always be more to learn, P&G is dedicated to doing our part to care for our planet, our shared home."

Virginie Helias
Chief Sustainability Officer

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RESTORING WATER FOR PEOPLE AND NATURE IN WATER-STRESSED AREAS AROUND THE WORLD

2017 Identified priority water-stressed basins with expert partners

2020 Supported Colorado River Indian Tribes (CRIT) System Conservation Project

2021 Announced support for restoration projects in Sacramento River Basin (California)

2022 Announced support for restoration projects in Bear River Basin (Utah and Idaho)

TOWARD 2030

Restore more water than is consumed* at P&G manufacturing sites in 18 water-stressed areas around the world.

Restore more water than is consumed** when using P&G products in the high water-stressed metropolitan areas of Los Angeles and Mexico City.

*water that evaporates during the manufacturing of our products or is incorporated into the finished product manufactured at these sites

**water from household leaks and evaporation during the use of our products

RESPONDING TO WATER CHALLENGES THROUGH INNOVATION AND PARTNERSHIPS

2019 Achieved 2020 goal to provide 1 billion people access to water-efficient products

2020 P&G spearheaded 50 Liter Home Coalition; World Economic Forum selected it as Lighthouse Project

Cascade Platinum gives a superior clean*** without the pre-wash, saving up to 100 gallons of water per week

Dawn Powerwash Dish Spray uses spray activated suds to eliminate the need for water used compared to traditional dish soaps by up to 50%****

Swiffer Wet Jet can save households 70 gallons of water a year, versus using a traditional mop and bucket

TOWARD 2030

50L Home city pilots will be launched in multiple countries around the world

P&G brands will continue efforts to develop innovations to help consumers use less water at home

***50% more cleaning ingredients vs. Cascade Complete ActionPacs™

****when used as instructed, compared to the water used when running the tap continually to hand wash dishes

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OUR RIVER OF PROGRESS TO 2030 BUILDING A WATER POSITIVE FUTURE

REDUCING WATER IN OUR OPERATIONS

2015 Achieved 2020 goal to reduce water use in manufacturing sites by 20% per unit production

2021 P&G facilities reduced water use by 25% per unit of production since 2010 and reused 3.1 billion liters of recycled water

TOWARD 2030

Increase water efficiency by 35% per unit of production from 2010 baseline

Recycle and reuse 5 billion liters of water in P&G facilities annually

Children's Safe Drinking Water

PROVIDING CLEAN DRINKING WATER TO CHILDREN AND FAMILIES IN NEED

2004 Established CSDW Program using a P&G-invented water purifier

2012 Delivered 5 billion liters of clean water

2016 Delivered 10 billion liters of clean water

2016 85 countries milestone

2019 Delivered 15 billion liters of clean water

TOWARD 2030

2022 20 billion liters of clean water, via 150+ partners, across 93 countries

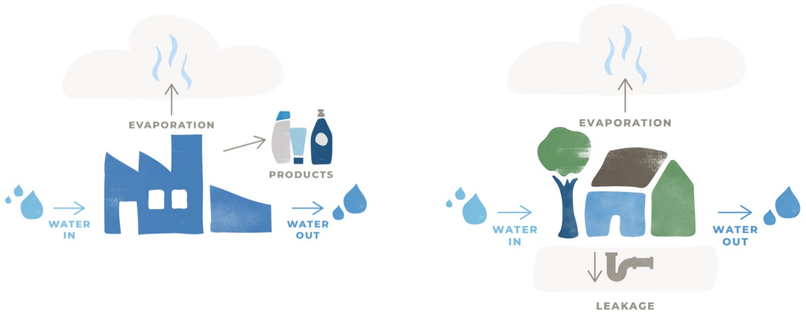
2025 25 billion liters of clean water

RESTORING WATER IN WATER-STRESSED AREAS FOR PEOPLE AND NATURE

RESTORING WATER IN WATER-STRESSED AREAS FOR PEOPLE AND NATURE

Our strategy includes new 2030 water goals to:

- Restore more water than is consumed[3] from P&G manufacturing sites in 18 water-stressed areas around the world.
- Restore more water than is consumed[4] when using P&G products in the high water-stressed metropolitan areas of Los Angeles and Mexico City.



We defined our new goals in close partnership with the World Resources Institute (WRI), key contributors to the developing Science-based Targets for Water methodology. Our goals address not only water consumed during P&G manufacturing in 18 water-stressed basins, but also water consumed during the use of P&G products by our consumers in two high water-stressed areas – a novel approach developed using best available data and target-setting principles (see page 39 for more details). A WRI Technical Note detailing the process used to derive the volume target associated with consumer product use is planned for publication in August 2022.

3 Water that evaporates during the manufacturing of our products or is incorporated into the finished product manufactured at these sites.

4 Water from household leaks and evaporation during the use of our products.

"P&G's water target applies a rigorous analytical approach and complements the other aspects within their comprehensive water stewardship strategy. It adds a first-of-its-kind ambition to address consumer water consumption and offers a roadmap for others to adopt targets in the face of our shared water problems."

Colin Strong
Corporate Water Stewardship Lead,
WRI Aqueduct Program

PRIORITIZING WATER-STRESSED BASINS FOR ACTION

We worked closely with the World Resources Institute (WRI), World Wildlife Fund (WWF), and others to assess and prioritize basins based on water stress levels and where we can make a meaningful difference. We identified 18 priority basins experiencing chronic water stress – according to WRI Aqueduct's Baseline Water Stress indicator – containing a P&G facility and located within a top P&G market where more than 20% of the population is living in a high water-stress basin.

The priority basin names and boundaries come from the World Resources Institute (WRI) Aqueduct 3.0 dataset, which uses basin names from the Food and Agriculture Organization (FAO) and HydroBASINS level 6 basin boundaries. These global datasets give us a physical place to start in building our understanding of the unique water challenges facing each basin.

Once we learn more about each basin, it is likely the boundaries for where we support water projects will expand to include surrounding source watersheds that are connected to the priority basin. The names of the basins may also change as we learn more about local terminology and phrasing moving forward.

