



Sustainable Sourcing of Raw Materials Standard

The Clorox Company (“Clorox”) **Sustainable Sourcing of Raw Materials Standard** (“Standard”) sets out our general requirements for the sourcing of raw materials of agricultural or mining origin, in addition to material-specific requirements. It complements our [Responsible and Sustainable Sourcing Policy](#) (“Policy”) and outlines how we verify that suppliers meet our expectations. Both the general and material-specific requirements may be updated from time to time.

The Clorox Responsible and Sustainable Sourcing Policy

As part of our commitment to responsible business practices, we require our suppliers to abide by the Clorox [Responsible and Sustainable Sourcing Policy](#), which requires compliance with all applicable laws and regulations, the Clorox [Business Partner Code of Conduct \(BPCoC\)](#), the Clorox [Human Rights Policy](#), the Clorox [Environmental Policy](#) and the Clorox [Freedom of Association Policy](#). We also require [our suppliers to share our Policy, its associated standards](#), and our [BPCoC](#) with their upstream suppliers and ensure those suppliers adhere to our principles and requirements.

In situations where laws applicable to our suppliers are more stringent than our policies and standards, our suppliers must follow the applicable laws.

General Sustainable Sourcing Standards

When sourcing raw materials such as palm oil or wood-based fiber for our products and packaging, Clorox is committed to working with suppliers to ensure production does not cause a 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.

Raw ingredients (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. Materials shall be from sources that:

- (1) Comply with environmental, health & safety, labor and social laws and regulations
- (2) Avoid deforestation of primary and secondary forests with significant ecological value. This includes “High Carbon Stock” forests and peat lands.¹
- (3) Protect biodiversity
- (4) Provide transparency of sources back to the primary production level

• ¹ Developed 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.



(5) Avoid minerals that have been extracted in support of armed conflict

This general standard 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.

Materials-Specific Standards

In addition to meeting the general standard above, suppliers of fiber and palm oil (including palm oil derivatives) must also meet the relevant product-specific standards set out below.

Fiber

In our fiber sourcing, we strive to reduce pressure on natural forests. Clorox has a commitment to solely use recycled or certified virgin fiber in our primary and secondary packaging. For all products and product packaging that are produced by or on behalf of Clorox, suppliers should be able to demonstrate that they comply with the following approach:

- Seek to generally reduce the amount of fiber used.
- Promote and maximize the use of recycled fiber where possible and practical.
- When virgin fiber is used, demonstrate the materials come from forests that are verifiably legal, responsibly managed and comply with the general standards above. Clorox seeks sustainable forestry certifications to ensure responsible forestry practices have been followed. The following methods can be used as a means to verify virgin material certification:
 - The Forest Stewardship Council (FSC)
 - The Program for the Endorsement of Forest Certification (PEFC) endorsed national forest certification systems
 - The Sustainable Forestry Initiative (SFI)

Palm oil (including palm oil derivatives)

Clorox is a member of the [Roundtable on Sustainable Palm Oil](#) (RSPO), a nonprofit organization that unites stakeholders to develop and implement global standards for sustainable palm oil. We are committed to supporting RSPO standards and its Certified Sustainable Palm Oil (CSPO) to transform practices in the production of palm ingredients. We are committed to sourcing only CSPO for palm oil and its derivatives through RSPO physical supply chains by 2025 and reporting on our progress through our RSPO Annual Communication of Progress and other public disclosures. Clorox requires that our palm ingredient suppliers and their upstream supply chains fully support our ability to achieve the above commitments. Suppliers should be able to demonstrate that they comply with the following:

- Demonstrate continuous progress towards fully traceable, responsible palm oil as per General Standards described above.
- Work with Clorox and our partners to establish and maintain traceability of our palm supply chains to first refiner and mill level.



- Comply with all RSPO Principles and Criteria and source only CSPO through RSPO physical supply chains by 2025.
- Incorporate our commitment criteria in their supplier selection and supply chain management process.
- Have public sustainable palm oil commitments aligned with the RSPO Principles and Criteria, including what is commonly referred to as NDPE (No Deforestation, No Peat and No Exploitation):
 - No deforestation and no development of high conservation value or high carbon stock areas
 - No development on peat lands
 - The protection of human rights, including respect for the rights of indigenous and local communities to give or withhold their free, prior and informed consent to operations on lands to which they hold legal, communal, or customary rights
 - Public grievance process and response procedures for cases of non-compliance

Consequences for violations of the Standard or applicable laws

Clorox requires suppliers' to materially comply with the requirements of our Policy, Standard and all applicable laws as a condition of continued business with Clorox. We will endeavor to work with our suppliers to address issues and implement remediation solutions. In the case of prolonged or excessive non-compliance, Clorox reserves the right to review business with our supplier, up to and including termination of the business relationship and any related contracts.

Grievance mechanism and whistleblowing

We are committed to ensuring that workers who report violations or participate in investigations are treated fairly. Suppliers may not retaliate against their workers who report in good faith possible violations of the law, Policy and Standard to Clorox, law enforcement or government agencies or directly through the suppliers' grievance mechanism. Nor may suppliers retaliate against their workers for cooperating with or participating in good faith in any investigation of actual or potential business misconduct or violation of our Policy.

- Suppliers must have systems in place to enable anonymous grievance, reporting and management. Grievance mechanisms must be continuously monitored, records maintained and appropriate actions taken in a confidential manner. Workers must be informed of how to access grievance mechanisms.
- In addition, anyone who becomes aware of any actual or potential violation by any Clorox supplier of our Policy, Standard, [BPCoC](#) or any applicable law, or other misconduct, should immediately report such conduct to Clorox. Suppliers, including their employees, may contact Clorox directly via either (1) the Clorox employee with whom they have a working relationship or (2) the Clorox Compliance Hotline, which allows for confidential reporting where permitted by



law. The Clorox Compliance Hotline can be reached using the contact information detailed in our [BPCoC](#). Suppliers are expected to comply with all applicable data privacy laws when using the hotline.

Michael Holly

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The Clorox Company

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