



Responsible and Sustainable Sourcing Policy

Overview

Our long-term success relies upon honest and ethical business practices and treating people with dignity, respect and equal opportunity. **Do the right thing** is a core value which has helped us build trust with the millions of consumers who bring our products into their homes and lives every day. We expect our business partners to live up to the values and standards we apply to ourselves.

The Clorox Company (Clorox) [Business Partner Code of Conduct](#) (BPCoC) was developed to address the practices of all our business partners, including the suppliers and facilities involved in the production or provision of goods and services on behalf of Clorox. It is based on international standards and best practices, including the International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work and the Ten Principles of the United Nations Global Compact. It outlines our expectations that **our suppliers share our commitments in the areas of human rights and labor, health and safety, the environment and business conduct and ethics.**

This Responsible and Sustainable Sourcing Policy and associated **social and environmental standards** outlined below translates our [BPCoC](#) commitment into specific requirements for our suppliers and **forms part of our contracts.**

Scope and Principles

Clorox's Responsible and Sustainable Sourcing Policy includes three sets of Standards that our suppliers must meet or exceed. A fundamental principle of each standard is that suppliers comply with all applicable laws and regulations. In situations where applicable laws are more restrictive than the principles of our Policies and Standards, suppliers must follow the law.

1. Responsible Sourcing Standard Overview

The [Responsible Sourcing Standard](#) applies to all suppliers of goods and services and requires that all the suppliers we select and maintain relationship with comply with the principles set out in the Clorox [BPCoC](#), the Clorox [Human Rights Commitment](#) and the Clorox [Environmental Policy](#) and the Clorox [Freedom of Association Policy](#). They must also promote the [BPCoC](#) and our human rights and environmental principles within their own supply chains.

2. Sustainable Sourcing of Raw Materials Standard Overview

When sourcing raw materials such as palm oil or pulp for our products and packaging, Clorox is committed to working with suppliers that ensure production does not lead to loss of natural ecosystems or biodiversity, deforestation or human rights infringements, among other environmental or social issues. Our commitment to sustainable sourcing of raw materials includes minerals extraction as we avoid sources that directly or indirectly fund conflict. We strive to know where our ingredients come from and how they are produced.



3. Carbon Reduction in our Supply Chain Standard Overview

As part of [Clorox's IGNITE Strategy](#), we focus on climate stewardship as one of our critical environmental, social and governance (ESG) priorities. This focus extends into our upstream supply chain, where we have committed to science-based scope 3 greenhouse gas (GHG) emissions reduction targets. We request suppliers in scope (°) for our carbon reduction program to support greater transparency and collective engagement on carbon footprint reduction.

(°) Suppliers in scope for our carbon reduction program will be duly notified.

Implementation of the Responsible and Sustainable Sourcing Policy

Clorox's Global Strategic Sourcing (GSS) team and regional procurement teams are responsible for the implementation of this policy, including:

- Distributing to and making suppliers, contractors and subcontractors aware of the policy and their responsibility to comply with it.
- Monitoring compliance and training.
- Incorporating this policy into global category strategies and supplier relationship management process.

Suppliers, contractors and subcontractors should also promote the standards throughout their supply chains. We expect our suppliers to not only comply with the Responsible and Sustainable Sourcing Policy and its associated Standards in their own organization but also to ensure that their suppliers adhere to its principles.

Please email questions regarding the implementation of this policy to supplier.code@clorox.com.

Responsible Sourcing Requirements

A. Definition and application

- Our responsible sourcing principles outlined in the [BPCoC](#) cover:
 - (1) Human Rights and Labor: Protecting human rights of workers and treating all workers with dignity
 - (2) Health and Safety: Creating safe working conditions and a healthy work environment for all workers
 - (3) Environment: Safeguarding the environment and reducing the environmental impact of their operations
 - (4) Business integrity: Establishing high standards of ethical conduct and complying with fair business practices
- The policy is applicable to (i) all facilities involved in the production or provision of goods and services on behalf of Clorox and (ii) suppliers of goods and services to Clorox. .

B. Standard



- The Clorox's [Responsible Sourcing Standard](#) sets out detailed requirements for the responsible sourcing of all materials, products and services, and outlines how we verify suppliers meet our expectation.
- The standard may be updated from time to time.

Sustainable Sourcing of Raw Materials Requirements

A. Definition and application

- Raw and packaging materials (of agricultural or mining origins) are defined as raw materials that come from nature (either grown, extracted, caught or harvested materials) and include, but are not limited to, palm oil, timber, pulp and paper, soy, shea, wax, coconut and minerals. Our sustainable sourcing of raw materials principles cover:
 - (1) Compliance with environmental, health & safety, labor and social laws and regulations.
 - (2) Avoidance of deforestation of primary and secondary forests with significant ecological value. This includes “High Carbon Stock” forests and peat lands.¹
 - (3) Protection of biodiversity.
 - (4) Transparency of sources back to the primary production level.
 - (5) Avoidance of minerals that have been extracted in support of armed conflict in any products.
- This policy applies to all raw materials of agricultural or mining origins used in products and product packaging that are produced by or on behalf of Clorox.

B. Standard

- The Clorox's [Sustainable Sourcing of Raw Materials Standard](#) sets out our general requirements for the sourcing of raw materials of agricultural or mining origin, in addition to material-specific requirements. It also outlines how we verify suppliers meet our expectation.
- Both the general and material-specific requirements may be updated from time to time.

Carbon Reduction Requirements

A. Definition and application

Where applicable, Clorox's suppliers are required to have GHG management plans and monitoring in place, disclose their GHG emissions, implement policies specifying their ambitions to control, and reduce GHG emissions.

B. Standard

¹Developed by Earthworm Foundation (EF), Greenpeace, Golden Agri-Resources and industry partners, High Carbon Stock is a methodology for distinguishing forest areas that should be protected due to their provision of provide essential carbon storage, habitat for biodiversity and livelihoods for local communities.



- The Clorox's [Carbon Reduction in our Supply Chain Standard](#) sets out our detailed requirements for suppliers in scope to address their GHG emission and outlines how we verify suppliers meet our expectations.
- The standard may be updated from time to time.

Michael Holly

VP Product Supply Services
The Clorox Company

Date: September 8, 2021