USA
1. Lower American
2. Calleguas
3. Lower Bear-Malad
4. Lower Salt

MEXICO
5. Moctezuma
6. Laja
7. Lerma-Salamanca

SPAIN
8. Segura

ITALY
9. Garigliano

TURKEY
10. Kocaeli

INDIA
11. Sabarmati
12. Sutlej
13. Yamuna 1
14. Jamni
15. Musi-Aler

CHINA
16. Xuanhui He
17. Hai He Delta
18. Tuo Jiang

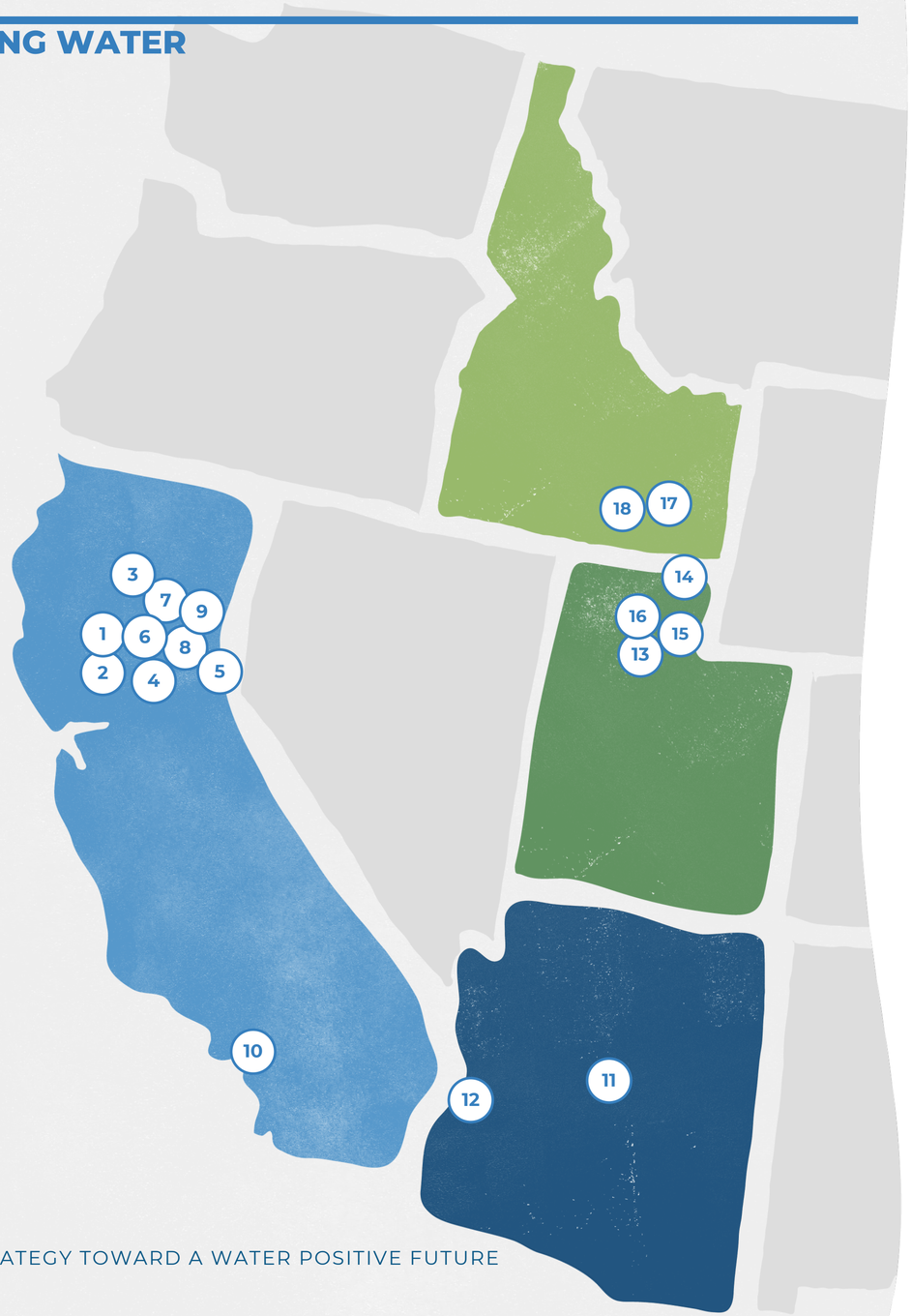
HOW TO RESTORE WATER?

To address unique water challenges in the prioritized 18 water-stressed areas, we are working with on-the-ground partners who have a deep knowledge of local challenges, solutions, communities, and landscapes to support long-term projects to restore water. Restoring water is best defined as improving, managing, or protecting water.

RESTORING WATER: IMPROVING, MANAGING OR PROTECTING WATER

There are many ways to restore water resources because each water-stressed area faces unique challenges that require a unique set of solutions. Depending on the identified challenges, restoration projects can include: managing wetlands, reforesting land, replenishing aquifers, improving irrigation systems, using sensors to identify and stop leaks, and supporting transformational conservation programs. Together, they are helping to address shared water challenges by protecting ecosystems, recharging groundwater supplies, reducing the amount of water diverted from essential bodies of water, and improving water quality for the communities and wildlife that depend on it.

Brayton Restoration Project, CA, U.S.
Restoring 25 acres of land back to native habitat along the Sacramento River.



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MAKING INITIAL PROGRESS

We are already advancing projects that are restoring water resources in critical areas of the U.S. in California and Arizona, and have begun supporting new projects in Utah and Idaho. These long-term projects are the first steps toward restoring water in 18 water-stressed areas across seven countries.

CALIFORNIA

Lower American Basin, CA

1. Shorebird Habitat Creation
2. Sycamore Slough Groundwater Recharge
3. East Sand Slough Side Channel Reconnection
4. Sacramento Landscape Efficiency
5. Crystal Basin Forest Restoration
6. Brayton Restoration
7. Mill Creek Flow
8. California Wildfire Restoration
9. Thompson Meadow Restoration

Calleguas Basin, CA

10. Multi-Family Housing Leak Detection Pilot

ARIZONA

Lower Salt Basin, AZ

11. Mason Lane Piping Irrigation Efficiency
12. Colorado River Indian Tribes (CRIT) System Conservation

UTAH

Lower Bear-Malad, UT

13. Bear River Water Efficiency & Wetland Enhancement
14. North Eden Creek Flow & Fish Passage Restoration
15. Blacksmith Fork Fish Passage & Flow Restoration
16. Bear River Canal Company (BRCC) Automation

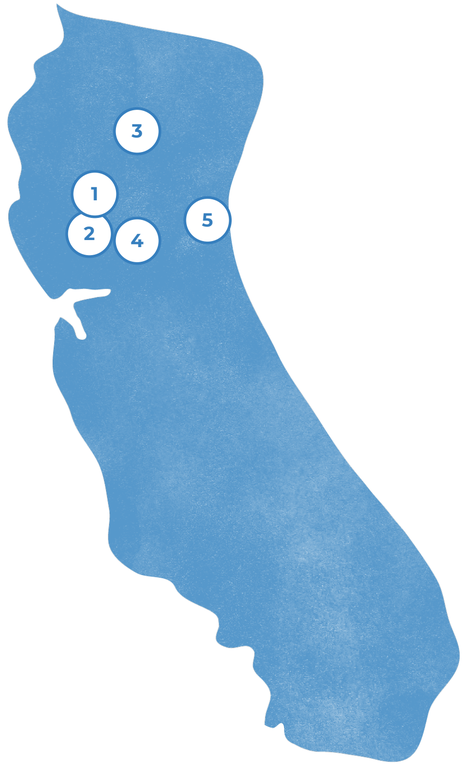
IDAHO

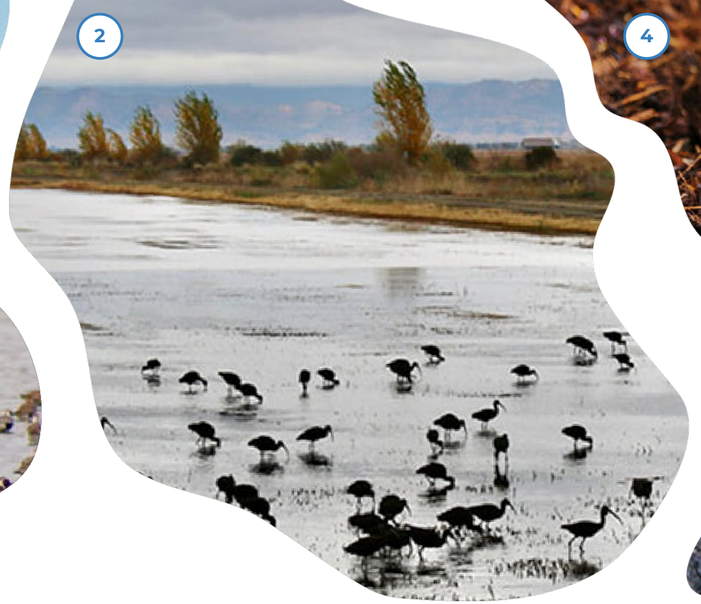
Lower Bear-Malad, ID

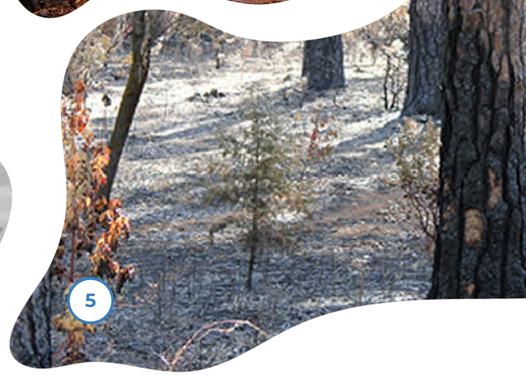
17. Middle Bear Riverscapes Restoration
18. Wuda Ogwa Water & Habitat Eco-Restoration

LOWER AMERICAN BASIN

CALIFORNIA, U.S.







