

PACKAGING

We are committed to developing and producing consumer friendly and environmentally responsible packaging across all our global brands.

Utilize Consumer-Friendly and Environmentally Responsible Packaging

- ✓ Ensure greater than 95% of global product packaging is recyclable by the end of 2025.
- ✓ Ensure all non-pharma product packaging is free from Polyvinyl chloride (PVC) including timely elimination from newly acquired products.
- ✓ Increase Post-Consumer Recycled (PCR) plastic to a minimum of 25% average across all global plastic packaging by the end of 2025.
- ✓ Reduce the amount of virgin (petroleum based) plastic packaging used globally by more than 30% versus 2017 baseline data by the end of 2025.
- ✓ Source all paper and board packaging from recycled material and/or sustainably managed forests ensuring compliance for all future product acquisitions.



PACKAGING CIRCULARITY AND PLASTIC REDUCTION

Aligned with our overall Sustainability objectives, and in recognition of the global challenges around the use of plastic in packaging, we continue to pursue our Plastic Packaging Strategy. We want to ensure that our plastic packaging has minimal impact on the environment, and we hope to achieve that with three key focus areas:

1. Plastic should be eliminated or reduced from our packaging wherever it is practical. This means seeking non-plastic alternatives from across our supplier base. Plastic should also be reduced in weight where it is not deemed necessary for product protection and containment.

2. Plastic recyclability should be increased through a combination of plastic component simplification and consumer education.

During development, we seek solutions to make plastic packaging free from contaminants that prevent recyclability. This includes moving from multiple plastic materials, which cannot be separated, to a mono material structure or removing metal from plastic packaging.

3. Plastic sustainability should be grown through increased circularity. We continue to increase the amount of PCR plastic across our packaging and increasingly look to source plastic from sources that actively reduce pollution from our Earth's oceans.

PACKAGING RECYCLABILITY

We have improved overall recyclability across our broad portfolio of products, with global recyclability increasing from 71% to 88.3% since 2018.

During 2023, we used approximately 365 million pounds of packaging material globally. As a result of improvements in recyclability made through our packaging sustainability project workstream, 322 million pounds of that packaging was recyclable and designed for material recovery within a circular economy.





As an activator member of both the U.S. and U.K. Plastics Pacts, we collaborate to improve the recyclability of our portfolio and to eliminate problematic and unnecessary plastics, driving action towards a circular economy. Our work with the Association of Plastic Recyclers and The Recycling Partnership helps us design our packaging to deliver recycle-friendly packages, driving higher levels of material recovery for use in new packaging.

CONSUMER EDUCATION ON PACKAGE RECYCLING

During 2023, we continued the use of How2Recycle labels through our partnership with the Sustainable Packaging Coalition. We have increased adoption to apply more than 2,700 How2Recycle® labels on our North American packages since joining. Implementation of How2Recycle labeling will remain a priority in all future acquisitions.

In 2023, we continued our use of the “On Pack Recycle Label” program for all products sold in the UK. This system will be mandated by the UK government as part of EPR legislation by 2026 due to its beneficial contribution to material recovery.

These programs are highly beneficial to the recycling industry by informing consumers what should and should not be recycled through clean and simple communication, helping to drive the circular economy.





HIGHLIGHTS OF 2023 ACCOMPLISHMENTS

- Our UK operations converted all toothpaste tubes for our ARM & HAMMER, Pearl Drops™, ORAJEL and EmailDiamant™ brands to widely recyclable packs accepted in the UK and European recycle streams, thereby improving the overall recyclability of 37 of our products.
- We redesigned the NAIR depilatory range of bottles to include the use of 30% PCR and crystallized polyethylene terephthalate (cPET) shrink sleeves to ensure they are widely recyclable.

INCREASED USE OF PCR

Our goal is to increase Post-Consumer Recycled (PCR) plastic to a minimum of 25% average across all global plastic packaging by the end of 2025.

This goal aims to reduce plastic pollution and also improve our packaging's carbon footprint, by establishing value in a second life for packaging materials after they have fulfilled their original purpose.

In 2023, we increased our contributions to PCR plastic content across many of our brands, increasing PCR usage to over 18.1% average across our plastic packaging. These initiatives added a further 3.7 million pounds of recycled plastic content annually into our packaging and drive us towards our 2025 goal.



In addition to the improvements to the level of PCR plastic within our packaging, we have also introduced PCR steel within our BATISTE aerosol packaging. BATISTE steel cans now contain a minimum of 25% PCR steel, which uses 3 million pounds less virgin steel and helps to reduce carbon emissions by an estimated 2.1 million kilograms of carbon dioxide equivalent (CO2e).