1. SHOREBIRD HABITAT CREATION

Create seasonal wetlands in the Sacramento Valley to sustain healthy migratory shorebird populations.

2. SYCAMORE SLOUGH GROUNDWATER RECHARGE

Move surface water onto specific areas to replenish the aquifer and create seasonal habitat for migrating shorebirds along the Pacific Flyway.

3. EAST SAND SLOUGH SIDE CHANNEL RECONNECTION

Create a sustainable habitat for critically endangered juvenile Chinook salmon and other species by allowing water to flow for more days out of the year.

4. SACRAMENTO LANDSCAPE EFFICIENCY

Explore a variety of landscaping solutions that save water in partnership with local businesses and other institutions.

5. CRYSTAL BASIN FOREST RESTORATION

Restore 200 acres of forestland to reduce the risk of catastrophic wildfires, as well as improving water quality and habitat.

LOWER AMERICAN BASIN

CALIFORNIA, U.S.

6. BRAYTON RESTORATION

Re-establish native plants on 25 acres of land along the Sacramento River to restore natural river flow, improve water quality, and provide habitat for local animals.

7. MILL CREEK FLOW

Enable 247 million liters of water to remain instream in Mill Creek at critical times to support salmon runs, aquatic ecosystem needs, and create vital wetland habitat for migratory birds downstream in the Sacramento National Wildlife Refuge Complex.

8. CALIFORNIA WILDFIRE RESTORATION

Plant 1 million trees to sequester carbon, improve wildlife habitat and support local economies. As of 2021, close to 500,000 trees have been planted providing critical watersheds. Estimated water benefits are already over 1 billion liters/year of avoided water runoff.

9. THOMPSON MEADOW RESTORATION

Restore the degraded 47-acre Thompson Meadow to prevent further degradation of the stream and meadow system to improve flow conditions, meadow productivity, vegetative cover, and water quality.

CALLEGUAS

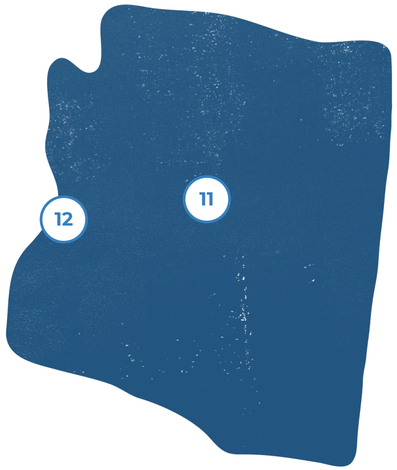
CALIFORNIA, U.S.

10. MULTI-FAMILY HOUSING LEAK DETECTION PILOT

Reduce water consumed through leaking toilets by installing Sensor Industries leak detection devices on toilets in low-income, multi-family housing owned by nonprofits in Los Angeles.

LOWER SALT BASIN

ARIZONA, U.S.



11. MASON LANE PIPING IRRIGATION EFFICIENCY

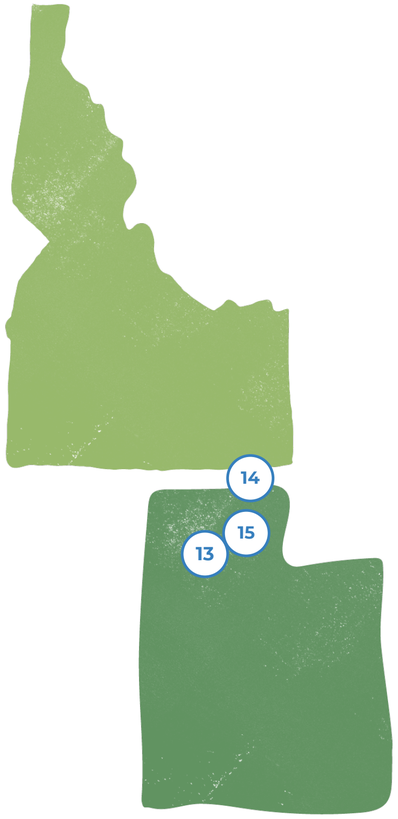
Pipe more than 5,000 feet of the leakiest section of the Mason Lane Ditch to support aquatic habitats and ecosystems and make more water available for agriculture and recreation.

12. COLORADO RIVER INDIAN TRIBES (CRIT) SYSTEM CONSERVATION

This project will help to directly shore up declining water levels in Lake Mead. It will compensate the CRIT for the conservation of their Colorado River water rights, supporting their longer-term efforts to modernize irrigation systems to conserve additional water. 150,000 acre-feet of water will remain in Lake Mead, helping to achieve decade-scale water supply benefits for the region.

LOWER BEAR-MALAD

UTAH, U.S.



13. BEAR RIVER WATER EFFICIENCY & WETLAND ENHANCEMENT

Convert over 5,000 feet of earthen ditch to pipe to improve irrigation efficiency and provide supplemental water to wetlands. It will also allow for better control of invasive species and provide water quality benefits by filtering suspended sediment and excess nutrients from surface flows.

14. NORTH EDEN CREEK FLOW & FISH PASSAGE RESTORATION

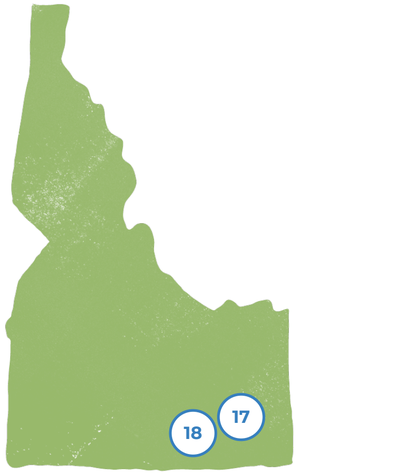
Reduce the amount of stream water being used for irrigation, restore stream flow and reconnect the North Eden Creek to Bear Lake for the first time in recent history. This is a marquee project of basin-wide importance that will help to restore the natural hydrology of North Eden Creek, support spawning and rearing of the Cutthroat Trout, and improve irrigation efficiency.

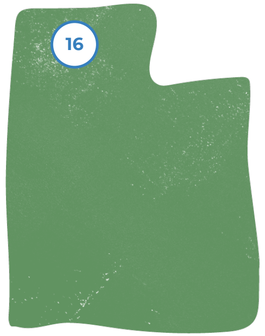
15. BLACKSMITH FORK FISH PASSAGE AND FLOW RESTORATION

Reconnect fish passage on 25 miles of the river, taking the first steps to begin the restoration and reconnection of the Logan River to the Blacksmith Fork. This phase of the project is expected to eliminate two fish passage barriers, enhance four miles of instream flows, restore 1,500 feet of riparian area and river channel, and improve recreational access and safety at the Nibley Diversion Dam.

LOWER BEAR-MALAD

UTAH/IDAHO, USA





16. BEAR RIVER CANAL COMPANY (BRCC) AUTOMATION

Install telemetry controls and/or automated headgates at 14 locations to react quickly to variations in water demands by using real-time data provided by the new tools. BRCC expects the project to result in improved water management, a 30% reduction in operational spills, and improve water deliveries to state and federal wildlife areas.

17. MIDDLE BEAR RIVERSCAPES RESTORATION

Improve riverscape health, increase the amount of water entering streams and increase natural water storage. These techniques can be scaled over time to have a positive impact on hundreds of miles of streams in the Bear River Watershed.

18. WUDA OGWA WATER AND HABITAT ECO-RESTORATION

Restore the site of the 1863 Bear River Massacre, where over 400 Shoshones lost their lives. It includes creating a more natural stream channel, which will improve a mile of habitat along the existing waterway. It is expected that this project will recover habitat along Battle Creek, improve hydrologic conditions of the floodplain, wetlands, and riparian areas and enhance instream flows to improve water quality and habitat.

PARTNERSHIPS ENABLING PROGRESS IN THE U.S.

CALIFORNIA WATER ACTION COLLABORATIVE

A coalition of NGOs and corporations came together in 2014 to form the California Water Action Collaborative (CWAC). P&G is now part of a network of more than 25 organizations learning together, collectively developing projects, and advancing innovative solutions to improve water security and resilience across California. CWAC members are working together to advance projects that protect and enhance California's freshwater resources. For more information, visit **cawateraction.org**.

BUSINESS FOR WATER STEWARDSHIP

In 2020, P&G kicked off a partnership with the **Bonneville Environmental Foundation's (BEF)** for **Business for Water Stewardship** program, funding eight projects in California's Sacramento River basin that aim to have a long-term positive impact on local freshwater ecosystems. Since then, we've continued to partner with BEF to identify and support additional projects in Arizona, Utah, and Idaho.

CHANGE THE COURSE

Cascade joined BEF's **Change the Course** initiative to raise public awareness about freshwater and support several water restoration projects across the United States. These projects will help restore millions of liters of freshwater to river systems in water-stressed regions and accelerate the company's goal to protect water for people and nature.

"P&G is innovating and setting a high bar for how a company can address shared water issues. By deploying a comprehensive approach that tackles water challenges in the home and supports key local restoration projects in stressed watersheds, P&G is leveraging its unique capacity in new and high-impact ways that should establish the standard for corporate environmental water stewardship."

Todd Reeve, CEO and Business for Water Stewardship Co-Founder, BEF

SUPPORTING MORE PROJECTS AROUND THE WORLD

We know that every basin is unique. So, before we begin looking for restoration projects in each of our priority basins, we seek to learn more about the local context. Each priority basin will have a Basin Discovery Report to set the direction for project selection. These reports include details about the following:

1. Water sources and receiving water bodies
2. Key water challenges and potential solutions
3. Active stakeholders and potential partners
4. Past, ongoing, or potential future projects

The deeper understanding provided by the Basin Discovery Reports sets the direction for where, how, and with whom P&G can engage to address identified water challenges. By early 2023, all priority basins in scope for our targets will have Basin Discovery Reports and a solid foundation on which to select, cultivate, or develop water restoration projects that help the basin address key water challenges.

In parallel to completing the Basin Discovery Reports for the remaining basins, we will continue to identify and support project opportunities with existing and new partners in basins where we have already developed the foundational understanding of the issues. We have learned a lot after curating a portfolio of projects in our northern California, Arizona, and Utah/Idaho priority basins and will reapply the same process to other basins when appropriate and work in new ways when the geography calls for a different process. All along the way, we will engage global, national, and local partners and look to join action-oriented consortia, like the Mexico City Water Fund (Agua Capital), that will allow us to be part of impact at scale. We look forward to working with partners on additional long-term water restoration projects in other priority water-stressed areas around the world in the coming years, including: China, India, Italy, Mexico, Spain, and Turkey.

P&G is a member of Agua Capital, an innovative platform for collaboration that seeks to contribute to water security in Mexico City. P&G, along with the other members, intends to address the overexploitation of the city's aquifers, inefficiencies in infrastructure and operations, flood management and improvement of wastewater treatment and reuse.

RESPONDING TO WATER CHALLENGES THROUGH INNOVATION AND PARTNERSHIPS

RESPONDING TO WATER CHALLENGES THROUGH INNOVATION AND PARTNERSHIPS

Solving water challenges requires more than individual actions, we cannot do it alone. That is why we continue to build transformative partnerships that help us rethink our collective relationship with water. We know we can have a greater impact when we work together. Through longstanding partnerships, we have brought our experience in innovation and consumer understanding to unlock new solutions to water challenges.

We are providing clean drinking water to children and families in need around the world through our Children's Safe Drinking Water Program, we are accelerating water innovation at scale with the 50 Liter Home Coalition and enabling our consumers to reduce their water footprint through innovations that deliver irresistible superiority in a sustainable way.

RESPONDING TO WATER CHALLENGES THROUGH INNOVATION AND PARTNERSHIPS

Children's Safe Drinking Water

PROVIDING CLEAN DRINKING WATER TO CHILDREN AND FAMILIES IN NEED AROUND THE WORLD.

Our Children's Safe Drinking Water (CSDW) Program established in 2004, provides clean drinking water to families around the world through the distribution of P&G-invented water purification packets that can clean 10 liters of water in just 30 minutes.

Working with more than 150 global partners, we have provided more than 19 billion liters of clean water to people in 90+ countries around the world and have set a goal to provide 25 billion liters by 2025.

About the Global Water Crisis:

- The World Health Organization (WHO)/UNICEF reports that 771 million people lack access to clean drinking water.[5]
- Women and children[6] spend 40 billion hours each year collecting water and managing household water needs rather than attending school or earning income for their families.

5 Joint Monitoring Report (2020).

6 Primarily girls.

93 COUNTRIES

AMERICAS
Argentina
Barbados
Brazil
Chile
Colombia
Costa Rica
Cuba
Dominica
Dominican Republic
Ecuador
El Salvador
Guatemala
Guyana
Haiti
Honduras
Mexico
Nicaragua
Panama

AMERICAS (CONT.)
Peru
Puerto Rico
Saint Maarten
St. Lucia
Tortola
Turks and Caicos
Venezuela

AFRICA
Angola
Benin
Botswana
Burkina Faso
Burundi
Central African Republic
Cameroon
Chad

AFRICA (CONT.)
Cote d'Ivoire
Democratic Republic of Congo
Djibouti
Ethiopia
Ghana
Guinea Bissau
Kenya
Lesotho
Liberia
Madagascar
Malawi
Mali
Mauritania
Morocco
Mozambique

AFRICA (CONT.)
Namibia
Niger
Nigeria
Republic of Congo
Rwanda
Senegal
Sierra Leone
Somalia
South Africa
South Sudan
Sudan
Swaziland
Tanzania
Tunisia
Uganda
Zambia
Zimbabwe

EUROPE/ASIA
Afghanistan
Albania
Bangladesh
Cambodia
China
East Timor
India
Indonesia
Iran
Iraq
Laos
Lebanon
Malaysia
Maldives
Myanmar
Nepal
North Korea
Papua New Guinea

EUROPE/ASIA (CONT.)
Pakistan
Philippines
Romania
Sri Lanka
Syria
Tajikistan
Thailand
Turkey
Vietnam
Yemen

RESPONDING TO WATER CHALLENGES THROUGH INNOVATION AND PARTNERSHIPS

Children's Safe Drinking Water

P&G PURIFIER OF WATER PACKETS

- Developed in collaboration with the U.S. Centers for Disease Control and Prevention.
- Purifies even heavily contaminated drinking water so that it meets World Health Organization standards for safe drinking water.
- Each 4-gram packet treats 10 liters of water by effectively killing bacteria and viruses and removing parasites and solid materials.
- Includes same ingredients used in municipal water treatment systems.
- Packets are portable and lightweight, well-suited for emergencies and natural disasters or to hard-to-reach rural areas.
- Only simple, readily available household implements – a bucket, stir stick, and a filter cloth – are needed to use the P&G Purifier of Water packets.
- Each packet provides enough drinking water for a family of five for one day.

Pour | Stir | Settle | Filter | Purified Water

ACCELERATING WATER INNOVATION AT SCALE WITH THE 50 LITER HOME COALITION

We saw an opportunity to address two of the world's most pressing challenges – water security and climate change – and in collaboration with the World Business Council for Sustainable Development (WBCSD), World Economic Forum (WEF), and the 2030 Water Resources Group (2030WRG), we jointly launched the 50L Home Coalition in October 2020.

Spearheaded by P&G, the Coalition is a global, action-oriented, multi-stakeholder platform which brings together leaders from the private, nonprofit, and public sectors to **reinvent the future of urban water use** through innovations that reduce carbon emissions and promote water security.

Through the Coalition, we're leveraging our global scale, water chemistry expertise, and water-efficient products to develop innovations that will create a resilient, low-carbon water future. We are collaborating with other leaders in the private sector, working with many of our categories and markets to develop innovations that will help reduce, reuse, or even eliminate water use without tradeoffs.