HIGHLIGHTS OF 2023 ACCOMPLISHMENTS

- All PET trigger bottles for laundry care and household cleaners now contain a minimum of 30% PCR plastic.
- On average, our liquid laundry and laundry additive bottles across the ARM & HAMMER, OXICLEAN and XTRA brands now contain a minimum of 34% of PCR plastic (up from 30%).
- NAIR Shower Power and Body Cream packaging HDPE bottles and tattles contain a minimum of 30% PCR plastic on average. Both pack formats have been consolidated to a common lighter weight flip top cap.
- The bottles for our new THERABREATH Overnight and Deep Clean rinses were the first of our product packaging to use approved for food use recycled polyethylene terephthalate (rPET) PCR (an average of at least 30%).

REDUCTION IN VIRGIN PLASTIC

Our goal is to reduce, by the end of 2025, the level of virgin (petroleum based) plastic packaging used globally with respect to our product portfolios by more than 30% versus our 2017 baseline data.



We plan to achieve our virgin (petroleum based) plastic reduction goal through the combined use of:

1. Additional use of PCR,
2. Product concentration and compaction (less packaging),
3. Packaging redesign and lightweighting,
4. Non plastic packaging substitutions, and
5. Refillable packaging solutions

HIGHLIGHTS OF 2023 ACCOMPLISHMENTS

- Our liquid laundry and laundry additives concentration program reduced our use of plastic in ARM & HAMMER and XTRA brands. In 2023, this equated to an estimated 3.6 million pounds of reduction, cutting our CO2e emissions by over 4,500 metric tons, which would be annualized to an estimated 5.7 million pounds and a saving of 7,000 metric tons of CO2e emissions.
- A program to optimize the use of pallet stretch wrapping on fabric care products (liquid laundry, OXICLEAN and Scent Boosters) to improve quality and stability through distribution has resulted in reducing the total film usage by approximately 31% plant wide.
- We commenced a weight reduction program across vitamins and supplement PET containers, with savings of an estimated 25% plastic on our 950cc containers.
- Our WATERPIK business launched a new showerhead, moving to a cartonboard box with a window format, replacing the traditional plastic clamshell. The new window is made from rPET. The new format reduces plastic usage in product packaging by approximately 60%.

Adding approximately 3.7 million pounds of PCR to our products in 2023 reduced our reliance on virgin plastic, and we have achieved more reductions through designing for Sustainability. In addition to the implementation improvements across our current range of product packaging, we have invested behind our future Paper Packaging Strategy. We are working on multiple research and development programs to replace plastic materials with recyclable paper fiber solutions where practical.





ELIMINATION OF PVC

Our goal is to ensure that all non-pharma product packaging is free from Polyvinyl chloride (PVC) including timely elimination from newly acquired products.

HIGHLIGHTS OF 2023 ACCOMPLISHMENTS

- In 2023, we redesigned the packaging for our FLAWLESS Brows product by eliminating an unnecessary brush component, plastic hang tab and the PVC plastic tray within the carton. We also ensured the conversion from a black plastic thermoform to hold the product to a clear rPET component for recyclability in some locations. The reduction in the total amount of plastic and use of a smaller carton reduced the carbon footprint of our FLAWLESS Brows packaging by an estimated 33%. This lowered the amount of energy and water required in the manufacturing of the FLAWLESS Brows packaging by an estimated 37% and 27%, respectively.

PAPERBOARD SOURCING

Our goal is to source all paper and board packaging from certified sustainability managed forests and/or from 100% recycled content ensuring compliance for all future product acquisition, and in 2023, we achieved 99.8% certified sustainable board.

Compliance standards are in place with paperboard suppliers to ensure that the corrugated and carton board we use in our packaging is derived from 100% recycled board materials or sustainably sourced forests and is handled through the supply chain in a responsible manner. We will continue to partner with and challenge our paperboard suppliers to meet this lofty goal. All new supplier partners are directed to meet compliance with our certified paperboard goals.

HIGHLIGHTS OF 2023 ACCOMPLISHMENTS

- We moved to smaller sized detergent bottles in liquid laundry, which allowed for a reduction in shipper case dimensions, saving an estimated 5,000,000 pounds in corrugate material usage. All material is sustainably sourced, but this still allows for a reduction in CO2e carbon emissions by 2,200 metric tons per year.
- Certain of our WATERPIK products that are sold online moved to a one-color print corrugate carton using Forrest Stewardship Council certified materials. These new cartons replace the prior plastic clamshells, thereby helping to move to more renewably sustainable materials and less reliance on plastic.