The Coalition's creation was inspired by Cape Town, South Africa's response to a major drought and the looming prospect of "Day-Zero," the day that the city would be forced to turn off water service to all of its citizens in 2017-2018. Cape Town residents had to significantly reduce their water use at home to only 50 liters per person per day and experienced significant tradeoffs. Other cities all over the world are facing a similar threat of "Day Zero" conditions due to severe water scarcity.

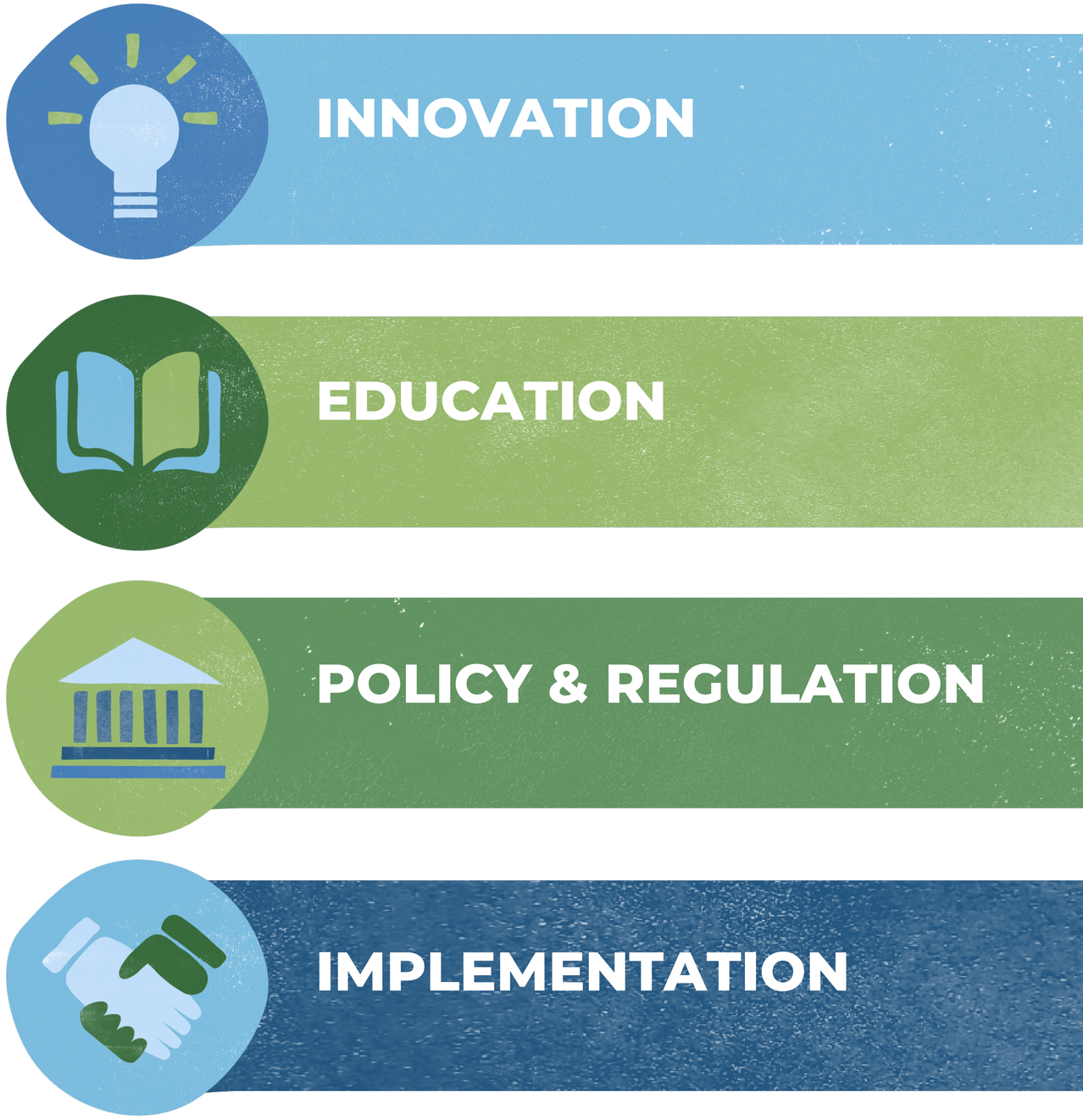
50 LITER HOME COALITION

The Coalition is currently co-chaired by the Mayor of Phoenix, Arizona, and P&G's Chief Operating Officer. This unprecedented collaborative effort aims to make 50 liters of daily water use per person feel like 500. By doing so, 50L Home will also support global climate mitigation objectives, as the second biggest source of operational carbon emissions in residential buildings is related to heating water.

With an average per capita household use of water as high as 500 liters per day in some parts of the world, there is a huge opportunity to drive broad-scale actions. The Coalition focuses on four main objectives to enable system-change transformations at scale:

1. **Innovation** collaborations to enable water efficiency, recycling, and reuse in the home and within the wider urban water system.
2. **Education** campaigns and knowledge to re-shape people's relationship with water to inspire and enable daily behavioral lifestyle changes.
3. **Policy and regulation** dialogues advancing industry framework changes as needed in the space.
4. **Implementation** of new solutions via scalable pilot projects in cities.

To achieve this, by 2025 the Coalition aims to make significant progress towards '50 liter and net zero' solutions in a way that activates action at scale in cities through knowledge exchange and policy engagement with leading cities.



RESPONDING TO WATER CHALLENGES THROUGH INNOVATION AND PARTNERSHIPS

ENABLING OUR CONSUMERS TO REDUCE THEIR WATER FOOTPRINT

Together with our brands, we will continue to create and share products, tools, and information to help our consumers use less water at home because we know that small actions at home can make a world of difference for our planet. We are focused on developing innovations that deliver irresistible superiority in a sustainable way, including:

- **Swiffer Wet Jet** can save households 70 gallons of water a year, versus using a traditional mop and bucket.
- **Dawn Powerwash Dish Spray** uses spray-activated suds to eliminate the need for water when hand washing dishes until the final rinse – cutting the amount of water used compared to traditional dish soaps by up to 50%.[7]
- **Cascade** is using its voice to reduce daily water use in households across the U.S. by encouraging people to skip pre-rinsing dishes and instead, run the dishwasher every night. Contrary to popular belief, the dishwasher uses four gallons of water per cycle, while the sink can use that same amount in just two minutes. And with an innovative formula containing enzymes that latch onto and break down food particles, Cascade Platinum gives consumers a superior clean without the pre-wash[8]. By skipping the sink with Cascade and choosing the dishwasher, households can save up to 100 gallons of water per week.[9]

7 When used as instructed, compared to the water used when running the tap continually to hand wash dishes.
8 50% more cleaning ingredients v. Cascade Complete ActionPacsTM.
9 With ENERGY STAR certified dishwasher vs. washing dishes at a running sink for 11 minutes per day.

BUILDING A WATER POSITIVE FUTURE TOGETHER WITH Cascade

See how Cascade is helping us accelerate progress toward a water positive future.

P&G IT'S OUR HOME | WATER POSITIVE FUTURE

DESIGNING PRODUCT FORMULAS THAT HELP REDUCE WATER USE

Cascade Platinum is **designed with 50% more cleaning power**,* so no need to pre-rinse dishes before loading them in the dishwasher. Special enzymes within each ActionPac latch on, break down, and wash away food so you can skip the sink and save water.

REDUCING WATER IN OUR OPERATIONS

The St. Louis plant, the site where Cascade is made, **reduced its water use by 34%**** (from 2010 to 2021).

RESTORING WATER IN WATER-STRESSED AREAS FOR PEOPLE AND NATURE

Cascade joined the Change the Course initiative to support several water restoration projects in the U.S. Over their lifetime, these projects are expected to **restore nearly 2 billion gallons of freshwater in water-stressed regions**.

ENABLING OUR CONSUMERS TO REDUCE THEIR WATER FOOTPRINT

Running the dishwasher instead of hand-washing dishes saves up to 20 gallons of water per load. **By pairing Cascade Platinum with ENERGY STAR certified dishwashers that use less than 4 gallons of water per cycle**, households save up to 140 gallons of water per week.

*More cleaning ingredients vs. Cascade Complete ActionPacs™
**Reduction of water use per unit of production

REDUCING WATER IN OUR OPERATIONS

REDUCING WATER IN OUR OPERATIONS

Water is essential for the making and use of our products, which means our responsibility to act starts in our own operations. We're continuing to set ambitious targets to make our facilities and manufacturing plants more water efficient. We've identified clear targets and we've already made significant progress towards these goals with the help of our 138 facilities in 39 countries around the world.

- **Increase water efficiency by 35% per unit of production by 2030 compared to a 2010 baseline.**
  - We've already made significant progress, becoming 25% more water-efficient in 2021.
- **Recycle 5 billion liters of water every year by 2030.**
  - Recycling water inside our facilities reduces our impact on local water resources. We are more than halfway there, already recycling 3.1 billion liters each year.

We're focusing efforts on our facilities exposed to high water risk. We partnered with multiple organizations to develop a three-tier risk assessment process that integrated water risk assessment tools from a number of sources, and in just a few years, we assessed more than 130 facilities and identified 33 located in areas exposed to high water risk – which we designated as "Tier 3" sites.

P&G is a member of the Alliance for Water Stewardship. We are committed to playing our part in protecting the water resources we share with our neighbors. All P&G sites located in high water-stressed areas are required to understand their local water sheds, create action plans, and address the key challenges impacting our operations and the local communities where we operate.

1 WATER RISK SCREENING

Identify risk level of sites based on:

- Baseline water stress score – World Resources Institute
- Gross national income per capita – World Bank
- Company site water use per year – P&G
- Access to water – WHO/UNICEF

ALL SITES SCREENED
~70% of sites in lower risk areas

2 TAILORED SITE QUESTIONNAIRE

Prioritize sites based on outcome of responses:

- Site water questionnaire

PRIORITY SITES FROM 1
~30% of sites have entered the Tier 2 process

3 IN-DEPTH WATER ANALYSIS

Prioritize risks for mitigation and develop site water stewardship plans.

PRIORITY SITES FROM 2
~25% of sites are designated Tier 3 sites

REDUCING WATER IN OUR OPERATIONS

We are partnering to develop new technology to advance water efficiency and increase use of recycled water. Here are some of the examples of how our plants are developing onsite solutions:

Alce Blanco, Mexico – Living in an area experiencing water stress, employees at our Oral Care plant deployed a campaign to increase awareness, repair leaks and install water saving showers and toilets. Overall, the site reduced their water demand by 1.2 million liters last year. The power of employee involvement and a zero losses mentality have resulted in a 62% reduction in water use in the last ten years.

Auburn, Maine, U.S. – Our Feminine Care plant reduced its production adjusted water use by 18% in one year. The site conserved more than 12 million liters of water by fixing leaks and improving cooling tower operating systems. These water savings are equivalent to the annual water use of 150 Maine households.

Box Elder, Utah, U.S. – Our Family Care Plant is in an area experiencing water stress. Over the last five years, the plant has focused on improving water efficiency and identifying ways to reuse water. In one project, cleaning water is reused in another system as feed water saving more than 150 million liters per year. All projects completed in the last five years have reduced plant water use by 26% or 407 million liters, the equivalent annual water use of nearly 1,400 U.S. households. The site continues to look for additional opportunities to reduce water use.

REDUCING WATER IN OUR OPERATIONS

Chengdu, China – Our manufacturing site is committed to recycling the maximum volume of water to minimize freshwater use. The plant has executed multiple water recycling projects reducing the site's water consumption by more than 45% since 2010. For the past five years, the site has recycled an average of 280 million liters of water per year. This savings is equivalent to the annual water use of 1,400 China households.

Csömör, Hungary – Our Feminine Care plant in Hungary developed innovative solutions to expand its business without increasing demand on the local water supply. The plant's water recycling process consists of industrially proven water treatment technologies. This plant can recycle 98% of the Always Infinity manufacturing area's daily water demand, equal to more than 230 million liters of recycled water per year.

Louveira, Brazil – Our Baby Care plant, located in a water-stressed area, developed innovative solutions to reduce freshwater use. The facility installed equipment to treat and reuse manufacturing process water effluent. Last year, the plant recycled more than 34 million liters of water, the equivalent annual water usage of 860 Brazilian households.

Mariscala, Mexico – Our Mexico Hair Care plant is in an area that has been experiencing water stress. They are committed to reducing their use of freshwater and are leveraging innovative data analytics to drive actionable insights from water meters installed throughout the site. The analysis of this data provides the plant with a daily understanding of water consumption so they can act immediately to eliminate losses. The plant can also benchmark their water efficiency performance with other sites. In the first month of operation, the site identified five projects that can improve their production adjusted water efficiency by 10%.

REDUCING WATER IN OUR OPERATIONS

Milenio, Mexico – Our Grooming Plant located in an area experiencing water stress, eliminated water losses in the operation and installed a water recycling system in the razor blades production area. These improvements reduced plant water use by 17 million cubic liters per year and enabled the plant to reduce water use by 14% vs. previous year.

Pomezia, Italy – Our Fabric and Home Care plant, located in an area experiencing water stress, has reduced their water use by over 35% since 2010. The plant installed technologies to recover and recycle water from their purified water treatment system increasing its efficiency by 15% and reducing water demand by 29 million liters per year, the equivalent annual water use of 165 Italian households.

Rakona, Czech Republic – In 2020, our Fabric and Home Care plant reduced its water use by more than four million liters by implementing multiple projects to increase water efficiency in the utility and manufacturing processes. These reductions are equivalent to the annual water use of more than 130 Czech Republic citizens.

Singapore – Our plant produces fragrances and the P&G's Children's Safe Drinking Water purification sachets. The plant completed a project to optimize their water use during tank and piping cleaning, reducing their water use by 10% and saving 593,000 liters per year.

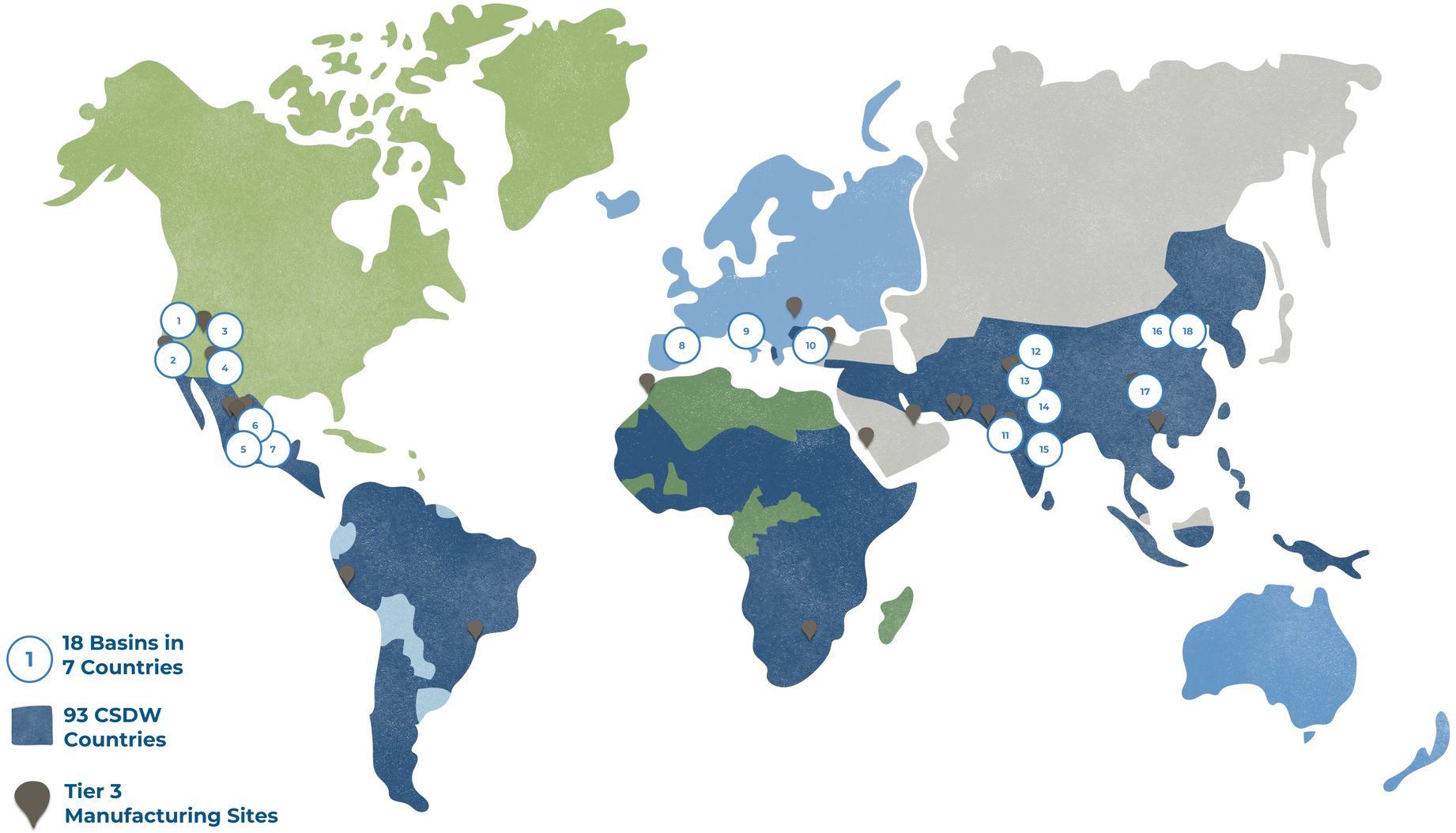
Tabler Station, West Virginia, U.S. – Our plant is recycling more than 230 million liters of circular water per year, or the average annual water consumption of 550 West Virginia households.

Manufacturing Site Featured

Tier 3 Manufacturing Site Featured

Tier 3 Manufacturing Site

MAPPING OUR WATER PROGRESS



RESOURCES

P&G Citizenship Report

Mapping Our Impact

Ambition 2030 Update (Dec 2021)

P&G Sustainability Website

ESG Investor Portal - Water

P&G Water Stewardship Program Blog

Protecting Our Water Future Blog

Sacramento River Basin Project Blog

Cascade “Do It Every Night” Blog

https://50lhome.org/

APPENDIX: WATER RESTORATION PROJECT DESCRIPTIONS AND WATER GOAL DETAILS

APPENDIX: WATER RESTORATION PROJECT DETAILS

Basin: California – Lower American

Shorebird Habitat Creation Project (Partner: BEF)

Over the past two hundred years, 90% of native wetland habitat has been lost in California. Audubon California will work to create seasonal wetlands in the Sacramento Valley to sustain healthy migratory shorebird populations. They do this by ensuring water stays on the right land at the right time and at the right depth during shorebird migration. By 2023, Audubon hopes to have provided 3,500 acres of seasonal wetland habitat where land would otherwise have been dry. This will create essential habitat for hundreds of shorebirds, improve water quality, and encourage groundwater recharge. For more information, visit https://businessforwater.org/projects/shorebird-habitat-creation.

Sacramento Landscape Efficiency Project (Partner: BEF)

The Regional Water Authority will upgrade the landscapes of areas of commercial, industrial, institutional (CII) properties in Sacramento, California to reduce the demand on the city's water supply for irrigation. By working with local businesses and other institutions, this project will explore a variety of water-saving options, including growing drought-resistant plants and installing high-efficiency irrigation systems to conserve more water. For more information, visit https://businessforwater.org/projects/sacramento-landscape-efficiency-project.

Crystal Basin Forest Restoration Project (Partner: BEF)

The Great Basin Institute, along with several other project partners, have been working to restore 7,300 acres of the Eldorado National Forest in northeastern California as part of the Crystal Basin Ecological Restoration Project. P&G is supporting the restoration of 200 acres of forestland, this will help to reduce the risk of catastrophic wildfires by reducing the number of shrubs and small trees, which serve as fuel and intensify the impact of forest fires, it will also improve water quality and habitat. When forests are managed effectively for fire, the water systems around them also benefit. For more information, visit https://businessforwater.org/projects/crystal-basin-forest-restoration.

Sycamore Slough Groundwater Recharge Project (Partner: BEF)

Davis Ranches, committed to implementing sustainable farming practices and conservation, will move surface water onto specific areas of its property that are most effective at groundwater recharge. This will help to replenish the aquifer and create seasonal habitat for migrating shorebirds along the Pacific Flyway. This project is expected to help restore groundwater levels, improve soil health, aid in preventing soil erosion, and improve water quality. For more information, visit https://businessforwater.org/projects/sycamore-slough-groundwater-recharge.

East Sand Slough Side Channel Reconnection Project (Partner: BEF)

Currently, the East Sand Slough Side Channel runs dry along part of the Sacramento River for much of the year. Chico State Enterprises is leading this project, which will create a sustainable habitat for critically endangered juvenile Chinook salmon and other species by allowing water to flow along the East Sand Slough Side Channel for more days out of the year. Restoring the channel will also provide a recreational and visual amenity for the surrounding community. For more information, visit https://businessforwater.org/projects/east-sand-slough-side-channel-reconnection.

APPENDIX: WATER RESTORATION PROJECT DETAILS

Basin: California – Lower American (cont.)

Brayton Restoration Project (Partner: BEF)

River Partners, a nonprofit dedicated to bringing life back to rivers by creating wildlife habitat for the benefit of people and the environment, will restore 25-acres of land along the Sacramento River back to native habitat by planting 9,300 native trees, shrubs, grasses, and other small plants. This flora will thrive in the natural climate and benefit the area by improving water quality, providing habitat for local animal species and reducing the amount of water diverted from the river to restore its natural flow. For more information, visit https://businessforwater.org/projects/brayton-restoration.

California Wildfire Restoration (Partner: The Arbor Day Foundation)

In response to the devastating Camp and Carr Fires of 2018, P&G and its Family Care Brands supported the planting of 493,848 trees across almost 2,000 acres to date. Alongside the Arbor Day Foundation, these trees will sequester carbon, improve wildlife habitat and support local economies. The critical watersheds in Butte and Shasta County, California, will also benefit from the restoration effort. Estimated water benefits include over 1 billion liters per year of avoided water runoff across the 1,975 acres that P&G supported. Additionally, P&G has supported the creation of the Wildfire Restoration Collaborative. This collaborative helps to scale and support quality urban and natural forestland projects to have a greater impact, rehabilitating landscapes and elevating the messaging and urgency around wildfire recovery.

Mill Creek Flow Restoration (Partner: BEF)

Conserving and restoring water in priority basins for the people and wildlife that call them home. Today, almost 95% of wetland habitat has been lost in California's Central Valley. To address this issue, The Nature Conservancy facilitates water transactions to make water available to instream river flows and wetland habitats during critical times, in strategic locations. Cascade supported one such project in 2020 enabling millions of liters to reach the Sacramento National Wildlife Refuge Complex. This project enabled 247 million liters of water to remain instream in Mill Creek at critical times, supporting salmon runs and aquatic ecosystem needs and delivering water to create vital wetland habitat for migratory birds downstream in the Sacramento National Wildlife Refuge Complex. For more information, visit https://businessforwater.org/projects/water-trust-mill-creek-flow-restoration.

Thompson Meadow Restoration Project (Partner: BEF)

The Plumas Corporation will work to restore the degraded 47-acre Thompson Meadow. Work from project partners will help to prevent further degradation of the stream and meadow system in order to improve flow conditions, meadow productivity, vegetative cover, and water quality. Healthy meadows also sequester carbon. This project is supported by Cascade and other funders. For more information, visit .https://businessforwater.org/projects/thompson-meadow-restoration.

APPENDIX: WATER RESTORATION PROJECT DETAILS

Basin: California – Calleguas

Multi-Family Housing Leak Detection Pilot (Partner: BEF)

Leaky toilets account for one of the largest losses of water in Californian homes, but innovative sensor technology now allows for quick identification of leaks. Pacific Institute is leading this pilot to reduce water consumed through leaking toilets by installing Sensor Industries leak detection devices on toilets in low-income, multi-family housing owned by nonprofits in Los Angeles. This will enable leaks to be identified and fixed quickly to conserve water and enable money saved to be re-invested into the property. This approach could be scaled to stop millions of liters of water from being wasted across California and other water-stressed regions. This project saves water and energy, improves maintenance efficiency, and reduces water bills. The project included three pilot installations in 2021, which equipped 1,200 toilets with leak sensors and alert systems. These installations are saving an estimated 24.2 million liters per year. For more information, click here.

Basin: Arizona – Lower Salt

Mason Lane Piping Irrigation Efficiency (Partner: BEF)

Oak Creek is one of the last constantly flowing streams in northern Arizona. It not only supports a vibrant ecosystem, it also supplies irrigation water to residents along the creek through irrigation ditches. The Nature Conservancy will work to pipe more than 5,000 feet of the leakiest section of the Mason Lane Ditch to help meet the needs of water users and aquatic habitat. This project, supported by Cascade, will help to support ecosystems, make water available for agriculture, and provide water for recreation. For more information, visit https://businessforwater.org/projects/mason-lane-piping-irrigation-efficiency.

Colorado River Indian Tribes (CRIT) System Conservation Project (Partner: BEF)

This project with the Colorado River Indian Tribes and the Arizona Department of Water Resources represents the largest collaborative funding effort of its kind and will help to directly shore up declining water levels in Lake Mead. 150,000 acre-feet of conserved water will remain in Lake Mead, an essential water source for the American Southwest, helping to achieve decade-scale water supply benefits for the region. This project is supported by P&G and Cascade, along with many other organizations. It will compensate the CRIT for the conservation of their Colorado River water rights and supports their longer-term efforts to modernize irrigation systems and conserve additional water. For more information, visit https://businessforwater.org/stories/major-corporations-commit-funding-to-help-lake-mead.

Basin: Utah – Lower Bear-Malad

Bear River Water Efficiency and Wetland Enhancement Project (Partner: BEF)

This project will convert over 5,000 feet of earthen ditch to pipe to improve irrigation efficiency and provide supplemental water to wetlands. By improving overall water management, it will also allow for better control of invasive species, which are crowding out native plants and impacting waterbirds. The anticipated 625 acres of enhanced wetlands will also provide water quality benefits by filtering suspended sediment and excess nutrients from surface flows.

Basin: Utah – Lower Bear-Malad (cont.)

Middle Bear Riverscapes Restoration Project (Partner: BEF)

Pheasants Forever will use low-tech process-based restoration conservation projects on streams along the Middle Bear River to restore natural hydrologic processes that protect and enhance water resources. These projects will improve riverscape health, increase the amount of water entering streams, and increase natural water storage. These techniques can be scaled over time to have a positive impact on hundreds of miles of streams in the Bear River Watershed.

North Eden Creek Flow and Fish Passage Restoration (Partner: BEF)

This project will support water stewardship in a place that holds ecological, recreational, and economic importance for the region and engages diverse communities. Trout Unlimited will reduce the amount of stream water being used for irrigation, restore stream flow and reconnect the North Eden Creek to Bear Lake for the first time in recent history. This is a marquee project of basin-wide importance that will help to restore the natural hydrology of North Eden Creek, support spawning and rearing of the Cutthroat Trout, and improve irrigation efficiency.

Blacksmith Fork Fish Passage and Flow Restoration (Partner: BEF)

The Lower Blacksmith Fork River has notoriously been a challenge for fish passage and consistent water flows. This project will reconnect fish passage on 25 miles of the river, taking the first steps to begin the restoration and reconnection of the Logan River to the Blacksmith Fork. Implementing partner, Trout Unlimited, expects this phase of the project to eliminate two fish passage barriers, enhance four miles of instream flows, restore 1,500 feet of riparian area and river channel, and improve recreational access and safety at the Nibley Diversion Dam.

Bear River Canal Company (BRCC) Measurement and Telemetry Project (Partner: BEF)

With 126 miles of canals that distribute and deliver irrigation water across over 65,500 acres of land, Bear River Canal Company's current method of visually monitoring water levels is inefficient, time-consuming, and can be improved upon to save water loss due to evaporation. To solve these problems, this project will install telemetry controls and/or automated headgates at 14 locations. Once installed, BRCC will be able to react quickly to variations in water demands by using real-time data provided by the new tools. This is expected to reduce operational spills, which are one of the largest sources of water loss in the BRCC distribution system. By improving water efficiency of the system, this project will create new opportunities to provide more water to wildlife refuges and other natural habits. BRCC expects the project to result in improved water management, a 30% reduction in operational spills, and improve water deliveries to state and federal wildlife areas.

Wuda Ogwa (Bear River) Water and Habitat Eco-Restoration Project (Partner: BEF)

Wuda Ogwa Water and Habitat Eco-Restoration Project goes beyond restoring water and will enable the first step in a broad vision for bringing life back to a place of historical significance for the Northwestern Band of the Shoshone Nation. This project will support restoring the site of the 1863 Bear River Massacre, where over 400 Shoshones lost their lives. It includes creating a more natural stream channel, which will improve a mile of habitat along the existing waterway. It is expected that this project will recover habitat along Battle Creek, improve hydrologic conditions of the floodplain, wetlands, and riparian areas, and enhance instream flows to improve water quality and habitat.

APPENDIX: WATER RESTORATION PHOTO CREDITS

Brayton Restoration Project, CA, U.S.: Alex Karolyi

Shorebird Habitat Creation, CA, U.S.: Ian Souza-Cole

Sycamore Slough Groundwater Recharge, CA, U.S.: Emily Reinhart

Sacramento Landscape Efficiency, CA, U.S.: Regional Water Authority

Crystal Basin Forest Restoration, CA, U.S.: Regional Water Authority

Mill Creek Flow, CA, U.S.: Drew Kelly

Thompson Meadow Restoration, CA, U.S.: Plumas Corporation

Multi-Family Housing Leak Detection Pilot, CA, U.S.: Sensor Industries

Mason Lane Piping Irrigation Efficiency, AZ, U.S.: The Nature Conservancy

Bear River Water Efficiency & Wetland Enhancement, UT, U.S.: Chris Bonsignori

North Eden Creek Flow & Fish Passage Restoration, UT, U.S.: Trout Unlimited

Blacksmith Fork Fish Passage and Flow Restoration, UT, U.S.: Trout Unlimited

DERIVING WATER CONSUMED DURING PRODUCT USE

Much of P&G's water footprint occurs during the use of our products. While we continue to work on product innovations, education campaigns and partnerships that help to reduce water use in homes, we also know that the urgency of water issues in many places we serve requires broader efforts within basins.

To directly address the water associated with consumer use of P&G products, we first needed to derive a novel approach to understand the approximate water volumes that do not go down the drain, or return through other means, to our priority basins after product use. To do this, we worked with the World Resources Institute (WRI) to explore existing target-setting methodologies and develop a new approach to estimate the annual water consumption[10] that occurs when consumers use P&G products in each of our 18 priority basins.

By combining P&G data on product shipments and consumer habits and practices with publicly available evaporation rates, leakage rates and country/basin populations, we were able to derive a total annual consumption volume associated with P&G product use. We then used the estimated volumes to understand where the majority of consumer water consumption impact is occurring across our priority basins.

After comparing the volumes of all 18 basins, we found that two priority basins, Los Angeles and Mexico City, are responsible for over half of the total P&G-associated water consumption across all priority basins. The details of the method used to derive our consumer use target is planned for publication with WRI in August 2022.

10 Water from household leaks and evaporation during the use of our products.

IT'S OUR HOME | WATER POSITIVE FUTURE